



CITY OF ASHLAND, OHIO

Comprehensive Annual Financial Report

For The Year Ended December 31, 2017





Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of the City of Ashland, Ashland County, prepared by Julian & Grube, Inc., for the audit period January 1, 2017 through December 31, 2017. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

August 20, 2018

This page intentionally left blank.

City of Ashland, Ohio

Comprehensive Annual Financial Report
For the Year Ended December 31, 2017

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



Introductory Section



*City of Ashland
Comprehensive Annual Financial Report
Year Ended December 31, 2017*

Table of Contents

	<i>Page</i>
<u>INTRODUCTORY SECTION</u>	
Table of Contents	i
Letter of Transmittal	v
City Officials.....	x
Organization Chart.....	xi
Certificate of Achievement	xii
 <u>FINANCIAL SECTION</u>	
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	4
Basic Financial Statements:	
Governmental-wide Financial Statements:	
Statement of Net Position	14
Statement of Activities.....	15
Fund Financial Statements:	
Balance Sheet – Governmental Funds	16
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	17
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual:	
General Fund.....	20
Street 60 Fund.....	21
Statement of Fund Net Position – Proprietary Funds	22
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds.....	23

*Table of Contents
(Continued)*

	<i>Page</i>
Statement of Cash Flows – Proprietary Funds.....	24
Statement of Fiduciary Net Position – Fiduciary Funds	25
Statement of Changes in Fiduciary Net Position – Fiduciary Fund.....	26
Notes to the Basic Financial Statements	27
 Required Supplementary Information:	
Schedule of the City’s Proportionate Share of the Net Pension Liability.....	67
Schedule of City Contributions.....	68
 Combining Statements:	
Combining Statements – Nonmajor Governmental Funds	
Fund Descriptions – Nonmajor Governmental Funds	70
Combining Balance Sheet – Nonmajor Governmental Funds	73
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	74
Combining Balance Sheet – Nonmajor Special Revenue Funds	75
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	80
Combining Balance Sheet – Nonmajor Debt Service Funds	85
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Debt Service Funds.....	86
Combining Balance Sheet – Nonmajor Capital Project Funds	87
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Project Funds.....	88
 Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual Governmental Funds – Major and Nonmajor:	
Major Fund Descriptions	89

*Table of Contents
(Continued)*

	<i>Page</i>
General Fund	90
City Income Tax Administration Fund.....	93
Street 60 Fund	94
Street Maintenance and Repair Fund	95
State Highway Fund	96
Permissive Tax Fund	97
City Permissive Fund	98
Bandshell Improvements Fund.....	99
Park and Recreation Fund	100
Nature Preserve Fund	101
Fire/Rescue Training Fund.....	102
Fire/Rescue Equipment Fund	103
Community Development Block Grant Fund.....	104
Ohio Regional Development Housing Fund	105
Firemens Pension Fund	106
Policemens Pension Fund.....	107
Property Management Fund	108
Drug Law Enforcement Fund.....	109
Enforcement and Education Fund	110
Ashland Public Transportation Fund.....	111
Municipal Court Computer Fund	112
Indigent Drivers Fund	113
Municipal Probation Fund.....	114
Police Donations Fund	115
Home Arrest Fund.....	116
Community Corrections Fund	117
Municipal Court Special Program Fund.....	118
CCA Monitoring Fund	119
Mayor’s Underprivileged Children Fund	120
Indigent Driver’s Interlock Fund.....	121
Continuing Education Fund.....	122
Industrial Park Fund	123
Emergency Grounds Maintenance Fund	124
Police 60 Fund.....	125
Fire 60 Fund	126
General Obligation Bond Retirement Fund.....	127
Note Retirement Fund	128
Capital Improvement Fund.....	129
Traffic Signal Improvement Fund.....	130
Tennis Court Improvement Fund.....	131
Ladder Truck Fund	132
Police Vehicle Improvement Fund	133

Combining Statements – Nonmajor Enterprise Funds

Fund Descriptions – Nonmajor Enterprise Funds.....	134
--	-----

*Table of Contents
(Continued)*

	<i>Page</i>
Combining Statement of Fund Net Position – Nonmajor Enterprise Funds	135
Combining Statement of Revenues, Expenses and Changes in Fund Net Position – Nonmajor Enterprise Funds	136
Combining Statement of Cash Flows – Nonmajor Enterprise Funds	137
 Combining Statements – Fiduciary Funds	
Fund Descriptions – Fiduciary Funds	138
Combining Statement of Fiduciary Assets and Liabilities – Agency Funds	139
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	140

STATISTICAL SECTION

Statistical Section Contents	S1
Revenue Capacity – Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Years	S2
Revenue Capacity – Direct and Overlapping Property Tax Rates – Last Ten Collection Years	S3
Revenue Capacity – Principal Property Tax Payers – 2017 and 2008	S4
Revenue Capacity – Property Tax Levies and Collections – Last Ten Years	S5
Revenue Capacity – Income Tax Revenue Base and Collections – Last Ten Years	S6
Revenue Capacity – Income Tax Statistics – Last Ten Years	S7
Debt Capacity - Ratios of Outstanding Debt to Total Personal Income and Debt Per Capita – Last Ten Years	S9
Debt Capacity – Ratios of Net General Bonded Debt Outstanding – Last Ten Years	S10
Debt Capacity – Direct and Overlapping Governmental Activities Debt – As of December 31, 2017	S11
Debt Capacity – Legal Debt Margin Information – Last Ten Years	S12
Demographic and Economic Information – Demographic and Economic Statistics – Last Ten Years	S13
Demographic and Economic Information – Principal Employers – Current Year and Nine Years Ago	S14
Financial Trends Information – Net Position by Component – Last Ten Years	S15
Financial Trends Information – Changes in Net Position – Last Ten Years	S16
Financial Trends Information – Program Revenues by Function/Program – Last Ten Years	S18
Financial Trends Information – Fund Balances, Governmental Funds – Last Ten Years	S19
Financial Trends Information – Changes in Fund Balances, Governmental Funds – Last Ten Years	S20
Operating Information – Full-Time Equivalent City Governmental Employees By Function/Program - Last Ten Years	S22
Operating Information – Operating Indicators by Function/Program – Last Ten Years	S23
Operating Information – Capital Asset Statistics by Function/Program – Last Ten Years	S25



FINANCE DIVISION
206 CLAREMONT AVE.
ASHLAND, OHIO 44805
PHONE: 419.289.8170
FAX: 419.281.0400

INCOME TAX DIVISION
218 LUTHER STREET
ASHLAND, OHIO 44805
PHONE: 419.289.0386
FAX: 419.289.9225

City of Ashland

June 21, 2018

Dear, Mayor Matt Miller, Law Director Richard P. Wolfe, Municipal Court Judge John L. Good, Ashland City Council Members Steve Workman, Robert Valentine, Dennis Miller, Al Farnam, Dan Lawson, Business Partners, Investors and Fellow Citizens;

The Comprehensive Annual Financial Report

Attached please find the City of Ashland's Comprehensive Annual Financial Report for the year ending December 31, 2017. As a part of our commitment to good government transparency, and as a requirement of the State of Ohio, we have prepared this report for your review and consideration. In conjunction with preparing this report we have filed our Basic Financial Statements with the Auditor of State's office within one hundred and fifty (150) days of the mandatory year end requirement. It is our hope that you find this report both helpful and informative in detailing our local government's activities and initiatives. This report was prepared pursuant to Generally Accepted Accounting Principles (GAAP). That standard requires the City to adhere to 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 an informational statistical section. We have diligently worked to prepare a complete and accurate representation of the information contained within this report. We also have included a section of the Management Discussion and Analysis (MD&A). The MD&A section provides a narrative of our financial statements, as well as an overview of information contained within the report and our community.

The annual audit for the City was performed in cooperation with the Honorable Auditor of State Mr. David Yost's Columbus Regional Office. Auditor Yost's office and the city have entered into a contract with the IPA firm Julian & Grube Inc. a Certified Public Accounting firm to perform the annual audit for the City. The City also independently has employed Rea & Associates, Inc., another Certified Public Accounting firm to assist it in the preparation of the Basic Financial Statements and the Comprehensive Annual Financial Report (CAFR) contained within this report.

As a part of this report Julian & Grube, Inc. have issued an unqualified (“clean”) opinion of the City of Ashland’s financial statements for the year ended December 31, 2017. The independent auditor’s report is located in the front of the financial section of this report. The Auditor of States office has acknowledged the completion of the annual audit.

Historical Background

The Village of Uniontown, Ohio was founded on July 28, 1815. On April 12, 1823 the first U.S. Post Office was established in the village. An election was held to adopt a charter changing the form of government from a Village to a City. This election was held on the 18th, day of June, 1914. The outcome of the election was 425 citizens voting in favor and 145 voting against the measurer. The City of Ashland continues today as a municipal corporation formed under the laws of the State of Ohio and that Charter of the City of Ashland. In an effort to stay attuned to the changing times the Charter has been amended by the voters periodically addressing those changes. About the time of the changing in then type of government the name was also changed from Uniontown to Ashland.

The Charter Preamble reads ”We, the people of the City of Ashland, in order that we may have the benefits of municipal home rule and exercise all the powers of local self-government do frame and adopt this Charter for the government of the aforesaid City of Ashland.

Profile of the Government

The City of Ashland is located in the North Central part of the State of Ohio and encompasses 10.9976 square miles. The City of Ashland is home to 20,362 citizens. Located in Ashland County, the City is the largest municipal government within the county. The Ashland County Government offices are located within the City of Ashland. The City’s management team consists of an elected Mayor serving as the Chief Executive officer as well as the Service & Safety Director. An elected Director of Law serving as chief legal advisor and prosecutor. An elected Director of Finance serving as chief financial and accounting officer. An elected Council President serving as the head of the legislative branch and presiding officer of the City Council meetings. The Council President is chosen from the five elected councilpersons and is appointment by the remaining four councilpersons. The citizens elect four individuals from their prospective wards to serve as their council representatives and one councilperson-at-large serving as the entire community representative. An elected Municipal Court Judge serving both the Municipal and County Jurisdictions in matters other than Juvenile and Common Pleas Court actions. All elected officials serve the community as independent office holders. All officials are elected at staggered four year terms, except for the Judge who is elected to a six year term. The staggered terms provides consistency to the government by blending elected leaders with different levels of experience and knowledge.

The City provides a full range of services as directed by its' Charter. These services include Police & Fire protection, Law Administration and Enforcement, Health Care 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 city's funding process, taxing authority, and / or the city's obligation to fund those activities.

Annual tax budgets are prepared for all funds and departments of the city and approved. Annual spending appropriations are prepared and adopted. Both the Tax Budgets and the Annual Spending Appropriations are approved by the legislative body. The spending appropriation builds upon the tax budget which establishes revenues streams. All Budgets and Appropriations are prepared at the department levels of controls and projected five years into the future

Financial Policies & Management Initiatives

The City utilizes accounting policies, and procedures that operate within the parameters of the Charter of the City of Ashland, the Ohio Revised Code and the Administrative Code of the State of Ohio. The City follows all Federal and State Laws and Regulations, as well as pronouncements made by the Government Accounting Standards Board (GASB). Best practice management processes are determined and implemented by each elected official with respect to their areas of responsibilities. All elected officials seek and determine their own procurement guidelines for goods and services but operate under one main purchasing policy.

The City continually strives to developing long-term financial plans in an effort to increase its major fund reserve balances. One of these initiatives is aggressively retiring long term debt. Another is issuing short term financing where possible in an effort to reduce interest costs.

An end of accounting period cash carryover policy for major funds stipulates that an estimated dollar amount of three payrolls will be carried forward each year for major operating funds. The City's management continually monitors operational costs including personnel, health care and production cost in an effort to make sure revenue and expenditure targets meet and community needs.

Major Initiatives

The City continued its catch basin replacement funding the program solely through the storm water surcharge that the rate payers pay monthly. In 2017 the construction was completed on the State Route 96 / 42 / US RT 250 intersection with the Ohio Department of Transportation overseeing the project. The cost of this project exceeded \$8,473,424.00 with the city participating in the project through a \$500,000.00 small city grant and \$500,000.00 loan program. Construction of two traffic signals on Claremont Ave. continued with a project cost of \$418,726.00. The funding for this project came from the Ohio Public Works Commission paying 80%, and the City paying the other 20% from permissive tax collection.

The Ohio Environment Protection Agency has directed the City make improvements to its Waste Water Treatment Facility. The design work continued through 2017 for this project with an anticipated start date for construction in 2018. The funding for this project will be paid solely for by user fees that have and will be collected into the future for this project.

2017 was the first full year of the additional one half (1/2%) percent income tax collection approved by the voters in 2016. One half of this funding is being used for street resurfacing. The other half is being divided equally to employee additional Police & Fire Division staff and purchase equipment for those divisions. It is intended for those additional staff to eventually replace retiring employees from those divisions. In anticipation of the street resurfacing program the city issue three million dollars in bond anticipation notes (bans) in 2017. This additional funding allowed the City to issue a resurfacing contract in the amount of \$1,750,000.00 and pave several municipal roadways.

Economy

The economy continued to improve at a steady pace. The local business climate improved during the year. Some business expanded their investments and employment while other consolidated changing management teams or ownerships. The local economy was supported by the efforts of Ashland Area Economic Development Inc., and The Ashland Area Chamber of Commerce.

Retail markets remained strong during the year with a surge coming during the holiday season. A new Hampton Inn opened in 2017. This facility enhanced the community's lodging market to make it more accommodating to the Interstate 71 door trade. A new strip mall was competed allowing for more retail markets.

In 2017 the housing market increased during the construction season with few new homes being built. A new housing development was also began that when completed will accommodate an additional 12 new homes.

The Ashland University one of the pillars' in our community for over 140 years and continues today training the next generation in a private, liberal arts and sciences setting. Curriculums include Arts & Sciences, Business & Economics, Education and Nursing and Health Sciences, Graduate courses, Online, Adult studies; Continuing Education; and the Ashland Theological Seminary.

These activities and many more all contributed to the positive positioning of our community for the future while establishing a sound financial base for the city to operate from.

Disclaimer

Information that is contained within this report utilizes a comprehensive framework to ensure that this information is reliable and accurate. Because the cost of internal controls should not exceed the benefit derived from such controls, the information provided the report is free from any material misstatements to the best of our knowledge and ability.

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, 2016. This was the tenth consecutive year the City of Ashland has achieved this prestigious award for financial reporting. To achieve this award the city has prepared and published an easily readable and efficiently organized comprehensive annual financial report. This report satisfies both general accepted accounting principles and all 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 cooperation of our associates at the State Auditor's Office, Julian & Grube Inc., Rea & Associates, and most importantly the hard working and dedicated staff of the Finance / Income Tax / Utility Division employees. I publicly would like to express my sincere appreciation for all of my employee's hard work and dedication to their jobs and our community throughout the year. It is our hope that you find this report most informative of your government's activities. We strive to excel in financial reporting of your governments accomplishments within the reasonable cost associated with that benefit.

Sincerely,



Larry D. Paxton
Director of Finance
Finance / Income Tax / Utility Administer

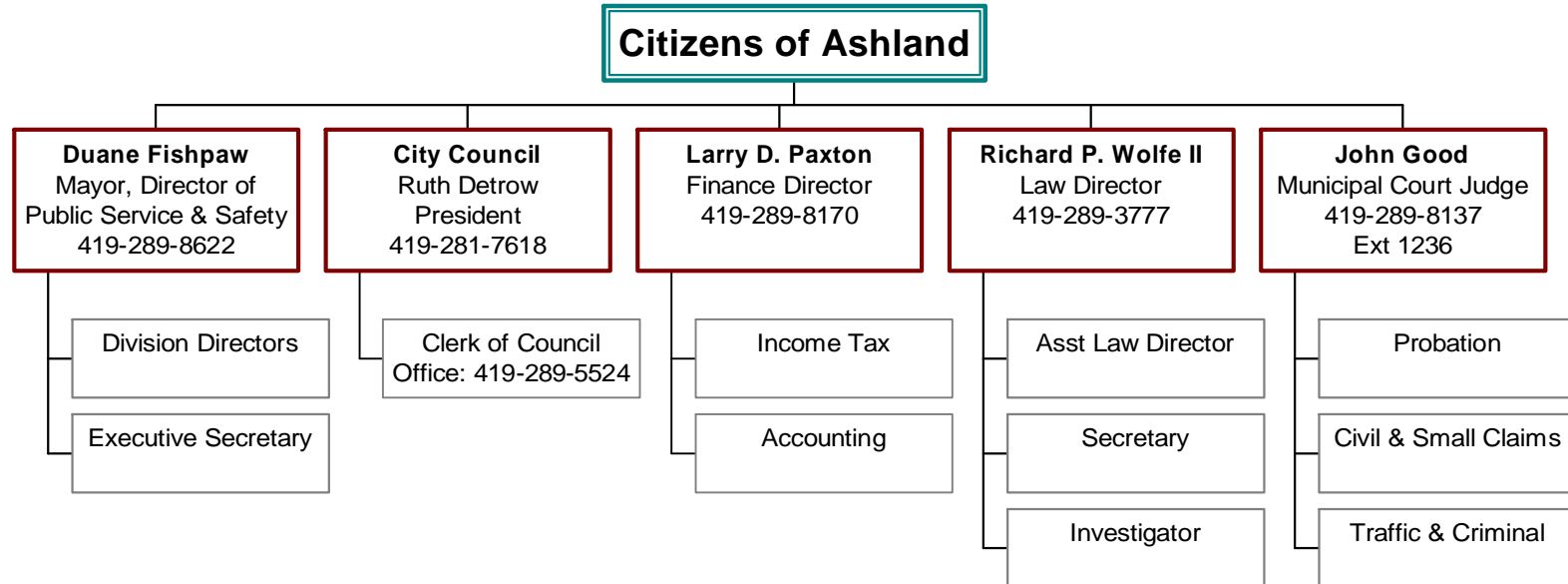
**CITY OF ASHLAND, OHIO
ASHLAND COUNTY
ELECTED AND
ADMINISTRATIVE PERSONNEL
AS OF DECEMBER 31, 2017**

Mayor	Glen P. Stewart* retired
Mayor	Duane R. Fishpaw appointed
Judge Municipal Court	John Good*
Law Director	Richard Wolfe*
Finance Director	Larry Paxton*
Council Ward 1	Duane R. Fishpaw*
Council Ward 1	Steve Workman appointed
Councilperson Ward 2	Robert Valentine*
Councilperson President Ward 3	Ruth G. Detrow*
Councilperson Ward 4	Sandra Tunnell*
Councilperson at Large	Matt Miller*
Police Chief	David Marcelli
Fire Chief	Richard Anderson
City Engineer	Shane Kremser
Director of Human Resources	Mark Burgess
Director of City Utilities	Michael Hunter
Director of City Services	Jerry Mack
Brookside Golf Course	Terry Valentine
Clerk of Courts	Eric Akers
Information Technology	Aaron Doerrer

* elected position



City of Ashland Elected Officials





Government Finance Officers Association

**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, 2016

Christopher P. Morill

Executive Director/CEO

Financial Section





Julian & Grube, Inc.
Serving Ohio Local Governments

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

Independent Auditor's Report

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

To the Members of Council and Mayor:

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, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City of Ashland'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 of Ashland'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 of Ashland's internal control. Accordingly, we express no such 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.

Independent Auditor's Report
City of Ashland

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, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Street 60 funds, 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* and schedules of net pension liabilities and pension contributions 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 of Ashland'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 statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information 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 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.

Independent Auditor's Report
City of Ashland

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2018, on our consideration of the City of Ashland'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 of Ashland's internal control over financial reporting and compliance.

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

Julian & Grube, Inc.
June 21, 2018

This page intentionally left blank.

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2017
(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, 2017. 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 2017 are as follows:

- In total, net position decreased \$151,466, which represents a less than 1 percent decrease from 2016. Net position of governmental activities increased \$234,059. Net position of business-type activities decreased \$385,525.
- Total capital assets decreased \$1,142,266 in 2017. Capital assets of governmental activities decreased \$35,115 and capital assets of business-type activities decreased \$1,107,151.
- Outstanding debt increased from \$11,152,868 to \$12,873,972 due to proceeds exceeding principal payments during 2017.

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 2017 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 is by far the most significant fund. 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, 2017
(Unaudited)

A question typically asked about the City's finances "How did we do financially during 2017?" The Statement of Net Position and the Statement of Activities answer this question. These statements include *all assets and deferred outflows of resources and liabilities and deferred inflows of resources* (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 60 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, 2017
(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 2017 compared to 2016:

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Assets						
Current and Other Assets	\$ 14,817,630	\$ 10,387,588	\$ 11,747,424	\$ 11,060,778	\$ 26,565,054	\$ 21,448,366
Capital Assets	24,416,063	24,451,178	34,036,751	35,143,902	58,452,814	59,595,080
<i>Total Assets</i>	<u>39,233,693</u>	<u>34,838,766</u>	<u>45,784,175</u>	<u>46,204,680</u>	<u>85,017,868</u>	<u>81,043,446</u>
Deferred Outflows of Resources						
Deferred Charges on Refunding	22,573	26,498	77,029	90,426	99,602	116,924
Pension	4,332,407	4,578,939	1,604,598	1,207,927	5,937,005	5,786,866
<i>Total Deferred Outflows of Resources</i>	<u>4,354,980</u>	<u>4,605,437</u>	<u>1,681,627</u>	<u>1,298,353</u>	<u>6,036,607</u>	<u>5,903,790</u>
Liabilities						
Other Liabilities	2,874,101	471,088	139,703	157,856	3,013,804	628,944
Long-Term Liabilities:						
Due Within One Year	1,215,772	704,334	886,356	833,228	2,102,128	1,537,562
Due in More Than One Year						
Net Pension Liability	17,514,663	16,766,721	4,101,222	3,158,473	21,615,885	19,925,194
Other Amounts	1,575,226	1,766,369	7,949,360	8,702,387	9,524,586	10,468,756
<i>Total Liabilities</i>	<u>23,179,762</u>	<u>19,708,512</u>	<u>13,076,641</u>	<u>12,851,944</u>	<u>36,256,403</u>	<u>32,560,456</u>
Deferred Inflows of Resources						
Property Taxes and Other	1,187,096	1,170,275	0	0	1,187,096	1,170,275
Pension	547,643	125,303	186,510	62,913	734,153	188,216
<i>Total Deferred Inflows of Resources</i>	<u>1,734,739</u>	<u>1,295,578</u>	<u>186,510</u>	<u>62,913</u>	<u>1,921,249</u>	<u>1,358,491</u>
Net Position						
Net Investment in Capital Assets	22,966,271	23,179,172	25,586,911	25,872,307	48,553,182	49,051,479
Restricted	5,827,078	4,516,239	0	0	5,827,078	4,516,239
Unrestricted	(10,119,177)	(9,255,298)	8,615,740	8,715,869	(1,503,437)	(539,429)
<i>Total Net Position</i>	<u>\$ 18,674,172</u>	<u>\$ 18,440,113</u>	<u>\$ 34,202,651</u>	<u>\$ 34,588,176</u>	<u>\$ 52,876,823</u>	<u>\$ 53,028,289</u>

Under the standards required by GASB 68, the net pension liability equals the City's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2017
(Unaudited)

GASB notes that pension obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer’s promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the City’s statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan’s *change* in net pension liability not accounted for as deferred inflows/outflows of resources.

At year end, capital assets represented 69 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 \$48,553,182 at December 31, 2017, with \$22,966,271 in governmental activities and \$25,586,911 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, \$5,827,078 or 11 percent represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position is a deficit balance of \$1,503,437.

Current assets of governmental activities increased \$4,430,042 mainly due to an increase in cash related to bond anticipation notes being issued but the proceeds were not spent. An increase in taxes receivable due to a half of a percent increase in income taxes, offset by a decrease in prepaids and materials and supplies make up the rest of the increase in 2017.

Current liabilities in governmental funds increased \$2,403,013 in 2017 mainly due to issuance of notes payable in the street 60 fund.

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2017
(Unaudited)

Long term liabilities of governmental activities increased \$1,068,237. This increase is mainly due to an increase in net pension liability and other long term liabilities.

Business type activities/enterprise funds saw an increase of \$686,646 in current assets. This increase is due to increasing cash balances as well as an increase in both prepaids and materials and supplies inventory. Long term liabilities increased \$242,850 due to an increase of \$942,749 increase in net pension liability offset by a decrease of \$753,027 in other long term liabilities from debt retirement.

Table 2 shows the changes in net position for fiscal year 2017 and 2016.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues						
<i>Program Revenues:</i>						
Charges for Services	\$ 2,713,800	\$ 2,738,978	\$ 10,150,171	\$ 10,080,146	\$ 12,863,971	\$ 12,819,124
Operating Grants	1,985,583	1,537,755	0	0	1,985,583	1,537,755
Capital Grants	285,875	1,258,208	0	158,210	285,875	1,416,418
<i>General Revenues:</i>						
Property Taxes	1,095,238	1,072,104	0	0	1,095,238	1,072,104
Income Taxes	14,248,752	9,746,581	0	0	14,248,752	9,746,581
Other Taxes	6,609	5,432	0	0	6,609	5,432
Grants and Entitlements	407,689	395,430	0	0	407,689	395,430
Investment Earnings	121,075	23,515	0	0	121,075	23,515
Miscellaneous	502,506	118,808	0	2,113	502,506	120,921
<i>Total Revenues</i>	<u>21,367,127</u>	<u>16,896,811</u>	<u>10,150,171</u>	<u>10,240,469</u>	<u>31,517,298</u>	<u>27,137,280</u>
Program Expenses						
General Government	5,371,248	4,627,063	0	0	5,371,248	4,627,063
Security of Persons and Property	9,093,099	8,674,504	0	0	9,093,099	8,674,504
Public Health	353,126	316,857	0	0	353,126	316,857
Leisure Time Services	1,026,708	874,829	0	0	1,026,708	874,829
Community Development	605,713	276,464	0	0	605,713	276,464
Transportation	4,693,766	2,491,259	0	0	4,693,766	2,491,259
Interest and Fiscal Charges	45,046	53,318	0	0	45,046	53,318
<i>Enterprise Operations:</i>						
Water	0	0	3,891,852	3,300,071	3,891,852	3,300,071
Sewer	0	0	3,499,914	3,091,306	3,499,914	3,091,306
Sanitation	0	0	1,860,019	1,539,953	1,860,019	1,539,953
Stormwater Management	0	0	460,837	476,503	460,837	476,503
Golf Course	0	0	688,671	544,880	688,671	544,880
Swimming Pool	0	0	78,765	100,068	78,765	100,068
<i>Total Program Expenses</i>	<u>21,188,706</u>	<u>17,314,294</u>	<u>10,480,058</u>	<u>9,052,781</u>	<u>31,668,764</u>	<u>26,367,075</u>
<i>Increase (Decrease) in Net Position</i>	178,421	(417,483)	(329,887)	1,187,688	(151,466)	770,205
Transfers	55,638	92,898	(55,638)	(92,898)	0	0
<i>Change in Net Position</i>	234,059	(324,585)	(385,525)	1,094,790	(151,466)	770,205
<i>Net Position Beginning of Year</i>	18,440,113	18,764,698	34,588,176	33,493,386	53,028,289	52,258,084
<i>Net Position End of Year</i>	<u>\$ 18,674,172</u>	<u>\$ 18,440,113</u>	<u>\$ 34,202,651</u>	<u>\$ 34,588,176</u>	<u>\$ 52,876,823</u>	<u>\$ 53,028,289</u>

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2017
(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 charges for services.

In 2017, the City levied a 0.5 percent increase in the income tax rate making the new tax rate 2 percent. This increase is due to a five year levy passed by residents to pay for safety services and street paving. 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.

Governmental revenue is comprised of program revenue and general revenue. General revenues include grants and entitlements, such as local government funds. Governmental activities are primarily funded with the combination of property tax, income tax and intergovernmental revenues. The City monitors its sources of revenues very closely for fluctuations.

Capital grants showed a decrease of \$972,333 due to a large donation received in prior year.

Community development expense decreased in 2016 by \$329,249 due to less money being spent in the Ohio regional development fund.

Police and fire represent the largest expense of the governmental activities. This expense of \$9,093,099 represents 43 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 \$4,693,766, representing 22 percent of total governmental activities expenses, during 2017.

The City also maintains a health department (public health) and a park (leisure time services) within the City. These areas had expenses of \$1,379,834 in 2017 equaling 7 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 2017, charges for services of \$10,150,171 accounted for 100 percent of the business type revenues. The total expenses for the utilities were \$10,480,058 thus leaving a decrease in net position of \$385,525 for the business-type activities.

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2017
(Unaudited)

The City's Funds

Governmental Funds

Information about the City's governmental funds begins on page 16. These funds are accounted for using the modified accrual method of accounting. All governmental funds had revenues of \$21,014,394 and expenditures of \$20,276,063. The funds are monitored consistently with adjustments made throughout the year in budgets to accommodate yearly revenues.

The general fund's net change in fund balance for year end 2017 was an increase of \$150,575.

The street 60 fund's net change in fund balance for 2017 was \$611,069 due to the timing of capital projects and revenues, which included a \$1 million issuance of notes.

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 \$484,642, unrestricted net position of the sanitation fund was \$1,076,306 and the unrestricted net position of the sewer fund was \$7,001,788. The water and sanitation funds showed a decrease in net position of \$322,923 and \$83,069, respectively. The total growth in net position for the sewer fund was \$216,853. 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 2017, the City amended its general fund budget on various occasions. All recommendations for appropriation changes come to Council from the Director of Finance.

For the general fund, the actual budget basis revenue was \$11,315,385 representing an increase of \$717,283 over the final budget estimate of \$10,598,102. Most of this difference was attributable to an underestimation of income taxes and other revenues. The final budget revenues were \$332,185 higher than original budget revenues of \$10,265,917. Estimates were adjusted as income tax receipts were higher than originally anticipated.

Final expenditure appropriations of \$11,553,212 were \$789,727 higher than the actual expenditures of \$10,763,485 as cost savings were recognized for general government and security of persons and property throughout the year. Final expenditure appropriations were \$38,144 less than the original budget appropriations of \$11,591,356.

The only significant variance in the budget was the transfers out were not originally budgeted.

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2017
(Unaudited)

Capital Assets and Debt Administration

Capital Assets

At the end of year 2017, the City had \$58,452,814 invested in capital assets. A total of \$24,416,063 of this was for governmental activities and \$34,036,751 being attributable to business-type activities. Table 3 shows fiscal year 2017 balances compared with 2016.

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

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 7,005,875	\$ 6,972,855	\$ 3,625,141	\$ 3,625,141	\$ 10,631,016	\$ 10,597,996
Construction in Progress	569,982	395,310	13,400	513,629	583,382	908,939
Buildings and Improvements	4,168,310	4,057,898	6,524,234	6,773,936	10,692,544	10,831,834
Equipment	704,384	797,923	853,656	1,033,476	1,558,040	1,831,399
Vehicles	2,069,891	1,477,454	1,118,783	802,379	3,188,674	2,279,833
Streets	8,892,731	9,627,386	0	0	8,892,731	9,627,386
Bridges	330,719	381,400	0	0	330,719	381,400
Street Lighting	674,171	740,952	0	0	674,171	740,952
Infrastructure	0	0	21,901,537	22,395,341	21,901,537	22,395,341
Total	\$ 24,416,063	\$ 24,451,178	\$ 34,036,751	\$ 35,143,902	\$ 58,452,814	\$ 59,595,080

The \$35,115 decrease in capital assets of governmental activities was attributable to current year depreciation and disposals exceeding additional purchases. The \$1,107,151 decrease in capital assets of business-type activities is due to current year depreciation and disposals exceeding additional purchases. See Note 8 for additional information about the capital assets of the City.

Debt

The outstanding debt for the City as of December 31, 2017 was \$12,873,972. See Note 13 for additional details. Table 4 summarizes outstanding debt.

Table 4
Outstanding Debt, at December 31

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
General Obligation Bonds	\$ 1,110,000	\$ 1,280,000	\$ 8,400,000	\$ 9,220,000	\$ 9,510,000	\$ 10,500,000
Premium on Bonds	9,102	10,684	126,870	142,184	135,972	152,868
Notes	1,000,000	500,000	0	0	1,000,000	500,000
Total	\$ 2,119,102	\$ 1,790,684	\$ 8,526,870	\$ 9,362,184	\$ 10,645,972	\$ 11,152,868

The City also issued short-term notes payable in the amount of \$2,228,000 for street maintenance and repairs. See Note 15 for details.

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2017
(Unaudited)

Economic Factors

In 2017 the City's economy continued to improve. The businesses climate increased at a steady pace with some businesses consolidating and transitioning to new managements. Existing businesses located in the Industrial Park began major expansion projects which included increased employment opportunities. The city's unemployment leveled off near 4.7%. According to the County Auditor's Office the overall City property values increased for 2017 by \$33,572,340 with a new city wide value of \$346,121,270.

Retail markets remained strong during the year. A new Hampton Inn opened for business during the year bringing the total to five hotels and motels serving the local tourist market. A new strip mall opened bringing new retail markets and restaurants to the community.

The housing market increased slightly during the construction season. A new housing development was begun to accommodate approximately a dozen new homes with two being built.

The Ashland University, one of the pillars of our community for over 140 years, continued to prosper training young minds in a private, liberal arts and science setting. Curriculums include Arts & Sciences, Business & Economics, Education and Nursing and Health Sciences, Graduate courses, Online, Adult studies; Continuing Education; and the Ashland Theological Seminary.

2017 was the initial year that the additional ½% Income Tax rate began to be collected. This additional tax is allocated half going to street resurfacing and the other half going to employ additional Police & Fire Personnel. Income Tax collection increased overall from the previous year in all categories by 31.3%. Individual Taxes increased by 17.7%, Withholding Taxes increased by 26.0%, Business Profit Taxes increased by 80.6 percent. Overall income tax collections increased by \$3,160,549 to a new total of \$13,272,716, which exceeded our projections by about 12.3%.

All operating funds of the City continued to produce according to projections with modest gains in cash balances. Because a portion of the Income Tax increase was promoted for road resurfacing the City borrowed \$3,000,000 in anticipation of street resurfacing for 2017. During the year the City continued to retire debt in accordance with its schedules and commitments. The City continues to maintain its Aa1 bond rating and enjoys those savings in interest costs.

Grant funding was reallocated because of a consolidation of Federal Funding being processed through the County level rather than the City level. The local allocated Community Development Block Grants also went to a by-annual schedule of every two years.

The Government Accounting Standards Board (GASB) implemented rules concerning the accounting for and disclosure of public pensions by local governments. This rule identifies the financial condition of the state's pension funds but is not a representation of the City's actual Financial Condition. This rule continues to adversely impact local governments throughout Ohio particularly through their bond ratings.

The State of Ohio implemented changes to the Municipal Income Tax code that will also impact the City. The first change being that all Municipal Governments in the State of Ohio must implement Net Loss Carried Forward (NOL) systems for business profits. The City of Ashland had never offered that tax benefit before within its tax codes. The second initiative developed a system where the State of Ohio Department of Taxation could also begin collecting business profit taxes instead of the City. Both laws sound positive for businesses but impact the City's ability to collect and estimate the amount of business profit taxes it will collect in the future.

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2017
(Unaudited)

Looking to the future the City of Ashland continues to be challenged to meet the needs of our community, our stakeholders and our employees. Our task remains the same to provide the best possible services with the revenues we receive. We are determined to make the right choices with a compassionate but disciplined approach in controlling costs while exploring possible new sources of revenue and opportunities.

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, 2017

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 9,036,298	\$ 10,218,623	\$ 19,254,921
Cash in Segregated Accounts	0	2,809	2,809
Accounts Receivable	216,895	1,060,835	1,277,730
Intergovernmental Receivable	1,112,662	158,210	1,270,872
Taxes Receivable	4,026,747	0	4,026,747
Prepaid Items	312,636	129,112	441,748
Materials and Supplies Inventory	112,392	177,835	290,227
Non-Depreciable Capital Assets	7,575,857	3,638,541	11,214,398
Depreciable Capital Assets, Net	16,840,206	30,398,210	47,238,416
<i>Total Assets</i>	<u>39,233,693</u>	<u>45,784,175</u>	<u>85,017,868</u>
Deferred Outflow of Resources			
Deferred Charges on Refunding Pension	22,573	77,029	99,602
	4,332,407	1,604,598	5,937,005
<i>Total Deferred Outflow of Resources</i>	<u>4,354,980</u>	<u>1,681,627</u>	<u>6,036,607</u>
Liabilities			
Accounts Payable	167,419	24,746	192,165
Accrued Wages	167,767	52,989	220,756
Contracts Payable	125,263	0	125,263
Intergovernmental Payable	151,406	36,499	187,905
Accrued Interest Payable	2,818	25,469	28,287
Accrued Vacation Leave Payable	29,607	0	29,607
Matured Compensated Absences Payable	1,821	0	1,821
Notes Payable	2,228,000	0	2,228,000
Long-Term Liabilities:			
Due Within One Year	1,215,772	886,356	2,102,128
Due in More Than One Year:			
Net Pension Liability (See Note 11)	17,514,663	4,101,222	21,615,885
Other Amounts Due in More Than One Year	1,575,226	7,949,360	9,524,586
<i>Total Liabilities</i>	<u>23,179,762</u>	<u>13,076,641</u>	<u>36,256,403</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	1,187,096	0	1,187,096
Pension	547,643	186,510	734,153
<i>Total Deferred Inflows of Resources</i>	<u>1,734,739</u>	<u>186,510</u>	<u>1,921,249</u>
Net Position			
Net Investment in Capital Assets	22,966,271	25,586,911	48,553,182
Restricted For:			
Debt Service	445,517	0	445,517
Capital Outlay	542,275	0	542,275
Roads and Bridges	1,519,615	0	1,519,615
Police and Fire	1,602,347	0	1,602,347
Public Transportation	441,182	0	441,182
Municipal Court Programs	1,037,962	0	1,037,962
Community Development	238,180	0	238,180
Unrestricted	(10,119,177)	8,615,740	(1,503,437)
<i>Total Net Position</i>	<u>\$ 18,674,172</u>	<u>\$ 34,202,651</u>	<u>\$ 52,876,823</u>

See accompanying notes to the basic financial statements.

City of Ashland
Ashland County, Ohio
Statement of Activities
For the Year Ended December 31, 2017

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government	\$ 5,371,248	\$ 718,984	\$ 318,365	\$ 49,996	\$ (4,283,903)	\$ 0	\$ (4,283,903)
Security of Persons and Property	9,093,099	1,801,640	194,949	235,879	(6,860,631)	0	(6,860,631)
Public Health	353,126	34,016	0	0	(319,110)	0	(319,110)
Leisure Time Services	1,026,708	82,238	51,857	0	(892,613)	0	(892,613)
Community Development	605,713	59,559	239,150	0	(307,004)	0	(307,004)
Transportation	4,693,766	17,363	1,181,262	0	(3,495,141)	0	(3,495,141)
Interest and Fiscal Charges	45,046	0	0	0	(45,046)	0	(45,046)
<i>Total Governmental Activities</i>	<u>21,188,706</u>	<u>2,713,800</u>	<u>1,985,583</u>	<u>285,875</u>	<u>(16,203,448)</u>	<u>0</u>	<u>(16,203,448)</u>
Business-Type Activities							
Water	3,891,852	3,554,769	0	0	0	(337,083)	(337,083)
Sewer	3,499,914	3,870,427	0	0	0	370,513	370,513
Sanitation	1,860,019	1,776,950	0	0	0	(83,069)	(83,069)
Stormwater Management	460,837	521,567	0	0	0	60,730	60,730
Golf Course	688,671	369,416	0	0	0	(319,255)	(319,255)
Swimming Pool	78,765	57,042	0	0	0	(21,723)	(21,723)
<i>Total Business-Type Activities</i>	<u>10,480,058</u>	<u>10,150,171</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(329,887)</u>	<u>(329,887)</u>
<i>Total Primary Government</i>	<u>\$ 31,668,764</u>	<u>\$ 12,863,971</u>	<u>\$ 1,985,583</u>	<u>\$ 285,875</u>	<u>(16,203,448)</u>	<u>(329,887)</u>	<u>(16,533,335)</u>
General Revenues:							
Property Taxes Levied for:							
General Purposes					551,255	0	551,255
Police and Fire Pension					171,531	0	171,531
Park and Recreation					53,669	0	53,669
Debt Service					137,850	0	137,850
Street Maintenance and Repair					180,933	0	180,933
Income Taxes Levied for:							
General Purposes					11,155,690	0	11,155,690
Street Maintenance and Repair					2,410,509	0	2,410,509
Park and Recreation					682,553	0	682,553
Hotel Lodging Tax					6,609	0	6,609
Grants and Entitlements not Restricted to Specific Programs							
					407,689	0	407,689
Investment Earnings					121,075	0	121,075
Miscellaneous					502,506	0	502,506
<i>Total General Revenues</i>					<u>16,381,869</u>	<u>0</u>	<u>16,381,869</u>
Transfers					55,638	(55,638)	0
<i>Change in Net Position</i>					234,059	(385,525)	(151,466)
<i>Net Position Beginning of Year</i>					<u>18,440,113</u>	<u>34,588,176</u>	<u>53,028,289</u>
<i>Net Position End of Year</i>					<u>\$ 18,674,172</u>	<u>\$ 34,202,651</u>	<u>\$ 52,876,823</u>

See accompanying notes to the basic financial statements.

City of Ashland
Ashland County, Ohio
Balance Sheet
Governmental Funds
December 31, 2017

	General	Street 60	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Investments	\$ 1,527,383	\$ 2,393,493	\$ 5,115,422	\$ 9,036,298
Accounts Receivable	155,906	6,325	54,664	216,895
Intergovernmental Receivable	182,287	0	930,375	1,112,662
Taxes Receivable	2,254,264	461,469	1,311,015	4,026,748
Interfund Receivable	2,170	0	0	2,170
Prepaid Items	251,210	0	61,426	312,636
Materials and Supplies Inventory	0	0	112,392	112,392
<i>Total Assets</i>	<u>\$ 4,373,220</u>	<u>\$ 2,861,287</u>	<u>\$ 7,585,294</u>	<u>\$ 14,819,801</u>
Liabilities				
Accounts Payable	\$ 81,594	\$ 0	\$ 85,825	\$ 167,419
Accrued Wages	136,081	0	31,686	167,767
Contracts Payable	0	0	125,263	125,263
Intergovernmental Payable	126,651	0	24,755	151,406
Interfund Payable	0	0	2,170	2,170
Matured Compensated Absences Payable	1,821	0	0	1,821
Notes Payable	0	2,000,000	228,000	2,228,000
<i>Total Liabilities</i>	<u>346,147</u>	<u>2,000,000</u>	<u>497,699</u>	<u>2,843,846</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	611,875	0	575,221	1,187,096
Unavailable Revenue	1,050,149	250,218	962,192	2,262,559
<i>Total Deferred Inflows of Resources</i>	<u>1,662,024</u>	<u>250,218</u>	<u>1,537,413</u>	<u>3,449,655</u>
Fund Balances				
Nonspendable	251,210	0	173,818	425,028
Restricted	0	611,069	5,003,131	5,614,200
Committed	0	0	590,328	590,328
Assigned	1,508,468	0	0	1,508,468
Unassigned	605,371	0	(217,095)	388,276
<i>Total Fund Balances</i>	<u>2,365,049</u>	<u>611,069</u>	<u>5,550,182</u>	<u>8,526,300</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 4,373,220</u>	<u>\$ 2,861,287</u>	<u>\$ 7,585,294</u>	<u>\$ 14,819,801</u>

See accompanying notes to the basic financial statements.

City of Ashland
Ashland County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2017

Total Governmental Fund Balances		\$ 8,526,300
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		24,416,063
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:		
Property Taxes	\$ 71,393	
Income Tax	1,501,010	
Intergovernmental	661,706	
Charges for Services	<u>28,449</u>	2,262,558
Accrued interest payable is not due and payable in the current period and therefore not reported in the funds.		(2,818)
Unamortized balances of bond related transactions are not recorded in the funds.		
Unamortized deferred charges on refundings		22,573
The net pension liability is not due and payable in the current period, and the net pension asset is not available for spending in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds.		
Deferred Outflows - Pension	4,332,407	
Deferred Inflows - Pension	(547,643)	
Net Pension Liability	<u>(17,514,663)</u>	(13,729,899)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(1,110,000)	
Bond Anticipation Note	(1,000,000)	
Unamortized Bond Premium	(9,102)	
Accrued Vacation Leave Payable	(29,607)	
Compensated Absences	<u>(671,896)</u>	<u>(2,820,605)</u>
 <i>Net Position of Governmental Activities</i>		 <u><u>\$ 18,674,172</u></u>

See accompanying notes to the basic 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, 2017

	General	Street 60	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$ 551,355	\$ 0	\$ 540,778	\$ 1,092,133
Income Taxes	9,202,411	1,643,734	2,932,083	13,778,228
Other Local Taxes	6,609	0	0	6,609
Special Assessments	0	0	289	289
Charges for Services	853,420	0	519,289	1,372,709
Licenses and Permits	59,579	0	0	59,579
Fines and Forfeitures	583,399	0	766,812	1,350,211
Intergovernmental	382,759	0	2,348,647	2,731,406
Interest	0	17,038	111,134	128,172
Rent	0	0	68,517	68,517
Contributions and Donations	0	0	61,605	61,605
Other	255,566	6,325	103,045	364,936
<i>Total Revenues</i>	<u>11,895,098</u>	<u>1,667,097</u>	<u>7,452,199</u>	<u>21,014,394</u>
Expenditures				
Current:				
General Government	3,808,374	0	809,987	4,618,361
Security of Persons and Property	6,979,531	0	1,249,785	8,229,316
Public Health	307,338	0	2,945	310,283
Leisure Time Services	0	0	896,722	896,722
Community Development	204,682	0	369,600	574,282
Transportation	0	2,056,028	1,474,174	3,530,202
Capital Outlay	106,437	0	1,293,741	1,400,178
Debt Service:				
Principal Retirement	0	0	670,000	670,000
Interest and Fiscal Charges	0	0	46,719	46,719
<i>Total Expenditures</i>	<u>11,406,362</u>	<u>2,056,028</u>	<u>6,813,673</u>	<u>20,276,063</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>488,736</u>	<u>(388,931)</u>	<u>638,526</u>	<u>738,331</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	0	0	269,521	269,521
Issuance of Notes	0	1,000,000	0	1,000,000
Premium on Debt Issuance	0	0	3,785	3,785
Transfers In	0	0	399,919	399,919
Transfers Out	(338,161)	0	(285,120)	(623,281)
<i>Total Other Financing Sources (Uses)</i>	<u>(338,161)</u>	<u>1,000,000</u>	<u>388,105</u>	<u>1,049,944</u>
<i>Net Change in Fund Balance</i>	150,575	611,069	1,026,631	1,788,275
<i>Fund Balance Beginning of Year</i>	<u>2,214,474</u>	<u>0</u>	<u>4,523,551</u>	<u>6,738,025</u>
<i>Fund Balance End of Year</i>	<u>\$ 2,365,049</u>	<u>\$ 611,069</u>	<u>\$ 5,550,182</u>	<u>\$ 8,526,300</u>

See accompanying notes to the basic 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, 2017*

Net Change in Fund Balances - Total Governmental Funds		\$ 1,788,275
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
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.		
Capital Asset Additions	\$ 1,679,178	
Current Year Depreciation	<u>(1,578,559)</u>	100,619
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.		
		(135,734)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property Taxes	3,104	
Income Taxes	470,525	
Charges for Services	(137,506)	
Intergovernmental	<u>(120,962)</u>	215,161
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		670,000
Debt proceeds issued in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
Bond Anticipation Notes		(1,000,000)
Premiums on bonds and deferred charges related to the refunding of bonds are amortized over the life of the issuance in the statement of activities.		
Premiums on Bonds	1,582	
Deferred Charges on Refundings	<u>(3,925)</u>	(2,343)
Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		1,355,936
Except for amount reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(2,772,750)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		
		4,016
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	2,756	
Compensated Absences	<u>8,123</u>	<u>10,879</u>
<i>Change in Net Position of Governmental Activities</i>		<u><u>\$ 234,059</u></u>

See accompanying notes to the basic 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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$ 540,511	\$ 540,511	\$ 551,355	\$ 10,844
Income Taxes	7,773,795	8,101,930	8,550,298	448,368
Other Local Taxes	5,500	5,500	6,609	1,109
Charges for Services	828,258	828,258	920,802	92,544
Licenses and Permits	71,520	71,520	59,579	(11,941)
Fines and Forfeitures	569,620	569,620	580,264	10,644
Intergovernmental	387,133	391,183	366,570	(24,613)
Contributions and Donations	880	880	0	(880)
Other	88,700	88,700	279,908	191,208
<i>Total Revenues</i>	<u>10,265,917</u>	<u>10,598,102</u>	<u>11,315,385</u>	<u>717,283</u>
Expenditures				
Current:				
General Government	3,567,805	3,394,801	3,127,766	267,035
Security of Persons and Property	7,342,868	7,500,440	7,019,309	481,131
Public Health	365,810	342,852	306,400	36,452
Community Development	208,436	208,682	203,573	5,109
Capital Outlay	106,437	106,437	106,437	0
<i>Total Expenditures</i>	<u>11,591,356</u>	<u>11,553,212</u>	<u>10,763,485</u>	<u>789,727</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,325,439)</u>	<u>(955,110)</u>	<u>551,900</u>	<u>1,507,010</u>
Other Financing Sources (Uses)				
Advances In	30,000	30,000	21,403	(8,597)
Advances Out	0	(32,170)	(23,573)	8,597
Transfers Out	0	(338,161)	(338,161)	0
<i>Total Other Financing Sources (Uses)</i>	<u>30,000</u>	<u>(340,331)</u>	<u>(340,331)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,295,439)	(1,295,441)	211,569	1,507,010
<i>Fund Balance Beginning of Year</i>	1,284,498	1,284,498	1,284,498	0
Prior Year Encumbrances Appropriated	16,600	16,600	16,600	0
<i>Fund Balance End of Year</i>	<u>\$ 5,659</u>	<u>\$ 5,657</u>	<u>\$ 1,512,667</u>	<u>\$ 1,507,010</u>

See accompanying notes to the basic financial statements.

City of Ashland
Ashland County, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street 60 Fund
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Income Taxes	\$ 1,000,000	\$ 1,000,000	\$ 1,432,483	\$ 432,483
Interest	0	0	17,038	17,038
<i>Total Revenues</i>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,449,521</u>	<u>449,521</u>
Expenditures				
Current:				
Transportation	3,185,000	3,185,000	2,056,028	1,128,972
<i>Total Expenditures</i>	<u>3,185,000</u>	<u>3,185,000</u>	<u>2,056,028</u>	<u>1,128,972</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,185,000)</u>	<u>(2,185,000)</u>	<u>(606,507)</u>	<u>1,578,493</u>
Other Financing Sources (Uses)				
Note Issued	3,000,000	3,000,000	3,000,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	815,000	815,000	2,393,493	1,578,493
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 815,000</u></u>	<u><u>\$ 815,000</u></u>	<u><u>\$ 2,393,493</u></u>	<u><u>\$ 1,578,493</u></u>

See accompanying notes to the basic financial statements.

City of Ashland
Ashland County, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2017

	Enterprise Funds				Total
	Water	Sewer	Sanitation	Nonmajor Enterprise Funds	
Assets					
<i>Current Assets:</i>					
Equity in Pooled Cash and Investments	\$ 968,685	\$ 7,409,596	\$ 1,470,282	\$ 370,060	\$ 10,218,623
Cash in Segregated Accounts	0	0	0	2,809	2,809
Accounts Receivable	459,976	560,631	29,563	10,665	1,060,835
Intergovernmental Receivable	158,210	0	0	0	158,210
Prepaid Items	51,039	44,738	25,826	7,509	129,112
Materials and Supplies Inventory	56,872	0	0	120,963	177,835
<i>Total Current Assets</i>	<u>1,694,782</u>	<u>8,014,965</u>	<u>1,525,671</u>	<u>512,006</u>	<u>11,747,424</u>
<i>Non-Current Assets:</i>					
Non-Depreciable Capital Assets	2,729,023	91,108	73,374	745,036	3,638,541
Depreciable Capital Assets, Net	10,119,785	16,417,421	819,295	3,041,709	30,398,210
<i>Total Non-Current Assets</i>	<u>12,848,808</u>	<u>16,508,529</u>	<u>892,669</u>	<u>3,786,745</u>	<u>34,036,751</u>
<i>Total Assets</i>	<u>14,543,590</u>	<u>24,523,494</u>	<u>2,418,340</u>	<u>4,298,751</u>	<u>45,784,175</u>
Deferred Outflow of Resources					
Deferred Charges on Refunding	50,310	26,719	0	0	77,029
Pension	614,615	537,788	298,541	153,654	1,604,598
<i>Total Deferred Outflow of Resources</i>	<u>664,925</u>	<u>564,507</u>	<u>298,541</u>	<u>153,654</u>	<u>1,681,627</u>
Liabilities					
<i>Current Liabilities:</i>					
Accounts Payable	9,674	1,205	13,867	0	24,746
Accrued Wages	20,793	18,812	8,874	4,510	52,989
Intergovernmental Payable	14,419	12,821	5,923	3,336	36,499
Accrued Interest Payable	7,168	17,893	0	408	25,469
Compensated Absences Payable	2,328	5,346	4,102	210	11,986
Capital Leases Payable	0	0	0	29,370	29,370
General Obligation Bonds Payable	465,000	380,000	0	0	845,000
<i>Total Current Liabilities</i>	<u>519,382</u>	<u>436,077</u>	<u>32,766</u>	<u>37,834</u>	<u>1,026,059</u>
<i>Long-Term Liabilities:</i>					
Compensated Absences Payable - Net of Current Portion	73,466	68,168	10,624	16,948	169,206
Capital Leases Payable - Net of Current Portion	0	0	0	98,284	98,284
General Obligation Bonds Payable - Net of Current Portion	2,306,771	5,375,099	0	0	7,681,870
Net Pension Liability (See Note 11)	1,600,477	1,400,417	700,209	400,119	4,101,222
<i>Total Long-Term Liabilities</i>	<u>3,980,714</u>	<u>6,843,684</u>	<u>710,833</u>	<u>515,351</u>	<u>12,050,582</u>
<i>Total Liabilities</i>	<u>4,500,096</u>	<u>7,279,761</u>	<u>743,599</u>	<u>553,185</u>	<u>13,076,641</u>
Deferred Inflows of Resources					
Pension	96,430	26,302	4,307	59,471	186,510
Net Position					
Net Investment in Capital Assets	10,127,347	10,780,150	892,669	3,786,745	25,586,911
Unrestricted	484,642	7,001,788	1,076,306	53,004	8,615,740
<i>Total Net Position</i>	<u>\$ 10,611,989</u>	<u>\$ 17,781,938</u>	<u>\$ 1,968,975</u>	<u>\$ 3,839,749</u>	<u>\$ 34,202,651</u>

See accompanying notes to the basic 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, 2017

	Enterprise Funds				Total
	Water	Sewer	Sanitation	Nonmajor Enterprise Funds	
Operating Revenues					
Charges for Services	\$ 3,554,769	\$ 3,870,427	\$ 1,776,950	\$ 948,025	\$ 10,150,171
<i>Total Operating Revenues</i>	<u>3,554,769</u>	<u>3,870,427</u>	<u>1,776,950</u>	<u>948,025</u>	<u>10,150,171</u>
Operating Expenses					
Personal Services	2,055,690	1,873,217	1,038,831	525,031	5,492,769
Contractual Services	251,878	212,119	599,050	293,785	1,356,832
Materials and Supplies	724,910	345,855	88,458	242,303	1,401,526
Utilities	236,664	217,730	11,085	24,884	490,363
Depreciation	517,880	627,625	122,595	95,990	1,364,090
Other	9,293	563	0	39,675	49,531
<i>Total Operating Expenses</i>	<u>3,796,315</u>	<u>3,277,109</u>	<u>1,860,019</u>	<u>1,221,668</u>	<u>10,155,111</u>
<i>Operating Income (Loss)</i>	<u>(241,546)</u>	<u>593,318</u>	<u>(83,069)</u>	<u>(273,643)</u>	<u>(4,940)</u>
Non-Operating Revenues (Expense)					
Loss on Disposal of Capital Assets	0	(153,660)	0	(139,500)	(293,160)
Interest and Fiscal Charges	(95,537)	(222,805)	0	(6,605)	(324,947)
<i>Total Non-Operating Revenues (Expense)</i>	<u>(95,537)</u>	<u>(376,465)</u>	<u>0</u>	<u>(146,105)</u>	<u>(618,107)</u>
<i>Income (Loss) Before Capital Contributions and Transfers</i>	<u>(337,083)</u>	<u>216,853</u>	<u>(83,069)</u>	<u>(419,748)</u>	<u>(623,047)</u>
Capital Contributions	14,160	0	0	0	14,160
Transfers In	0	0	0	223,362	223,362
<i>Total Capital Contributions and Transfers</i>	<u>14,160</u>	<u>0</u>	<u>0</u>	<u>223,362</u>	<u>237,522</u>
<i>Change in Net Position</i>	<u>(322,923)</u>	<u>216,853</u>	<u>(83,069)</u>	<u>(196,386)</u>	<u>(385,525)</u>
<i>Net Position Beginning of Year</i>	<u>10,934,912</u>	<u>17,565,085</u>	<u>2,052,044</u>	<u>4,036,135</u>	<u>34,588,176</u>
<i>Net Position End of Year</i>	<u>\$ 10,611,989</u>	<u>\$ 17,781,938</u>	<u>\$ 1,968,975</u>	<u>\$ 3,839,749</u>	<u>\$ 34,202,651</u>

See accompanying notes to the basic financial statements.

City of Ashland
Ashland County, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2017

	Enterprise Funds				Totals
	Water	Sewer	Sanitation	Nonmajor Enterprise Funds	
Cash Flows from Operating Activities					
Cash Received from Customers	\$ 3,582,759	\$ 3,904,602	\$ 1,776,533	\$ 945,928	\$ 10,209,822
Cash Payments to Suppliers for Goods and Services	(927,502)	(575,551)	(109,777)	(166,168)	(1,778,998)
Cash Payments to Employees for Services and Benefits	(1,833,473)	(1,647,084)	(917,183)	(479,959)	(4,877,699)
Cash Payments for Contractual Services	(226,265)	(203,210)	(579,829)	(290,085)	(1,299,389)
Other Cash Payments	(9,293)	(563)	0	(39,675)	(49,531)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>586,226</u>	<u>1,478,194</u>	<u>169,744</u>	<u>(29,959)</u>	<u>2,204,205</u>
Cash Flows from Noncapital Financing Activities					
Transfers In	0	0	0	223,362	223,362
Principal Payments on Leases	0	0	0	(18,459)	(18,459)
Interest Payments on Leases	0	0	0	(6,197)	(6,197)
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>198,706</u>	<u>198,706</u>
Cash Flows from Capital and Related Financing Activities					
Payment for Capital Acquisitions	(50,468)	(142,263)	(16,708)	(329,133)	(538,572)
Principal Payments on Debt	(455,000)	(365,000)	0	0	(820,000)
Interest Payments on Debt	(96,719)	(225,315)	0	0	(322,034)
<i>Net Cash (Used for) Capital and Related Financing Activities</i>	<u>(602,187)</u>	<u>(732,578)</u>	<u>(16,708)</u>	<u>(329,133)</u>	<u>(1,680,606)</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	<u>(15,961)</u>	<u>745,616</u>	<u>153,036</u>	<u>(160,386)</u>	<u>722,305</u>
<i>Cash and Investments Beginning of Year</i>	<u>984,646</u>	<u>6,663,980</u>	<u>1,317,246</u>	<u>533,255</u>	<u>9,499,127</u>
<i>Cash and Investments End of Year</i>	<u>\$ 968,685</u>	<u>\$ 7,409,596</u>	<u>\$ 1,470,282</u>	<u>\$ 372,869</u>	<u>\$ 10,221,432</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities					
Operating Income (Loss)	\$ (241,546)	\$ 593,318	\$ (83,069)	\$ (273,643)	\$ (4,940)
Adjustments:					
Depreciation	517,880	627,625	122,595	95,990	1,364,090
(Increase) Decrease in Assets:					
Accounts Receivable	27,990	34,175	(417)	(2,097)	59,651
Prepaid Items	58	(5,065)	(6,108)	(587)	(11,702)
Deferred Outflows - Pension	(115,872)	(146,684)	(132,847)	(1,268)	(396,671)
Materials and Supplies Inventory	30,566	0	0	(42,856)	(12,290)
Increase (Decrease) in Liabilities:					
Accounts Payable	3,506	(15,188)	3,633	(5,460)	(13,509)
Accrued Wages	(120)	1,036	257	105	1,278
Intergovernmental Payable	(1,629)	(126)	(163)	(4)	(1,922)
Lease Liability	0	0	0	146,113	146,113
Net Pension Liability	296,369	377,763	266,953	1,664	942,749
Deferred Inflows - Pension	70,454	5,932	(4,323)	51,534	123,597
Compensated Absences Payable	(1,430)	5,408	3,233	550	7,761
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$ 586,226</u>	<u>\$ 1,478,194</u>	<u>\$ 169,744</u>	<u>\$ (29,959)</u>	<u>\$ 2,204,205</u>

Noncash Capital Financing Activities:

The City purchased \$163 of capital assets on account in 2016.

The sewer and stormwater funds each transferred capital assets to the governmental funds in the amount of \$139,500.

The sewer fund transferred capital assets to the water fund in the amount of \$14,160.

See accompanying notes to the basic financial statements.

City of Ashland
Ashland County, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2017

	Private Purpose Trust	Agency Funds
Assets		
Equity in Pooled Cash and Investments	\$ 4,227	\$ 56,366
Cash in Segregated Accounts	0	102,621
Prepaid Items	0	51,881
<i>Total Assets</i>	4,227	\$ 210,868
Liabilities		
Undistributed Monies	0	\$ 210,868
<i>Total Liabilities</i>	0	\$ 210,868
Net Position		
Held in Trust for Private Purposes	\$ 4,227	

See accompanying notes to the basic financial statements.

City of Ashland
Ashland County, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Year Ended December 31, 2017

	Private Purpose Trust
Additions	
Interest	\$ 484
Deductions	
Payments in Accordance with Trust Agreements	500
<i>Change in Net Position</i>	(16)
<i>Net Position Beginning of Year</i>	4,243
<i>Net Position End of Year</i>	\$ 4,227

See accompanying notes to the basic financial statements.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

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, Director of Finance, and Law Director are elected.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. A primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. The primary government of the City includes City departments and agencies that provide the following services: 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 Wooster-Ashland Regional Council of Governments and the Ashland Community Improvement Corporation which are defined as jointly governed organizations. Additional information concerning the jointly governed organizations is presented in Note 17.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (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.

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.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

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 deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The following are the City's major governmental fund:

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 60 Fund – The street 60 fund is a special revenue fund that accounts for financial resources restricted for paving the City's roads.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

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 and the activity for performance bonds, the Brookside Golf Course gift certificates and employee deductions.

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 deferred outflows of resources and liabilities and deferred inflows of resources 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.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

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 deferred outflows of resources and current liabilities and deferred inflows of resources 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 deferred outflows of resources and all liabilities and deferred inflows of resources 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 position. 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 outflows/inflows of resources, 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 year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within sixty days of the year-end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. (See Note 7.) Revenue from property taxes is recognized in the year for which the taxes are levied. (See Note 5.) Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

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

Deferred Inflows of Resources and Deferred Outflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding and for pension. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in Note 11.

In addition to liabilities, both the government-wide statements of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2017, but which were levied to finance 2018 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property and income taxes, intergovernmental grants and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 11)

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, except cash and investments in segregated accounts, 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 investments, such as, certificates of deposit and repurchase agreements, which are reported at cost.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

During 2017, the City invested in STAR Ohio, a money market mutual fund, negotiable certificates of deposit, Sallie Mae and Federal National Mortgage Association securities. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Investment procedures are restricted by the provisions of the Ohio Revised Code.

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 4, Deposits and Investments.

F. Prepaid Items

Prepayments made to vendors for services that will benefit periods beyond December 31, 2017 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 is 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.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

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 acquisition 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.

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:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
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 employees with seven 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.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

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.

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, compensated absences and net pension liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due.

K. Pensions

For purposes of measuring the net pension asset/liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

L. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment 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, 2017, 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.

M. 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:

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

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.

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.

N. 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.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

O. Interfund Activity

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

Transfers between governmental funds and transfers between enterprise funds are eliminated on the government-wide financial statements. All transfers were in compliance with Ohio Revised Code Sections 5704.14, 5705.15 and 5706.16.

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.

P. 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.

Q. 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.

R. 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.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Director of Finance. 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.

S. Implementation of New Accounting Principles

For the year ended December 31, 2017, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*, GASB Statement No. 81, *Irrevocable Split-Interest Agreements* and GASB Statement No. 82, *Pension Issues - an amendment of GASB Statements No. 67, No. 68, and No. 73*.

GASB Statement No. 80 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the City.

GASB Statement No. 81 requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, it requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement also requires that a government recognize revenue when the resources become applicable to the reporting period. The implementation of GASB Statement No. 81 did not have an effect on the financial statements of the City.

GASB Statement No. 82 improves consistency in the application of pension accounting. These changes were incorporated in the City's 2017 financial statements; however, there was no effect on beginning net position/fund balance.

NOTE 3: BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (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.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the general fund and major special revenue 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. Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);
5. 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:

Net Change in Fund Balance

	General Fund	Street 60 Fund
GAAP Basis	\$ 150,575	\$ 611,069
Net Adjustment for Revenue Accruals	23,439	1,782,424
Net Adjustment for Expenditure Accruals	51,428	0
Funds Budgeted Elsewhere **	(13,873)	0
Budget Basis	\$ 211,569	\$ 2,393,493

** 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 the City income tax fund.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

NOTE 4: DEPOSITS AND INVESTMENTS

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

Active deposits 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.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

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;

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

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 (STAR Ohio).
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 forty 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.
9. Time certificates of deposit (CDs) in authorized depositories, provided those funds are properly insured or collateralized as provided in Ohio Revised Code Section 135.18. The payment of the principal and interest thereon for which eligible securities are pledged must be paid and deposited with the City or qualified and approved trustee.
10. Negotiable time certificates of deposit (negotiable CDs) which have a secondary market in which to trade such securities. The underlying issuer must be covered by FDIC insurance, and the amount of the acquired security is limited to ninety seven percent (97%) of the available FDIC coverage. For example, an investment in a negotiable certificate of deposit (CD) would be limited to \$242,500 assuming FDIC coverage limit of \$250,000.

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 2017, the City and public depositories complied with the provisions of these statutes.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

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.

Cash in Segregated Accounts

The Brookside Golf Course and Mayor’s Court accounts are maintained separately from the City’s deposits. The carrying amount of the deposits is reported as “Cash in Segregated Accounts.”

Investments

As of December 31, 2017, the City had the following investments and maturities:

Rating	Investment Type	Measurement Amount	Investment Maturities in Months		% Total
			0-12	13-36	
	Net Asset Value (NAV):				
AAAm	STAR Ohio	\$ 12,804,934	\$ 12,804,934	\$ 0	95.53%
	Fair Value:				
AAAm	First American Government Obligations	666	666	0	0.01%
N/A	Negotiable Certificates of Deposit	348,946	199,662	149,284	2.60%
Baa2	Sallie Mae	99,514	0	99,514	0.74%
Aaa	Federal National Mortgage Association	149,478	149,478	0	1.12%
	Total Investments	<u>\$ 13,403,538</u>	<u>\$ 13,154,740</u>	<u>\$ 248,798</u>	<u>100.00%</u>

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the City’s recurring fair value measurements as of December 31, 2017. The City’s investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs).

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

STAR Ohio 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. The weighted average of maturity of the portfolio held by STAR Ohio as of December 31, 2017, is 52 days.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Credit Risk S&P Global Ratings has assigned STAR Ohio an AAAM rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. Sallie Mae and Federal National Mortgage Association were rated Baa2 and Aaa, respectively by Moody's credit ratings.

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

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 federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not in the City's name. The City has no investment policy dealing with investment custodial credit risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Director of Finance.

Concentration of Credit Risk The City places no limit on the amount that may be invested in any one issuer. The percentage to total investment is listed in the table above.

NOTE 5: PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2017 for real and public utility property taxes represents collections of the 2016 taxes.

2017 real property taxes were levied after October 1, 2017 on the assessed value as of January 1, 2017, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. 2017 real property taxes are collected in and intended to finance 2018.

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.

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. 2017 public utility property taxes which became a lien December 31, 2016, are levied after October 1, 2017, and are collected in 2018 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2017 was \$3.90 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2017 property tax receipts were based are as follows:

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Category	Assessed Value
Real Property	\$ 323,695,510
Public Utilities - Personal	22,425,760
Total Assessed Value	\$ 346,121,270

The Ashland County Treasurer collects property taxes on behalf of all taxing districts within the County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2017, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2017 operations is offset to deferred inflows of resources – property taxes levied for the next year. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

NOTE 6: RECEIVABLES

Receivables at December 31, 2017 consisted of taxes, interfund, accounts (billed and unbilled user charged services), and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables are deemed collectible in full.

NOTE 7: INCOME TAX

The City levies a municipal income tax of 2.0 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. In 2017 a new tax levy was approved by the voters increasing the income tax rate from 1.5 percent to 2.0 percent for a five year period. The additional income tax revenue is to be spent on street maintenance and repair and police and fire.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

NOTE 8: CAPITAL ASSETS

A summary of changes in capital assets during 2017 follows:

	Balance 1/1/2017	Additions	Transfers	Deletions	Balance 12/31/2017
Governmental Activities:					
<i>Capital Assets Not Being Depreciated:</i>					
Land	\$ 6,972,855	\$ 155,176	\$ 0	\$ (122,156)	\$ 7,005,875
Construction in Progress	395,310	748,154	0	(573,482)	569,982
<i>Total Capital Assets, Not Being Depreciated</i>	<u>7,368,165</u>	<u>903,330</u>	<u>0</u>	<u>(695,638)</u>	<u>7,575,857</u>
<i>Capital Assets, Being Depreciated:</i>					
Buildings and Improvements	9,119,476	202,669	0	0	9,322,145
Equipment	3,293,528	12,000	0	(7,495)	3,298,033
Vehicles	5,681,054	855,661	279,000	(280,905)	6,534,810
Streets	32,296,841	0	0	0	32,296,841
Bridges	2,526,671	0	0	0	2,526,671
Street Lighting	1,516,638	0	0	0	1,516,638
<i>Total Capital Assets, Being Depreciated</i>	<u>54,434,208</u>	<u>1,070,330</u>	<u>279,000</u>	<u>(288,400)</u>	<u>55,495,138</u>
<i>Less Accumulated Depreciation:</i>					
Buildings and Improvements	(4,971,797)	(182,038)	0	0	(5,153,835)
Equipment	(2,443,721)	(157,423)	0	7,495	(2,593,649)
Vehicles	(4,345,265)	(386,981)	0	267,327	(4,464,919)
Streets	(22,669,455)	(734,655)	0	0	(23,404,110)
Bridges	(2,145,271)	(50,681)	0	0	(2,195,952)
Street Lighting	(775,686)	(66,781)	0	0	(842,467)
<i>Total Accumulated Depreciation</i>	<u>(37,351,195)</u>	<u>(1,578,559) *</u>	<u>0</u>	<u>274,822</u>	<u>(38,654,932)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>17,083,013</u>	<u>(508,229)</u>	<u>279,000</u>	<u>(13,578)</u>	<u>16,840,206</u>
<i>Total Governmental Activity Capital Assets, Net</i>	<u>\$ 24,451,178</u>	<u>\$ 395,101</u>	<u>\$ 279,000</u>	<u>\$ (709,216)</u>	<u>\$ 24,416,063</u>

*Depreciation expense was charge to governmental functions as follows:

General Government	\$ 246,228
Leisure Time Services	76,793
Community Development	1,861
Security of Persons and Property	251,003
Transportation	<u>1,002,674</u>
Total	<u>\$ 1,578,559</u>

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

	Balance 1/1/2017	Additions	Transfers	Deletions	Balance 12/31/2017
Business-Type Activities:					
<i>Capital Assets Not Being Depreciated:</i>					
Land	\$ 3,625,141	\$ 0	\$ 0	\$ 0	\$ 3,625,141
Construction in Progress	513,629	67,868	0	(568,097)	13,400
<i>Total Capital Assets, Not Being Depreciated</i>	<u>4,138,770</u>	<u>67,868</u>	<u>0</u>	<u>(568,097)</u>	<u>3,638,541</u>
<i>Capital Assets, Being Depreciated:</i>					
Buildings and Improvements	13,605,975	0	0	0	13,605,975
Equipment	3,497,425	286,998	(279,000)	(98,215)	3,407,208
Vehicles	2,298,087	556,207	0	(21,865)	2,832,429
Infrastructure	41,569,679	195,433	0	0	41,765,112
<i>Total Capital Assets, Being Depreciated</i>	<u>60,971,166</u>	<u>1,038,638</u>	<u>(279,000)</u>	<u>(120,080)</u>	<u>61,610,724</u>
<i>Less Accumulated Depreciation:</i>					
Buildings and Improvements	(6,832,039)	(249,702)	0	0	(7,081,741)
Equipment	(2,463,949)	(187,818)	0	98,215	(2,553,552)
Vehicles	(1,495,708)	(237,333)	0	19,395	(1,713,646)
Infrastructure	(19,174,338)	(689,237)	0	0	(19,863,575)
<i>Total Accumulated Depreciation</i>	<u>(29,966,034)</u>	<u>(1,364,090)</u>	<u>0</u>	<u>117,610</u>	<u>(31,212,514)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>31,005,132</u>	<u>(325,452)</u>	<u>(279,000)</u>	<u>(2,470)</u>	<u>30,398,210</u>
<i>Total Business-Type Capital Assets, Net</i>	<u>\$ 35,143,902</u>	<u>\$ (257,584)</u>	<u>\$ (279,000)</u>	<u>\$ (570,567)</u>	<u>\$ 34,036,751</u>

NOTE 9: 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>
Westfield Insurance/The Buren Insurance Group, Inc.	Property
St. Paul Travelers/Boales Insurance	Commercial General Liability Law Enforcement Liability Automobile Liability Umbrella Policy Basic Errors and Omissions
Public Entities Pool of Ohio	Commercial General Liability

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.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

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 10: 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 800 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, 2017, the total liability for unpaid compensated absences was \$853,088.

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 \$627.74 single health care, \$1,305.93 employee and spouse health care, \$1,036.60 employee and child health care and \$1,714.80 family health care. Premiums and co-payments are paid from the same funds that pay the employee's salaries.

NOTE 11: DEFINED BENEFIT PENSION PLANS

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Ohio Revised Code limits the City's obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate 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 and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost-of-living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those who retired prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index (CPI), capped at 2.25 percent

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local
2017 Statutory Maximum Contribution Rates	
Employer	14.00 %
Employee	10.00 %
2017 Actual Contribution Rates	
Employer:	
Pension	13.00 %
Post-Employment Health Care Benefits	1.00 %
Total Employer	<u>14.00 %</u>
Employee	<u>10.00 %</u>

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$751,518 for 2017. Of this amount, \$81,677 is reported as an intergovernmental payable.

Plan Description – Ohio Police & Fire Pension Fund (OPF)

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF 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. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

Under normal service retirement, retired members who are at least 55 years old and have been receiving OPF benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	Police	Firefighters
2017 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
 2017 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-Employment Health Care Benefits	0.50 %	0.50 %
Total Employer	19.50 %	24.00 %
 Employee	 12.25 %	 12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$912,541 for 2017. Of this amount \$94,529 is reported as an intergovernmental payable.

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

The net pension liability for OPERS was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2016, and was determined by rolling forward the total pension liability as of January 1, 2016, to December 31, 2016. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS	OPF	Total
Proportion of the Net Pension Liability:			
Current Measurement Period	0.04404989%	0.18334500%	
Prior Measurement Period	0.04462700%	0.18957100%	
Change in Proportion	-0.00057711%	-0.00622600%	
 Proportionate Share of the Net			
Pension Liability	\$ 10,002,981	\$ 11,612,904	\$ 21,615,885
Pension Expense	\$ 2,381,936	\$ 1,368,612	\$ 3,750,548

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period. At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OPF	Total
Deferred Outflows of Resources			
Net Difference between Projected and Actual			
Earnings on Pension Plan Investments	\$ 1,489,675	\$ 1,141,539	\$ 2,631,214
Differences between Expected and			
Actual Experience	13,558	3,285	16,843
Changes of Assumptions	1,586,594	0	1,586,594
Changes in Proportionate Share	29,648	8,647	38,295
City Contributions Subsequent to the Measurement Date	751,518	912,541	1,664,059
Total Deferred Outflows of Resources	\$ 3,870,993	\$ 2,066,012	\$ 5,937,005
Deferred Inflows of Resources			
Differences between Expected and			
Actual Experience	\$ 59,532	\$ 26,738	\$ 86,270
Changes in Proportionate Share	366,583	281,300	647,883
Total Deferred Inflows of Resources	\$ 426,115	\$ 308,038	\$ 734,153

\$1,664,059 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OPF	Total
2018	\$ 1,087,452	\$ 378,518	\$ 1,465,970
2019	1,133,758	378,519	1,512,277
2020	515,817	276,181	791,998
2021	(43,667)	(126,999)	(170,666)
2022	0	(55,336)	(55,336)
Thereafter	0	(5,450)	(5,450)
	\$ 2,693,360	\$ 845,433	\$ 3,538,793

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2016, using the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. In 2016, the Board's actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.0 percent down to 7.5 percent, for the defined benefit investments, decreasing the wage inflation from 3.75 percent to 3.25 percent and changing the future salary increases from a range of 4.25 percent to 10.05 percent to a range of 3.25 percent to 10.75 percent. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

<u>Actuarial Information</u>	<u>Traditional Pension Plan</u>
Actuarial Cost Method	Individual Entry Age
Investment Rate of Return	7.50 percent
Wage Inflation	3.25 percent
Projected Salary Increases, including wage inflation	3.25 percent to 10.75 percent (includes wage inflation at 3.25 percent)
Cost-of-Living Adjustments	Pre-1/7/2013 Retirees: 3.00 percent Simple Post-1/7/2013 Retirees: 3.00 percent Simple through 2018, then 2.15 percent Simple

Mortality rates were based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3 percent for 2016.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2016 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.75 %
Domestic Equities	20.70	6.34
Real Estate	10.00	4.75
Private Equity	10.00	8.97
International Equities	18.30	7.95
Other Investments	18.00	4.92
Total	<u>100.00 %</u>	<u>5.66 %</u>

Discount Rate The discount rate used to measure the total pension liability was 7.50 percent, post-experience study results. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.50 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.50 percent) or one-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability:	\$ 15,281,788	\$ 10,002,981	\$ 5,604,027

Actuarial Assumptions – OPF

OPF's total pension liability as of December 31, 2016 is based on the results of an actuarial valuation date of January 1, 2016, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2016, are presented below:

Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11.00 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent plus productivity increase rate of 0.5 percent
Cost-of-Living Adjustments	3.00 percent simple; 2.60 percent simple for increases based on lesser of the increase in CPI and 3.00 percent

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed for the five-year period ended December 31, 2016. The recommended assumption changes based on this experience study were adopted by OPF's board and were effective beginning with the January 1, 2017 actuarial valuation.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

The long-term expected rate of return on pension plan investments was determined using a building-approach and assumes a time horizon, as defined in OPF's Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2016, are summarized as follows:

<u>Asset Class</u>	Target Allocation	10 Year Expected Real Rate of Return**	30 Year Expected Real Rate of Return**
Domestic Equity	16.00 %	4.46 %	5.21 %
Non-US Equity	16.00	4.66	5.40
Core Fixed Income*	20.00	1.67	2.37
Global Inflation Protected Securities*	20.00	0.49	2.33
High Yield	15.00	3.33	4.48
Real Estate	12.00	4.71	5.65
Private Markets	8.00	7.31	7.99
Timber	5.00	6.87	6.87
Master Limited Partnerships	8.00	6.92	7.36
Total	<u>120.00 %</u>		

Note: Assumptions are geometric.

* levered 2x

** Numbers are net of expected inflation

OPF's Board of Trustees has incorporated the risk parity concept into OPF's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall total portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the total portfolio may be levered up to 1.20 times due to the application of leverage in certain fixed income asset classes.

Discount Rate The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.25 percent. Based on those assumptions, OPF's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability:	\$ 15,466,991	\$ 11,612,904	\$ 8,346,484

Changes between Measurement Date and Report Date

In October 2017, the OPF Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of January 1, 2017. The most significant change is a reduction in the discount rate from 8.25 percent to 8.00 percent. Although the exact amount of these changes is not known, it has the potential to impact to the City's net pension liability.

NOTE 12: POST-EMPLOYMENT BENEFITS

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 trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and the Combined plans. This trust is also used to fund health care for Member-Directed Plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, Member-Directed Plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for health care coverage, age-and-service retirees under the traditional and combined plans must have 20 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 Post-Employment Benefit (OPEB) as described in GASB Statement No. 45. See OPERS CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board 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/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund post-employment health care through contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2017, state and local employers contributed at a rate of 14.0 percent of earnable salary 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 member contributions do not fund health care.

Each year the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1 percent during calendar year 2017. As recommended by OPERS’ actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2017 was 4 percent.

The City’s contributions allocated to fund post-employment health care benefits for the years ended December 31, 2017, 2016, and 2015 were \$57,809, \$114,020 and \$113,996, respectively. For 2017, 89 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2016 and 2015.

Ohio Police and Fire Pension Fund

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

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

The Ohio Revised Code allows, but does not mandate OPF to provide OPEB benefits. Authority for the OPF Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits are codified in Chapter 742 of the Ohio Revised Code.

OPF 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 OPF, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OPF’s website at www.op-f.org.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OPF (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24.0 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 24.0 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OPF 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 OPF 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. The portion of employer contributions allocated to health care was 0.5 percent of covered payroll from January 1, 2017 thru December 31, 2017. 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 OPF Board of Trustees is also 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 OPF, which were allocated to fund post-employment health care benefits for the years ending December 31, 2017, 2016, and 2015 were \$21,319, \$19,500 and \$18,994, respectively. 89 percent has been contributed for police and 90 percent has been contributed for firefighters for 2017. The full amount has been contributed for 2016 and 2015.

NOTE 13: LONG-TERM OBLIGATIONS

<u>Debt Issue</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
Governmental Activities			
2013 General Obligation Refunding Bonds	Various	1,790,000	12/1/2023
2017 Various Purpose Notes	2.00%	3,228,000	5/17/2018
Business-Type Activities			
General Obligation Bonds:			
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
2013 General Obligation Refunding Bonds	Various	3,985,000	12/1/2023
2013 General Obligation Refunding Bonds	Various	2,115,000	12/1/2023

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Changes in the long-term obligations of the City during 2017 were as follows:

	Balance 1/1/2017	Additions	(Reductions)	Balance 12/31/2017	Due in One Year
Governmental Activities:					
2016 Various Purpose Notes	\$ 500,000	\$ 0	\$ (500,000)	\$ 0	\$ 0
2017 Various Purpose Notes	0	1,000,000	0	1,000,000	1,000,000
2013 General Obligation Refunding Bonds	1,280,000	0	(170,000)	1,110,000	175,000
Premium on 2013 General Obligation Refunding Bonds	10,684	0	(1,582)	9,102	0
Total Governmental Activities Long-Term Debt	1,790,684	1,000,000	(671,582)	2,119,102	1,175,000
Net Pension Liability:					
OPERS	4,571,486	1,330,273	0	5,901,759	0
OPF	12,195,235	0	(582,331)	11,612,904	0
Total Net Pension Liability	16,766,721	1,330,273	(582,331)	17,514,663	0
Other Long-Term Obligations:					
Compensated Absences	680,019	82,289	(90,412)	671,896	40,772
Total Governmental Activities	\$ 19,237,424	\$ 2,412,562	\$ (1,344,325)	\$ 20,305,661	\$ 1,215,772
	Balance 1/1/2017	Additions	(Reductions)	Balance 12/31/2017	Due in One Year
Business-Type Activities:					
2010 General Obligation Bonds	\$ 4,855,000	\$ 0	\$ (245,000)	\$ 4,610,000	\$ 260,000
Premium	105,910	0	(9,940)	95,970	0
2013 General Obligation Refunding Bonds	4,365,000	0	(575,000)	3,790,000	585,000
Premium	36,274	0	(5,374)	30,900	0
Total Long-Term Debt	9,362,184	0	(835,314)	8,526,870	845,000
Net Pension Liability - OPERS:	3,158,473	942,749	0	4,101,222	0
Other Long-Term Obligations:					
Compensated Absences	173,431	7,761	0	181,192	11,986
Capital Leases	0	146,113	(18,459)	127,654	29,370
	173,431	153,874	(18,459)	308,846	41,356
Total Business-Type Activities	\$ 12,694,088	\$ 1,096,623	\$ (853,773)	\$ 12,936,938	\$ 886,356

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

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 in the governmental activities will be repaid with property taxes from the bond retirement fund. Compensated absences will primarily be paid from the general, street maintenance and repair, park and recreation, municipal probation, community corrections, water, sewer, sanitation and stormwater funds.

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

The City pays obligations related to employee compensation from the fund benefitting from their service.

A summary of annual requirements to pay principal and interest on debt outstanding at December 31, 2017 is as follows:

	Governmental Activities			
	2013 General Obligation		Total	
	Principal	Interest	Principal	Interest
2018	\$ 175,000	\$ 33,819	\$ 175,000	\$ 33,819
2019	175,000	33,819	175,000	33,819
2020	180,000	25,287	180,000	25,287
2021	185,000	19,887	185,000	19,887
2022-2023	395,000	22,337	395,000	22,337
Totals	<u>\$ 1,110,000</u>	<u>\$ 135,149</u>	<u>\$ 1,110,000</u>	<u>\$ 135,149</u>

	Business-Type Activities					
	2013 General Obligation		2010 General Obligation Bonds		Total	
	Refunding Bonds					
2018	\$ 585,000	\$ 115,432	\$ 260,000	\$ 185,303	\$ 845,000	\$ 300,735
2019	605,000	100,806	265,000	174,902	870,000	275,708
2020	620,000	86,437	280,000	164,302	900,000	250,739
2021	645,000	67,837	195,000	152,403	840,000	220,240
2022	655,000	48,487	200,000	146,065	855,000	194,552
2023-2027	680,000	27,200	1,120,000	622,454	1,800,000	649,654
2028-2032	0	0	1,345,000	397,150	1,345,000	397,150
2033-2035	0	0	945,000	93,900	945,000	93,900
Totals	<u>\$ 3,790,000</u>	<u>\$ 446,199</u>	<u>\$ 4,610,000</u>	<u>\$ 1,936,479</u>	<u>\$ 8,400,000</u>	<u>\$ 2,382,678</u>

2010 General Obligation 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.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

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.

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.

The bonds were issued with a premium of \$185,957, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the straight-line method. The issuance costs of \$191,344 were expensed in 2010.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

2013 Various Purpose Refunding Bonds

On September 10, 2013, the City issued \$7,890,000 in voted general obligation bonds, which consisted of serial bonds with a varying interest rate of 2.00-4.00 percent. The final maturity of the serial bonds is December 1, 2023. The bonds advance refunded \$7,635,000 of outstanding 2003 Various Purpose General Obligation Bonds. The bonds were issued for a ten year period with final maturities at December 31, 2023.

At the date of refunding, \$7,808,219 (including premium and after underwriting fees and other issuance costs) was received to pay off old debt. As a result, \$7,635,000 of the 2003 Various Purpose General Obligation Bonds are considered to be defeased and the liability for those bonds has been removed from the 2013 financial statements. The advance refunding reduced cash flows required for debt service by \$613,613 over the next ten years and resulted in an economic gain of \$530,504. The defeased bonds were called on December 31, 2013.

The bonds were issued with a premium of \$69,569, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the straight-line method. The issuance costs of \$145,785 were expensed in 2013. The refunding resulted in a difference between the net carrying amount of the debt and the acquisition price of \$173,219. This difference, reported in the accompanying financial statements as a deferred outflow of resources - deferred charges on refunding, is being amortized to interest expense over the life of the bonds using the straight-line method.

2016 Various Purpose Note

In 2016, the City issued \$500,000 of various purpose notes in anticipation of bonds for the purpose of improving the City's street system by acquiring and installing traffic control signals. The bonds held a 1.2 percent interest rate and matured on May 18, 2017.

2017 Various Purpose Note

In 2017, the City issued \$3,228,000 in various purpose notes in anticipation of bonds for the purpose of improving the City's street system by acquiring and installing traffic control signals and paving streets. These notes mature May 17, 2018. The City has entered into a qualifying financing agreement subsequent to year-end in the amount of \$1,000,000 at 2.15 percent interest. The new note will mature on May 16, 2019. See Note 15 for additional information.

NOTE 14: CAPITAL LEASES

In 2017 the City entered into a lease agreement for 60 Yamaha golf carts and 3 Cushman Hauler utility vehicles in the amount of \$109,494 and 18,161, respectively. Both leases will be paid out of the golf fund. These leases meet the criteria of a capital lease as the lease term is greater than 75 percent of the remaining economic life of the leased property.

The assets acquired by the lease are not being capitalized because the individual cost for each item is under the threshold according to the City's capital asset policy.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2017:

		Business-Type Activities
Year Ending December 31:	2018	\$ 36,073
	2019	35,827
	2020	35,568
	2021	36,257
Minimum lease payments		143,725
Less: amount representing interest at the City's incremental borrowing rate of interest		(16,071)
Present value of minimum lease payments		\$ 127,654

NOTE 15: NOTES PAYABLE

A summary of the note transactions for the year ended December 31, 2017 follows:

	Outstanding 12/31/2016	Additions	Deletions	Outstanding 12/31/2017
Various Purpose Notes, Series 2017	\$ 0	\$ 2,228,000	\$ 0	\$ 2,228,000

In 2017, the City issued \$3,228,000 in various purpose notes in anticipation of bonds for the purpose of maintaining and repairing City streets. These notes mature May 17, 2018. The City has entered into a qualifying financing agreement subsequent to year-end in the amount of \$1,000,000 at 2.15 percent interest. The note will mature on May 16, 2019. The balance of \$2,228,000 will be retired with operational and income tax revenues at maturity from the street 60 and debt service funds.

NOTE 16: 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, 2017.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

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.

NOTE 17: JOINTLY GOVERNED ORGANIZATIONS

A. Wooster-Ashland Regional Council of Governments (WARCOG)

The City is a member of the Wooster-Ashland Regional Council of Governments (WARCOG). WARCOG is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. It was formed to plan for, create and operate a joint dispatching system for police, fire, emergency medical services (EMS), and other related public safety services within the WARCOG area and to provide a link between these dispatching systems and the State emergency management services platform. It is currently comprised of four members (the cities of Ashland, Orrville, Wooster and the Wooster Community Hospital). It is authorized to perform all functions necessary to improve, maintain and operate the dispatching services including entering into contractual arrangements for necessary services; to employ staff; purchase, lease or otherwise provide for supplies, materials and equipment and facilities; accept and raise public and private funding; and any and all other powers and authorities available pursuant to Chapter 167 of the Ohio Revised Code. Participating political subdivisions appoint three representatives to WARCOG, except in the case of Wooster Community Hospital who serves as a nonvoting member. A seventh member is appointed annually, with the appointment being alternated between the Cities of Ashland and Wooster. Each member is entitled to one vote. During 2017, the City made cash contributions of \$169,718 to WARCOG for equipment and building improvements. The City of Wooster serves as the fiscal agent. Financial information can be obtained by contacting Andrei Dordei, Treasurer of WARCOG, 538 North Market St., Wooster, OH 44691.

B. 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. City of Ashland has one representative on the CIC board. Financial information can be obtained from the Ashland Community Improvement Corporation, 1123 State Route 96, Ashland, Ohio 44805.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

NOTE 18: INTERFUND TRANSFERS

Following is a summary of transfers in and out for all funds for 2017:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 0	\$ 338,161
Non-Major Governmental Funds:		
Ashland Public Transportation	114,799	0
Street Maintenance & Repair Fund	0	62,500
Permissive Tax Fund	0	6,363
City Permissive Tax Fund	0	108,106
Traffic Signal Improvement	0	108,151
Note Retirement	285,120	0
Total Non-Major Governmental Funds	<u>399,919</u>	<u>285,120</u>
Non-Major Enterprise Fund:		
Brookside Golf Course	223,362	0
Total All Funds:	<u>\$ 623,281</u>	<u>\$ 623,281</u>

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ 2,170	\$ 0
Community Corrections	0	2,170
Totals	<u>\$ 2,170</u>	<u>\$ 2,170</u>

The transfers and advances from the General Fund to the various other funds were to provide additional resources for current operations.

Capital assets in the amount of \$279,000 were transferred from the enterprise funds to governmental activities.

NOTE 19: SUBSEQUENT EVENT

In May 2018 the City approved various purpose notes in anticipation of bonds in the amount of \$1,000,000 to refinance the existing note. The note was issued on May 16, 2018 at an interest rate of 2.15 percent and will mature May 16, 2019.

City of Ashland
Ashland County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

NOTE 20: 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 the nonmajor governmental funds are presented as follows:

	General	Street 60 Fund	Nonmajor Governmental Funds	Total
Nonspendable for:				
Prepaid Items	\$ 251,210	\$ 0	\$ 61,426	\$ 312,636
Material and Supplies Inventory	0	0	112,392	112,392
Total Nonspendable	251,210	0	173,818	425,028
Restricted for:				
Roads and Bridges	0	611,069	1,184,509	1,795,578
Public Transportation	0	0	441,182	441,182
Municipal Court Programs	0	0	1,009,073	1,009,073
Police and Fire	0	0	1,326,738	1,326,738
Community Development	0	0	88,180	88,180
Debt Service	0	0	411,174	411,174
Capital Projects	0	0	542,275	542,275
Total Restricted	0	611,069	5,003,131	5,614,200
Committed for:				
Property Management	0	0	3,716	3,716
Fire/Rescue Equipment	0	0	38,734	38,734
Police	0	0	10,361	10,361
Mayor's Underprivileged Children	0	0	1,011	1,011
Industrial Park	0	0	81,449	81,449
Emergency Grounds Maintenance	0	0	24,612	24,612
Nature Preserve	0	0	8,151	8,151
Ladder Truck	0	0	45	45
Police Vehicle	0	0	11,185	11,185
Park and Recreation	0	0	411,064	411,064
Total Committed	0	0	590,328	590,328
Assigned for:				
Subsequent Year Appropriations	1,508,468	0	0	1,508,468
Unassigned	605,371	0	(217,095)	388,276
Total Fund Balance	\$ 2,365,049	\$ 611,069	\$ 5,550,182	\$ 8,526,300

The fund deficit at December 31, 2017 of \$217,095 in the Note Retirement Fund was caused by the application of generally accepted accounting principles. The general fund is liable for any deficit in this fund and will provide transfers when cash is required, not when accruals occur.

This page intentionally left blank.

Required Supplementary Information



City of Ashland
Ashland County, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Last Four Years (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Ohio Public Employees' Retirement System (OPERS)				
City's Proportion of the Net Pension Liability	0.0440499%	0.0446270%	0.0446850%	0.0446850%
City's Proportionate Share of the Net Pension Liability	\$ 10,002,981	\$ 7,729,959	\$ 5,389,510	\$ 5,267,779
City's Covered Payroll	\$ 5,701,017	\$ 5,559,275	\$ 5,478,367	\$ 5,239,115
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	175.46%	139.05%	98.38%	100.55%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.25%	81.08%	86.45%	86.36%
Ohio Police and Fire Pension Fund (OPF)				
City's Proportion of the Net Pension Liability	0.1833450%	0.1895710%	0.1893133%	0.1893133%
City's Proportionate Share of the Net Pension Liability	\$ 11,612,904	\$ 12,195,235	\$ 9,807,218	\$ 9,220,152
City's Covered Payroll	\$ 3,901,419	\$ 3,798,842	\$ 3,888,566	\$ 3,079,218
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	297.66%	321.03%	252.21%	299.43%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.36%	66.77%	72.20%	73.00%

(1) Information prior to 2014 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

Notes:

Ohio Public Employees' Retirement System (OPERS)

Changes of Benefit Terms: None.

Changes of Assumptions: Amounts reported in 2017 reflect an adjustment of the rates of withdrawal, disability, retirement and mortality to more closely reflect actual experience. The expectation of retired life mortality was based on RP-2014 Healthy Annuitant mortality table and RP-2014 Disabled mortality table. The following reductions were also made to the actuarial assumptions:

- Discount rate from 8.00% to 7.50%
- Wage inflation rate from 3.75% to 3.25%
- Price inflation from 3.00% to 2.50%

City of Ashland
Ashland County, Ohio
Required Supplementary Information
Schedule of City Contributions
Last Ten Years

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
Contractually Required Contribution	\$ 751,518	\$ 684,122	\$ 667,113	\$ 657,404
Contributions in Relation to the Contractually Required Contribution	<u>(751,518)</u>	<u>(684,122)</u>	<u>(667,113)</u>	<u>(657,404)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 5,780,907	\$ 5,701,017	\$ 5,559,275	\$ 5,478,367
Contributions as a Percentage of Covered Payroll	13.00%	12.00%	12.00%	12.00%
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
Contractually Required Contribution	\$ 912,541	\$ 834,992	\$ 813,277	\$ 792,264
Contributions in Relation to the Contractually Required Contribution	<u>(912,541)</u>	<u>(834,992)</u>	<u>(813,277)</u>	<u>(792,264)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 4,263,844	\$ 3,901,419	\$ 3,798,842	\$ 3,888,566
Contributions as a Percentage of Covered Payroll	21.40%	21.40%	21.41%	20.37%

(n/a) Information prior to 2013 is not available.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 681,085	n/a	n/a	n/a	n/a	n/a
<u>(681,085)</u>	n/a	n/a	n/a	n/a	n/a
<u>\$ 0</u>	n/a	n/a	n/a	n/a	n/a
\$ 5,239,115	n/a	n/a	n/a	n/a	n/a
13.00%	n/a	n/a	n/a	n/a	n/a
\$ 556,250	\$ 521,926	\$ 546,279	\$ 514,697	\$ 253,990	\$ 573,494
<u>(556,250)</u>	<u>(521,926)</u>	<u>(546,279)</u>	<u>(514,697)</u>	<u>(253,990)</u>	<u>(573,494)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 3,079,218	\$ 3,443,960	\$ 3,598,624	\$ 3,388,968	\$ 1,620,455	\$ 3,831,991
18.06%	15.15%	15.18%	15.19%	15.67%	14.97%

This page intentionally left blank.

Combining Statements for Nonmajor Governmental Funds

CITY OF ASHLAND, OHIO

Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

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.

State Highway - To account for the 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.

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.

CITY OF ASHLAND, OHIO

Fund Descriptions – Nonmajor Governmental Funds (continued)

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.

Property Management – To account for revenue from development and/or leasing of City owned property and expenditures related to the maintenance of the properties.

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.

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 Governmental 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.

Police 60 – To account for 50% of a .25% income tax levied for a period of five years for the purpose of employing additional police and fire personnel and equipping them with the necessary equipment to perform their duties.

Fire 60 – To account for 50% of a .25% income tax levied for a period of five years for the purpose of employing additional police and fire personnel and equipping them with the necessary equipment to perform their duties.

Nonmajor Debt Service Fund

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.

Traffic Signal Improvement - To account for funds received for paying the costs of the improvement of the City's traffic signals.

Tennis Court Improvement – To account for monies obtained through donations, interest and transfers for the purpose of major improvements to the City's tennis courts.

Ladder Truck – To account for monies accumulated from various sources for the purchase of a ladder truck for the City's fire department.

Police Vehicle Improvement- To account for monies accumulated from various sources for the purchase of police vehicles and appurtenances.

City of Ashland
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2017

	Nonmajor Special Revenue Funds	Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Investments	\$ 4,148,973	\$ 422,079	\$ 544,370	\$ 5,115,422
Taxes Receivable	1,082,091	228,924	0	1,311,015
Accounts Receivable	45,529	0	9,135	54,664
Intergovernmental Receivable	803,121	13,269	113,985	930,375
Materials and Supplies Inventory	112,392	0	0	112,392
Prepaid Items	61,426	0	0	61,426
<i>Total Assets</i>	<u>\$ 6,253,532</u>	<u>\$ 664,272</u>	<u>\$ 667,490</u>	<u>\$ 7,585,294</u>
Liabilities				
Accounts Payable	85,825	\$ 0	0	\$ 85,825
Accrued Wages	31,686	0	0	31,686
Contracts Payable	11,278	0	113,985	125,263
Intergovernmental Payable	24,755	0	0	24,755
Interfund Payable	2,170	0	0	2,170
Notes Payable	0	228,000	0	228,000
<i>Total Liabilities</i>	<u>155,714</u>	<u>228,000</u>	<u>113,985</u>	<u>497,699</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	359,284	215,937	0	575,221
Unavailable Revenue	935,936	26,256	0	962,192
<i>Total Deferred Inflows of Resources</i>	<u>1,295,220</u>	<u>242,193</u>	<u>0</u>	<u>1,537,413</u>
Fund Balances				
Nonspendable	173,818	0	0	173,818
Restricted	4,049,682	411,174	542,275	5,003,131
Committed	579,098	0	11,230	590,328
Unassigned	0	(217,095)	0	(217,095)
<i>Total Fund Balances</i>	<u>4,802,598</u>	<u>194,079</u>	<u>553,505</u>	<u>5,550,182</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 6,253,532</u>	<u>\$ 664,272</u>	<u>\$ 667,490</u>	<u>\$ 7,585,294</u>

City of Ashland
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2017

	Nonmajor Special Revenue Funds	Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$ 362,723	\$ 178,055	\$ 0	\$ 540,778
Income Taxes	2,932,083	0	0	2,932,083
Special Assessments	289	0	0	289
Charges for Services	519,289	0	0	519,289
Fines and Forfeitures	766,812	0	0	766,812
Intergovernmental	2,091,043	21,725	235,879	2,348,647
Interest	7,097	0	104,037	111,134
Rent	68,517	0	0	68,517
Contributions and Donations	28,760	0	32,845	61,605
Other	64,458	0	38,587	103,045
<i>Total Revenues</i>	<u>6,841,071</u>	<u>199,780</u>	<u>411,348</u>	<u>7,452,199</u>
Expenditures				
Current:				
General Government	767,295	0	42,692	809,987
Security of Persons and Property	1,249,785	0	0	1,249,785
Public Health	2,945	0	0	2,945
Leisure Time Services	896,722	0	0	896,722
Community Development	369,600	0	0	369,600
Transportation	1,474,174	0	0	1,474,174
Capital Outlay	822,320	0	471,421	1,293,741
Debt Service:				
Principal Retirement	0	670,000	0	670,000
Interest and Fiscal Charges	0	43,219	3,500	46,719
<i>Total Expenditures</i>	<u>5,582,841</u>	<u>713,219</u>	<u>517,613</u>	<u>6,813,673</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,258,230</u>	<u>(513,439)</u>	<u>(106,265)</u>	<u>638,526</u>
Other Financing Sources (Uses)				
Proceeds from Sales of Capital Assets	269,521	0	0	269,521
Transfers In	114,799	285,120	0	399,919
Premium on Debt Issued	0	3,785	0	3,785
Transfers Out	(176,969)	0	(108,151)	(285,120)
<i>Total Other Financing Sources (Uses)</i>	<u>207,351</u>	<u>288,905</u>	<u>(108,151)</u>	<u>388,105</u>
<i>Net Change in Fund Balances</i>	1,465,581	(224,534)	(214,416)	1,026,631
<i>Fund Balances Beginning of Year</i>	3,337,017	418,613	767,921	4,523,551
<i>Fund Balances End of Year</i>	<u>\$ 4,802,598</u>	<u>\$ 194,079</u>	<u>\$ 553,505</u>	<u>\$ 5,550,182</u>

City of Ashland
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2017

	Street M & R	State Highway	Permissive Tax	City Permissive	Bandshell Improvements	Park & Recreation
Assets						
Equity and Pooled Cash and Investments	\$ 748,438	\$ 113,696	\$ 11,113	\$ 79,856	\$ 0	\$ 361,538
Taxes Receivable	115,436	0	0	0	0	285,792
Accounts Receivable	0	0	0	0	0	0
Intergovernmental Receivable	469,461	42,386	0	59,606	0	8,751
Materials and Supplies Inventory	112,392	0	0	0	0	0
Prepaid Items	31,750	0	0	0	0	17,476
<i>Total Assets</i>	<u>\$ 1,477,477</u>	<u>\$ 156,082</u>	<u>\$ 11,113</u>	<u>\$ 139,462</u>	<u>\$ 0</u>	<u>\$ 673,557</u>
Liabilities						
Accounts Payable	\$ 27,239	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages	13,976	0	0	0	0	4,400
Contracts Payable	0	5,428	0	0	0	0
Intergovernmental Payable	9,334	0	0	0	0	3,100
Interfund Payable	0	0	0	0	0	0
<i>Total Liabilities</i>	<u>50,549</u>	<u>5,428</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,500</u>
Deferred Inflows of Resources						
Property Taxes Levied for the Next Year	0	0	0	0	0	152,074
Unavailable Revenue	339,477	24,198	0	35,831	0	85,443
<i>Total Deferred Inflows of Resources</i>	<u>339,477</u>	<u>24,198</u>	<u>0</u>	<u>35,831</u>	<u>0</u>	<u>237,517</u>
Fund Balances						
Nonspendable	144,142	0	0	0	0	17,476
Restricted	943,309	126,456	11,113	103,631	0	0
Committed	0	0	0	0	0	411,064
<i>Total Fund Balances</i>	<u>1,087,451</u>	<u>126,456</u>	<u>11,113</u>	<u>103,631</u>	<u>0</u>	<u>428,540</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 1,477,477</u>	<u>\$ 156,082</u>	<u>\$ 11,113</u>	<u>\$ 139,462</u>	<u>\$ 0</u>	<u>\$ 673,557</u>

(continued)

Nature Preserve	Fire/Rescue Training	Fire/Rescue Equipment	Community Development Block Grant	Ohio Regional Development Housing	Firemens Pension	Policemens Pension	Property Management
\$ 8,151	\$ 8,246	\$ 38,734	\$ 83,308	\$ 31,383	\$ 0	\$ 0	\$ 3,716
0	0	0	0	0	97,643	97,643	24,385
0	0	0	0	0	0	0	0
0	0	0	150,000	0	5,686	5,686	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>\$ 8,151</u>	<u>\$ 8,246</u>	<u>\$ 38,734</u>	<u>\$ 233,308</u>	<u>\$ 31,383</u>	<u>\$ 103,329</u>	<u>\$ 103,329</u>	<u>\$ 28,101</u>
\$ 0	\$ 0	\$ 0	\$ 26,511	\$ 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	0	0
0	0	0	26,511	0	0	0	0
0	0	0	0	0	92,104	92,104	23,002
0	0	0	150,000	0	11,225	11,225	1,383
0	0	0	150,000	0	103,329	103,329	24,385
0	0	0	0	0	0	0	0
0	8,246	0	56,797	31,383	0	0	0
8,151	0	38,734	0	0	0	0	3,716
<u>8,151</u>	<u>8,246</u>	<u>38,734</u>	<u>56,797</u>	<u>31,383</u>	<u>0</u>	<u>0</u>	<u>3,716</u>
<u>\$ 8,151</u>	<u>\$ 8,246</u>	<u>\$ 38,734</u>	<u>\$ 233,308</u>	<u>\$ 31,383</u>	<u>\$ 103,329</u>	<u>\$ 103,329</u>	<u>\$ 28,101</u>

(continued)

City of Ashland
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2017

	Drug Law Enforcement	Enforcement & Education	Ashland Public Transportation	Municipal Court Computer	Indigent Drivers	Municipal Probation
Assets						
Equity and Pooled Cash and Investments	\$ 17,834	\$ 22,754	\$ 466,255	\$ 182,862	\$ 38,928	\$ 146,905
Taxes Receivable	0	0	0	0	0	0
Accounts Receivable	0	0	0	9,437	1,075	15,372
Intergovernmental Receivable	0	0	11,800	0	0	0
Materials and Supplies Inventory	0	0	0	0	0	0
Prepaid Items	0	0	0	152	0	5,127
<i>Total Assets</i>	<u>\$ 17,834</u>	<u>\$ 22,754</u>	<u>\$ 478,055</u>	<u>\$ 192,451</u>	<u>\$ 40,003</u>	<u>\$ 167,404</u>
Liabilities						
Accounts Payable	\$ 0	\$ 0	\$ 29,665	\$ 2,410	\$ 0	\$ 0
Accrued Wages	0	0	801	103	0	2,236
Contracts Payable	0	0	5,850	0	0	0
Intergovernmental Payable	0	0	557	72	0	1,577
Interfund Payable	0	0	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>36,873</u>	<u>2,585</u>	<u>0</u>	<u>3,813</u>
Deferred Inflows of Resources						
Property Taxes Levied for the Next Year	0	0	0	0	0	0
Unavailable Revenue	0	0	0	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances						
Nonspendable	0	0	0	152	0	5,127
Restricted	17,834	22,754	441,182	189,714	40,003	158,464
Committed	0	0	0	0	0	0
<i>Total Fund Balances</i>	<u>17,834</u>	<u>22,754</u>	<u>441,182</u>	<u>189,866</u>	<u>40,003</u>	<u>163,591</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 17,834</u>	<u>\$ 22,754</u>	<u>\$ 478,055</u>	<u>\$ 192,451</u>	<u>\$ 40,003</u>	<u>\$ 167,404</u>

(continued)

Police Donations	Home Arrest	Community Corrections	Municipal Court Special Program	CCA Monitoring	Mayor's Underprivileged Children	Indigent Driver's Interlock	Continuing Education
\$ 10,361	\$ 1,728	\$ 7,231	\$ 342,808	\$ 9,901	\$ 1,011	\$ 178,038	\$ 8,609
0	0	0	0	0	0	0	0
0	0	0	17,431	0	0	0	0
0	0	49,745	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	924	2,851	55	0	0	0
<u>\$ 10,361</u>	<u>\$ 1,728</u>	<u>\$ 57,900</u>	<u>\$ 363,090</u>	<u>\$ 9,956</u>	<u>\$ 1,011</u>	<u>\$ 178,038</u>	<u>\$ 8,609</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	1,203	3,568	51	0	0	0
0	0	0	0	0	0	0	0
0	0	859	2,428	36	0	0	0
0	0	2,170	0	0	0	0	0
0	0	4,232	5,996	87	0	0	0
0	0	0	0	0	0	0	0
0	0	24,872	0	0	0	0	0
0	0	24,872	0	0	0	0	0
0	0	924	2,851	55	0	0	0
0	1,728	27,872	354,243	9,814	0	178,038	8,609
10,361	0	0	0	0	1,011	0	0
10,361	1,728	28,796	357,094	9,869	1,011	178,038	8,609
<u>\$ 10,361</u>	<u>\$ 1,728</u>	<u>\$ 57,900</u>	<u>\$ 363,090</u>	<u>\$ 9,956</u>	<u>\$ 1,011</u>	<u>\$ 178,038</u>	<u>\$ 8,609</u>

(continued)

City of Ashland
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2017

	Industrial Park	Emergency Grounds Maintenance	Police 60	Fire 60	Total
Assets					
Equity and Pooled Cash and Investments	\$ 81,449	\$ 24,612	\$ 512,827	\$ 606,681	4,148,973
Taxes Receivable	0	0	230,596	230,596	1,082,091
Accounts Receivable	0	2,214	0	0	45,529
Intergovernmental Receivable	0	0	0	0	803,121
Materials and Supplies Inventory	0	0	0	0	112,392
Prepaid Items	0	0	1,268	1,823	61,426
<i>Total Assets</i>	<u>\$ 81,449</u>	<u>\$ 26,826</u>	<u>\$ 744,691</u>	<u>\$ 839,100</u>	<u>\$ 6,253,532</u>
Liabilities					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	85,825
Accrued Wages	0	0	2,305	3,043	31,686
Contracts Payable	0	0	0	0	11,278
Intergovernmental Payable	0	0	2,592	4,200	24,755
Interfund Payable	0	0	0	0	2,170
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>4,897</u>	<u>7,243</u>	<u>155,714</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	0	0	0	0	359,284
Unavailable Revenue	0	2,214	125,034	125,034	935,936
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>2,214</u>	<u>125,034</u>	<u>125,034</u>	<u>1,295,220</u>
Fund Balances					
Nonspendable	0	0	1,268	1,823	173,818
Restricted	0	0	613,492	705,000	4,049,682
Committed	81,449	24,612	0	0	579,098
<i>Total Fund Balances</i>	<u>81,449</u>	<u>24,612</u>	<u>614,760</u>	<u>706,823</u>	<u>4,802,598</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 81,449</u>	<u>\$ 26,826</u>	<u>\$ 744,691</u>	<u>\$ 839,100</u>	<u>\$ 6,253,532</u>

This page intentionally left blank.

City of Ashland
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017

	Street M & R	State Highway	Permissive Tax	City Permissive	Bandshell Improvements	Park & Recreation
Revenues						
Property Taxes	\$ 55,136	\$ 0	\$ 0	\$ 0	\$ 0	\$ 137,047
Income Taxes	619,481	0	0	0	0	668,994
Special Assessments	0	0	0	0	0	0
Charges for Services	17,363	0	0	0	0	81,338
Fines and Forfeitures	2,150	0	0	0	0	0
Intergovernmental	934,214	77,733	11,112	117,823	0	18,105
Interest	6,706	352	0	0	0	0
Rent	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	0	1,200
Other	17,976	0	0	0	0	15,149
<i>Total Revenues</i>	<u>1,653,026</u>	<u>78,085</u>	<u>11,112</u>	<u>117,823</u>	<u>0</u>	<u>921,833</u>
Expenditures						
Current:						
General Government	0	0	0	0	0	0
Security of Persons and Property	0	0	0	0	0	0
Public Health	0	0	0	0	0	0
Leisure Time Services	0	0	0	0	11,219	885,010
Community Development	0	0	0	0	0	0
Transportation	1,474,174	0	0	0	0	0
Capital Outlay	87,050	63,820	0	0	0	21,158
<i>Total Expenditures</i>	<u>1,561,224</u>	<u>63,820</u>	<u>0</u>	<u>0</u>	<u>11,219</u>	<u>906,168</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>91,802</u>	<u>14,265</u>	<u>11,112</u>	<u>117,823</u>	<u>(11,219)</u>	<u>15,665</u>
Other Financing Sources (Uses)						
Proceeds from Sales of Capital Assets	0	0	0	0	0	0
Transfers In	0	0	0	0	0	0
Transfers Out	(62,500)	0	(6,363)	(108,106)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(62,500)</u>	<u>0</u>	<u>(6,363)</u>	<u>(108,106)</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	29,302	14,265	4,749	9,717	(11,219)	15,665
<i>Fund Balances Beginning of Year</i>	<u>1,058,149</u>	<u>112,191</u>	<u>6,364</u>	<u>93,914</u>	<u>11,219</u>	<u>412,875</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,087,451</u>	<u>\$ 126,456</u>	<u>\$ 11,113</u>	<u>\$ 103,631</u>	<u>\$ 0</u>	<u>\$ 428,540</u>

(continued)

Nature Preserve	Fire/Rescue Training	Fire/Rescue Equipment	Community Development Block Grant	Ohio Regional Development Housing	Firemens Pension	Policemens Pension	Property Management
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 85,270	\$ 85,270	\$ 0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	328,066	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	376,113	14,150	10,863	10,863	0
0	0	0	0	0	0	0	0
900	0	0	0	0	0	0	12,810
0	19,770	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>900</u>	<u>19,770</u>	<u>328,066</u>	<u>376,113</u>	<u>14,150</u>	<u>96,133</u>	<u>96,133</u>	<u>12,810</u>
0	0	0	26,511	0	0	0	30,885
0	16,843	0	0	0	96,133	96,133	0
0	0	0	0	0	0	0	0
493	0	0	0	0	0	0	0
0	0	0	298,305	71,295	0	0	0
0	0	0	0	0	0	0	0
0	0	335,051	0	0	0	0	0
<u>493</u>	<u>16,843</u>	<u>335,051</u>	<u>324,816</u>	<u>71,295</u>	<u>96,133</u>	<u>96,133</u>	<u>30,885</u>
407	2,927	(6,985)	51,297	(57,145)	0	0	(18,075)
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	0	0	0	0	0	0
407	2,927	(6,985)	51,297	(57,145)	0	0	(18,075)
7,744	5,319	45,719	5,500	88,528	0	0	21,791
<u>\$ 8,151</u>	<u>\$ 8,246</u>	<u>\$ 38,734</u>	<u>\$ 56,797</u>	<u>\$ 31,383</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,716</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, 2017

	Drug Law Enforcement	Enforcement & Education	Ashland Public Transportation	Municipal Court Computer	Indigent Drivers	Municipal Probation
Revenues						
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	0	0	0	0
Special Assessments	0	0	0	0	0	0
Charges for Services	0	0	92,522	0	0	0
Fines and Forfeitures	8,162	1,802	0	133,006	32,832	301,884
Intergovernmental	0	0	414,951	0	0	0
Interest	0	0	0	0	0	0
Rent	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	0	0
Other	0	0	28,775	0	0	0
<i>Total Revenues</i>	<u>8,162</u>	<u>1,802</u>	<u>536,248</u>	<u>133,006</u>	<u>32,832</u>	<u>301,884</u>
Expenditures						
Current:						
General Government	0	0	534,967	0	0	0
Security of Persons and Property	1,131	113	0	153,655	27,035	183,647
Public Health	0	0	0	0	0	0
Leisure Time Services	0	0	0	0	0	0
Community Development	0	0	0	0	0	0
Transportation	0	0	0	0	0	0
Capital Outlay	0	0	62,145	0	0	0
<i>Total Expenditures</i>	<u>1,131</u>	<u>113</u>	<u>597,112</u>	<u>153,655</u>	<u>27,035</u>	<u>183,647</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>7,031</u>	<u>1,689</u>	<u>(60,864)</u>	<u>(20,649)</u>	<u>5,797</u>	<u>118,237</u>
Other Financing Sources (Uses)						
Proceeds from Sales of Capital Assets	0	0	0	0	0	0
Transfers In	0	0	114,799	0	0	0
Transfers Out	0	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>114,799</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	7,031	1,689	53,935	(20,649)	5,797	118,237
<i>Fund Balances Beginning of Year</i>	<u>10,803</u>	<u>21,065</u>	<u>387,247</u>	<u>210,515</u>	<u>34,206</u>	<u>45,354</u>
<i>Fund Balances End of Year</i>	<u>\$ 17,834</u>	<u>\$ 22,754</u>	<u>\$ 441,182</u>	<u>\$ 189,866</u>	<u>\$ 40,003</u>	<u>\$ 163,591</u>

(continued)

Police Donations	Home Arrest	Community Corrections	Municipal Court Special Program	CCA Monitoring	Mayor's Underprivileged Children	Indigent Driver's Interlock	Continuing Education
\$ 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	0	0	0	0	0	0
0	0	0	253,182	11,365	0	22,429	0
0	0	102,256	0	0	0	0	2,860
0	0	0	0	0	39	0	0
0	0	0	0	0	0	0	0
7,040	0	0	0	0	750	0	0
0	0	0	0	0	0	0	0
<u>7,040</u>	<u>0</u>	<u>102,256</u>	<u>253,182</u>	<u>11,365</u>	<u>789</u>	<u>22,429</u>	<u>2,860</u>
0	0	0	0	0	705	0	66
6,196	0	103,988	276,440	8,162	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	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>6,196</u>	<u>0</u>	<u>103,988</u>	<u>276,440</u>	<u>8,162</u>	<u>705</u>	<u>-</u>	<u>66</u>
<u>844</u>	<u>0</u>	<u>(1,732)</u>	<u>(23,258)</u>	<u>3,203</u>	<u>84</u>	<u>22,429</u>	<u>2,794</u>
0	0	0	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>0</u>
844	0	(1,732)	(23,258)	3,203	84	22,429	2,794
9,517	1,728	30,528	380,352	6,666	927	155,609	5,815
<u>\$ 10,361</u>	<u>\$ 1,728</u>	<u>\$ 28,796</u>	<u>\$ 357,094</u>	<u>\$ 9,869</u>	<u>\$ 1,011</u>	<u>\$ 178,038</u>	<u>\$ 8,609</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, 2017

	Industrial Park	Emergency Grounds Maintenance	Police 60	Fire 60	Total
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 362,723
Income Taxes	0	0	821,804	821,804	2,932,083
Special Assessments	0	289	0	0	289
Charges for Services	0	0	0	0	519,289
Fines and Forfeitures	0	0	0	0	766,812
Intergovernmental	0	0	0	0	2,091,043
Interest	0	0	0	0	7,097
Rent	54,807	0	0	0	68,517
Contributions and Donations	0	0	0	0	28,760
Other	2,377	181	0	0	64,458
<i>Total Revenues</i>	<u>57,184</u>	<u>470</u>	<u>821,804</u>	<u>821,804</u>	<u>6,841,071</u>
Expenditures					
Current:					
General Government	174,161	0	0	0	767,295
Security of Persons and Property	0	0	165,328	114,981	1,249,785
Public Health	0	2,945	0	0	2,945
Leisure Time Services	0	0	0	0	896,722
Community Development	0	0	0	0	369,600
Transportation	0	0	0	0	1,474,174
Capital Outlay	211,380	0	41,716	0	822,320
<i>Total Expenditures</i>	<u>385,541</u>	<u>2,945</u>	<u>207,044</u>	<u>114,981</u>	<u>5,582,841</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(328,357)</u>	<u>(2,475)</u>	<u>614,760</u>	<u>706,823</u>	<u>1,258,230</u>
Other Financing Sources (Uses)					
Proceeds from Sales of Capital Assets	269,521	0	0	0	269,521
Transfers In	0	0	0	0	114,799
Transfers Out	0	0	0	0	(176,969)
<i>Total Other Financing Sources (Uses)</i>	<u>269,521</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>207,351</u>
<i>Net Change in Fund Balances</i>	(58,836)	(2,475)	614,760	706,823	1,465,581
<i>Fund Balances Beginning of Year</i>	<u>140,285</u>	<u>27,087</u>	<u>0</u>	<u>0</u>	<u>3,337,017</u>
<i>Fund Balances End of Year</i>	<u>\$ 81,449</u>	<u>\$ 24,612</u>	<u>\$ 614,760</u>	<u>\$ 706,823</u>	<u>\$ 4,802,598</u>

City of Ashland
Combining Statement
Nonmajor Debt Service Funds
December 31, 2017

	General Obligation Bond Retirement	Note Retirement	Total
Assets			
Equity and Pooled Cash and Investments	\$ 411,174	\$ 10,905	\$ 422,079
Taxes Receivable	228,924	0	228,924
Intergovernmental Receivable	13,269	0	13,269
<i>Total Assets</i>	<u>\$ 653,367</u>	<u>\$ 10,905</u>	<u>\$ 664,272</u>
Liabilities			
Note Payable	\$ 0	\$ 228,000	\$ 228,000
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	215,937	0	215,937
Unavailable Revenue	26,256	0	26,256
<i>Total Deferred Inflows of Resources</i>	<u>242,193</u>	<u>0</u>	<u>242,193</u>
Fund Balances			
Restricted	411,174	0	411,174
Unassigned	0	(217,095)	(217,095)
Total Fund Balances	<u>411,174</u>	<u>(217,095)</u>	<u>194,079</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 653,367</u>	<u>\$ 10,905</u>	<u>\$ 664,272</u>

City of Ashland
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2017

	General Obligation Bond Retirement	Note Retirement	Total
Revenues			
Property Taxes	\$ 178,055	\$ 0	\$ 178,055
Intergovernmental	21,725	0	21,725
<i>Total Revenues</i>	<u>199,780</u>	<u>0</u>	<u>199,780</u>
Expenditures			
Debt Service:			
Principal Retirement	170,000	500,000	670,000
Interest and Fiscal Charges	37,219	6,000	43,219
<i>Total Expenditures</i>	<u>207,219</u>	<u>506,000</u>	<u>713,219</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(7,439)	(506,000)	(513,439)
Other Financing Sources (Uses)			
Transfers In	0	285,120	285,120
Premium on Debt Issued	0	3,785	3,785
<i>Total Other Financing Sources (Uses)</i>	0	288,905	288,905
<i>Net Change in Fund Balances</i>	(7,439)	(217,095)	(224,534)
<i>Fund Balances Beginning of Year</i>	<u>418,613</u>	<u>0</u>	<u>418,613</u>
<i>Fund Balances End of Year</i>	<u>\$ 411,174</u>	<u>\$ (217,095)</u>	<u>\$ 194,079</u>

City of Ashland
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2017

	Capital Improvement	Traffic Signal Improvement	Tennis Court Improvement	Ladder Truck	Police Vehicle Improvement	Total
Assets						
Equity and Pooled Cash and Investments	\$ 178,839	\$ 321,456	\$ 32,845	\$ 45	\$ 11,185	\$ 544,370
Accounts Receivable	5,635	3,500	0	0	0	9,135
Intergovernmental Receivable	0	113,985	0	0	0	113,985
<i>Total Assets</i>	<u>\$ 184,474</u>	<u>\$ 438,941</u>	<u>\$ 32,845</u>	<u>\$ 45</u>	<u>\$ 11,185</u>	<u>\$ 667,490</u>
Liabilities						
Contracts Payable	\$ 0	\$ 113,985	\$ 0	\$ 0	\$ 0	\$ 113,985
Fund Balances						
Restricted	184,474	324,956	32,845	0	0	542,275
Committed	0	0	0	45	11,185	11,230
<i>Total Fund Balances</i>	<u>184,474</u>	<u>324,956</u>	<u>32,845</u>	<u>45</u>	<u>11,185</u>	<u>553,505</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 184,474</u>	<u>\$ 438,941</u>	<u>\$ 32,845</u>	<u>\$ 45</u>	<u>\$ 11,185</u>	<u>\$ 667,490</u>

City of Ashland
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2017

	Capital Improvement	Traffic Signal Improvement	Tennis Court Improvement	Ladder Truck	Police Vehicle Improvement	Total
Revenues						
Intergovernmental	\$ 0	\$ 235,879	\$ 0	\$ 0	\$ 0	\$ 235,879
Interest	104,037	0	0	0	0	104,037
Contributions and Donations	0	0	32,845	0	0	32,845
Other	23,857	3,500	0	45	11,185	38,587
<i>Total Revenues</i>	<u>127,894</u>	<u>239,379</u>	<u>32,845</u>	<u>45</u>	<u>11,185</u>	<u>411,348</u>
Expenditures						
Current:						
General Government	42,692	0	0	0	0	42,692
Capital Outlay	183,469	287,952	0	0	0	471,421
Debt Service:						
Interest and Fiscal Charges	0	3,500	0	0	0	3,500
<i>Total Expenditures</i>	<u>226,161</u>	<u>291,452</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>517,613</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(98,267)</u>	<u>(52,073)</u>	<u>32,845</u>	<u>45</u>	<u>11,185</u>	<u>(106,265)</u>
Other Financing Sources (Uses)						
Transfers Out	0	(108,151)	0	0	0	(108,151)
<i>Net Change in Fund Balances</i>	<u>(98,267)</u>	<u>(160,224)</u>	<u>32,845</u>	<u>45</u>	<u>11,185</u>	<u>(214,416)</u>
<i>Fund Balances Beginning of Year</i>	<u>282,741</u>	<u>485,180</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>767,921</u>
<i>Fund Balances End of Year</i>	<u>\$ 184,474</u>	<u>\$ 324,956</u>	<u>\$ 32,845</u>	<u>\$ 45</u>	<u>\$ 11,185</u>	<u>\$ 553,505</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

Fund Descriptions – Major Funds

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 fund is legally budgeted as separate special revenue funds but is 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.

Major Street 60 Fund

The street 60 fund is used to account for a .25% income tax levied for a period of five years for the purpose of street repair and resurfacing.

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, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Property Taxes	\$ 540,511	\$ 551,355	\$ 10,844
Income Taxes	8,101,930	8,550,298	448,368
Other Local Taxes	5,500	6,609	1,109
Charges for Services	828,258	920,802	92,544
Licenses and Permits	71,520	59,579	(11,941)
Fines and Forfeitures	569,620	580,264	10,644
Intergovernmental	391,183	366,570	(24,613)
Contributions and Donations	880	0	(880)
Other	88,700	279,908	191,208
<i>Total Revenues</i>	<u>10,598,102</u>	<u>11,315,385</u>	<u>717,283</u>
Expenditures			
Current:			
General Government			
Mayor			
Personal Services	55,528	55,323	205
Other	11,709	6,787	4,922
Total Mayor	<u>67,237</u>	<u>62,110</u>	<u>5,127</u>
Director of Finance			
Personal Services	96,766	90,992	5,774
Other	111,941	106,396	5,545
Total Director of Finance	<u>208,707</u>	<u>197,388</u>	<u>11,319</u>
Director of Law			
Personal Services	110,344	105,007	5,337
Other	32,568	24,915	7,653
Total Director of Law	<u>142,912</u>	<u>129,922</u>	<u>12,990</u>
Department of Human Services			
Personal Services	56,815	50,691	6,124
Other	38,688	35,304	3,384
Total Department of Human Services	<u>95,503</u>	<u>85,995</u>	<u>9,508</u>
Council			
Personal Services	25,003	18,761	6,242
Other	642,238	606,244	35,994
Total Council	<u>667,241</u>	<u>625,005</u>	<u>42,236</u>

(Continued)

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund - (Continued)
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Municipal Court Clerk			
Personal Services	1,084,563	1,035,945	48,618
Other	167,022	142,517	24,505
Total Municipal Court Clerk	1,251,585	1,178,462	73,123
Technical Services Department			
Personal Services	82,302	41,812	40,490
Other	99,320	82,240	17,080
Total Technical Services Department	181,622	124,052	57,570
Municipal Building Maintenance			
Personal Services	22,261	9,212	13,049
Other	54,032	47,154	6,878
Total Municipal Building Maintenance	76,293	56,366	19,927
Justice Center Maintenance			
Personal Services	38,347	37,324	1,023
Other	102,745	93,989	8,756
Total Justice Center Maintenance	141,092	131,313	9,779
Engineer			
Personal Services	39,220	34,142	5,078
Other	86,988	83,038	3,950
Total Engineer	126,208	117,180	9,028
General Miscellaneous			
Personal Services	48,405	48,404	1
Other	387,996	371,569	16,427
Total General Miscellaneous	436,401	419,973	16,428
Total General Government	3,394,801	3,127,766	267,035
Security of Persons and Property			
Police Department			
Personal Services	3,182,217	3,072,978	109,239
Other	306,152	280,455	25,697
Total Police Department	3,488,369	3,353,433	134,936
Fire Department			
Personal Services	3,447,340	3,170,923	276,417
Other	410,883	341,105	69,778
Total Fire Department	3,858,223	3,512,028	346,195

(Continued)

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund - (Continued)
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Street Lighting			
Other	153,848	153,848	0
Total Security of Persons and Property	7,500,440	7,019,309	481,131
Public Health			
Health Department			
Personal Services	259,419	230,675	28,744
Other	83,433	75,725	7,708
Total Public Health	342,852	306,400	36,452
Community Development			
Building and Zoning			
Personal Services	161,274	157,729	3,545
Other	5,713	4,448	1,265
Total Building and Zoning	166,987	162,177	4,810
Economic Development			
Other	41,695	41,396	299
Total Community Development	208,682	203,573	5,109
Capital Outlay			
Other	106,437	106,437	0
<i>Total Expenditures</i>	11,553,212	10,763,485	789,727
<i>Excess of Revenues Over (Under) Expenditures</i>	(955,110)	551,900	1,507,010
Other Financing Sources (Uses)			
Advances In	30,000	21,403	(8,597)
Advances Out	(32,170)	(23,573)	8,597
Transfers Out	(338,161)	(338,161)	0
<i>Total Other Financing Sources (Uses)</i>	(340,331)	(340,331)	0
<i>Net Change in Fund Balance</i>	(1,295,441)	211,569	1,507,010
<i>Fund Balance Beginning of Year</i>	1,284,498	1,284,498	0
Prior Year Encumbrances Appropriated	16,600	16,600	0
<i>Fund Balance End of Year</i>	\$ 5,657	\$ 1,512,667	\$ 1,507,010

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Income Taxes	\$ 658,365	\$ 579,821	\$ (78,544)
Other	0	1,928	1,928
<i>Total Revenues</i>	<u>658,365</u>	<u>581,749</u>	<u>(76,616)</u>
Expenditures			
Current:			
General Government			
City Income Tax			
Personal Services	221,010	214,267	6,743
Other	437,355	352,765	84,590
<i>Total Expenditures</i>	<u>658,365</u>	<u>567,032</u>	<u>91,333</u>
<i>Net Change in Fund Balance</i>	0	14,717	14,717
<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>\$ 14,717</u></u>	<u><u>\$ 14,717</u></u>

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street 60 Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Income Taxes	\$ 1,000,000	\$ 1,432,483	\$ 432,483
Interest	0	17,038	17,038
<i>Total Revenues</i>	<u>1,000,000</u>	<u>1,449,521</u>	<u>449,521</u>
Expenditures			
Current:			
Transportation			
Other	<u>3,185,000</u>	<u>2,056,028</u>	<u>1,128,972</u>
<i>Deficiency of Revenues Under Expenditures</i>	(2,185,000)	(606,507)	1,578,493
Other Financing Sources			
Notes Issued	<u>3,000,000</u>	<u>3,000,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	815,000	2,393,493	1,578,493
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 815,000</u>	<u>\$ 2,393,493</u>	<u>\$ 1,578,493</u>

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 80,250	\$ 55,136	\$ (25,114)
Income Taxes	558,462	614,246	55,784
Charges for Services	18,668	17,363	(1,305)
Fines and Forfeitures	2,400	2,150	(250)
Intergovernmental	865,250	869,520	4,270
Interest	4,870	6,706	1,836
Other	10,000	19,771	9,771
<i>Total Revenues</i>	<u>1,539,900</u>	<u>1,584,892</u>	<u>44,992</u>
Expenditures			
Current:			
Transportation			
Street Maintenance and Repair			
Personal Services	860,002	745,559	114,443
Other	1,169,026	618,322	550,704
<i>Total Expenditures</i>	<u>2,029,028</u>	<u>1,363,881</u>	<u>665,147</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(489,128)	221,011	710,139
Other Financing Uses			
Transfers Out	(62,500)	(62,500)	0
<i>Net Change in Fund Balance</i>	(551,628)	158,511	710,139
<i>Fund Balance Beginning of Year</i>	<u>589,927</u>	<u>589,927</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 38,299</u>	<u>\$ 748,438</u>	<u>\$ 710,139</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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 69,889	\$ 69,914	\$ 25
Interest	354	352	(2)
<i>Total Revenues</i>	<u>70,243</u>	<u>70,266</u>	<u>23</u>
Expenditures			
Capital Outlay			
Other	172,065	58,392	113,673
<i>Net Change in Fund Balance</i>	(101,822)	11,874	113,696
<i>Fund Balance Beginning of Year</i>	<u>101,822</u>	<u>101,822</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 113,696</u>	<u>\$ 113,696</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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 111,000	\$ 11,112	\$ (99,888)
Other Financing Uses			
Transfers Out	(117,364)	(6,363)	111,001
<i>Net Change in Fund Balance</i>	(6,364)	4,749	11,113
<i>Fund Balance Beginning of Year</i>	6,364	6,364	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 11,113	\$ 11,113

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 97,916	\$ 108,244	\$ 10,328
Other Financing Uses			
Transfers Out	(177,634)	(108,106)	69,528
<i>Net Change in Fund Balance</i>	(79,718)	138	79,856
<i>Fund Balance Beginning of Year</i>	79,718	79,718	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 79,856	\$ 79,856

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, 2017

	Final Budget	Actual	Variance with Final Budget
Expenditures			
Current:			
Leisure Time Services			
Other	\$ 11,219	\$ 11,219	\$ 0
<i>Net Change in Fund Balance</i>	(11,219)	(11,219)	0
<i>Fund Balance Beginning of Year</i>	11,219	11,219	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
Park and Recreation Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 134,645	\$ 137,047	\$ 2,402
Income Taxes	603,139	663,385	60,246
Charges for Services	73,642	81,338	7,696
Intergovernmental	22,600	18,105	(4,495)
Contributions and Donations	51,200	1,200	(50,000)
Other	9,800	15,149	5,349
<i>Total Revenues</i>	<u>895,026</u>	<u>916,224</u>	<u>21,198</u>
Expenditures			
Current:			
Leisure Time Services			
Personal Services	336,495	302,230	34,265
Other	619,115	583,291	35,824
Total Leisure Time Services	<u>955,610</u>	<u>885,521</u>	<u>70,089</u>
Capital Outlay			
Other	193,100	21,158	171,942
<i>Total Expenditures</i>	<u>1,148,710</u>	<u>906,679</u>	<u>242,031</u>
<i>Net Change in Fund Balance</i>	(253,684)	9,545	263,229
<i>Fund Balance Beginning of Year</i>	<u>351,993</u>	<u>351,993</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 98,309</u>	<u>\$ 361,538</u>	<u>\$ 263,229</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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Rent	\$ 900	\$ 900	\$ 0
Expenditures			
Current:			
Leisure Time Services			
Other	8,644	493	8,151
<i>Net Change in Fund Balance</i>	(7,744)	407	8,151
<i>Fund Balance Beginning of Year</i>	7,744	7,744	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 8,151	\$ 8,151

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, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Contributions and Donations	\$ 12,954	\$ 19,770	\$ 6,816
Expenditures			
Current:			
Security of Persons and Property			
Other	18,273	16,843	1,430
<i>Net Change in Fund Balance</i>	(5,319)	2,927	8,246
<i>Fund Balance Beginning of Year</i>	5,319	5,319	0
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 8,246</u>	<u>\$ 8,246</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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 320,065	\$ 328,066	\$ 8,001
Expenditures			
Capital Outlay			
Other	364,699	335,051	29,648
<i>Net Change in Fund Balance</i>	(44,634)	(6,985)	37,649
<i>Fund Balance Beginning of Year</i>	27,001	27,001	0
Prior Year Encumbrances Appropriated	18,718	18,718	0
<i>Fund Balance End of Year</i>	\$ 1,085	\$ 38,734	\$ 37,649

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, 2017*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 375,000	\$ 381,613	\$ 6,613
Expenditures			
Current:			
Community Development			
Other	393,163	316,468	76,695
<i>Net Change in Fund Balance</i>	(18,163)	65,145	83,308
<i>Fund Balance Beginning of Year</i>	18,163	18,163	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 83,308	\$ 83,308

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 0	\$ 14,150	\$ 14,150
Expenditures			
Current:			
Community Development			
Other	88,528	71,295	17,233
<i>Net Change in Fund Balance</i>	(88,528)	(57,145)	31,383
<i>Fund Balance Beginning of Year</i>	88,528	88,528	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 31,383	\$ 31,383

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 88,150	\$ 85,270	\$ (2,880)
Intergovernmental	11,850	10,863	(987)
<i>Total Revenues</i>	<u>100,000</u>	<u>96,133</u>	<u>(3,867)</u>
Expenditures			
Current:			
Security of Persons and Property			
Personal Services	<u>100,000</u>	<u>96,133</u>	<u>3,867</u>
<i>Net Change in Fund Balance</i>	0	0	0
<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>\$ 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
Policemens Pension Fund
For the Year Ended December 31, 2017*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 88,150	\$ 85,270	\$ (2,880)
Intergovernmental	11,850	10,863	(987)
<i>Total Revenues</i>	<u>100,000</u>	<u>96,133</u>	<u>(3,867)</u>
Expenditures			
Current:			
Security of Persons and Property			
Personal Services	<u>100,000</u>	<u>96,133</u>	<u>3,867</u>
<i>Net Change in Fund Balance</i>	0	0	0
<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>\$ 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
Property Management Fund
For the Year Ended December 31, 2017*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Rent	\$ 13,388	\$ 12,810	\$ (578)
Expenditures			
Current:			
General Government			
Other	35,179	30,885	4,294
<i>Net Change in Fund Balance</i>	(21,791)	(18,075)	3,716
<i>Fund Balance Beginning of Year</i>	21,791	21,791	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 3,716	\$ 3,716

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 2,400	\$ 8,162	\$ 5,762
Expenditures			
Current:			
Security of Persons and Property			
Other	13,203	1,131	12,072
<i>Net Change in Fund Balance</i>	(10,803)	7,031	17,834
<i>Fund Balance Beginning of Year</i>	10,803	10,803	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 17,834	\$ 17,834

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 1,200	\$ 1,802	\$ 602
Expenditures			
Current:			
Security of Persons and Property			
Other	22,265	113	22,152
<i>Net Change in Fund Balance</i>	(21,065)	1,689	22,754
<i>Fund Balance Beginning of Year</i>	21,065	21,065	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 22,754	\$ 22,754

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 89,000	\$ 94,974	\$ 5,974
Intergovernmental	523,755	464,729	(59,026)
Other	3,012	28,775	25,763
<i>Total Revenues</i>	<u>615,767</u>	<u>588,478</u>	<u>(27,289)</u>
Expenditures			
Current:			
General Government			
Public Transit			
Other	724,862	559,239	165,623
Coordination			
Personal Services	51,573	39,885	11,688
<i>Total Expenditures</i>	<u>776,435</u>	<u>599,124</u>	<u>177,311</u>
<i>Deficiency of Revenues Under Expenditures</i>	<u>(160,668)</u>	<u>(10,646)</u>	<u>150,022</u>
Other Financing Sources			
Transfers In	114,799	114,799	0
<i>Net Change in Fund Balance</i>	(45,869)	104,153	150,022
<i>Fund Balance Beginning of Year</i>	315,431	315,431	0
Prior Year Encumbrances Appropriated	46,671	46,671	0
<i>Fund Balance End of Year</i>	<u>\$ 316,233</u>	<u>\$ 466,255</u>	<u>\$ 150,022</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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 125,000	\$ 131,583	\$ 6,583
Expenditures			
Current:			
Security of Persons and Property			
Personal Services	9,908	8,014	1,894
Other	317,612	143,227	174,385
<i>Total Expenditures</i>	327,520	151,241	176,279
<i>Net Change in Fund Balance</i>	(202,520)	(19,658)	182,862
<i>Fund Balance Beginning of Year</i>	202,520	202,520	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 182,862	\$ 182,862

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 21,499	\$ 32,965	\$ 11,466
Expenditures			
Current:			
Security of Persons and Property			
Other	54,497	27,035	27,462
<i>Net Change in Fund Balance</i>	(32,998)	5,930	38,928
<i>Fund Balance Beginning of Year</i>	32,998	32,998	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 38,928	\$ 38,928

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 217,832	\$ 304,260	\$ 86,428
<i>Total Revenues</i>	<u>217,832</u>	<u>304,260</u>	<u>86,428</u>
Expenditures			
Current:			
Security of Persons and Property			
Personal Services	214,431	176,017	38,414
Other	29,456	7,393	22,063
<i>Total Expenditures</i>	<u>243,887</u>	<u>183,410</u>	<u>60,477</u>
<i>Net Change in Fund Balance</i>	<u>(26,055)</u>	<u>120,850</u>	<u>146,905</u>
<i>Fund Balance at Beginning of Year</i>	<u>26,055</u>	<u>26,055</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$ 0</u>	<u>\$ 146,905</u>	<u>\$ 146,905</u>

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Contributions and Donations	\$ 5,000	\$ 7,040	\$ 2,040
Expenditures			
Current:			
Security of Persons and Property			
Other	14,517	6,196	8,321
<i>Net Change in Fund Balance</i>	(9,517)	844	10,361
<i>Fund Balance Beginning of Year</i>	9,517	9,517	0
<i>Fund Balance End of Year</i>	\$ 0	10,361	\$ 10,361

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, 2017

	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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 110,547	\$ 105,020	\$ (5,527)
Expenditures			
Current:			
Security of Persons and Property			
Community Corrections			
Personal Services	83,736	80,458	3,278
Other	36,549	29,239	7,310
<i>Total Expenditures</i>	120,285	109,697	10,588
<i>Excess of Revenues Over (Under) Expenditures</i>	(9,738)	(4,677)	5,061
Other Financing Sources			
Advance In	0	2,170	2,170
<i>Net Change in Fund Balance</i>	(9,738)	(2,507)	7,231
<i>Fund Balance Beginning of Year</i>	9,738	9,738	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 7,231	\$ 7,231

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 260,539	\$ 252,351	\$ (8,188)
Expenditures			
Current:			
Security of Persons and Property			
Personal Services	269,175	250,655	18,520
Other	360,047	27,571	332,476
<i>Total Expenditures</i>	629,222	278,226	350,996
<i>Net Change in Fund Balance</i>	(368,683)	(25,875)	342,808
<i>Fund Balance Beginning of Year</i>	368,683	368,683	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 342,808	\$ 342,808

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 10,700	\$ 11,365	\$ 665
Expenditures			
Current:			
Security of Persons and Property			
Personal Services	4,945	3,700	1,245
Other	12,454	4,463	7,991
<i>Total Expenditures</i>	17,399	8,163	9,236
<i>Net Change in Fund Balance</i>	(6,699)	3,202	9,901
<i>Fund Balance Beginning of Year</i>	6,699	6,699	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 9,901	\$ 9,901

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Interest	\$ 0	\$ 39	\$ 39
Contributions and Donations	6,000	750	(5,250)
<i>Total Revenues</i>	<u>6,000</u>	<u>789</u>	<u>(5,211)</u>
Expenditures			
Current:			
General Government			
Other	6,927	705	6,222
<i>Net Change in Fund Balance</i>	(927)	84	1,011
<i>Fund Balance Beginning of Year</i>	927	927	0
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 1,011</u>	<u>\$ 1,011</u>

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 15,000	\$ 22,429	\$ 7,429
Expenditures			
Current:			
Security of Persons and Property			
Other	170,609	0	170,609
<i>Net Change in Fund Balance</i>	(155,609)	22,429	178,038
<i>Fund Balance Beginning of Year</i>	155,609	155,609	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 178,038	\$ 178,038

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 1,840	\$ 2,860	\$ 1,020
Expenditures			
Current:			
General Government			
Other	7,655	66	7,589
<i>Net Change in Fund Balance</i>	(5,815)	2,794	8,609
<i>Fund Balance Beginning of Year</i>	5,815	5,815	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 8,609	\$ 8,609

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Rent	\$ 47,186	\$ 54,807	\$ 7,621
Other	19,500	2,377	(17,123)
<i>Total Revenues</i>	<u>66,686</u>	<u>57,184</u>	<u>(9,502)</u>
Expenditures			
Current:			
General Government			
Other	468,884	385,541	83,343
<i>Excess of Revenues Over (Under) Expenditures</i>	(402,198)	(328,357)	73,841
Other Financing Sources			
Proceeds from Sale of Capital Assets	261,913	269,521	7,608
<i>Net Change in Fund Balance</i>	(140,285)	(58,836)	81,449
<i>Fund Balance Beginning of Year</i>	<u>140,285</u>	<u>140,285</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 81,449</u>	<u>\$ 81,449</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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Special Assessments	\$ 0	\$ 289	\$ 289
Other	0	181	181
<i>Total Revenues</i>	<u>0</u>	<u>470</u>	<u>470</u>
Expenditures			
Current:			
Public Health			
Other	27,087	2,945	24,142
<i>Net Change in Fund Balance</i>	(27,087)	(2,475)	24,612
<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>\$ 24,612</u>	<u>\$ 24,612</u>

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police 60 Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Income Taxes	\$ 519,000	\$ 716,242	\$ 197,242
Expenditures			
Current:			
Security of Persons and Property			
Personal Services	205,554	40,927	164,627
Other	209,500	162,488	47,012
Total General Government	415,054	203,415	211,639
<i>Total Expenditures</i>	415,054	203,415	211,639
<i>Net Change in Fund Balance</i>	103,946	512,827	408,881
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$ 103,946	\$ 512,827	\$ 408,881

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire 60 Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Income Taxes	\$ 375,000	\$ 716,242	\$ 341,242
Expenditures			
Current:			
Security of Persons and Property			
Personal Services	220,837	95,877	124,960
Other	49,000	13,684	35,316
<i>Total Expenditures</i>	269,837	109,561	160,276
<i>Net Change in Fund Balance</i>	105,163	606,681	501,518
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$ 105,163	\$ 606,681	\$ 501,518

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, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 200,000	\$ 178,055	\$ (21,945)
Intergovernmental	29,262	21,725	(7,537)
<i>Total Revenues</i>	<u>229,262</u>	<u>199,780</u>	<u>(29,482)</u>
Expenditures			
Debt Service			
Principal Retirements	170,000	170,000	0
Interest and Fiscal Charges	40,673	37,219	3,454
<i>Total Expenditures</i>	<u>210,673</u>	<u>207,219</u>	<u>3,454</u>
<i>Net Change in Fund Balance</i>	18,589	(7,439)	(26,028)
<i>Fund Balance Beginning of Year</i>	<u>418,613</u>	<u>418,613</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 437,202</u>	<u>\$ 411,174</u>	<u>\$ (26,028)</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, 2017

	Final Budget	Actual	Variance with Final Budget
Expenditures			
Debt Service			
Principal Retirements	\$ 500,000	\$ 500,000	\$ 0
Interest and Fiscal Charges	6,000	6,000	0
<i>Total Expenditures</i>	<u>506,000</u>	<u>506,000</u>	<u>0</u>
<i>Deficiency of Revenues Under Expenditures</i>	<u>(506,000)</u>	<u>(506,000)</u>	<u>0</u>
Other Financing Sources			
Transfers In	314,998	285,120	(29,878)
Notes Issued	191,002	228,000	36,998
Premium in Debt Issued	0	3,785	3,785
<i>Total Other Financing Sources</i>	<u>506,000</u>	<u>516,905</u>	<u>10,905</u>
<i>Net Change in Fund Balance</i>	0	10,905	10,905
<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>\$ 10,905</u>	<u>\$ 10,905</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, 2017*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Interest	\$ 67,711	\$ 105,684	\$ 37,973
Other	0	18,222	18,222
<i>Total Revenues</i>	<u>67,711</u>	<u>123,906</u>	<u>56,195</u>
Expenditures			
Current:			
General Government			
Other	87,223	42,692	44,531
Capital Outlay			
Other	229,488	183,469	46,019
<i>Total Expenditures</i>	<u>316,711</u>	<u>226,161</u>	<u>90,550</u>
<i>Net Change in Fund Balance</i>	(249,000)	(102,255)	146,745
<i>Fund Balance Beginning of Year</i>	<u>282,741</u>	<u>282,741</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 33,741</u>	<u>\$ 180,486</u>	<u>\$ 146,745</u>

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Traffic Signal Improvement fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 0	\$ 121,894	\$ 121,894
Expenditures			
Capital Outlay			
Other	\$ 373,976	\$ 174,414	\$ 199,562
Debt Service			
Interest and Fiscal Charges	3,500	3,500	0
<i>Total Expenditures</i>	<u>377,476</u>	<u>177,914</u>	<u>199,562</u>
Other Financing Uses			
Transfers Out	(108,151)	(108,151)	0
<i>Net Change in Fund Balance</i>	(485,627)	(164,171)	321,456
<i>Fund Balance Beginning of Year</i>	<u>485,627</u>	<u>485,627</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 321,456</u>	<u>\$ 321,456</u>

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Tennis Court Improvement Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Contributions and Donations	\$ 0	\$ 32,845	\$ 32,845
<i>Net Change in Fund Balance</i>	0	32,845	32,845
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 32,845	\$ 32,845

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ladder Truck Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Other	\$ 0	\$ 45	\$ 45
<i>Net Change in Fund Balance</i>	0	45	45
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 45	\$ 45

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Vehicle Improvement Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Other	\$ 0	\$ 11,185	\$ 11,185
<i>Net Change in Fund Balance</i>	0	11,185	11,185
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 11,185	\$ 11,185

This page intentionally left blank.

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
For the Year Ended December 31, 2017

	Stormwater Management Utility	Brookside Swimming Pool	Brookside Golf Course	Total
Assets				
<i>Current Assets</i>				
Equity in Pooled Cash and Investments	\$ 307,737	\$ 0	\$ 62,323	\$ 370,060
Cash and Investments in Segregated Accounts	0	0	2,809	2,809
Materials and Supplies Inventory	0	0	120,963	120,963
Prepaid Items	1,660	0	5,849	7,509
Accounts Receivable	8,643	0	2,022	10,665
<i>Total Current Assets</i>	<u>318,040</u>	<u>0</u>	<u>193,966</u>	<u>512,006</u>
<i>Non-Current Assets</i>				
Non-Depreciable Capital Assets	12,050	37,120	695,866	745,036
Depreciable Capital Assets, Net	2,884,963	69,515	87,231	3,041,709
<i>Total Non-Current Assets</i>	<u>2,897,013</u>	<u>106,635</u>	<u>783,097</u>	<u>3,786,745</u>
<i>Total Assets</i>	<u>3,215,053</u>	<u>106,635</u>	<u>977,063</u>	<u>4,298,751</u>
Deferred Outflows of Resources				
Pension	38,413	0	115,241	153,654
Liabilities				
<i>Current Liabilities</i>				
Accrued Wages	1,224	0	3,286	4,510
Intergovernmental Payable	868	0	2,468	3,336
Capital Lease Payable	0	0	29,370	29,370
Accrued Interest Payable	0	0	408	408
Compensated Absences Payable	0	0	210	210
<i>Total Current Liabilities</i>	<u>2,092</u>	<u>0</u>	<u>35,742</u>	<u>37,834</u>
<i>Long-Term Liabilities</i>				
Compensated Absences Payable - Net of Current Portion	0	0	16,948	16,948
Capital Leases Payable - Net of Current Portion	0	0	98,284	98,284
Net Pension Liability (See Note 11)	100,030	0	300,089	400,119
<i>Total Long-Term Liabilities</i>	<u>100,030</u>	<u>0</u>	<u>415,321</u>	<u>515,351</u>
<i>Total Liabilities</i>	<u>102,122</u>	<u>0</u>	<u>451,063</u>	<u>553,185</u>
Deferred Inflows of Resources				
Pension	3,205	30,720	25,546	59,471
Net Position				
Net Investment in Capital Assets	2,897,013	106,635	783,097	3,786,745
Unrestricted	251,126	(30,720)	(167,402)	53,004
<i>Total Net Position</i>	<u>\$ 3,148,139</u>	<u>\$ 75,915</u>	<u>\$ 615,695</u>	<u>\$ 3,839,749</u>

City of Ashland
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Year Ended December 31, 2017

	Stormwater Management Utility	Brookside Swimming Pool	Brookside Golf Course	Total
Operating Revenues				
Charges for Services	\$ 521,567	\$ 57,042	\$ 369,416	\$ 948,025
Operating Expenses				
Personal Services	178,775	(9,062)	355,318	525,031
Contractual Services	171,855	60,262	61,668	293,785
Materials and Supplies	1,810	16,118	224,375	242,303
Utilities	0	8,468	16,416	24,884
Depreciation	68,722	2,979	24,289	95,990
Other	39,675	0	0	39,675
<i>Total Operating Expenses</i>	<u>460,837</u>	<u>78,765</u>	<u>682,066</u>	<u>1,221,668</u>
<i>Operating Income (Loss)</i>	<u>60,730</u>	<u>(21,723)</u>	<u>(312,650)</u>	<u>(273,643)</u>
Non-Operating Revenues (Expenses)				
Loss on Disposal of Capital Assets	(139,500)	0	0	(139,500)
Interest and Fiscal Charges	0	0	(6,605)	(6,605)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(139,500)</u>	<u>0</u>	<u>(6,605)</u>	<u>(146,105)</u>
<i>Income (Loss) Before Transfers</i>	(78,770)	(21,723)	(319,255)	(419,748)
Transfers In	0	0	223,362	223,362
<i>Change in Net Position</i>	(78,770)	(21,723)	(95,893)	(196,386)
<i>Net Position at Beginning of Year</i>	<u>3,226,909</u>	<u>97,638</u>	<u>711,588</u>	<u>4,036,135</u>
<i>Net Position at End of Year</i>	<u>\$ 3,148,139</u>	<u>\$ 75,915</u>	<u>\$ 615,695</u>	<u>\$ 3,839,749</u>

City of Ashland
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2017

	Stormwater Management Utility	Brookside Swimming Pool	Brookside Golf Course	Totals
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 521,492	\$ 57,042	\$ 367,394	\$ 945,928
Cash Payments to Suppliers for Goods and Services	(4,048)	(24,586)	(137,534)	(166,168)
Cash Payments to Employees for Services and Benefits	(164,076)	0	(315,883)	(479,959)
Cash Payments for Contractual Services	(173,394)	(60,262)	(56,429)	(290,085)
Other Cash Payments	(39,675)	0	0	(39,675)
<i>Net Cash Provided By (Used for) Operating Activities</i>	<u>140,299</u>	<u>(27,806)</u>	<u>(142,452)</u>	<u>(29,959)</u>
Cash Flows from Noncapital Financing Activities				
Principal Payments on Leases	0	0	(18,459)	(18,459)
Interest Payments on Leases	0	0	(6,197)	(6,197)
Transfers In	0	0	223,362	223,362
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>0</u>	<u>0</u>	<u>198,706</u>	<u>198,706</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition of Capital Assets	(320,033)	0	(9,100)	(329,133)
<i>Net Increase (Decrease) in Cash and Investments</i>	<u>(179,734)</u>	<u>(27,806)</u>	<u>47,154</u>	<u>(160,386)</u>
<i>Cash and Investments Beginning of Year</i>	<u>487,471</u>	<u>27,806</u>	<u>17,978</u>	<u>533,255</u>
<i>Cash and Investments End of Year</i>	<u>\$ 307,737</u>	<u>\$ 0</u>	<u>\$ 65,132</u>	<u>\$ 372,869</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
<i>Operating Income (Loss)</i>	\$ 60,730	\$ (21,723)	\$ (312,650)	\$ (273,643)
Adjustments:				
Depreciation	68,722	2,979	24,289	95,990
(Increase) Decrease in Assets:				
Accounts Receivable	(75)	0	(2,022)	(2,097)
Prepaid Items	23	0	(610)	(587)
Deferred Outflows - Pension	(9,295)	23,867	(15,840)	(1,268)
Materials and Supplies Inventory	0	0	(42,856)	(42,856)
Increase (Decrease) in Liabilities:				
Accounts Payable	(5,460)	0	0	(5,460)
Lease Liability	0	0	146,113	146,113
Accrued Wages	47	0	58	105
Net Pension Liability	23,892	(62,406)	40,178	1,664
Deferred Inflows - Pension	1,688	29,477	20,369	51,534
Compensated Absences Payable	0	0	550	550
Intergovernmental Payable	27	0	(31)	(4)
<i>Net Cash Provided By (Used for) Operating Activities</i>	<u>\$ 140,299</u>	<u>\$ (27,806)</u>	<u>\$ (142,452)</u>	<u>\$ (29,959)</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.

State Patrol Transfer – To account for the deposit, control and expenditure of revenue received from fines for use in the Law Library.

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

City of Ashland
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2017

	<u>Municipal Court</u>	<u>Performance Bonds</u>	<u>Brookside Golf Course Gift Certificates</u>	<u>Employee Deductions</u>	<u>State Patrol Transfer</u>	<u>Section 125</u>	<u>Total</u>
Assets							
Equity in Pooled Cash and Investments	\$ 0	\$ 1,300	\$ 11,649	\$ 25,559	\$ 5,974	\$ 11,884	\$ 56,366
Cash and Investments in Segregated Accounts	102,621	0	0	0	0	0	102,621
Prepays	<u>0</u>	<u>0</u>	<u>0</u>	<u>51,881</u>	<u>0</u>	<u>0</u>	<u>51,881</u>
<i>Total Assets</i>	<u><u>\$ 102,621</u></u>	<u><u>\$ 1,300</u></u>	<u><u>\$ 11,649</u></u>	<u><u>\$ 77,440</u></u>	<u><u>\$ 5,974</u></u>	<u><u>\$ 11,884</u></u>	<u><u>\$ 210,868</u></u>
Liabilities							
Undistributed Monies	<u><u>\$ 102,621</u></u>	<u><u>\$ 1,300</u></u>	<u><u>\$ 11,649</u></u>	<u><u>\$ 77,440</u></u>	<u><u>\$ 5,974</u></u>	<u><u>\$ 11,884</u></u>	<u><u>\$ 210,868</u></u>

City of Ashland
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2017

	Beginning Balance	Additions	Reductions	Balance 12/31/2017
Municipal Court				
Assets				
Cash and Investments in Segregated Accounts	\$ 93,259	\$ 9,362	\$ 0	\$ 102,621
Liabilities				
Undistributed Monies	\$ 93,259	\$ 9,362	\$ 0	\$ 102,621
Performance Bonds				
Assets				
Equity in Pooled Cash and Investments	\$ 1,300	\$ 0	\$ 0	\$ 1,300
Liabilities				
Undistributed Monies	\$ 1,300	\$ 0	\$ 0	\$ 1,300
Brookside Golf Course Gift Certificates				
Assets				
Equity in Pooled Cash and Investments	\$ 11,915	\$ 3,538	\$ 3,804	\$ 11,649
Liabilities				
Undistributed Monies	\$ 11,915	\$ 3,538	\$ 3,804	\$ 11,649
Employee Deductions				
Assets				
Equity in Pooled Cash and Investments	\$ 20,116	\$ 510,754	\$ 505,311	\$ 25,559
Prepaid Items	37,868	51,881	37,868	51,881
<i>Total Assets</i>	<u>\$ 57,984</u>	<u>\$ 562,635</u>	<u>\$ 543,179</u>	<u>\$ 77,440</u>
Liabilities				
Undistributed Monies	\$ 57,984	\$ 57,324	\$ 37,868	\$ 77,440
State Patrol Transfer				
Assets				
Equity in Pooled Cash and Investments	\$ 0	\$ 68,559	\$ 62,585	\$ 5,974
Liabilities				
Undistributed Monies	\$ 0	\$ 68,559	\$ 62,585	\$ 5,974
Section 125				
Assets				
Equity in Pooled Cash and Investments	\$ 5,530	\$ 181,541	\$ 175,187	\$ 11,884
Liabilities				
Undistributed Monies	\$ 5,530	\$ 181,541	\$ 175,187	\$ 11,884
All Agency Funds				
Assets				
Equity in Pooled Cash and Investments	\$ 38,861	\$ 764,392	\$ 746,887	\$ 56,366
Cash and Investments in Segregated Accounts	93,259	9,362	0	102,621
Prepaid Items	37,868	51,881	37,868	51,881
<i>Total Assets</i>	<u>\$ 169,988</u>	<u>\$ 825,635</u>	<u>\$ 784,755</u>	<u>\$ 210,868</u>
Liabilities				
Undistributed Monies	\$ 169,988	\$ 320,324	\$ 279,444	\$ 210,868

This page intentionally left blank.

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 to help 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.

CITY OF ASHLAND, OHIO

Revenue Capacity

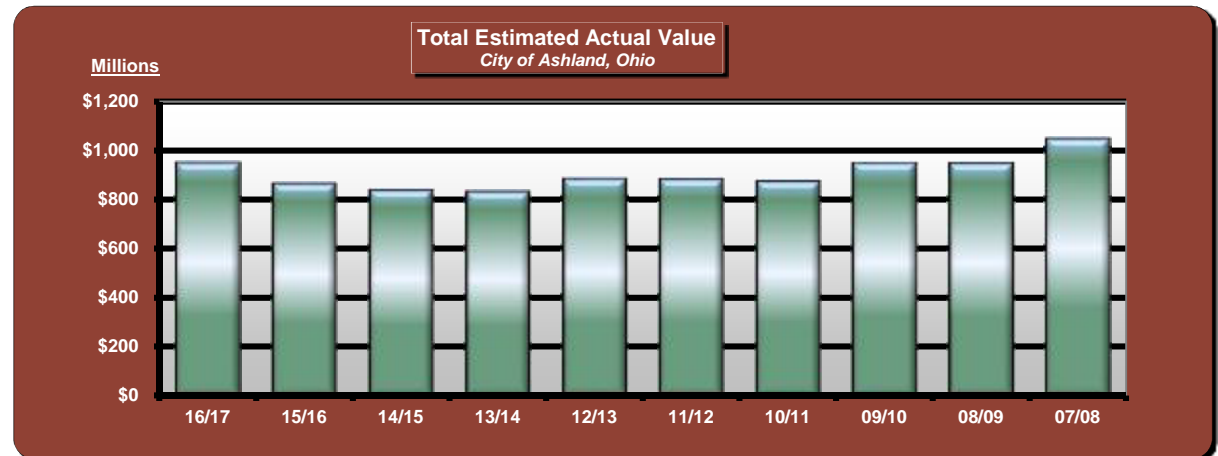
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years

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		
16/17	\$ 214,286,410	\$ 109,409,100	\$ 924,844,314	\$ 0	\$ 22,425,760	\$ 25,483,818	\$ 346,121,270	\$ 950,328,132	36.42%	3.90
15/16	197,188,310	98,796,470	845,670,800	0	16,564,150	18,822,898	312,548,930	864,493,698	36.15%	3.90
14/15	197,160,650	91,015,030	823,359,086	0	12,771,140	14,512,659	300,946,820	837,871,745	35.92%	3.90
13/14	196,866,320	90,132,510	819,996,657	0	11,810,580	13,421,114	298,809,410	833,417,771	35.85%	3.90
12/13	211,721,700	92,636,780	869,595,657	0	10,177,360	11,565,182	314,535,840	881,160,839	35.70%	3.90
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

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.

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



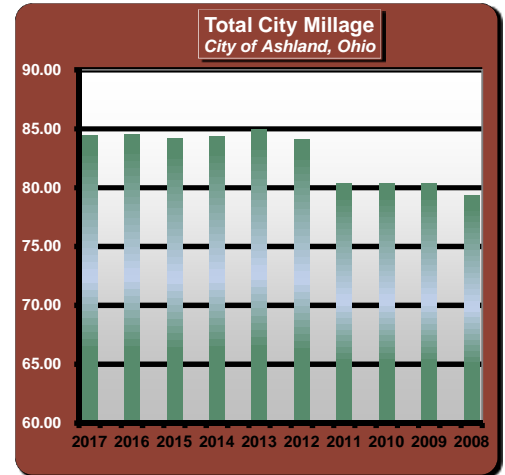
CITY OF ASHLAND, OHIO

Revenue Capacity

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

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Inside Millage										
Operating	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.30	2.00	2.10
Debt	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.50	0.80	0.70
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	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	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	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Total Millage	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Overlapping Rates by Taxing District										
Ashland County	9.60	9.60	9.10	9.10	9.10	9.10	9.10	9.10	9.10	9.10
Ashland School District	65.80	65.95	66.05	66.25	66.85	65.95	62.25	62.25	62.25	62.25
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	1.00	1.00	1.00	1.00	1.00	0.00
City of Ashland	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Total	84.40	84.55	84.15	84.35	84.95	84.05	80.35	80.35	80.35	79.35

Source: Ashland County, Ohio: County Auditor



CITY OF ASHLAND, OHIO

Revenue Capacity

Principal Property Tax Payers
2017 and 2008

January 1, 2016			January 1, 2007		
Taxpayer	Real Property Assessed	Total Assessed Valuation	Taxpayer	Real Property Assessed	Total Assessed Valuation
American Transmission	\$ 12,737,840	5.94%	Ohio Edison Company	\$ 4,220,200	1.82%
Ohio Edison Company	6,452,800	3.01%	Wal-Mart Real Estate	3,148,140	1.36%
Ashland Distribution Center	6,262,280	2.92%	American Transmission	2,538,680	1.10%
WIL Reasearch Laboratories	5,045,010	2.35%	Samariton Regional Hospital	2,167,400	0.94%
Columbia Gas of Ohio Inc	3,246,890	1.52%	Home Depot U.S.A., Inc.	1,916,580	0.83%
Wal-Mart Real Estate Bus Trust	2,970,210	1.39%	Brethern Care, Inc.	1,515,350	0.65%
Packaging Corp of America	2,185,320	1.02%	Packaging Corp of America	1,222,660	0.53%
Samariton Regional Hospital	2,097,810	0.98%	Ashland Station, Inc.	1,137,440	0.49%
Eagleview Realty LLC	2,046,970	0.96%	Hawkins Market, Inc.	1,124,910	0.49%
Amberwood Parkway Holdings LLC	1,981,000	0.92%	Myers Pump Company	237,300	0.10%
	<u>\$ 45,026,130</u>	<u>21.01%</u>		<u>\$ 19,228,660</u>	<u>8.31%</u>
Total Assessed Valuation	\$ 214,286,410		Total Assessed Valuation	\$ 231,461,610	

Note: Property is assessed at 35 percent of fair market value. Real property taxes paid in 2017 are based on January 1, 2016 values.

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
2017	\$ 1,860,281	\$ 1,782,089	96%	\$ 78,193	\$ 59,031	\$ 17,779	30%	\$ 41,252	\$ 1,919,312	\$ 1,799,868	93.78%
2016	1,238,286	1,167,652	94%	70,634	59,031	17,779	30%	41,252	1,297,317	1,185,431	91.38%
2015	1,205,037	1,136,115	94%	68,922	50,373	9,121	18%	41,252	1,255,410	1,145,236	91.22%
2014	1,260,507	1,189,444	94%	71,063	66,471	25,219	38%	41,252	1,326,978	1,214,663	91.54%
2013	1,276,661	1,213,048	95%	63,613	66,481	25,229	38%	41,252	1,343,142	1,238,277	92.19%
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%

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

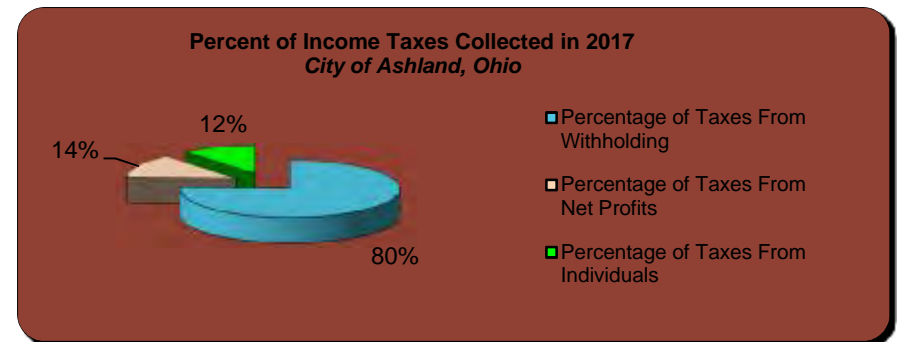
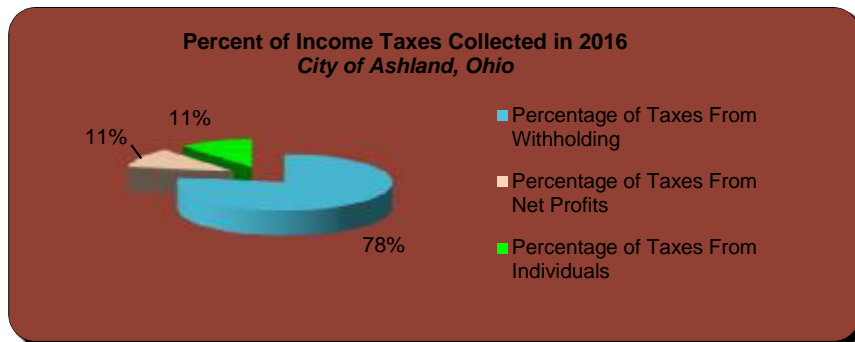
Income Tax Revenue Base and Collections

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
2017	2.00%	\$ 11,459,587	\$ 9,210,096	80.37%	\$ 1,638,590	14.30%	\$ 1,323,639	11.54%
2016	1.50%	10,112,202	7,847,293	77.60%	1,141,099	11.28%	1,123,811	11.10%
2015	1.50%	9,399,470	7,247,001	77.10%	1,124,402	11.96%	1,028,067	10.93%
2014	1.50%	8,736,909	6,933,190	79.36%	849,839	9.73%	953,880	10.91%
2013	1.50%	8,732,624	6,642,534	76.07%	1,170,615	13.41%	919,475	10.52%
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%

% 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 2007-2016					
Tax Year	Income Range (Dollars)	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
2017	\$ 0-24,999	\$ 3,341	46%	\$ 36,261,233	12%
2017	25,000-49,999	1,939	27%	70,560,445	24%
2017	50,000-74,999	988	14%	60,519,271	20%
2017	75,000-99,999	473	6%	40,446,084	14%
2017	Over 100,000	541	7%	87,475,978	30%
Total		\$ 7,282		\$ 295,263,011	
2016	\$ 0-24,999	\$ 3,467	48%	\$ 36,701,169	13%
2016	25,000-49,999	1,922	26%	69,639,291	25%
2016	50,000-74,999	919	13%	56,215,440	20%
2016	75,000-99,999	471	6%	40,526,465	14%
2016	Over 100,000	503	7%	80,802,419	27%
Total		\$ 7,282		\$ 283,884,784	
2015	\$ 0-24,999	3,583	49%	\$ 38,306,161	13%
2015	25,000-49,999	1,906	26%	69,262,863	24%
2015	50,000-74,999	921	13%	55,874,100	20%
2015	75,000-99,999	456	6%	39,192,263	14%
2015	Over 100,000	501	7%	79,781,730	28%
Total		7,367		\$ 282,417,117	
2014	\$ 0-24,999	3,595	49%	\$ 38,154,346	14%
2014	25,000-49,999	1,864	25%	67,410,073	24%
2014	50,000-74,999	929	13%	56,344,290	20%
2014	75,000-99,999	436	6%	37,242,956	13%
2014	Over 100,000	484	7%	74,245,282	26%
Total		7,308		\$ 273,396,947	
2013	\$ 0-24,999	3,645	50%	\$ 38,308,650	14%
2013	25,000-49,999	1,804	25%	65,186,986	24%
2013	50,000-74,999	938	13%	57,207,439	21%
2013	75,000-99,999	441	6%	37,789,521	14%
2013	Over 100,000	449	6%	69,802,861	26%
Total		7,277		\$ 268,295,457	

(Continued)

CITY OF ASHLAND, OHIO

Revenue Capacity

Income Tax Statistics

Last Ten Years

(Continued)

Income Averages for City of Ashland Tax Years 2006-2015

Tax Year	Income Range (Dollars)	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
2012	\$ 0-24,999	2,833	39%	\$ 28,828,448	11%
2012	25,000-49,999	1,416	19%	50,919,845	19%
2012	50,000-74,999	753	10%	46,197,828	17%
2012	75,000-99,999	316	4%	27,588,551	10%
2012	Over 100,000	349	5%	53,878,136	20%
<i>Total</i>		5,667		\$ 207,412,808	
2011	\$ 0-24,999	2,891	51%	\$ 29,761,998	14%
2011	25,000-49,999	1,413	25%	51,281,096	25%
2011	50,000-74,999	745	13%	45,499,287	22%
2011	75,000-99,999	345	6%	29,571,974	14%
2011	Over 100,000	<u>342</u>	6%	<u>65,605,458</u>	32%
<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	<u>534</u>	6%	<u>64,669,769</u>	25%
<i>Total</i>		8,930		\$ 263,092,586	
2009	\$ 0-24,999	3,033	34%	\$ 31,583,688	12%
2009	25,000-49,999	1,516	17%	54,889,979	21%
2009	50,000-74,999	722	8%	44,004,013	17%
2009	75,000-99,999	309	3%	26,633,712	10%
2009	Over 100,000	<u>332</u>	4%	<u>52,424,949</u>	20%
<i>Total</i>		5,912		\$ 209,536,341	
2008	\$ 0-24,999	3,684	62%	\$ 31,671,250	15%
2008	25,000-49,999	1,843	31%	54,521,265	26%
2008	50,000-74,999	874	15%	44,404,815	21%
2008	75,000-99,999	379	6%	26,572,982	13%
2008	Over 100,000	<u>399</u>	7%	<u>53,781,821</u>	26%
<i>Total</i>		7,179		\$ 210,952,133	

Source: Income Tax Department, City of Ashland, Ohio

City of Ashland, Ohio

Debt Capacity

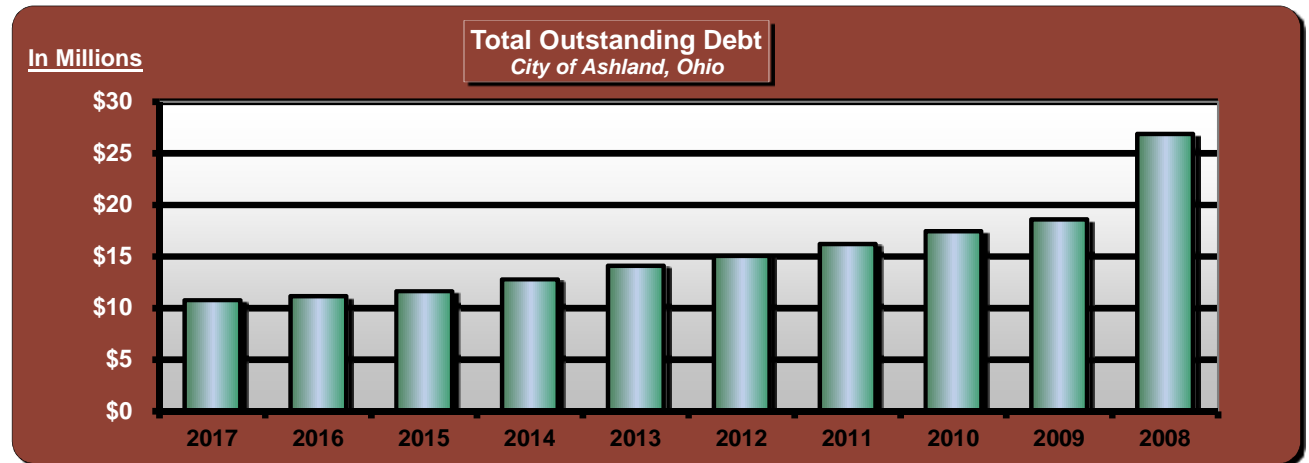
Ratios of Outstanding Debt to Total Personal Income and Debt Per Capita

Last Ten Years

Year	Governmental Activities				Business-Type Activities					Total Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds	ODOT Loan	Bond Anticipation Notes	OPWC Loan	General Obligation Bonds	Bond Anticipation Notes	OWDA Loan	OPWC Loan	Capital Leases			
2017	\$ 1,119,102	\$ 0	\$ 1,000,000	\$ 0	\$ 8,526,870	\$ 0	\$ 0	\$ 0	\$ 127,654	\$ 10,773,626	2.68%	\$ 526
2016	1,290,684	0	500,000	0	9,362,184	0	0	0	0	11,152,868	2.78%	548
2015	1,457,267	0	0	0	10,182,498	0	0	0	0	11,639,765	2.86%	572
2014	1,623,850	77,290	0	0	11,086,893	0	0	0	0	12,788,033	3.18%	628
2013	1,985,435	141,454	0	0	11,981,289	0	0	0	0	14,108,178	3.46%	682
2012	2,266,000	203,736	0	0	12,581,913	0	0	0	0	15,051,649	3.75%	739
2011	2,597,000	267,702	0	0	13,354,935	0	0	0	0	16,219,637	4.04%	797
2010	2,959,000	329,791	0	0	14,071,957	0	0	100,816	0	17,461,564	5.12%	858
2009	2,247,000	390,060	555,000	0	7,673,000	7,145,000	476,793	107,244	0	18,594,097	5.22%	875
2008	2,367,000	412,603	1,376,000	22,017	8,083,000	13,800,000	775,547	40,356	0	26,876,523	7.55%	1,265

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
2017	20,489	\$ 950,328,132	\$ 10,510,000	\$ 445,517	\$ 10,064,483	1.06%	491
2016	20,362	864,493,698	11,000,000	418,613	10,581,387	1.22%	520
2015	20,362	837,871,745	11,470,000	366,784	11,103,216	1.33%	545
2014	20,362	833,417,771	12,597,290	323,259	12,274,031	1.47%	603
2013	20,362	881,160,839	13,755,000	264,491	13,490,509	1.53%	663
2012	20,362	880,386,263	14,690,000	199,846	14,490,154	1.65%	712
2011	20,362	872,452,752	15,829,771	151,652	15,678,119	1.80%	770
2010	20,362	948,661,415	17,000,717	190,480	16,810,237	1.77%	826
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

(1) U.S. Census Bureau

(2) Ashland County, Ohio: County Auditor

(3) General Obligation Bonds supported by property taxes.

(4) Amount restricted in the debt service funds.

CITY OF ASHLAND, OHIO

Debt Capacity

Direct and Overlapping Governmental Activities Debt

As of December 31, 2017

Jurisdiction	Total Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Ashland
Direct - City of Ashland			
General Obligation Bonds	\$2,119,102	100.00%	\$2,119,102
<i>City of Ashland</i>			
	2,119,102		2,119,102
Overlapping			
Ashland City School District			
General Obligation Bonds	27,809,728	67.93%	18,891,148
<i>Total Overlapping Debt</i>			
	27,809,728		18,891,148
Total			
	\$29,928,830		\$21,010,250

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

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Bonded Debt Outstanding:										
General Obligation Bonds	\$ 9,645,972	\$ 10,652,868	\$ 11,639,765	\$ 12,710,743	\$ 13,966,724	\$ 14,847,913	\$ 15,951,935	\$ 17,030,957	\$ 9,920,000	\$ 10,450,000
Bond Anticipation Notes	1,000,000	500,000	0	0	0	0	0	0	7,700,000	15,176,000
Capital Leases	127,654	0	0	0	0	0	0	0	0	15,176,000
Total	\$ 10,773,626	\$ 11,152,868	\$ 11,639,765	\$ 12,710,743	\$ 13,966,724	\$ 14,847,913	\$ 15,951,935	\$ 17,030,957	\$ 17,620,000	\$ 40,802,000
Percentage of Estimated Actual Property Value Assessed Property Value	1.25%	1.29%	1.39%	1.56%	1.59%	1.69%	1.83%	1.80%	1.86%	1.55%
Total Debt Per Capita	\$ 628	\$ 598	\$ 572	\$ 628	\$ 682	\$ 721	\$ 797	\$ 858	\$ 875	\$ 1,265
Less:										
General Obligation Bonds- Business-Type Funds	8,526,870	9,220,000	\$ 10,182,498	\$ 11,086,893	\$ 11,981,289	\$ 12,581,913	\$ 13,354,935	\$ 14,071,957	\$ 7,673,000	\$ 8,083,000
Bond Anticipation Notes - Business-Type Funds	0	0	0	0	0	0	0	0	7,145,000	13,800,000
Capital Leases - Business-Type Funds	127,654	0	0	0	0	0	0	0	0	0
Amount Available in Debt service Fund	445,517	418,613	366,784	323,259	264,491	199,846	151,652	190,480	60,722	0
Total Net Debt Applicable to Limit	\$ 1,673,585	\$ 1,514,255	\$ 1,090,483	\$ 1,300,591	\$ 1,720,944	\$ 2,066,154	\$ 2,445,348	\$ 2,768,520	\$ 2,741,278	\$ 18,919,000
Overall Legal Debt Limit										
10 1/2% of Assessed Valuation	\$ 36,342,733	\$ 32,817,638	\$ 31,599,416	\$ 31,374,988	\$ 33,026,263	\$ 32,943,305	\$ 32,597,789	\$ 35,329,021	\$ 35,250,420	\$ 36,245,440
Legal Debt Margin Within 10 1/2% Limitations	34,669,148	31,303,383	30,508,933	30,074,397	31,305,319	30,877,151	30,152,441	32,560,501	32,509,142	17,326,440
Legal Debt Margin as a Percentage of the Debt Limit	95.39%	95.39%	96.55%	95.85%	94.79%	93.73%	92.50%	92.16%	92.22%	47.80%
Unvoted Debt Limitation										
5 1/2% of Assessed Valuation	19,036,670	17,190,191	16,552,075	16,434,518	17,299,471	17,256,017	17,075,032	18,505,678	18,464,506	18,985,707
Total Net Debt Applicable to Limit	1,673,585	1,514,255	1,090,483	1,300,591	1,720,944	2,066,154	2,445,348	2,768,520	2,741,278	18,919,000
Net Debt Within 5 1/2% Limitations	\$ 17,363,085	\$ 15,675,936	\$ 15,461,592	\$ 15,133,927	\$ 15,578,527	\$ 15,189,863	\$ 14,629,684	\$ 15,737,158	\$ 15,723,228	\$ 66,707
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	91.21%	91.19%	93.41%	92.09%	90.05%	88.03%	85.68%	85.04%	85.15%	0.35%

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)
2017	20,489 c	\$ 404,145,525	\$ 19,725 c	\$ 37,776 c	36.1 c	25.9 c	6,064 c	7.2 c	\$ 346,121,270
2016	20,362 b	401,640,450	19,725 b	37,776 b	36.1 b	25.9 b	6,064 b	7.2 b	312,548,930
2015	20,362 b	401,640,450	19,725 b	37,776 b	36.1 b	25.9 b	6,064 b	7.2 b	300,946,820
2014	20,362 b	401,640,450	19,725 b	37,776 b	36.1 b	25.9 b	6,064 b	7.2 b	298,809,410
2013	20,362 b	401,640,450	19,725 b	37,776 b	36.1 b	25.9 b	6,064 b	7.2 b	314,535,840
2012	20,362 b	401,640,450	19,725 b	37,776 b	36.1 b	25.9 b	6,064 b	7.2 b	313,745,760
2011	20,362 b	401,640,450	19,725 b	37,776 b	36.1 b	25.9 b	6,064 b	7.2 b	310,455,130
2010	20,362 b	401,640,450	19,725 b	37,776 b	36.1 b	25.9 b	6,064 b	7.2 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

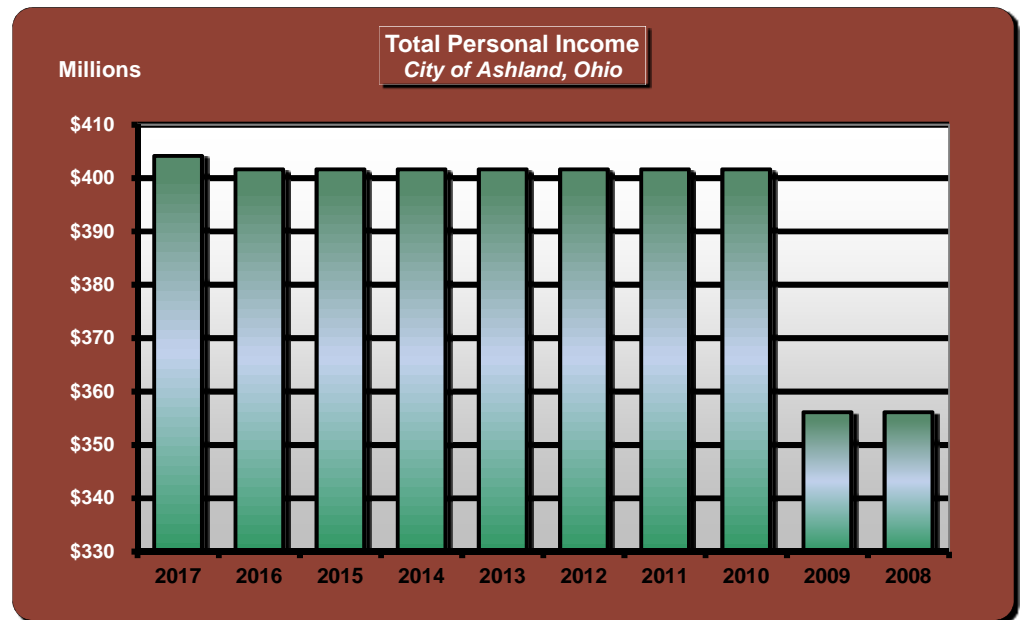
(1) Source: U.S. Census Bureau

(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 Nine Years Ago

2017			2008		
Employer*	Employees	Percentage of Total City Employment	Employer*	Employees	Percentage of Total City Employment
Ashland University	2,369	9.70%	Ashland University	2,502	11.24%
Charles River Lab	866	3.55%	Samaritan Hospital	710	3.19%
University Hospital Health	839	3.44%	Ashland City Schools	697	3.13%
Daily Services LLC	828	3.39%	Pentair Flow Tech	565	2.54%
Ashland City Schools	574	2.35%	Ashland County Auditor	524	2.35%
Wal Mart Associates	513	2.10%	Brethren Care	323	1.45%
Ashland County Auditor	488	2.00%	Charles River Lab	311	1.40%
Brethren Care LLC	454	1.86%	State of Ohio	272	1.22%
Ball Bounce & Sport	426	1.74%	BookMasters Inc	267	1.20%
State of Ohio	304	1.25%	Buehler Food Markets Inc	247	1.11%
<i>Total</i>	7,661	31.38%	<i>Total</i>	6,418	28.83%
<i>Total City Employees</i>	24,416		<i>Total City Employees</i>	22,268	

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)

	2017	2016	2015	Restated 2014	2013	2012	2011	2010	2009	2008
Governmental Activities										
Net Investment in Capital Assets	\$ 22,966,271	\$ 23,179,172	\$ 22,716,236	\$ 17,422,128	\$ 16,588,886	\$ 16,986,579	\$ 17,429,633	\$ 16,855,976	\$ 17,480,892	\$ 17,364,157
Restricted	5,827,078	4,516,239	4,753,974	4,154,526	5,112,823	4,870,075	5,247,071	4,697,276	5,041,024	5,354,993
Unrestricted	(10,119,177)	(9,255,298)	(8,705,512)	(9,209,131)	1,954,192	2,201,835	2,667,214	2,865,621	2,541,609	1,405,084
Total Governmental Activities Net Position	18,674,172	18,440,113	18,764,698	12,367,523	23,655,901	24,058,489	25,343,918	24,418,873	25,063,525	24,124,234
Business-Type Activities										
Net Investment in Capital Assets	25,586,911	25,872,307	25,687,775	25,785,110	25,443,512	24,787,398	24,249,832	23,585,113	22,448,977	19,848,064
Unrestricted	8,615,740	8,715,869	7,805,611	6,805,975	7,201,270	6,262,735	5,382,269	4,551,881	4,134,822	6,181,991
Total Business-Type Activities Net Position	34,202,651	34,588,176	33,493,386	32,591,085	32,644,782	31,050,133	29,632,101	28,136,994	26,583,799	26,030,055
Primary Government										
Net Investment in Capital Assets	\$ 48,553,182	\$ 49,051,479	48,404,011	43,207,238	42,032,398	41,773,977	41,679,465	40,441,089	39,929,869	37,212,221
Restricted	5,827,078	4,516,239	4,753,974	4,154,526	5,112,823	4,870,075	5,247,071	4,697,276	5,041,024	5,354,993
Unrestricted	(1,503,437)	(539,429)	(899,901)	(2,403,156)	9,155,462	8,464,570	8,049,483	7,417,502	6,676,431	7,587,075
Total Primary Government Net Position	\$ 52,876,823	\$ 53,028,289	\$ 52,258,084	\$ 44,958,608	\$ 56,300,683	\$ 55,108,622	\$ 54,976,019	\$ 52,555,867	\$ 51,647,324	\$ 50,154,289

Note: 2014 balances were restated due to the implementation of GASB Statement No. 68.

City of Ashland, Ohio

Financial Trends Information

Changes in Net Position

Last Ten Years

(accrual basis of accounting)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 718,984	\$ 692,816	\$ 828,098	\$ 881,080	\$ 806,924	\$ 889,651	\$ 1,514,835	\$ 1,487,776	\$ 1,331,320	\$ 1,324,950
Security of Persons and Property	1,801,640	1,832,208	1,743,374	1,565,029	1,415,299	1,557,252	1,572,044	1,512,569	1,461,705	1,435,562
Public Health	34,016	46,367	168,653	68,751	174,157	238,699	216,045	241,702	399,078	67,220
Leisure Time Services	82,238	75,691	68,246	76,904	71,538	70,282	67,664	64,942	91,685	90,603
Transportation	17,363	21,016	21,114	31,361	24,044	249	305,695	319,728	364,678	222,551
Community Development	59,559	70,880	0	0	0	0	0	23,527	0	0
Operating Grants, Contributions and Interest	1,985,583	1,537,755	2,281,600	1,787,826	2,054,374	1,854,051	2,642,624	2,361,638	2,678,173	2,057,660
Capital Grants, Contributions and Interest	285,875	1,258,208	6,233,097	1,180,004	766,359	304,663	513,400	42,698	0	0
Total Governmental Activities Program Revenues	4,985,258	5,534,941	11,344,182	5,590,955	5,312,695	4,914,847	6,832,307	6,054,580	6,326,639	5,198,546
Business-Type Activities:										
Charges for Services:										
Water	3,554,769	3,377,257	3,313,754	3,595,280	3,640,755	3,298,482	3,571,678	3,540,445	3,616,111	3,520,505
Sewer	3,870,427	4,006,464	3,939,375	3,919,125	3,958,563	3,751,473	3,578,750	3,307,884	3,023,932	2,964,354
Sanitation	1,776,950	1,754,455	1,761,540	1,827,009	1,825,909	1,844,651	1,884,653	1,830,742	1,776,691	1,769,983
Other	948,025	941,970	963,237	945,384	965,428	1,015,271	959,143	1,026,093	1,047,545	530,781
Operating Grants, Contributions and Interest	0	0	251	0	0	0	0	0	2,128	371
Capital Grants, Contributions and Interest	0	158,210	0	82,089	290,546	297,557	295,005	453,322	317,918	708,451
Total Business-Type Activities Program Revenues	10,150,171	10,238,356	9,978,157	10,368,887	10,681,201	10,207,434	10,289,229	10,158,486	9,784,325	9,494,445
Total Primary Government Program Revenues	15,135,429	15,773,297	21,322,339	15,959,842	15,993,896	15,122,281	17,121,536	16,213,066	16,110,964	14,692,991
Expenses										
Governmental Activities:										
General Government	5,371,248	4,627,063	4,100,811	4,551,037	4,556,731	4,873,750	5,341,766	5,618,313	4,901,152	5,605,535
Security of Persons and Property	9,093,099	8,674,504	7,968,424	7,529,505	6,976,843	6,961,052	6,836,097	6,965,365	7,171,283	7,237,405
Public Health	353,126	316,857	302,764	300,114	296,042	297,364	315,944	325,085	307,075	278,645
Leisure Time Services	1,026,708	874,829	868,634	939,238	894,106	1,131,083	1,181,955	1,323,969	1,197,605	1,181,681
Transportation	605,713	2,491,259	2,527,069	2,322,553	2,947,541	2,446,458	2,785,525	2,601,886	2,294,355	3,075,759
Community Development	4,693,766	276,464	353,745	634,148	446,357	574,802	455,576	465,674	363,379	607,586
Interest and Fiscal Charges	45,046	53,318	50,464	60,821	73,794	112,685	127,022	141,477	217,392	143,350
Issuance Costs	0	0	0	0	33,073	0	0	0	33,243	0
Total Governmental Activities Expenses	21,188,706	17,314,294	16,171,911	16,337,416	16,224,487	16,397,194	17,043,885	17,441,769	16,485,484	18,129,961
Business-Type Activities:										
Water	3,891,852	3,300,071	3,421,921	3,303,647	3,656,554	3,372,372	3,470,157	3,546,848	3,750,067	3,564,277
Sewer	3,499,914	3,091,306	2,965,673	3,082,994	2,772,679	2,939,944	2,862,379	2,797,203	2,524,962	3,087,637
Sanitation	1,860,019	1,539,953	1,588,917	1,522,213	1,517,356	1,666,114	1,718,055	1,640,119	1,676,694	1,777,164
Other	1,228,273	1,121,451	1,273,854	961,090	1,036,704	978,837	887,047	816,880	1,353,645	831,373
Total Business-Type Activities Expenses	10,480,058	9,052,781	9,250,365	8,869,944	8,983,293	8,957,267	8,937,638	8,801,050	9,305,368	9,260,451
Total Primary Government Expenses	31,668,764	26,367,075	25,422,276	25,207,360	25,207,780	25,354,461	25,981,523	26,242,819	25,790,852	27,390,412

City of Ashland, Ohio

Financial Trends Information

Changes in Net Position

Last Ten Years

(accrual basis of accounting)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Net (Expense)/Revenue										
Governmental Activities	(16,203,448)	(11,779,353)	(4,827,729)	(10,746,461)	(10,911,792)	(11,482,347)	(10,211,578)	(11,387,189)	(10,158,845)	(12,931,415)
Business-Type Activities	(329,887)	1,185,575	727,792	1,498,943	1,697,908	1,250,167	1,351,591	1,357,436	478,957	233,994
Total Primary Government Net Expense	\$ (16,533,335)	\$ (10,593,778)	\$ (4,099,937)	\$ (9,247,518)	\$ (9,213,884)	\$ (10,232,180)	\$ (8,859,987)	\$ (10,029,753)	\$ (9,679,888)	\$ (12,697,421)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	1,095,238	1,072,104	990,421	1,085,428	1,116,594	1,076,792	1,139,664	1,081,107	1,164,661	1,298,913
Income Taxes	14,248,752	9,746,581	9,606,783	8,795,942	8,591,625	8,420,635	8,287,362	7,927,209	8,117,515	8,265,781
Hotel Lodging Tax	6,609	5,432	6,925	6,157	0	0	0	0	0	0
Grants and Entitlements	407,689	395,430	434,638	442,197	692,572	718,298	1,513,673	1,424,438	1,050,112	940,906
Investment Earnings	121,075	23,515	5,378	7,869	7,443	14,052	53,567	111,566	273,954	367,013
Gain on Sale of Capital Assets	0	0	162,151	0	0	0	0	0	0	0
Miscellaneous	502,506	118,808	188,127	345,660	272,473	133,248	284,674	369,791	560,446	238,118
Transfers	55,638	92,898	(169,519)	(180,399)	(143,793)	(166,107)	(135,213)	(171,574)	(68,552)	(381,476)
Total Governmental Activities	16,437,507	11,454,768	11,224,904	10,502,854	10,536,914	10,196,918	11,143,727	10,742,537	11,098,136	10,729,255
Business-Type Activities:										
Miscellaneous	0	2,113	4,990	240,756	26	1,758	8,303	24,185	6,235	7,116
Transfers	(55,638)	(92,898)	169,519	180,399	143,793	166,107	135,213	171,574	68,552	381,476
Total Business-Type Activities	(55,638)	(90,785)	174,509	421,155	143,819	167,865	143,516	195,759	74,787	388,592
Total Primary Government	16,381,869	11,363,983	11,399,413	10,924,009	10,680,733	10,364,783	11,287,243	10,938,296	11,172,923	11,117,847
Change in Net Position										
Governmental Activities	234,059	(324,585)	6,397,175	(243,607)	(374,878)	(1,285,429)	932,149	(644,652)	939,291	(2,202,160)
Business-Type Activities	(385,525)	1,094,790	902,301	1,920,098	1,841,727	1,418,032	1,495,107	1,553,195	553,744	622,586
Primary Government Change in Net Position	\$ (151,466)	\$ 770,205	\$ 7,299,476	\$ 1,676,491	\$ 1,466,849	\$ 132,603	\$ 2,427,256	\$ 908,543	\$ 1,493,035	(\$1,579,574)

Note: 2014 amounts were not adjusted to reflect the implementation of GASB Statement No. 68.

City of Ashland, Ohio

Financial Trends Information

Program Revenues by Function/Program

Last Ten Years

(accrual basis of accounting)

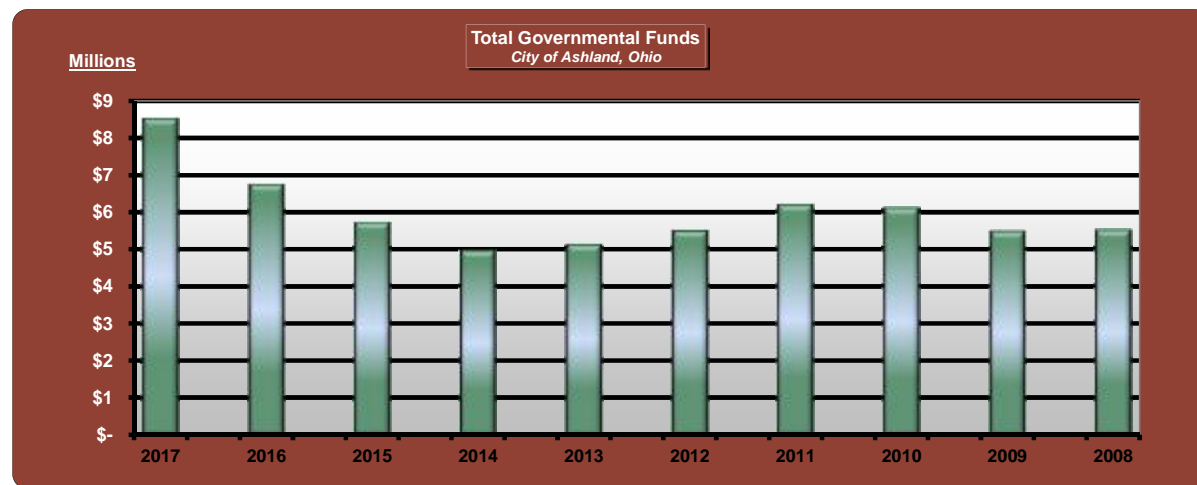
Function/Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental Activities:										
General Government	\$ 1,087,345	\$ 1,100,774	\$ 1,320,930	\$ 1,290,762	\$ 1,174,124	\$ 1,292,531	\$ 1,989,892	\$ 2,016,535	\$ 1,741,248	\$ 1,718,322
Security of Persons and Property	2,232,468	1,982,292	1,998,403	1,783,807	1,501,904	1,700,731	1,756,354	1,778,552	1,644,348	1,670,050
Public Health	34,016	46,367	168,653	68,751	174,157	238,699	216,045	241,702	399,078	67,220
Leisure Time Services	134,095	98,887	88,310	125,179	95,251	114,681	621,367	250,486	537,183	137,803
Community Development	298,709	76,672	436,555	789	419,439	132,963	568,170	276,327	393,603	72,701
Transportation	1,198,625	2,229,949	7,331,331	2,321,667	1,947,820	1,435,242	1,680,479	1,490,978	1,611,179	1,532,450
Total Governmental Activities	4,985,258	5,534,941	11,344,182	5,590,955	5,312,695	4,914,847	6,832,307	6,054,580	6,326,639	5,198,546
Business-Type Activities:										
Water	3,554,769	3,377,257	3,313,754	3,677,369	3,931,301	3,370,224	3,724,563	3,607,516	3,618,546	4,208,372
Sewer	3,870,427	4,164,674	3,939,626	3,919,125	3,958,563	3,977,288	3,657,377	3,694,135	3,341,164	2,984,938
Sanitation	1,776,950	1,754,455	1,761,540	1,827,009	1,825,909	1,844,651	1,884,653	1,830,742	1,776,691	1,769,983
Other	948,025	941,970	963,237	945,384	965,428	1,015,271	1,022,636	1,026,093	1,047,924	531,152
Total Business-Type Activities	10,150,171	10,238,356	9,978,157	10,368,887	10,681,201	10,207,434	10,289,229	10,158,486	9,784,325	9,494,445
Total Primary Government	\$ 15,135,429	\$ 15,773,297	\$ 21,322,339	\$ 15,959,842	\$ 15,993,896	\$ 15,122,281	\$ 17,121,536	\$ 16,213,066	\$ 16,110,964	\$ 14,692,991

City of Ashland, Ohio

Financial Trends Information

Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Fund										
Nondisposable	\$ 251,210	\$ 307,073	\$ 107,612	\$ 92,636	\$ 93,163	\$ 81,683	\$ 85,412	N/A	N/A	N/A
Committed	0	0	0	0	0	4,758	3,020	N/A	N/A	N/A
Assigned	1,508,468	1,834,530	1,419,439	738,152	1,291,982	1,360,086	129,698	N/A	N/A	N/A
Unassigned	605,371	72,871	237,704	497,540	(3,850)	(10,857)	1,874,507	N/A	N/A	N/A
Reserved	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 10,419	\$ 19,913	\$ 36,406
Unreserved	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2,014,052	1,828,275	1,225,356
Total General Fund	2,365,049	2,214,474	1,764,755	1,328,328	1,381,295	1,435,670	2,092,637	2,024,471	1,848,188	1,261,762
All Other Governmental Funds										
Nondisposable	173,818	338,353	225,667	210,879	171,544	232,366	249,725	N/A	N/A	N/A
Restricted	5,614,200	3,535,070	2,994,860	2,998,800	3,511,353	3,348,469	3,369,915	N/A	N/A	N/A
Committed	590,328	650,128	720,330	416,315	549,195	500,714	480,217	N/A	N/A	N/A
Unassigned	(217,095)	0	0	0	(498,280)	(25,580)	(1,982)	N/A	N/A	N/A
Reserved	N/A	N/A	N/A	N/A	N/A	N/A	N/A	399,249	207,892	258,666
Unreserved, Reported in:										
Special Revenue Funds	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2,531,803	2,252,686	2,809,493
Debt Service Funds	N/A	N/A	N/A	N/A	N/A	N/A	N/A	214,217	87,459	14,542
Capital Projects Funds	N/A	N/A	N/A	N/A	N/A	N/A	N/A	925,284	1,077,765	1,158,387
Total All Other Governmental Funds	6,161,251	4,523,551	3,940,857	3,625,994	3,733,812	4,055,969	4,097,875	4,070,553	3,625,802	4,241,088
Total Governmental Funds	\$ 8,526,300	\$ 6,738,025	\$ 5,705,612	\$ 4,954,322	\$ 5,115,107	\$ 5,491,639	\$ 6,190,512	\$ 6,095,024	\$ 5,473,990	\$ 5,502,850



Note: The City implemented GASB Statement No. 54 in 2011.

City of Ashland, Ohio

Financial Trends Information

Changes in Fund Balances, Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

	2017	2016	2015	2014	2013	2012
Revenues						
Property Taxes	\$ 1,092,133	\$ 1,069,944	\$ 1,037,877	\$ 1,081,501	\$ 1,109,885	\$ 1,099,577
Income Taxes	13,778,228	9,805,548	9,555,688	8,658,845	8,692,865	8,312,982
Other Local Taxes	6,609	5,432	6,925	6,157	0	0
Charges for Services	1,372,709	1,411,311	1,328,682	1,313,538	1,098,153	1,489,025
Licenses and Permits	59,579	70,901	54,541	43,066	23,778	21,867
Fines and Forfeitures	1,350,211	1,207,144	1,210,238	1,238,736	1,302,343	1,179,434
Intergovernmental	2,731,406	2,072,702	2,813,080	4,367,505	3,032,039	3,055,646
Special Assessments	289	181	358	3,389	0	0
Rental Income	68,517	71,724	68,091	79,450	82,961	73,910
Interest	128,172	35,211	10,154	12,566	14,752	21,087
Contributions and Donations	61,605	17,249	74,995	12,947	10,189	36,317
Other	364,936	118,806	188,127	338,583	272,473	139,277
Total Revenues	21,014,394	15,886,153	16,348,756	17,156,283	15,639,438	15,429,122
Expenditures						
Current:						
General Government	4,618,361	4,208,474	3,919,903	4,338,231	4,396,524	4,673,945
Security of Persons and Property	8,229,316	7,557,265	7,504,586	7,180,490	6,674,863	6,676,321
Public Health	310,283	301,367	304,879	300,114	296,042	297,364
Leisure Time Services	896,722	765,642	775,495	837,813	802,092	997,974
Community Development	574,282	264,303	353,130	631,993	437,033	579,507
Transportation	3,530,202	1,377,628	1,823,620	1,579,847	2,209,772	1,736,326
Capital Outlay	1,400,178	709,600	775,173	1,950,716	563,219	506,080
Debt Service:						
Principal Retirements	670,000	165,000	242,290	424,164	418,282	394,966
Interest and Fiscal Charges	46,719	40,519	49,756	60,376	77,852	111,947
Issuance Costs	0	7,000	0	0	33,073	0
Total Expenditures	20,276,063	15,396,798	15,748,832	17,303,744	15,908,752	15,974,430
Excess of Revenues Over (Under) Expenditures	738,331	489,355	599,924	(147,461)	(269,314)	(545,308)
Other Financing Sources (Uses)						
Bond and Note Issuances	1,000,000	500,000	0	0	0	0
Premium on Debt Issued	3,785	0	0	0	15,829	0
Refunding Bonds Issued	0	0	0	0	1,790,000	0
Proceeds from Sale of Capital Assets	269,521	73,058	322,975	9,182	0	0
Transfers In	399,919	123,221	306,000	193,528	123,185	197,378
Transfers Out	(623,281)	(153,221)	(477,609)	(216,034)	(266,978)	(350,943)
Payment to Refunded Bond Escrow Agent	0	0	0	0	(1,769,254)	0
Total Other Financing Sources (Uses)	1,049,944	543,058	151,366	(13,324)	(107,218)	(153,565)
Net Change in Fund Balances	\$1,788,275	\$1,032,413	\$751,290	(\$160,785)	(\$376,532)	(\$698,873)
Debt Service as a Percentage of Noncapital Expenditures	3.85%	1.54%	3.17%	3.13%	3.45%	3.28%

	2011	2010	2009	2008
\$	1,157,321	\$ 1,052,925	\$ 1,158,112	\$ 1,285,673
	8,166,672	7,927,130	7,840,484	8,231,759
	0	0	0	0
	2,543,025	2,440,271	2,666,577	2,116,113
	28,051	27,785	53,418	34,102
	1,063,998	1,067,750	1,082,464	1,098,332
	4,123,298	3,966,281	3,259,390	3,745,252
	0	23,527	0	0
	72,191	63,380	52,643	367,013
	53,951	111,602	274,215	51,934
	259,920	47,668	98,519	47,290
	195,116	289,756	503,340	228,172
	17,663,543	17,018,075	16,989,162	17,205,640
	5,119,520	5,455,386	5,044,994	5,372,569
	6,510,302	6,707,997	7,026,459	6,980,721
	315,944	325,085	307,075	304,456
	1,056,252	1,213,926	1,058,094	1,051,707
	445,004	483,674	364,060	606,201
	1,957,277	1,833,595	1,480,092	2,169,051
	1,561,427	861,743	1,065,698	1,012,083
	424,089	183,269	414,560	1,186,381
	126,813	117,998	213,663	169,428
	0	20,026	33,243	0
	17,516,628	17,202,699	17,007,938	18,852,597
	146,915	(184,624)	(18,776)	(1,646,957)
	0	835,000	0	250,000
	0	30,629	57,106	9,944
	0	0	0	0
	90,890	48,486	0	0
	773,806	542,449	725,959	846,829
	(909,019)	(650,906)	(793,149)	(1,239,010)
	0	0	0	0
	(44,323)	805,658	(10,084)	(132,237)
	\$102,592	\$621,034	(\$28,860)	(\$1,779,194)
	3.45%	1.85%	3.95%	7.60%

City of Ashland, Ohio

Operating Information

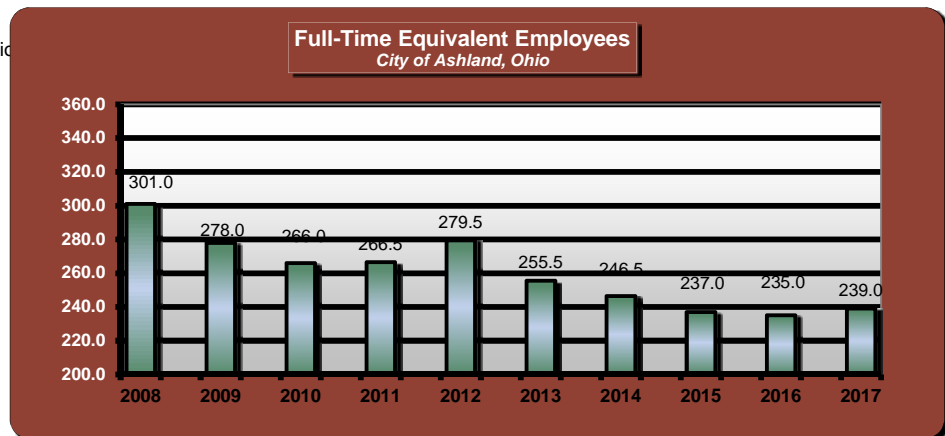
Full-Time Equivalent City Government Employees by Function/Program Last Ten Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Function/Program										
General Government:										
Council	3.5	3.5	3	3	3	3	3	3	3	3
Mayor	3	3	2.5	2.5	2.5	2.5	2.5	2	2	2
Finance	5.5	6	5	5	5	5	5	5	5	5
Law	5	4	5	4	4.5	4.5	5	5	0	5
Engineering	5	5	4	4	4	4	4	5	0	4.5
Building and Zoning	4	2.5	2	2	2	2	2.5	2.5	2.5	2.5
Human Resources	3	2.5	2	2	2	2	2	2	2	2.5
Income Tax	4	3.5	4	4	4	4	3	3	3	4
Municipal Court	34.5	35.5	30	41	39.5	34.5	34	27.5	28	30.5
Municipal Court Community Corrections	2	2	2	2	2	2	2	2	2	2
Municipal Court Probation	4	3	3	2	2	2	1	0	0	0
Security of Persons and Property:										
Police	44	38.5	40	36	32	34.5	33.5	35	35.5	36.5
Fire	39	37	35	36	35	37	34	36	34	38
Recreation:										
Golf Course	18	15	11	12.5	31.5	12.5	13	11	12	10.5
Park	26	23	16.5	19.5	19.5	16	14	12.5	14	9
Swimming Pool	8.5	10	10.5	9	10	10	10	10.5	13	0
Service:										
Building Maintenance	2	2	1	1	1	1	1	1	1	1
Economic Development	0	0	0	0	0	0	0	0	0	0
Justice Center Maintenance	1	1	1.5	1	1	1	1	1	1	1
Maintenance	1	1	1	1	1	0	0	0	0	0
Health	0	0	0	0	0	0	0	0	0	5
Transit	0	0	0	0	0	0	0	0	0	1
Sanitation	18	14	18	14	13	11	10	9	12	12
Sewer	5	4	6	5	5	5	5	5	5	6
Street Maintenance	21	20	20	18	15	18	16	18	18	16
Technical Services	2	2	2	2	2	2	2	2	2	2
Water Distribution	15	12	13	13	12	14	13	15	15	14
Water Pollution	14	15	14	14	15	15	17	11	12	13
Water Treatment	13	13	14	13	16	13	13	13	13	13
Total Number of Employees	301.0	278.0	266.0	266.5	279.5	255.5	246.5	237.0	235.0	239.0

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

<u>Function/Program</u>	2017	2016	2015	2014	2013
General Government					
Construction Permits Issued (1)	4	10	7	8	15
Estimated Value of Construction (1) **	\$ 8,036,000	\$ 6,080,367	\$ 21,951,000	\$ 1,833,000	\$ 36,431,000
Total Cases Filed (2)	9,970	8,685	10,287	12,117	11,212
Fines Collected (2)	\$ 3,148,140	\$ 2,965,795	\$ 3,027,596	\$ 3,319,318	\$ 3,477,423
Economic Development Projects (3)	100	85	85	70	75
Purchase Orders Issued (4)	3,411	3,053	3,373	3,316	3,568
Number of W-2 Forms Issued (4)	286	336	321	317	322
Police (5)					
Total Incidents	17,574	16,471	14,050	15,182	15,240
Total Arrests	1,219	1,160	1,352	1,917	1,252
Hours of Training	928	501	255	519	394
Total Citations	596	467	680	714	879
Parking Tickets	222	129	317	383	285
Parking Ticket Fines Collected	\$ 2,170	\$ 2,125	\$ 6,135	\$ 7,345	\$ 5,550
Fire (6)					
Fire Calls	820	709	695	622	541
EMS Calls	3,322	3,516	3,288	3,091	2,897
Total People Reached (Fire Safety Classes)	879	719	1,660	1,321	732
Hours of Training	6,635	0	4,016	6,269	4,170
Fire Loss	\$ 549,310	\$ 557,550	\$ 837,095	\$ 867,945	\$ 1,286,837
Public Service					
Tons of snow melting salt used (7)	1,766	1,768	4,103	4,545	3,589
Leaves picked up (cubic yards) (7)	4,115	6,087	6,547	8,562	5,637
Diesel Fuel Used (gal.) (7)*	38,337	36,155	39,529	35,215	35,476
Unleaded Fuel Used (gal.) (7)*	60,526	58,077	59,949	56,995	59,409
Total Water Customers (8)	7,800	7,459	7,417	7,422	7,354
Water Receipts (8)	\$ 3,197,685	\$ 3,252,330	\$ 3,212,132	\$ 3,183,643	\$ 3,188,513
Sewer Receipts (8)	\$ 3,881,902	\$ 3,947,990	\$ 3,912,822	\$ 3,898,115	\$ 3,834,517
Refuse Receipts (8)	\$ 1,635,655	\$ 1,642,504	\$ 1,621,356	\$ 1,643,962	\$ 1,654,312
Number of trees removed (9)	596	304	470	611	217
Number of trees planted (9)	32	84	90	59	121
Transports (10)	45,079	29,700	30,573	35,360	34,741
Miles Transported (10)	151,648	151,736	154,024	155,901	159,207
Recreation (11)					
Number of Brookside Pool Memberships	145	149	124	123	118
Number of Parks	15	15	15	15	15
Size of Parks (Acres)	443	443	443	443	443
Number of Golf Courses	1	1	1	1	1

(Continued)

CITY OF ASHLAND, OHIO

Operating Information

Operating Indicators by Function/Program
Last Ten Years
(Continued)

	2012	2011	2010	2009	2008
Function/Program					
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.

** Construction Estimate unavailable for one of the Commercial/Industrial sites.

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. Funded by city, county, & private investors.

CITY OF ASHLAND, OHIO

Operating Information

Capital Asset Statistics by Function/Program
Last Ten Years

Function/Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
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	21,726
(3) Engineering Vehicles	2	2	2	2	2	1	2	2	2	2
(3) Other Departmental Vehicles	9	7	7	6	6	7	7	7	6	10
Police										
(1) Stations	1	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	100,000
(3) Vehicles	21	18	22	22	23	21	19	23	20	31
Fire Station										
(1) Stations	1	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	15,377
(3) Vehicles	19	17	18	18	18	17	17	16	18	19
Other Public Works										
(4) Streets (miles)	91	91	91	115	115	115	115	115	97	97
* Streetlights	*	*	*	*	*	*	*	*	*	*
(4) Traffic Signals (includes flashing)	37	38	38	39	38	38	37	37	31	31
(3) Public Service Vehicles	83	83	86	87	82	79	80	85	89	130
Recreation										
(2) Number of Parks	15	15	15	15	15	15	15	15	14	13
(3) Vehicles	22	23	22	23	29	32	35	36	22	29
Water										
(1) Water mains (miles)	104	104	104	104	104	104	104	104	104	103
(1) Fire hydrants	923	923	921	921	921	921	920	920	920	916
Wastewater										
(1) Sanitary Sewers (miles)	100	100	100	100	100	100	100	100	100	97
(1) Storm Sewers (miles)	68	68	67	67	67	67	66	66	66	66
Transit										
(3) Vehicles	9	9	8	8	9	9	9	9	10	11

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

This page intentionally left blank.

**CITY OF ASHLAND
ASHLAND COUNTY, OHIO**

SUPPLEMENTAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2017

**CITY OF ASHLAND
ASHLAND COUNTY, OHIO**

TABLE OF CONTENTS

	<u>PAGES</u>
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	1 - 2



Julian & Grube, Inc.

Serving Ohio Local Governments

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

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*

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

To the Members of Council and Mayor:

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, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City of Ashland's basic financial statements and have issued our report thereon dated June 21, 2018.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City of Ashland'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 of Ashland'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 of Ashland'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.

Members of Council and Mayor
City of Ashland

Compliance and Other Matters

As part of reasonably assuring whether the City of Ashland'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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

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 of Ashland's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City of Ashland's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc." The signature is written in dark ink and is positioned above the printed name of the firm.

Julian & Grube, Inc.
June 21, 2018



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
AUGUST 30, 2018