

City of Ashland, Ohio Comprehensive Annual Financial Report For Year Ended December 31, 2014







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, 2014 through December 31, 2014. 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. In conjunction with the work performed by the Independent Public Accountant, the Auditor of State is issuing the following:

Public Money Illegally Expended – Finding for Recovery – Repaid Under Audit

The City of Ashland, Ohio, Personnel Policy and Procedure Manual, Business Expense Payment/Reimbursement, Section 1.01, B, 5c, indicates receipts are required to receive payment or reimbursement hereunder. Alcoholic beverages are not includable, and the cost of the same shall not be paid or reimbursed here under.

During 2014, City employee Patty Green used the City's credit card to purchase alcohol on two separate occasions totaling \$41.76. In addition, no detailed receipts were available to support eleven other purchases for food and drinks from establishments that sell alcohol totaling \$335.37. Without detailed receipts to support the transaction, it is not possible to determine if alcohol was purchased on any other transaction from an establishment that sells alcohol.

In accordance with the foregoing facts and pursuant to **Ohio Rev. Code Section 117.28**, a Finding for Recovery for public money illegally expended is hereby issued against Patty Green in the amount of \$377.13 and in favor of the City's General Fund.

The amount of \$377.13 was repaid to the City's General Fund with payments of \$30.26 on June 24, 2015, \$11.50 on June 25, 2015, and \$335.37 on August 31, 2015.

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.

Jare Yort

Dave Yost Auditor of State

September 16, 2015

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City of Ashland, Ohio

Comprehensive Annual Financial Report For the Year Ended December 31, 2014

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

Introductory Section

City of Ashland Comprehensive Annual Financial Report Year Ended December 31, 2014

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Larry D. Paxton Finance Director

City of Ashland

June 19, 2015

Dear Fellow Citizens, City Council Members, Business Partners and Interested Parties;

The Comprehensive Annual Financial Report

Attached please find the City of Ashland's Comprehensive Annual Financial Report for the year ending December 31, 2014. As a part of our commitment to good government, we have prepared this report for your review and consideration. In conjunction with preparing this report we are obligated to file it with the Auditor of State's office within one hundred and fifty (150) days after the end of the calendar year.

It is our hope that you find this report most informative of your community's activities and initiatives. The City prepares this report pursuant to Generally Accepted Accounting Principles (GAAP). This 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 informational statistical sections.

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). It provides a narrative of our financial statements, as well as an introduction and overview of information contained within this report.

The annual audit for the City was performed, in cooperation with the Honorable Auditor of State Mr. David Yost Columbus Regional Office. The audit was done by Julian & Grube Inc., a Certified Public Accounting firm contracted by the City and the Auditor of States office. The City independently employs Rea & Associates, Inc., a Certified Public Accounting firm to assist in the preparation of the financial statements included within this report.

Julian & Grube, Inc. has issued an unmodified ("clean") opinion for the City of Ashland's financial statements for the year ended December 31, 2014. The independent auditor's report is located in the front of the financial section of this report.

Profile of the Government

The City of Ashland, Ohio was first incorporated in 1884 and is located in the North Central part of the State of Ohio. The City's 10.9976 square miles area is home to a population of 20,337. Located within Ashland County, the City is the largest municipal government within the county and is home to the Ashland County Government offices. The City of Ashland is a municipal corporation formed under the laws of the State of Ohio and, as such, operates with its' own Charter. The Charter was adopted June 18, 1914 and has undergone several amendments, over the last several years.

The City's management team consists of a Mayor serving as the Chief Executive officer and Service & Safety Director. A Director of Law serving as chief legal advisor and prosecutor. A Director of Finance serving as chief financial officer. The Council President serves as the head of the legislative branch and presiding over all City Council meetings. The citizens elect one council person at large and the other four from their prospective wards. All council persons serve as independent elected representatives on City Council. A Municipal Court Judge is also elected, but serves both the City and the County in matters other than Juvenile and Common Pleas Court actions.

All of these public servants serve the community as independently elected office holders but strive to work well with each other in an effort to build a better and safer community. All officials are elected to staggered four-year terms, except the Judge who is elected to a six year term. The purpose of the staggered terms is so that not all of the government leaders are elected at the same time.

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 budget adoption process, taxing authority, and / or the City's obligation to fund those activities.

Annual tax budgets are prepared for the coming year for all funds and departments and approved by July 15th by city council. Spending appropriations are prepared and adopted annually on or before March 31st for each year. The spending appropriation builds upon the tax budget which establishes revenues streams. The City budgets are prepared by activity grouping levels of controls for all funds and activates.

Financial Management Initiatives

The City utilizes accounting policies, and procedures that operate within the parameters of the Charter of the City of Ashland, State and Federal laws and guidelines as well as Government Accounting Standards Board (GASB) pronouncements. These initiatives include the development of best practices for management, the procurement of goods and services, disaster minimization, investments management, cash management, software management and the development of business relationships with outside vendors.

Since 2009 the City has taken a proactive approach of retiring debt off of its balance sheet. It's the City's belief that by doing this it helps better position the community for the future economic challenges. During the budget process the City calculates operating revenues and expenditures with a five year projection. This practice allows the City to better project funding level requirements and stabilizes programs and initiatives.

Major Initiatives

In 2014 the City completed the replacement of several infrastructure projects including the replacement of old, outdated and undersized waterlines, partially funded by a \$475,000.00 US EPA infrastructure grant. The payment of U.S. Route 42 bypass paving project around the City, funded through a \$489,280 Ohio Public Works Commission grant. The replacement of several storm sewer catch basins around the City, funded solely by the Cities storm water surcharge fees paid for by the residents of the community each month. The City completed approximately \$300,000 of street resurfacing. In 2014 the City entered into agreement with the Ohio Department of Transportation for the replacement of the antiquated State Route 96 / 42 bridge. This project will replace a substandard antiquated bridge with a new state of the art at grade intersection. It is the intent of the project to improving the flow of traffic to that area while making the intersection safer.

Internal Controls

It is the management of the City that is fully responsible for the completeness and reliability of the information contained in this report. The City uses a comprehensive framework of internal controls 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 objective of the framework of this report is to provide with reasonable, assurance that this report is free from any material misstatements to the best of our 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, 2013. This was the seventh consecutive year the City of Ashland has achieved this prestigious award for financial reporting. To achieve this award the City prepares and publishes an easily readable and efficiently organized comprehensive annual financial report. This report satisfies both general accepted accounting principles and all applicable legal requirements. The award is valid for a period of one year. The preparation of this report would not have been possible without the hard work and dedication of the Finance Division, and the City's various managers, directors and employees who contributed to this report. We also wish to express our appreciation to the Mayor Glen P. Stewart, the Law Director Richard P Wolfe, the Municipal Judge John L. Good and the members of City Council Stephen Stuart, Ruth Detrow, Robert Valentine, Sandra Tunnell and Duane Fishpaw for their graciously support our goals and efforts to strive for excellence and continuous improvement of the finances of your government.

Respectfully submitted,

Larry D. Paxton Director of Finance / Income Tax Administrator

City of Ashland, Ohio

Comprehensive Annual Financial Report For the ended December 31, 2014

City Officials

Mayor Glen P. Stewart

10/28/1981 – 9/30/1989 (Council) 7/3/2002 – 12/31/2007 (Council President) Appointed / Elected 1/1/2008 – present (Mayor) Second Term Expires 12-31-2017

Stephen L. Stuart - City Council President

Retired Ashland University Appointed / Elected 2/5/2008 – present

Duane Fishpaw – 1st Ward Representative

9/3/1980 – 11/25/2011 Retired City of Ashland Fire Chief Elected 1/01/2012 – present

Robert M. Valentine 2nd Ward Representative

Employed <u>seasonally</u>: 1974 (Laborer), 1978 (Sewer), 1979 (Park) Retired Ohio Department of Transportation Elected 1/1/2006 – present

Ruth G. Detrow 3rd Ward Representatives

Elected 1/1/1982 – 12/31/1985 Elected 9/20/2002 – present

Sandra Hedlund Tunnell 4th Ward Representatives

Executive Director of Ashland Main Street Elected 1/1/2010 - present

Honorable John L. Good - Municipal Court Judge

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

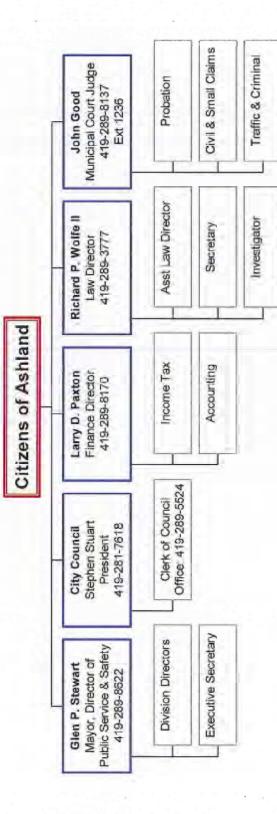
Richard P. Wolfe II - Law Director

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

Larry D. Paxton - Director of Finance 5/1/2006 – 1/6/2007 (Assistant Director of Finance) Appointed / Elected 11/20/2009 – Present



City of Ashland Elected Officials



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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, 2013

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, 2014 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 opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ashland, Ashland County, Ohio, as of December 31, 2014, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and Street Maintenance and Repair Funds, thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

City of Ashland Independent Auditor's Report

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures 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 these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling the statements and schedules 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, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2015, 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.

Julian & Sube the

Julian & Grube, Inc. June 19, 2015

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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, 2014. 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 2014 are as follows:

- In total, net position increased \$1,676,491, which represents a 3 percent increase from 2013. Net position of governmental activities decreased \$243,607. Net position of business-type activities increased \$1,920,098.
- Total capital assets decreased \$94,467 in 2014. Capital assets of governmental activities increased \$411,418 and capital assets of business-type activities decreased \$505,885.
- Outstanding debt decreased from \$14,108,178 to \$12,788,033 due to principal payments made during the year.

Using this Annual Financial Report

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

The Statement of Net Position and the Statement of Activities provide information from a summary perspective showing the effects of the operations for the year 2014 and how they affected the operations of the City as a whole.

Reporting the City of Ashland as a Whole

Statement of Net Position and the Statement of Activities

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column. In the case of the City of Ashland, the general fund and street maintenance and repair fund are by far the most significant funds. Business-type funds consist of the water, sewer, sanitation, stormwater management, golf course and swimming pool funds.

A question typically asked about the City's finances "How did we do financially during 2014?" 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 maintenance and repair fund.

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

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

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 2014 compared to 2013:

Table 1 Net Position											
Governmental Activities Business-Type Activities Total											
	2014	2013	2014	2013	2014	2013					
Assets											
Current and Other Assets	\$ 8,674,024	\$ 10,016,383	\$ 9,208,064	\$ 7,628,552	\$ 17,882,088	\$ 17,644,935					
Capital Assets	19,088,920	18,677,502	36,788,300	37,294,185	55,877,220	55,971,687					
Total Assets	27,762,944	28,693,885	45,996,364	44,922,737	73,759,308	73,616,622					
Deferred Outflows of Resources	34,348	38,273	117,219	130,616	151,567	168,889					
Liabilities											
Long-Term Liabilities	2,383,717	2,805,771	11,250,322	12,134,500	13,634,039	14,940,271					
Other Liabilities	980,082	1,190,873	298,381	274,071	1,278,463	1,464,944					
Total Liabilities	3,363,799	3,996,644	11,548,703	12,408,571	14,912,502	16,405,215					
Deferred Inflows of Resources	1,021,199	1,079,613	0_	0	1,021,199	1,079,613					
Net Position											
Net Investment in Capital Assets	17,422,128	16,588,886	25,785,110	25,443,512	43,207,238	42,032,398					
Restricted	4,154,526	5,112,823	0	0	4,154,526	5,112,823					
Unrestricted	1,835,640	1,954,192	8,779,770	7,201,270	10,615,410	9,155,462					
Total Net Position	\$ 23,412,294	\$ 23,655,901	\$ 34,564,880	\$ 32,644,782	\$ 57,977,174	\$ 56,300,683					

At year end, capital assets represented 76 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 \$43,207,238 at December 31, 2014, with \$17,422,128 in governmental activities and \$25,785,110 in business-type activities. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's net position, \$4,154,526 or 7 percent represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position of \$10,615,410 may be used to meet the City's ongoing obligations to citizens and creditors.

Current assets of governmental activities decreased \$1,342,359 due to a decrease in receivables related to several CDBG grants as well as an OPWC grant. Other liabilities decreased \$210,791 mainly due to the reduction in intergovernmental payables. In 2013 the City had an ODOT payable in the amount of \$498,280 that was paid in 2014.

Long term liabilities decreased \$422,054. This decrease is mainly due to the payment of debt.

Business type activities/enterprise funds saw an increase of \$1,579,512 in current assets. This increase is primarily due to increasing cash balances. Rate increases in recent years have allowed the City to accumulate money for major planned capital improvements. Long term liabilities decreased \$884,178 due to the payment of debt.

Table 2 shows the changes in net position for 2014 and 2013.

	Governmen	tal Activities	Business-Ty	pe Activities	Т	otal	
	2014	2013	2014	2013	2014	2013	
Revenues							
Program Revenues:							
Charges for Services	\$ 2,623,125	\$ 2,491,962	\$ 10,286,798	\$ 10,390,655	\$ 12,909,923	\$ 12,882,617	
Operating Grants	1,787,826	2,054,374	0	0	1,787,826	2,054,374	
Capital Grants	1,180,004	766,359	82,089	290,546	1,262,093	1,056,905	
General Revenues:							
Property Taxes	1,085,428	1,116,594	0	0	1,085,428	1,116,594	
Income Taxes	8,795,942	8,591,625	0	0	8,795,942	8,591,625	
Other Taxes	6,157	0	0	0	6,157	0	
Grants and Entitlements	442,197	692,572	0	0	442,197	692,572	
Investment Earnings	7,869	7,443	0	0	7,869	7,443	
Miscellaneous	345,660	272,473	240,756	26	586,416	272,499	
Total Revenues	16,274,208	15,993,402	10,609,643	10,681,227	26,883,851	26,674,629	
Program Expenses							
General Government	4,551,037	4,556,731	0	0	4,551,037	4,556,731	
Security of Persons and Property	7,529,505	6,976,843	0	0	7,529,505	6,976,843	
Public Health	300,114	296,042	0	0	300,114	296,042	
Leisure Time Services	939,238	290,042 894,106	0	0	939,238	290,042 894,106	
			0	0			
Community Development Transportation	634,148 2,322,553	446,357 2,947,541	0	0	634,148 2,322,553	446,357	
1		, ,	-	0	, ,	2,947,541	
Issuance Costs	0	33,073	0 0	0	0	33,073	
Interest and Fiscal Charges	60,821	73,794	0	0	60,821	73,794	
Enterprise Operations:	0	0	2 202 647	2 (5(554	2 202 647	2 656 554	
Water	0	0	3,303,647	3,656,554	3,303,647	3,656,554	
Sewer	0	0	3,082,994	2,772,679	3,082,994	2,772,679	
Sanitation	0	0	1,522,213	1,517,356	1,522,213	1,517,356	
Stormwater Management	0	0	322,162	359,408	322,162	359,408	
Golf Course	0	0	562,131	596,807	562,131	596,807	
Swimming Pool	0	0	76,797	80,489	76,797	80,489	
Total Program Expenses	16,337,416	16,224,487	8,869,944	8,983,293	25,207,360	25,207,780	
Increase (Decrease) in Net Position	(63,208)	(231,085)	1,739,699	1,697,934	1,676,491	1,466,849	
Transfers	(180,399)	(143,793)	180,399	143,793	0	0	
Change in Net Position	(243,607)	(374,878)	1,920,098	1,841,727	1,676,491	1,466,849	
Net Position Beginning of Year	23,655,901	24,030,779	32,644,782	30,803,055	56,300,683	54,833,834	
Net Position End of Year	\$ 23,412,294	\$ 23,655,901	\$ 34,564,880	\$ 32,644,782	\$ 57,977,174	\$ 56,300,683	

Table 2Changes in Net Position

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.

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

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.

The City saw a \$413,645 increase in capital grant revenue in 2014. This is largely due to an increase in grants from ODOT.

Police and fire represent the largest expense of the governmental activities. This expense of \$7,529,505 represents 46 percent of the total governmental activities expenses. These two departments operate primarily out of the general fund.

The City's street maintenance and repair department provides the City and its citizens many services that include public road salting, leaf and debris pickup, paint striping and alley profiling. These expenses totaled \$2,322,553, or 14 percent of total governmental activities expenses, during 2014.

The City also maintains a health department (public health) and a park (leisure time services) within the City. These areas had expenses of \$1,239,352 in 2014 equaling 8 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 2014, charges for services of \$10,286,798 accounted for 97 percent of the business type revenues. The total expenses for the utilities were \$8,869,944 thus leaving an increase in net position of \$1,739,699 (before transfers) for the business-type activities.

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 \$17,156,283 and expenditures of \$17,303,744. 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 2014 was a decrease of \$52,967.

The street maintenance and repair fund's net change in fund balance for year end 2014 was a decrease of \$305,569. The decrease is partially due to a reduction in the amount of income taxes allocated to this fund in 2014.

Proprietary Funds

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

Unrestricted net position of the water fund at the end of the year amounted to \$1,550,219, unrestricted net position of the sanitation fund was \$1,420,092 and the unrestricted net position of the sewer fund was \$5,117,026. The total growth in net position for these funds was \$540,076, \$304,796 and \$830,920, respectively. 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 2014, the City amended its general fund budget on various occasions. All recommendations for appropriation changes come to Council from the Director of Finance. The Finance Committee of Council reviews them, and they make their recommendation to the Council as a whole.

For the general fund, the actual budget basis revenue was \$9,884,096, representing an increase of \$126,446 over the final budget estimate of \$9,757,650. Most of this difference was attributable to an underestimation of other revenues. The final budget revenues were \$454,570 higher than original budget revenues of \$9,303,080. Estimates were adjusted as income tax receipts were higher than originally anticipated.

Final expenditure appropriations of \$10,005,898 were \$280,976 higher than the actual expenditures of \$9,724,922 as cost savings were recognized for general government and security of persons and property throughout the year. Final expenditure appropriations were \$61,761 higher than the original budget appropriations of \$9,944,137.

Capital Assets and Debt Administration

Capital Assets

At the end of year 2014, the City had \$55,877,220 invested in capital assets. A total of \$19,088,920 of this was for governmental activities and \$36,788,300 being attributable to business-type activities. Table 3 shows fiscal year 2014 balances compared with 2013.

	Governmen	tal Activities	Business-Ty	pe Activities	Total			
	2014	2013	2014	2013	2014	2013		
Land	\$ 7,079,045	\$ 7,010,051	\$ 3,630,627	\$ 3,734,692	\$ 10,709,672	\$ 10,744,743		
Construction in Progress	1,137,503	21,358	0	0	1,137,503	21,358		
Buildings and Improvements	4,577,613	4,690,540	7,271,881	7,526,051	11,849,494	12,216,591		
Equipment	860,813	801,274	1,394,916	1,476,922	2,255,729	2,278,196		
Vehicles	1,700,588	1,838,969	784,692	872,680	2,485,280	2,711,649		
Streets	2,353,009	2,794,529	0	0	2,353,009	2,794,529		
Bridges	505,836	577,990	0	0	505,836	577,990		
Street Lighting	874,513	942,791	0	0	874,513	942,791		
Infrastructure	0	0	23,706,184	23,683,840	23,706,184	23,683,840		
Total	\$ 19,088,920	\$ 18,677,502	\$ 36,788,300	\$ 37,294,185	\$ 55,877,220	\$ 55,971,687		

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

The \$411,418 increase in capital assets of governmental activities was attributable to current year additional purchases exceeding depreciation and disposals exceeding additional purchases. The \$505,885 decrease in capital assets of business-type activities is due to current year depreciation and disposals exceeding additional purchases. See Note 9 for additional information about the capital assets of the City.

Debt

The outstanding debt for the City as of December 31, 2014 was \$12,788,033. See Note 14 for additional details. Table 4 summarizes outstanding debt.

Table 4											
	Outstanding Debt, at December 31										
	Governmental Activities Business-Type Activities Total										
	2014	2013	2013	2014	2013						
General Obligation Bonds	\$ 1,610,000	\$ 1,970,000	\$10,910,000	\$11,785,000	\$12,520,000	\$13,755,000					
Premium on Bonds	13,850	15,435	176,893	196,289	190,743	211,724					
ODOT Loans	77,290	141,454	0	0	77,290	141,454					
Total	\$ 1,701,140	\$ 2,126,889	\$11,086,893	\$11,981,289	\$12,788,033	\$14,108,178					

Economic Factors

In 2014 the City of Ashland began to see a shift in its local economy, with slight improvements in certain areas. Unemployment rates dropped to just below 5 percent by the end of the year. The City's collection of withholding and individual taxes increased increase by 4 percentage, while business profit taxes declined by 28 percentage. This trend was the reverse of the previous year's returns. Overall income tax collection continued to match the previous year's collection numbers while exceeding our projection levels.

During this time the State of Ohio adopted legislation that impacted the City's ability to collect this tax in the future. This action coincides with the state phasing out of the tangible personal property taxes, the estate taxes and the reduction of the local government revenue sharing to half of what the state once shared with its local governments. These revenue streams are or were critical to the operation of the City's Central Governmental operations. The City continues to assess the impact of the changes of these laws and how they have and will impact the City's financial position in the future.

Because of this real and impending financial realignment of resources by the state the City continues to closely monitor and scrutinize its cash reserves, its revenues and expenditures. All aspects of the City's operations continue to be reviewed for productivity and efficiencies. Meanwhile the City continues to realize an increase demand for its services, particularly within its safety services sector.

In 2014 the City of Ashland put forth two individual quarter percent income tax increase initiatives for the voter's consideration. The first was for the ongoing costs and expenses of the central government. The second was for the expenses associated with maintaining and improving the City's roadways. The first tax initiative failed in every precinct of the City. The second initiative lost by less than 1 percent of all votes cast in the election. At the time of this writing the City is considering proposing another quarter percent income tax increase for roadway maintenance and improvements.

All other operating funds of the City continued to produce according to projections with only modest gains in cash balances.

During this period of time the City continued to retire its debt according to its schedules and commitments. This policy allowed the City to retire all of the debt on its fire equipment within four years and replaced several supporting apparatuses at the same time. In 2014 the City retired over a million dollars in long-term debt. It is our opinion that this program benefits our community by developing a strong and sound financial plan for debt retirement, while establishing a solid cash flow pattern. Moody's debt service rating continues to be at an A1 bond rating level. Because of this strong rating the City continues to enjoy a substantial savings in interest cost.

On June 15, 2014 the Government Accounting Standards Board (GASB) implemented new rules concerning the accounting for and disclosure of public pensions of local governments. These rules identified and improved the future financial reporting of the City's pension liabilities.

During the year the City replaced several storm sewer catch basins and culverts throughout the City. The City also continued to work with the Ohio Department of Transportation to replace the outdated U.S. Route 42 and State Route 96 bridge with a state of the art ground level intersection. Replacement waterline on South Countryside Drive were installed enhancing water service to that area. The City installed a new waterline at the Industrial Park to enhance service and water pressure to the area. Sixty acres adjoining the Brookside Golf course were sold in an effort to enhance and maintain the Brookside Golf course.

In 2014 the City continued to see development and expansion in its Industrial Park. The Barbasol Shaving Cream plant doubled its size and production. Novatex North America Inc., a manufacturing facility specializing in infant care products doubled its plant size and production. Ashland Conveyor, a manufacturing plant specializing in material moving conveyor products continued be a strong leader in its industry. Packaging Corporation of America a company specializing in corrugated cardboard materials continued its improvements to its facility, increasing their production and office complex. Chesterland Productions, LLC, new 234,000 sq. ft. warehousing complex located on Westlake drive began operation. Compak Inc. another corrugated cardboard materials company began an expansion to their operations.

Our community is served by several well run and operated companies that provide jobs for our residents and our community. An example of this is our community continues to meet its annual United Way goal of over a million dollars each year with the generous support of these companies and our citizens.

The continuing challenge will be to meet the needs of our community, our stakeholders, and our employees while operating with limited resources. Our task will require making tough choices with a disciplined and balanced approach in controlling or reducing costs were possible, while exploring possible new revenue sources. We have taken a proactive approach of contacting the Auditor of State's office on local government services to assist us with this endeavor.

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, 2014*

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 4,209,080	\$ 7,890,695	\$ 12,099,775
Cash and Investments in Segregated Accounts	0	3,995	3,995
Accounts Receivable	271,539	1,071,044	1,342,583
Intergovernmental Receivable	804,573	0	804,573
Taxes Receivable	3,085,317	0	3,085,317
Prepaid Items	125,091	57,286	182,377
Materials and Supplies Inventory	178,424	185,044	363,468
Non-Depreciable Capital Assets	8,216,548	3,630,627	11,847,175
Depreciable Capital Assets, Net	10,872,372	33,157,673	44,030,045
Total Assets	27,762,944	45,996,364	73,759,308
Deferred Outflow of Resources			
Deferred Charges on Refunding	34,348	117,219	151,567
Liabilities			
Accounts Payable	131,160	32,293	163,453
Accrued Wages	355,898	120,153	476,051
Contracts Payable	166,354	33,516	199,870
Intergovernmental Payable	285,837	82,099	367,936
Accrued Interest Payable	5,011	30,320	35,331
Accrued Vacation Leave Payable	29,830	0	29,830
Matured Compensated Absences Payable Long-Term Liabilities:	5,992		5,992
Due Within One Year	271,310	897,972	1,169,282
Due in More Than One Year	2,112,407	10,352,350	12,464,757
Total Liabilities	3,363,799	11,548,703	14,912,502
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	1,021,199	0	1,021,199
Net Position			
Net Investment in Capital Assets Restricted For:	17,422,128	25,785,110	43,207,238
Debt Service	366,675	0	366,675
Capital Outlay	567,914	0	567,914
Roads and Bridges	1,410,898	0	1,410,898
Parks and Recreation	310,940	0	310,940
Police and Fire	83,075	0	83,075
Public Transportation	269,953	0	269,953
Municipal Court Programs	798,115	0	798,115
Community Development	172,821	0	172,821
Other Purposes	174,135	0	174,135
Unrestricted	1,835,640	8,779,770	10,615,410
Total Net Position	\$ 23,412,294	\$ 34,564,880	\$ 57,977,174

See accompanying notes to the basic financial statements.

City of Ashland Ashland County, Ohio Statement of Activities For the Year Ended December 31, 2014

			Program Revenues						(Expense) Revenu nanges in Net Posi	
	Expenses	Charges for Services and Sales		es and Contributions		Capital Grants and Contributions		Governmental Activities	Business-Type Activities	Total
Governmental Activities										
General Government	\$ 4,551,037	\$	881,080	\$	392,182	\$	17,500	\$ (3,260,275)	\$ 0	\$ (3,260,275)
Security of Persons and Property	7,529,505		1,565,029		218,778		0	(5,745,698)	0	(5,745,698)
Public Health	300,114		68,751		0		0	(231,363)	0	(231,363)
Leisure Time Services	939,238		76,904		23,275		25,000	(814,059)	0	(814,059)
Community Development	634,148		0		789		0	(633,359)	0	(633,359)
Transportation	2,322,553		31,361		1,152,802		1,137,504	(886)	0	(886)
Interest and Fiscal Charges	60,821		0		0		0	(60,821)	0	(60,821)
Total Governmental Activities	16,337,416		2,623,125		1,787,826		1,180,004	(10,746,461)	0	(10,746,461)
Business-Type Activities										
Water	3,303,647		3,595,280		0		82,089	0	373,722	373,722
Sewer	3,082,994		3,919,125		0		0	0	836,131	836,131
Sanitation	1,522,213		1,827,009		0		0	0	304,796	304,796
Stormwater Management	322,162		519,038		0		0	0	196,876	196,876
Golf Course	562,131		372,462		0		0	0	(189,669)	(189,669)
Swimming Pool	76,797		53,884		0		0	0	(22,913)	(22,913)
Total Business-Type Activities	8,869,944		10,286,798		0		82,089	0	1,498,943	1,498,943
Total Primary Government	\$ 25,207,360	\$	12,909,923	\$	1,787,826	\$	1,262,093	(10,746,461)	1,498,943	(9,247,518)

General Revenues:

General Revenues.			
Property Taxes Levied for:			
General Purposes	544,098	0	544,098
Police and Fire Pension	170,254	0	170,254
Park and Recreation	135,890	0	135,890
Debt Service	235,186	0	235,186
Income Taxes Levied for:			
General Purposes	7,715,479	0	7,715,479
Street Maintenance and Repair	519,469	0	519,469
Park and Recreation	560,994	0	560,994
Hotel Lodging Tax	6,157	0	6,157
Grants and Entitlements not Restricted			
to Specific Programs	442,197	0	442,197
Investment Earnings	7,869	0	7,869
Miscellaneous	345,660	240,756	586,416
Total General Revenues	10,683,253	240,756	10,924,009
Transfers	(180,399)	180,399	0
Change in Net Position	(243,607)	1,920,098	1,676,491
Net Position Beginning of Year	23,655,901	32,644,782	56,300,683
Net Position End of Year	\$ 23,412,294	\$ 34,564,880	\$ 57,977,174

See accompanying notes to the basic financial statements.

City of Ashland Ashland County, Ohio Balance Sheet Governmental Funds December 31, 2014

	General	Street Maintenance and Repair	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Investments	\$ 761,953	\$ 703,195	\$ 2,743,932	\$ 4,209,080
Accounts Receivable	214,577	7,588	49,374	271,539
Intergovernmental Receivable	185,369	395,030	224,174	804,573
Taxes Receivable	2,277,564	121,908	685,845	3,085,317
Prepaid Items	92,636	14,740	17,715	125,091
Materials and Supplies Inventory	0	178,424	0	178,424
Total Assets	\$ 3,532,099	\$ 1,420,885	\$ 3,721,040	\$ 8,674,024
Liabilities				
Accounts Payable	\$ 26,199	\$ 0	\$ 104,961	\$ 131,160
Accrued Wages	299,180	33,108	23,610	355,898
Contracts Payable	0	0	166,354	166,354
Intergovernmental Payable	243,578	25,000	17,259	285,837
Matured Compensated Absences Payable	5,992	0	0	5,992
Total Liabilities	574,949	58,108	312,184	945,241
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	522,486	0	498,713	1,021,199
Unavailable Revenue	1,106,336	325,906	321,020	1,753,262
Total Deferred Inflows of Resources	1,628,822	325,906	819,733	2,774,461
Fund Balances				
Nonspendable	92,636	193,164	17,715	303,515
Restricted	0	843,707	2,155,093	2,998,800
Committed	0	0	416,315	416,315
Assigned	738,152	ů 0	0	738,152
Unassigned	497,540	0	0	497,540
Total Fund Balances	1,328,328	1,036,871	2,589,123	4,954,322
Total Liabilities, Deferred Inflows of				
of Resources and Fund Balances	\$ 3,532,099	\$ 1,420,885	\$ 3,721,040	\$ 8,674,024

City of Ashland Ashland County, Ohio Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities December 31, 2014

Total Governmental Fund Balances		\$ 4,954,322
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		19,088,920
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 \$ Income Tax Intergovernmental	113,586 1,038,358 580,657	
Charges for Services	20,661	1,753,262
Accrued interest payable is not due and payable in the current period and therefore not reported in the funds.		(5,011)
Unamortized balances of bond related transactions are not recorded in the funds. Unamortized deferred charges on refundings		34,348
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds: General Obligation Bonds ODOT Loan Unamortized Bond Premium Accrued Vacation Leave Payable Compensated Absences	(1,610,000) (77,290) (13,850) (29,830) (682,577)	 (2,413,547)
Net Position of Governmental Activities		\$ 23,412,294

City of Ashland Ashland County, Ohio Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Year Ended December 31, 2014

	General	Street Maintenance and Repair	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$ 542,066	\$ 0	\$ 539,435	\$ 1,081,501
Income Taxes	7,596,204	510,901	551,740	8,658,845
Other Local Taxes	6,157	0	0	6,157
Special Assessments	0	0	3,389	3,389
Charges for Services	783,232	23,651	506,655	1,313,538
Licenses and Permits	43,066	0	0	43,066
Fines and Forfeitures	685,350	7,710	545,676	1,238,736
Intergovernmental	532,222	889,126	2,946,157	4,367,505
Interest	7,869	4,347	350	12,566
Rent	10,413	0	69,037	79,450
Contributions and Donations	589 207,829	0	12,358 72,027	12,947
Other	207,829	58,727	12,027	338,583
Total Revenues	10,414,997	1,494,462	5,246,824	17,156,283
Expenditures Current:				
General Government	3,483,858	0	854,373	4,338,231
Security of Persons and Property	6,297,480	0	883,010	7,180,490
Public Health	297,640	0	2,474	300,114
Leisure Time Services	0	0	837,813	837,813
Community Development	182,134	0	449,859	631,993
Transportation	0	1,579,847	0	1,579,847
Capital Outlay	0	220,184	1,730,532	1,950,716
Debt Service:				
Principal Retirement	0	0	424,164	424,164
Interest and Fiscal Charges	0	0	60,376	60,376
Total Expenditures	10,261,112	1,800,031	5,242,601	17,303,744
Excess of Revenues Over (Under) Expenditures	153,885	(305,569)	4,223	(147,461)
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	9,182	0	0	9,182
Transfers In	0	0	193,528	193,528
Transfers Out	(216,034)	0	0	(216,034)
Total Other Financing Sources (Uses)	(206,852)	0	193,528	(13,324)
Net Change in Fund Balance	(52,967)	(305,569)	197,751	(160,785)
Fund Balance Beginning of Year	1,381,295	1,342,440	2,391,372	5,115,107
Fund Balance End of Year (Deficit)	\$ 1,328,328	\$ 1,036,871	\$ 2,589,123	\$ 4,954,322

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, 2014

Net Change in Fund Balances - Total Governmental Funds		\$ (160,785)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which additionsdepreciation exceeded depreciation in the current period. Capital Asset Additions Current Year Depreciation	\$ 1,817,823 (1,366,863)	450,960
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.		(39,542)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property Taxes	3,927	
Income Taxes	137,096	
Charges for Services	(55,051)	
Intergovernmental	(1,000,123)	(914,151)
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 ODOT Loan	360,000 64,164	424,164
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 Deferred Charges on Refundings	1,585 (3,925)	(2,340)
Deterred Charges on Kerundnigs	(3,923)	(2,340)
In the statement of activitites, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		
Accrued Interest Payable		1,895
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.	(112)	
Accrued Vacation Leave Payable Compensated Absences	(113) (3,695)	(3,808)
Compensated Absences	(3,093)	 (3,000)
Change in Net Position of Governmental Activities		\$ (243,607)
San anomponying notes to the basis 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, 2014

	Budgeted Amounts							
"		Original		Final		Actual		iance with al Budget
Revenues Property Taxes	\$	554,076	\$	554,075	\$	542,066	\$	(12,009)
Income Taxes	Ψ	6,786,000	Ψ	7,116,880	Ψ	7,174,928	Ψ	58,048
Other Local Taxes		0,700,000		6,000		6,157		157
Charges for Services		708,344		708,344		677,698		(30,646)
Licenses and Permits		21,031		27,330		43,066		15,736
Fines and Forfeitures		712,275		712,275		686,886		(25,389)
Intergovernmental		423,854		535,246		531,560		(3,686)
Interest		7,500		7,500		7,869		369
Rent		10,200		10,200		10,413		213
Contributions and Donations		450		450		589		139
Other		79,350		79,350		202,864		123,514
Total Revenues		9,303,080		9,757,650		9,884,096		126,446
Expenditures								
Current:								
General Government		3,128,527		3,086,315		2,989,926		96,389
Security of Persons and Property		6,303,061		6,417,252		6,262,885		154,367
Public Health		332,328		323,411		296,327		27,084
Community Development		180,221		178,920		175,784		3,136
Total Expenditures		9,944,137		10,005,898		9,724,922		280,976
Excess of Revenues Over (Under) Expenditures		(641,057)		(248,248)		159,174		407,422
Other Financing Sources (Uses)								
Proceeds from Sale of Capital Assets		0		0		9,182		9,182
Transfers Out		(122,497)		(220,600)		(220,600)		0
Net Change in Fund Balance		(763,554)		(468,848)		(52,244)		416,604
Fund Balance Beginning of Year		783,053		783,053		783,053		0
Prior Year Encumbrances Appropriated		31,145		31,145		31,145		0
Fund Balance End of Year	\$	50,644	\$	345,350	\$	761,954	\$	416,604

City of Ashland Ashland County, Ohio Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Street Maintenance and Repair Fund For the Year Ended December 31, 2014

	Budgeted Amounts					
		Original		Final	 Actual	 riance with nal Budget
Revenues						
Income Taxes	\$	487,500	\$	519,820	\$ 515,230	\$ (4,590)
Charges for Services		14,000		14,000	22,024	8,024
Fines and Forfeitures		5,485		5,485	7,710	2,225
Intergovernmental		867,953		867,953	887,008	19,055
Interest		6,805		6,805	4,347	(2,458)
Other		540,563		540,563	 58,727	 (481,836)
Total Revenues		1,922,306		1,954,626	 1,495,046	 (459,580)
Expenditures Current:						
Transportation		2,735,078		2,735,078	1,616,854	1,118,224
Capital Outlay		220,184		220,184	 220,184	 0
Total Expenditures		2,955,262		2,955,262	 1,837,038	 1,118,224
Net Change in Fund Balance		(1,032,956)		(1,000,636)	(341,992)	658,644
Fund Balance Beginning of Year		1,035,187		1,035,187	1,035,187	0
Prior Year Encumbrances Appropriated		10,000		10,000	 10,000	 0
Fund Balance End of Year	\$	12,231	\$	44,551	\$ 703,195	\$ 658,644

City of Ashland Ashland County, Ohio Statement of Fund Net Position Proprietary Funds December 31, 2014

]	Enterprise Funds		
	Water	Sewer	Sanitation	Nonmajor Enterprise Funds	Total
Assets					
Current Assets:					
Equity in Pooled Cash and Investments	\$ 1,120,119	\$ 4,680,159	\$ 1,440,144	\$ 650,273	\$ 7,890,695
Cash and Investments in Segregated Accounts	0	0	0	3,995	3,995
Accounts Receivable	470,537	573,907	20,492	6,108	1,071,044
Prepaid Items	24,654	22,897	9,735	0	57,286
Materials and Supplies Inventory	117,111	0	0	67,933	185,044
Total Current Assets	1,732,421	5,276,963	1,470,371	728,309	9,208,064
Non-Current Assets:					
Non-Depreciable Capital Assets	2,744,609	77,708	73,274	735,036	3,630,627
Depreciable Capital Assets, Net	11,463,118	18,076,659	495,712	3,122,184	33,157,673
Total Non-Current Assets	14,207,727	18,154,367	568,986	3,857,220	36,788,300
Total Assets	15,940,148	23,431,330	2,039,357	4,585,529	45,996,364
Deferred Outflow of Resources					
Deferred Charges on Refunding	76,559	40,660	0	0	117,219
Liabilities					
Current Liabilities:					
Accounts Payable	11,303	14,447	4,866	1,677	32,293
Accrued Wages	50,374	40,960	17,506	11,313	120,153
Contracts Payable	33,516	0	0	0	33,516
Intergovernmental Payable	38,433	28,525	11,708	3,433	82,099
Accrued Interest Payable	9,723	20,597	0	0	30,320
Compensated Absences Payable	1,607	5,248	5,818	299	12,972
General Obligation Bonds Payable	435,000	450,000	0	0	885,000
Total Current Liabilities	579,956	559,777	39,898	16,722	1,196,353
Long-Term Liabilities:					
Compensated Absences Payable - Net of Current Portion	70,762	50,160	10,381	19,154	150,457
General Obligation Bonds Payable - Net of Current Portion	3,703,891	6,498,002	0	0	10,201,893
Total Long-Term Liabilities	3,774,653	6,548,162	10,381	19,154	10,352,350
Total Liabilities	4,354,609	7,107,939	50,279	35,876	11,548,703
Net Position					
Net Investment in Capital Assets	10,111,879	11,247,025	568,986	3,857,220	25,785,110
Unrestricted	1,550,219	5,117,026	1,420,092	692,433	8,779,770
Total Net Position	\$ 11,662,098	\$ 16,364,051	\$ 1,989,078	\$ 4,549,653	\$ 34,564,880

City of Ashland Ashland County, Ohio Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds For the Year Ended December 31, 2014

	Enterprise Funds						
	Water	Sewer	Sanitation	Nonmajor Enterprise Funds	Total		
Operating Revenues							
Charges for Services	\$ 3,595,280	\$ 3,918,956	\$ 1,827,009	\$ 945,384	\$ 10,286,629		
Tap-In Fees	0	169	0	0	169		
Other	0	0	0	11	11		
Total Operating Revenues	3,595,280	3,919,125	1,827,009	945,395	10,286,809		
Operating Expenses							
Personal Services	1,800,080	1,499,714	736,436	418,550	4,454,780		
Contractual Services	153,125	72,024	524,943	58,763	808,855		
Materials and Supplies	476,440	437,468	157,877	270,329	1,342,114		
Utilities	247,969	209,054	12,996	29,212	499,231		
Depreciation	497,931	612,477	89,961	105,091	1,305,460		
Other	3,060	442	0	79,145	82,647		
Total Operating Expenses	3,178,605	2,831,179	1,522,213	961,090	8,493,087		
Operating Income (Loss)	416,675	1,087,946	304,796	(15,695)	1,793,722		
Non-Operating Revenues (Expense)							
Gain on Sale of Capital Assets	0	0	0	240,745	240,745		
Interest and Fiscal Charges	(125,042)	(251,815)	0	0	(376,857)		
Total Non-Operating Revenues (Expense)	(125,042)	(251,815)	0	240,745	(136,112)		
Income (Loss) Before Capital Contributions and Tranfers	291,633	836,131	304,796	225,050	1,657,610		
Capital Contributions	248,443	0	0	0	248,443		
Transfers In	0	0	0	22,506	22,506		
Transfers Out	0	(5,211)	0	(3,250)	(8,461)		
Change in Net Position	540,076	830,920	304,796	244,306	1,920,098		
Net Position Beginning of Year	11,122,022	15,533,131	1,684,282	4,305,347	32,644,782		
Net Position End of Year	\$ 11,662,098	\$ 16,364,051	\$ 1,989,078	\$ 4,549,653	\$ 34,564,880		

City of Ashland

Ashland County, Ohio Statement of Cash Flows Proprietary Funds For the Year Ended December 31, 2014

			Enterprise Funds	5	
			*	Nonmajor	
	Water	Corror	Conitation	Enterprise	Totala
	Water	Sewer	Sanitation	Funds	Totals
Cash Flows from Operating Activities					
Cash Received from Customers	\$ 3,588,101	\$ 3,931,088	\$ 1,827,367	\$ 945,859	\$ 10,292,415
Cash Received from Other Operating Receipts	0	0	0	11	11
Cash Payments to Suppliers for Goods and Services	(550,043)	(430,291)	(157,877)	(283,960)	(1,422,171)
Cash Payments to Employees for Services and Benefits	(1,787,625)	(1,499,876)	(729,034)	(423,528)	(4,440,063)
Cash Payments for Contractual Services	(402,036)	(278,993)	(544,834)	(87,975)	(1,313,838)
Other Cash Payments	(3,060)	(442)	0	(79,145)	(82,647)
Net Cash Provided by Operating Activities	845,337	1,721,486	395,622	71,262	3,033,707
Cash Flows from Noncapital Financing Activities					
Transfers In	0	0	0	22,506	22,506
				· · · · ·	´
Cash Flows from Capital and Related Financing Activitie					
Capital Grants	82,089	0	0	0	82,089
Payment for Capital Acquisitions	(265,102)	(140,043) 0	(38,325)	(268,761)	(712,231)
Proceeds from Sale of Capital Assets Principal Payments on Debt	(435,000)	(440,000)	0 0	344,810 0	344,810 (875,000)
Interest Payments on Debt	(126,119)	(258,466)	0	0	(384,585)
interest i dynamis on Debt	(120,11))	(250,400)	0	0	(304,303)
Net Cash Provided by (Used for) Capital and					
Related Financing Activities	(744,132)	(838,509)	(38,325)	76,049	(1,544,917)
Net Increase in Cash and Investments	101,205	882,977	357,297	169,817	1,511,296
	- ,		,		y- y
Cash and Investments Beginning of Year	1,018,914	3,797,182	1,082,847	484,451	6,383,394
Cash and Investments End of Year	\$ 1,120,119	\$ 4,680,159	\$ 1,440,144	\$ 654,268	\$ 7,894,690
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities					
Operating Income (Loss)	\$ 416,675	\$ 1,087,946	\$ 304,796	\$ (15,695)	\$ 1,793,722
Adjustments:					
Depreciation	497,931	612,477	89,961	105,091	1,305,460
(Increase) Decrease in Assets:					
Accounts Receivable	(7,179)	11,963	358	475	5,617
Prepaid Items	(942)	2,085	(1,878)	0	(735)
Materials and Supplies Inventory Increase (Decrease) in Liabilities:	(75,488)	0	0	2,390	(73,098)
Accounts Payable	1,885	7,177	(5,017)	(16,021)	(11,976)
Accrued Wages	371	6,000	4,362	(10,021)	10,776
Compensated Absences Payable	9,187	(5,081)	4,772	1,340	10,218
Intergovernmental Payable	2,897	(1,081)	(1,732)	(6,361)	(6,277)
		<u> </u>			<u>_</u>
Net Cash Provided by Operating Activities	\$ 845,337	\$ 1,721,486	\$ 395,622	\$ 71,262	\$ 3,033,707

Noncash Capital Financing Activities: Governmental activities purchased capital assets in the amount of \$166,354 for the water fund in 2014. The City purchased \$33,516 of capital assets on account in 2014.

City of Ashland Ashland County, Ohio Statement of Fiduciary Net Position Fiduciary Funds December 31, 2014

	Private Purpose Trust		Agency Funds		
Assets Equity in Pooled Cash and Investments Cash and Investments in Segregated Accounts	\$	5,109 0	\$	33,165 87,855	
Total Assets		5,109	\$	121,020	
Liabilities Undistributed Monies		0	\$	121,020	
Total Liabilities		0	\$	121,020	
Net Position Held in Trust for Private Purposes	\$	5,109			

City of Ashland Ashland County, Ohio Statement of Changes in Fiduciary Net Position Fiduciary Fund For the Year Ended December 31, 2014

	Private Purpose Trust		
Additions Interest	\$	1	
Deductions Payments in Accordance with Trust Agreements		500	
Change in Net Position		(499)	
Net Position Beginning of Year		5,608	
Net Position End of Year	\$	5,109	

NOTE 1: REPORTING ENTITY

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

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, the Ashland Community Improvement Corporation and the Ashland Area Council for Economic Development, which are defined as jointly governed organizations. Additional information concerning the jointly governed organizations is presented in Note 17.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the City's accounting policies are described below.

A. Basis of Presentation

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

Government-wide Financial Statements The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The effect of interfund services provided and used between activities are not eliminated on the statement of activities. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. 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 funds:

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

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

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

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

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

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

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

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

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

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

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.

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 8.) Revenue from property taxes is recognized in the year for which the taxes are levied. (See Note 6.) 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.

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 A deferred inflow of resources is an acquisition of assets by the City that is applicable to a future reporting period. A deferred outflow of resources is a consumption of assets by the City that is applicable to a future reporting period.

Property taxes for which there is an enforceable legal claim as of December 31, 2014, but which were levied to finance 2015 operations, and other revenues received in advance of the year for which they were intended to finance, have been recorded as deferred inflows of resources. Income taxes not received within the available period, grants and entitlements received before the eligibility requirements are met and delinquent property taxes due at December 31, 2014, are recorded as deferred inflows of resources in governmental funds.

On governmental fund financial statements receivables that will not be collected within the available period have been reported as a deferred inflow of resources.

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

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

E. Cash and Investments

To improve cash management, all cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "equity in pooled cash and investments."

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

During 2014, investments were limited to certificates of deposit and interest in STAR Ohio (the State Treasury Asset Reserve of Ohio).

STAR 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 does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2014.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2014 amounted to \$7,869, which includes \$6,958 assigned from other City funds.

Investments of the cash management pool and investments with a maturity of three months or less at the time they are purchased by the City are presented on the financial statements as "equity in pooled cash and investments." Investments with an original maturity of more than three months that are not made from the pool are reported as "investments." See Note 5, Deposits and Investments.

F. Prepaid Items

Prepayments made to vendors for services that will benefit periods beyond December 31, 2014 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

G. Materials and Supplies Inventory

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

H. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000 for its capital assets. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

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

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

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

I. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at fiscal year end taking into consideration any limits specified in the City's termination policy. The City records a liability for all accumulated unused vacation time when earned for all employees. The City records a liability for accumulated unused sick leave for 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.

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

K. Net Position

Net position 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, 2014, none of the City's net position balances were restricted by enabling legislation.

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

L. Fund Balance

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

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

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

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

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

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

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

M. Operating Revenues and Expenses

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

N. Interfund Activity

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

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.

O. Extraordinary and Special Items

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

P. Estimates

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

Q. Budgetary Data

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the object level (personal services and other) within each department in the general fund and at the object level (personal services and other) for all other funds. Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

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

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

NOTE 3: IMPLEMENTATION OF NEW ACCOUNTING POLICIES

For the fiscal year ended December 31, 2014, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 69, *Government Combinations and Disposals of Government Operations* and GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*.

GASB Statement No. 69 addresses accounting and financial reporting for government combinations (including mergers, acquisitions and transfers of operations) and disposals of government operations. The implementation of GASB Statement No. 69 did not have an effect on the financial statements of the City.

GASB Statement No. 70 improves comparability of financial statements by requiring consistent reporting and specifying information required to be disclosed for extending and receiving nonexchange financial guarantees. The implementation of GASB Statement No. 70 did not have an effect on the financial statements of the City.

NOTE 4: BUDGETARY BASIS OF ACCOUNTING

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

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

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

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

Net Change in Fund Balance

8			Cture et
			Street
	General	Mair	ntenance and
	 Fund	Re	epair Fund
GAAP Basis	\$ (52,967)	\$	(305,569)
Revenue Accruals	(49,355)		584
Expenditure Accruals	49,639		(37,007)
Funds Budgeted Elsewhere**	 439		0
Budget Basis	\$ (52,244)	\$	(341,992)

** 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 maintenance fund and the City income tax fund.

NOTE 5: DEPOSITS AND INVESTMENTS

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

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

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

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

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

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

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

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

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

Deposits with Financial Institutions

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

At year-end, the carrying amount of the City's deposits was \$11,755,108. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosure*, as of December 31, 2014, \$8,607,719 of the City's bank balance of \$12,365,521 was exposed to custodial credit risk as discussed above, while \$3,757,802 was covered by Federal Deposit Insurance Corporation.

Investments

As of December 31, 2014, the City had the following investment and maturity:

Investment Type	Fair Value	6 Months or Less
STAR Ohio	\$ 474,791	\$ 474,791

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, 2014, is 50 days.

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

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

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

Concentration of Credit Risk The City places no limit on the amount that may be invested in any one issuer. The following table includes the percentage to total of each investment type held by the City at December 31, 2014:

Investment Type	 Fair Value	Percent of Total
STAR Ohio	\$ 471,791	100.00%

NOTE 6: PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2014 for real and public utility property taxes represents collections of the 2013 taxes.

2014 real property taxes were levied after October 1, 2014 on the assessed value as of January 1, 2014, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2014 real property taxes are collected in and intended to finance 2015.

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 statue 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. 2014 public utility property taxes which became a lien December 31, 2013, are levied after October 1, 2014, and are collected in 2015 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2014 was \$3.90 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2014 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$ 196,866,320
Public Utilities - Real	90,132,510
Public Utilities - Personal	11,810,580
Total Assessed Value	\$ 298,809,410

The 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, 2014, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2014 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 7: RECEIVABLES

Receivables at December 31, 2014 consisted of taxes, 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 8: INCOME TAX

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

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

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

NOTE 9: CAPITAL ASSETS

A summary of changes in capital assets during 2014 follows:

	Balance 1/1/2014		Additions	Ti	ransfers	Del	letions	1	Balance 2/31/2014
Governmental Activities:									
Capital Assets Not Being Depreciated:									
Land	\$ 7,010,0)51 \$	68,994	\$	0	\$	0	\$	7,079,045
Construction in Progress	21,3	58	1,158,865		0		(42,720)		1,137,503
Total Capital Assets, Not Being									
Depreciated	7,031,4	-09	1,227,859		0		(42,720)		8,216,548
Capital Assets, Being Depreciated:									
Buildings and Improvements	9,384,9	20	124,676		0		(65,000)		9,444,596
Equipment	3,046,8	803	256,104		47,744		(25,000)		3,325,651
Vehicles	5,719,5	65	243,443		23,210		(188,313)		5,797,905
Streets	23,963,5	522	0		0		0		23,963,522
Bridges	2,526,0	571	0		0		0		2,526,671
Street Lighting	1,564,2	27	0		0		0		1,564,227
Total Capital Assets, Being Depreciated	46,205,7	/08	624,223		70,954		(278,313)		46,622,572
Less Accumulated Depreciation:									
Buildings and Improvements	(4,694,3	380)	(198,061)		0		25,458		(4,866,983)
Equipment	(2,245,5	529)	(196,565)		(47,744)		25,000		(2,464,838)
Vehicles	(3,880,5	596)	(390,285)		(14,749)		188,313		(4,097,317)
Streets	(21,168,9	93)	(441,520)		0		0		(21,610,513)
Bridges	(1,948,6	581)	(72,154)		0		0		(2,020,835)
Street Lighting	(621,4	36)	(68,278)		0		0		(689,714)
Total Accumulated Depreciation	(34,559,6	515)	(1,366,863) *		(62,493)		238,771		(35,750,200)
Total Capital Assets Being									
Depreciated, Net	11,646,0	93	(742,640)		8,461		(39,542)		10,872,372
Total Governmental Activity									
Capital Assets, Net	\$ 18,677,5	502 \$	485,219	\$	8,461	\$	(82,262)	\$	19,088,920

*Depreciation expense was charge to governmental functions as follows:

General Governmen Leisure Time Servic Community Develop Security of Persons Transportation Total	es oment		\$ 191,0 100,7 1,2 340,1 733,7 \$ 1,366,8	56 62 14 03	
	Balance 1/1/2014	Additions	Transfers	Deletions	Balance 12/31/2014
Business-Type Activities:					
Capital Assets Not Being Depreciated:					
Land	\$ 3,734,692	\$ 0	\$ 0	\$ (104,065)	\$ 3,630,627
Capital Assets, Being Depreciated:					
Buildings and Improvements	13,595,375	0	0	0	13,595,375
Equipment	3,493,487	131,353	(47,744)	(71,506)	3,505,590
Vehicles	2,192,048	68,492	(23,210)	(100,996)	2,136,334
Infrastructure	40,790,926	712,256	0	0	41,503,182
Total Capital Assets, Being Depreciated	60,071,836	912,101	(70,954)	(172,502)	60,740,481
Less Accumulated Depreciation:					
Buildings and Improvements	(6,069,324)	(254,170)	0	0	(6,323,494)
Equipment	(2,016,565)	(213,359)	47,744	71,506	(2,110,674)
Vehicles	(1,319,368)	(148,019)	14,749	100,996	(1,351,642)
Infrastructure	(17,107,086)	(689,912)	0	0	(17,796,998)
Total Accumulated Depreciation	(26,512,343)	(1,305,460)	62,493	172,502	(27,582,808)
Total Capital Assets Being Depreciated, Net	33,559,493	(393,359)	(8,461)	0	33,157,673
Total Business-Type Capital Assets, Net	\$ 37,294,185	\$ (393,359)	\$ (8,461)	\$ (104,065)	\$ 36,788,300

NOTE 10: 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>	Type of Coverage	Period
Westfield Insurance/The Buren		
Insurance Group, Inc.	Property	8/30/14-8/30/15
St. Paul Travelers/Boales Insurance	Commercial General Liability	8/30/14-8/30/15
	Law Enforcement Liability	8/30/14-8/30/15
	Automobile Liability	8/30/14-8/30/15
	Umbrella Policy	8/30/14-8/30/15
	Basic Errors and Omissions	8/30/14-8/30/15
Public Entities Pool of Ohio	Commercial General Liability	2/28/14-2/28/15

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.

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 11: 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, 2014, the total liability for unpaid compensated absences was \$846,006.

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 \$574.98 single health care, \$1,195.99 employee and spouse health care, \$949.37 employee and child health care and \$1,570.38 family health care. Premiums and co-payments are paid from the same funds that pay the employee's salaries.

NOTE 12: DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System

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

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

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For 2014, member and employer contribution rates were consistent across all three plans. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan.

For the year ended December 31, 2014, members in state and local classifications contributed 10.0 percent of covered payroll while public safety and law enforcement members contributed 12.0 percent and 13.0 percent, respectively.

The City's 2014 contribution rate was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 18.1 percent of covered payroll. The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 2.0 percent during calendar year 2014. The portion of employer contributions allocated to health care for members in the Combined Plan was 2.0 percent during calendar year 2014.

The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2014, 2013, and 2012, were \$696,807, \$698,303 and \$569,328, respectively. For 2014, 90.76 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2013 and 2012. Contributions to the member-directed plan for 2014 were \$35,033 made by the City and \$25,024 made by the plan members.

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

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

Funding Policy - From January 1, 2014 through July 1, 2014, plan members were required to contribute 10.75 percent of their annual covered salary. From July 2, 2014 through December 31, 2014, plan members were required to contribute 11.5 percent of their annual covered salary. Throughout 2014, employers were required to contribute 19.5 percent for police officers and 24.0 percent for firefighters. The City's contributions to OP&F for police and firefighters were \$101,798 and \$253,931 for the year ended December 31, 2014, \$233,069 and \$323,181 for the year ended December 31, 2013, and \$204,445 and \$317,481 for the year ended December 31, 2012, respectively. 79.15 percent for police and 88.00 percent for firefighters has been contributed for 2014, respectively. The full amount has been contributed for 2013 and 2012.

NOTE 13: POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System

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

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

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Postemployment Benefit (OPEB) as described in GASB Statement 45. OPERS' eligibility requirements for post-employment health care coverage changed for those retiring on and after January 1, 2015. Please see the Plan Statement in the 2013 stand-alone financial report referred to below.

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

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

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

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2014, state and local employers contributed at a rate of 14.0 percent of covered payroll, and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB Plan.

OPERS' Postemployment Health Care plan was established under, and is administered in accordance with Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding postemployment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan and Combined Plan was 2.0 percent during calendar year 2014. Effective January 1, 2015, the portion of employer contributions allocated to health care remains at 2.0 percent for both plans, as recommended by OPERS' actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

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

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2014, 2013, and 2012 were \$116,135, \$53,716 and \$227,731, respectively; 90.76 percent has been contributed for 2014 and 100 percent for 2013 and 2012.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

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

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

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

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F's website at www.op-f.org.

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2014, the employer contribution allocated to the health care plan was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$17,425 and \$34,218, \$44,641 and \$47,437, and \$108,236 and \$124,232 for the years ended December 31, 2014, 2013 and 2012, respectively. 79.15 and 88.00 percent has been contributed for police and for firefighters for 2014, respectively. The full amount has been contributed for 2013 and 2012.

NOTE 14: LONG-TERM OBLIGATIONS

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
Governmental Activities			
2005 ODOT Loan - US Route 250	3.00%	\$ 462,010	11/28/2015
2010 Fire Pumper Tanker Bonds	2.00 - 3.00%	280,000	12/1/2014
2010 Fire Equipment and Facility Improvement Bonds	2.00 - 3.00%	340,000	12/1/2014
2010 Squad Bonds	2.00 - 3.00%	185,000	12/1/2014
2013 General Obligation Refunding Bonds	Various	1,790,000	12/1/2023
Business-Type Activities			
General Obligation Bonds:			
2010 Various Sewer Projects Bonds	2.00 - 3.00%	485,000	12/1/2015
2010 EQ Basin Bonds	2.00 - 5.00%	5,380,000	12/1/2035
2010 New Water Projects Bonds	2.00 - 4.25%	770,000	12/1/2020
2013 General Obligation Refunding Bonds	Various	3,985,000	12/1/2023
2013 General Obligation Refunding Bonds	Various	2,115,000	12/1/2023

Changes in the long-term obligations of the City during 2014 were as follows:

	Principal Balance 1/1/2014	Additions	(Reductions)	Principal Balance 12/31/2014	Due in One Year
Governmental Activities:					
2010 General Obligation Bonds	\$ 200,000	\$ 0	\$ (200,000)	\$ 0	\$ 0
ODOT Loan	141,454	0	(64,164)	77,290	77,290
2013 General Obligation					
Refunding Bonds	1,770,000	0	(160,000)	1,610,000	165,000
Premium on 2013 General					
Obligation Refunding Bonds	15,435	0	(1,585)	13,850	0
Compensated Absences	678,882	40,314	(36,619)	682,577	29,020
Total Governmental Activities	\$ 2,805,771	\$ 40,314	\$ (462,368)	\$ 2,383,717	\$ 271,310

	Principal Balance 1/1/2014	Add	itions	_(R	eductions)	I	rincipal Balance /31/2014	Due in One Year
Business-Type Activities:								
2010 General Obligation Bonds	\$ 5,745,000	\$	0	\$	(325,000)	\$ 3	5,420,000	\$ 330,000
Premium on 2010 General								
Obligation Bonds	143,891		0		(14,022)		129,869	0
2013 General Obligation								
Refunding Bonds	6,040,000		0		(550,000)	4	5,490,000	555,000
Premium on 2013 General								
Obligation Refunding Bonds	52,398		0		(5,374)		47,024	0
Compensated Absences	153,211		33,957		(23,739)		163,429	 12,972
Total Business-Type Activities	\$12,134,500	\$	33,957	\$	(918,135)	\$1	1,250,322	\$ 897,972

The general obligation bonds in the business-type activities will be paid from user charges of the water and sewer funds. The general obligation bonds and the ODOT loan in the governmental activities will be repaid with charges for services and grant revenues. 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.

A summary of annual requirements to pay principal and interest on debt outstanding at December 31, 2014 is as follows:

				Governmental Activities										
		2013 Gener	al Obl	igation		ODO	ГLoan			Total				
	I	Principal		Interest	Р	Principal Interest		nterest	Principal		Interest			
2015	\$	165,000	\$	43,819	\$	77,290	\$	5,418	\$	242,290	\$	49,237		
2016		165,000		40,519		0		0		165,000		40,519		
2017		170,000		37,219		0		0		170,000		37,219		
2018		175,000		33,819		0		0		175,000		33,819		
2019		175,000		33,819		0		0		175,000		33,819		
2020-2023		760,000		67,511		0		0		760,000		67,511		
Totals	\$	1,610,000	\$	256,706	\$	77,290	\$	5,418	\$	1,687,290	\$	262,124		

						Business-Ty	pe Act	tivities					
	2013	Genera	l Obl	igation									
	F	efundin	ig Boi	nds	20	10 General C	bligat	ion Bonds		To	otal		
	Princi	pal		Interest	I	Principal		Interest	Principal]	Interest	
2015	\$ 555	5,000	\$	149,431	\$	330,000	\$	214,403	\$	885,000	\$	363,834	
2016	570	,000		138,332		235,000		204,502		805,000		342,834	
2017	575	5,000		126,932		245,000		195,104		820,000		322,036	
2018	585	5,000		115,432		260,000		185,303		845,000		300,735	
2019	605	5,000		100,806		265,000		174,902		870,000		275,708	
2020-2024	2,600	,000		229,961		1,100,000		734,655	2	3,700,000		964,616	
2025-2029		0		0		1,200,000		540,694		1,200,000		540,694	
2030-2034		0		0		1,455,000		284,425		1,455,000		284,425	
2035		0		0		330,000		16,500		330,000		16,500	
Totals	\$ 5,490),000	\$	860,894	\$	5,420,000	\$	2,550,488	\$10	0,910,000	\$	3,411,382	

2010 Various Purpose Improvement Bonds

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

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

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.

City of Ashland Ashland County, Ohio Notes To The Basic Financial Statements For the Year Ended December 31, 2014

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.

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. As of December 31, 2014, \$7,010,000 of the defeased bonds was outstanding.

City of Ashland Ashland County, Ohio Notes To The Basic Financial Statements For the Year Ended December 31, 2014

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 amortization of the premium for 2014 was \$6,959. 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. The amortization of this difference for 2014 was \$17,322.

NOTE 15: INTERFUND TRANSFERS

Fund	Tr	ansfers In	Tra	nsfers Out
General	\$	0	\$	216,034
Non-Major Governmental Funds:				
Ashland Public Transportation		161,494		0
Capital Improvement		7,034		0
Property Management		25,000		0
Total Non-Major Governmental Funds		193,528		0
Non-Major Enterprise Fund:				
Brookside Swimming Pool		22,506		0
Total All Funds:	\$	216,034	\$	216,034

Following is a summary of transfers in and out for all funds for 2014:

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

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, 2014.

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 three members (the cities of Ashland and Wooster and 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 2014, the City made no contributions to WARCOG. 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-forprofit-corporation established under Ohio Revised Code Section 1724.10. The CIC administers the CDBG revolving loan program in conjunction with the City's revolving loan fund.

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

C. Ashland Area Council for Economic Development

The Ashland Area Council for Economic Development (Council) is a jointly governed organization between the City and Ashland County. The Council was organized to undertake joint programs for economic development in the Ashland County area. The Council's board consists of a council member from the City of Ashland, a representative appointed by City Council, a member of the Board of County Commissioners, and a representative appointed by the Board of Commissioners. Each term is for three years. In 2014, the City contributed \$45,000 and in kind services in the amount of \$10,000 to the Council. Financial information can be obtained from the Ashland Area Council for Economic Development, 1399 Sandusky Street, Ashland, Ohio 44805.

City of Ashland Ashland County, Ohio Notes To The Basic Financial Statements For the Year Ended December 31, 2014

NOTE 18: 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:

				Street		onmajor		
				intenance	Gov	rnmental		
	C	eneral	an	d Repair		Funds		Total
Nonspendable for:								
Prepaid Items	\$	92,636	\$	14,740	\$	17,715	\$	125,091
Material and Supplies Inventory		0		178,424		0		178,424
Total Nonspendable		92,636		193,164		17,715		303,515
Restricted for:								
Roads and Bridges		0		843,707		78,158		921,865
Public Transportation		0		0		242,546		242,546
Municipal Court Programs		0		0		800,419		800,419
Police and Fire		0		0		2,835		2,835
Community Development		0		0		105,474		105,474
Debt Service		0		0		323,259		323,259
Capital Projects		0		0		567,914		567,914
Bandshell Improvements		0		0		34,488		34,488
Total Restricted		0		843,707	2	2,155,093		2,998,800
Committed for:								
Property Management		0		0		27,678		27,678
Fire/Rescue Equipment		0		0		46,846		46,846
Police Donations		0		0		1,000		1,000
Mayor's Underpriviledged Children		0		0		3,179		3,179
Industrial Park		0		0		56,997		56,997
Emergency Grounds Maintenance		0		0		31,797		31,797
Nature Preserve		0		0		14,943		14,943
Park and Recreation		0		0		233,875		233,875
Total Committed		0		0		416,315		416,315
Assigned for:								
Subsequent Year Appropriations		738,152		0		0		738,152
Unassigned		497,540		0		0		497,540
Total Fund Balance	\$ 1	,328,328	\$ 1	,036,871	\$ 2	2,589,123	\$ -	4,954,322

Combining Statements for Nonmajor Governmental Funds

Fund Descriptions – Nonmajor Funds

Nonmajor Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

Fund Descriptions – Nonmajor Funds (continued)

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 Underpriviledged 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.

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

Fund Descriptions – Nonmajor Funds (continued)

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

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

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

Nonmajor Debt Service 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.

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.

U.S. Route 42 Paving - To account for funds received from the Ohio Public Works Commission (OPWC) for paying the costs of paving.

East Main Improvement - To account for funds received for paying the costs of the improvement of the East Main Street corridor.

City of Ashland Combining Balance Sheet Nonmajor Governmental Funds December 31, 2014

	Nonmajor Special Revenue Funds	General igation Bond Retirement Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds		
Assets						
Equity in Pooled Cash and Investments	\$ 1,852,759	\$ 323,259	\$ 567,914	\$	2,743,932	
Taxes Receivable	451,599	234,246	0		685,845	
Accounts Receivable	49,374	0	0		49,374	
Intergovernmental Receivable	200,553	23,621	0		224,174	
Prepaid Items	 17,715	 0	 0		17,715	
Total Assets	\$ 2,572,000	\$ 581,126	\$ 567,914	\$	3,721,040	
Liabilities						
Accounts Payable	\$ 104,961	\$ 0	\$ 0	\$	104,961	
Accrued Wages	23,610	0	0		23,610	
Contracts Payable	166,354	0	0		166,354	
Intergovernmental Payable	 17,259	 0	 0		17,259	
Total Liabilities	 312,184	 0	 0		312,184	
Deferred Inflows of Resources						
Property Taxes Levied for the Next Year	287,914	210,799	0		498,713	
Unavailable Revenue	 273,952	 47,068	 0		321,020	
Total Deferred Inflows of Resources	 561,866	 257,867	 0		819,733	
Fund Balances						
Nonspendable	17,715	0	0		17,715	
Restricted	1,263,920	323,259	567,914		2,155,093	
Committed	 416,315	 0	 0		416,315	
Total Fund Balances	 1,697,950	 323,259	 567,914		2,589,123	
Total Liabilities, Deferred Inflows of						
of Resources and Fund Balances	\$ 2,572,000	\$ 581,126	\$ 567,914	\$	3,721,040	

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds December 31, 2014

	Nonmajor Special Revenue Funds			General gation Bond etirement Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds		
Revenues								
Property Taxes	\$	305,057	\$	234,378	\$ 0	\$	539,435	
Income Taxes		551,740		0	0		551,740	
Special Assessments		3,389		0	0		3,389	
Charges for Services		506,655		0	0		506,655	
Fines and Forfeitures		545,676		0	0		545,676	
Intergovernmental		1,261,464		31,409	1,653,284		2,946,157	
Interest		350		0	0		350	
Rent		69,037		0	0		69,037	
Contributions and Donations		12,358		0	0		12,358	
Other		40,480		0	 31,547		72,027	
Total Revenues		3,296,206		265,787	 1,684,831		5,246,824	
Expenditures								
Current:				_				
Gerneral Government		708,615		0	145,758		854,373	
Security of Persons and Property		883,010		0	0		883,010	
Public Health		2,474		0	0		2,474	
Leisure Time Services		837,813		0	0		837,813	
Community Development		449,859		0	0		449,859	
Capital Outlay		413,544		0	1,316,988		1,730,532	
Debt Service:								
Principal Retirement		264,164		160,000	0		424,164	
Interest and Fiscal Charges		13,357		47,019	 0		60,376	
Total Expenditures		3,572,836		207,019	 1,462,746		5,242,601	
Excess of Revenues Over (Under) Expenditures		(276,630)		58,768	 222,085		4,223	
Other Financing Sources (Uses)								
Transfers In		186,494		0	 7,034		193,528	
Net Change in Fund Balances		(90,136)		58,768	229,119		197,751	
Fund Balances Beginning of Year		1,788,086		264,491	 338,795		2,391,372	
Fund Balances End of Year	\$	1,697,950	\$	323,259	\$ 567,914	\$	2,589,123	

City of Ashland Combining Balance Sheet Nonmajor Special Revenue Funds December 31, 2014

	State Highway	Permissive Tax	City Permissive	Bandshell Improvements	Park & Recreation
Assets Equity in Pooled Cash and Investments Taxes Receivable Accounts Receivable Intergovernmental Receivable Prepaid Items	\$ 31,628 0 31,911 0	\$ 0 0 0 0 0	\$ 22,289 0 0 40,271 0	\$ 34,488 0 0 0 0 0	\$ 192,236 276,661 0 9,207 14,319
Total Assets	\$ 63,539	\$ 0	\$ 62,560	\$ 34,488	\$ 492,423
Liabilities Accounts Payable Contracts Payable Accrued Wages Intergovernmental Payable	\$ 0 0 0	\$ 0 0 0 0	\$ 0 0 0 0	\$ 0 0 0 0	\$ 0 11,623 8,310
Total Liabilities	0	0	0	0	19,933
Deferred Inflows of Resources Property Taxes Levied for the Next Year Unavailable Revenue <i>Total Deferred Inflows of Resources</i>	0 21,045 21,045	0 0 0	0 26,896 26,896	0 0	130,486 93,810 224,296
Fund Balances Nonspendable Restricted Committed	0 42,494 0	0 0 0	0 35,664 0	0 34,488 0	14,319 0 233,875
Total Fund Balances	42,494	0	35,664	34,488	248,194
Total Liabilities, Deferred Inflows of of Resources and Fund Balances	\$ 63,539	\$ 0	\$ 62,560	\$ 34,488	\$ 492,423

Nature reserve	/Rescue	e/Rescue uipment	Dev	mmunity velopment ock Grant	De	o Regional velopment Housing	iremens Pension	licemens Pension	roperty nagement
\$ 14,943 0 0 0 0	\$ 2,835 0 0 0 0	\$ 46,846 0 0 0 0	\$	3,259 0 6,880 0	\$	162,905 0 67,993 0	\$ $0 \\ 87,469 \\ 0 \\ 7,442 \\ 0 \\ 0 \\ \end{bmatrix}$	\$ 0 87,469 0 7,442 0	\$ 27,678 0 0 0 0
\$ 14,943	\$ 2,835	\$ 46,846	\$	10,139	\$	230,898	\$ 94,911	\$ 94,911	\$ 27,678
\$ 0 0 0 0	\$ 0 0 0 0	\$ 0 0 0 0	\$	0 0 0 0	\$	68,216 0 0 0	\$ 0 0 0 0	\$ 0 0 0 0	\$ 0 0 0 0
 0	 0	 0		0		68,216	 0	 0	 0
 0 0	 0 0	 0 0		0 6,880		0 60,467	 78,714 16,197	 78,714 16,197	 0 0
 0	 0	 0		6,880		60,467	 94,911	 94,911	 0
 0 0 14,943	 0 2,835 0	 0 0 46,846		0 3,259 0		0 102,215 0	 0 0 0	 0 0 0	 0 0 27,678
 14,943	 2,835	 46,846		3,259		102,215	 0	 0	 27,678
\$ 14,943	\$ 2,835	\$ 46,846	\$	10,139	\$	230,898	\$ 94,911	\$ 94,911	\$ 27,678

City of Ashland Combining Balance Sheet Nonmajor Special Revenue Funds (Continued) December 31, 2014

	rug Law	rcement & ucation	land Public	funicpial Court Computer	Indigent Drivers	
Assets Equity in Pooled Cash and Investments Taxes Receivable Accounts Receivable Intergovernmental Receivable Prepaid Items	\$ 20,126 0 0 0 0	\$ 18,552 0 0 0 0	\$ 271,288 0 8,193 27,407 0	\$ 218,330 0 10,768 0 0	\$	33,181 0 1,644 0 0
Total Assets	\$ 20,126	\$ 18,552	\$ 306,888	\$ 229,098	\$	34,825
Liabilities Accounts Payable Contracts Payable Accrued Wages Intergovernmental Payable	\$ 0 0 0 0	\$ 0 0 0	\$ 36,745 0 0 190	\$ 0 0 0 42	\$	0 0 0 0
Total Liabilities	 0	 0	 36,935	 42		0
Deferred Inflows of Resources Property Taxes Levied for the Next Year Unavailable Revenue	 0 0	 0 0	 0 27,407	 0 0		0 0
Total Deferred Inflows of Resources	 0	 0	 27,407	 0		0
Fund Balances Nonspendable Restricted Committed	 0 20,126 0	 0 18,552 0	 0 242,546 0	 0 229,056 0		0 34,825 0
Total Fund Balances	 20,126	 18,552	 242,546	 229,056		34,825
Total Liabilities, Deferred Inflows of of Resources and Fund Balances	\$ 20,126	\$ 18,552	\$ 306,888	\$ 229,098	\$	34,825

unicipal obation	Police nations	Home Arrest	mmunity rrections	icipal Court Special Program	CCA mitoring	Unde	layor's rprivileged hildren]	ndigent Driver's nterlock
\$ 74,833 0 11,174 0 2,785	\$ 1,000 0 0 0 0	\$ $1,728 \\ 0 \\ 0 \\ 0 \\ 0 \\ 0 \\ 0$	\$ 10,057 0 0 0 611	\$ 280,161 0 12,542 0 0	\$ 3,898 0 0 0 0	\$	3,179 0 0 0 0	\$	120,196 0 0 0 0
\$ 88,792	\$ 1,000	\$ 1,728	\$ 10,668	\$ 292,703	\$ 3,898	\$	3,179	\$	120,196
\$ 0 9,511 3,401 12,912	\$ 0 0 0 0	\$ 0 0 0 0	\$ 0 0 2,356 4,406 6,762	\$ 0 0 875 875	\$ 0 0 120 35 155	\$	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
 2,785 73,095 0 75,880	 0 0 1,000 1,000	 0 1,728 0 1,728	 611 3,295 0 3,906	 0 291,828 0 291,828	 0 3,743 0 3,743		0 0 3,179 3,179		0 120,196 0 120,196
\$ 88,792	\$ 1,000	\$ 1,728	\$ 10,668	\$ 292,703	\$ 3,898	\$	3,179	\$	120,196

City of Ashland Combining Balance Sheet Nonmajor Special Revenue Funds (Continued) December 31, 2014

	Continuning Education		Industrial Park		C	nergency Frounds intenance	Totals		
Assets Equity in Pooled Cash and Investments	\$	1,975	\$	223,351	\$	31,797	\$	1,852,759	
Taxes Receivable	Ą	1,975	φ	223,331	φ	0	¢	451.599	
Accounts Receivable		0		0		5,053		49,374	
Intergovernmental Receivable		2,000		Ő		0		200,553	
Prepaid Items		0		0		0		17,715	
Total Assets	\$	3,975	\$	223,351	\$	36,850	\$	2,572,000	
Liabilities									
Accounts Payable	\$	0	\$	0	\$	0	\$	104,961	
Contracts Payable		0		166,354		0		166,354	
Accrued Wages		0		0		0		23,610	
Intergovernmental Payable		0		0		0		17,259	
Total Liabilities		0		166,354		0		312,184	
Deferred Inflows of Resources									
Property Taxes Levied for the Next Year		0		0		0		287,914	
Unavailable Revenue		0		0		5,053		273,952	
Total Deferred Inflows of Resources		0		0		5,053		561,866	
Fund Balances									
Nonspendable		0		0		0		17,715	
Restricted		3,975		0		0		1,263,920	
Committed		0		56,997		31,797		416,315	
Total Fund Balances		3,975		56,997		31,797		1,697,950	
Total Liabilities, Deferred Inflows of									
of Resources and Fund Balances	\$	3,975	\$	223,351	\$	36,850	\$	2,572,000	

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City of Ashland Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds December 31, 2014

	State Highway	Permissive Tax	City Permissive	Bandshell Improvements	Park & Recreation
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 135,397
Income Taxes	0	0	0	0	551,740
Special Assessments	0	0	0	0	0
Charges for Services	0	0	0	0	71,205
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	72,090	100,000	94,784	0	22,307
Rent	0	0	0	0	0
Contributions and Donations	0	0	0	0	1,500
Interest	350	0	0	0	0
Other	0	0	0	0	10,617
Total Revenues	72,440	100,000	94,784	0	792,766
Expenditures					
Current:					
General Government	0	0	0	0	0
Security of Persons and Property	0	0	0	0	0
Public Health	0	0	0	0	0
Leisure Time Services	0	0	0	1,999	835,164
Community Development	0	0	0	0	0
Capital Outlay	0	100,000	123,752	0	48,168
Debt Service:					
Principal Retirement	64,164	0	0	0	0
Interest and Fiscal Charges	7,357	0	0	0	0
Total Expenditures	71,521	100,000	123,752	1,999	883,332
Excess of Revenues Over (Under) Expenditures	919	0	(28,968)	(1,999)	(90,566)
Other Financing Sources					
Transfers In	0	0	0	0	0
Net Change in Fund Balances	919	0	(28,968)	(1,999)	(90,566)
Fund Balances Beginning of Year	41,575	0	64,632	36,487	338,760
Fund Balances End of Year	\$ 42,494	\$ 0	\$ 35,664	\$ 34,488	\$ 248,194

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	\$ 84,830	\$ 84,830	\$ 0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	319,934	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	72,000	68,320	312,166	12,011	12,011	0
5,700	0	0	0	0	0	0	2,678
0	7,161	0	0	0	0	0	0
0	0	0	0	0	0	0	0
 0	0	0	0	22,359	0	0	0
 5,700	7,161	391,934	68,320	334,525	96,841	96,841	2,678
0	0	0	0	0	0	0	0
Ő	6,465	44,770	0	0	96,841	96,841	ů 0
Ő	0	0	0	0	0	0	Ő
650	0	0	Õ	Õ	Õ	Õ	Õ
0	0	0	129,171	320,688	0	0	0
0	0	103,063	0	0	0	0	0
0	0	200,000	0	0	0	0	0
 0	0	6,000	0	0	0	0	0
 650	6,465	353,833	129,171	320,688	96,841	96,841	0
 5,050	696	38,101	(60,851)	13,837	0	0	2,678
 0	0	0	0	0	0	0	25,000
 5,050	696	38,101	(60,851)	13,837	0	0	27,678
 9,893	2,139	8,745	64,110	88,378	0	0	0
\$ 14,943	\$ 2,835	\$ 46,846	\$ 3,259	\$ 102,215	\$ 0	\$ 0	\$ 27,678
							(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, 2014

	g Law rcement	cement & ucation	Ashland Transpo		(unicpial Court mputer	ndigent Drivers
Revenues							
Property Taxes	\$ 0	\$ 0	\$	0	\$	0	\$ 0
Income Taxes	0	0		0		0	0
Special Assessments	0	0		0		0	0
Charges for Services Fines and Forfeitures	0	0	1	15,516 0		0	0
Intergovernmental	2,564 0	1,166 0	2	0 83,228		142,730 0	39,713
Rent	0	0	3	85,228 0		0	0
Contributions and Donations	0	0		0		0	0
Interest	0	0		0		0	0
Other	 0	 0		0		0	 0
Total Revenues	 2,564	 1,166	4	98,744		142,730	 39,713
Expenditures							
Current:							
General Government	0	0	5	33,223		0	0
Security of Persons and Property	500	0		0		135,553	32,194
Public Health	0	0		0		0	0
Leisure Time Services	0	0		0		0	0
Community Development	0	0		0		0	0
Capital Outlay	0	0		38,561		0	0
Debt Service:	0	0		0		0	0
Principal Retirement	0	0		0		0	0
Interest and Fiscal Charges	 0	 0		0		0	 0
Total Expenditures	 500	 0	5	71,784		135,553	 32,194
Excess of Revenues Over (Under) Expenditures	 2,064	 1,166	(73,040)		7,177	 7,519
Other Financing Sources							
Transfers In	 0	 0	1	61,494		0	 0
Net Change in Fund Balances	2,064	1,166		88,454		7,177	7,519
Fund Balances Beginning of Year	 18,062	 17,386	1	54,092		221,879	 27,306
Fund Balances End of Year	\$ 20,126	\$ 18,552	\$ 2	42,546	\$	229,056	\$ 34,825

Municipal Probation		Police Donations	Home Arrest	Community Corrections	Municipal Court Special Program	CCA Monitoring	Mayor's Underprivileged Children	Indigent Driver's Interlock
\$	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
	164,861	0	0	0	177,884	0	0	16,758
	0	0	ů 0	110,547	0	ů 0	ů 0	0
	0	0	0	0	0	0	0	0
	0	1,349	0	0	0	0	2,348	0
	0	0	0	0	0	0	0	0
	77	0	0	12	11	7,404	0	0
	164,938	1,349	0	110,559	177,895	7,404	2,348	16,758
	0	0	0	0	0	0	0	0
	253,819	2,593	0	113,078	90,555	9,801	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	0	0 0	0 0
	253,819	2,593	0	113,078	90,555	9,801	0	0
	(88,881)	(1,244)	0	(2,519)	87,340	(2,397)	2,348	16,758
	0	0	0	0	0	0	0	0
	(88,881)	(1,244)	0	(2,519)	87,340	(2,397)	2,348	16,758
	164,761	2,244	1,728	6,425	204,488	6,140	831	103,438
\$	75,880	\$ 1,000	\$ 1,728	\$ 3,906	\$ 291,828	\$ 3,743	\$ 3,179	\$ 120,196
Ψ	75,000	φ 1,000	ψ 1,720	φ 3,700	φ 271,020	φ 3,743	φ 3,177	φ 120,190
								(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, 2014

Revenues S 0 S 0 S 0 S 0 S 0 S 0 S 0 S 0 S 0 S 0 S 0 S 0 S S S 0 S S 0 S S 0 S S 0 S		Continuing Education		ndustrial Park	G	ergency rounds ntenance	 Totals
$\begin{array}{ c c c c c c c c c c c c c c c c c c c$	Revenues						
Special Assessments 0 0 3,389 3,389 Charges for Services 0 0 0 506.655 Fines and Forfeitures 0 0 0 1,261.464 Rent 0 0 0 0 1,261.464 Rent 0 0 0 1,251.464 Rent 0 0 0 1,251.464 Rent 0 0 0 1,251.464 Rent 0 0 0 1,253.464 Other 0 0 0 1,2358 Interest 0 0 0 0 40.480 Total Revenues 2,000 60.659 3,389 3,296,206 Expenditures 0 0 0 83,010 Current: 0 175,392 0 708.615 General Government 0 0 0 83,010 Public Health 0 0 0 343,813 Community	Property Taxes	\$ 0	\$	0	\$	0	\$ 305,057
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	Income Taxes	0		0		0	551,740
Fines and Forfeitures 0 0 0 545,676 Intergovernmental 2,000 0 0 1,261,464 Rent 0 60,659 0 69,037 Contributions and Donations 0 0 0 12,358 Interest 0 0 0 0 330 Other 0 0 0 40,480 Total Revenues 2,000 60,659 3,389 3,296,206 Expenditures Current: 0 0 0 0 40,480 Public Health 0 175,392 0 708,615 53,010 93,810 93,810 93,810 94,830 94,830 94,830 94,830 94,830 94,830 94,831 94,835						3,389	,
Intergovernmental $2,000$ 0 $0,261,464$ Rent 0 $0,0559$ 0 $69,037$ Contributions and Donations 0 0 0 0 $12,358$ Interest 0 0 0 0 0 0 0 Total Revenues $2,000$ $60,659$ $3,389$ $3,296,206$ Expenditures $2,000$ $60,659$ $3,389$ $3,296,206$ Current: $General Government$ 0 $175,392$ 0 $708,615$ General Government 0 $175,392$ 0 $708,615$ $36,010$ Public Health 0 0 $24,474$ $2,474$ $2,474$ Lisure Time Services 0 0 0 0 0 0 0 0 0 $43,554$ Debt Service: 0 0 0 0 0 0 0 $13,357$ Total Expenditures 0 0 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>,</td>							,
Rent 0 60,659 0 69,037 Contributions and Donations 0 0 0 12,358 Interest 0 0 0 350 Other 0 0 0 40,480 Total Revenues 2,000 60,659 3,389 3,296,206 Expenditures 0 0 0 0 40,480 Current: 0 175,392 0 708,615 Security of Persons and Property 0 0 0 883,010 Public Health 0 0 2,474 2,474 Leisure Time Services 0 0 0 449,859 Capital Outlay 0 0 0 449,859 Capital Outlay 0 0 0 13,357 Total Expenditures 0 175,392 2,474 3,572,836 Excess of Revenues Over (Under) Expenditures 2,000 (114,733) 915 (276,630) Other Financing Sources 0							,
Contributions and Donations 0 0 0 0 12,358 Interest 0 0 0 0 350 Other 0 0 0 0 40,480 Total Revenues 2,000 60,659 3,389 3,296,206 Expenditures 0 0 0 0 40,480 Current: 0 0 0 0 883,010 0 883,010 983,010 983,010 983,010 983,010 0 2,474 2,474 2,474 2,474 2,474 2,474 2,474 2,474 2,474 2,474 2,620 13,557 Community Development 0 0 0 0 143,544 9 Debt Service: 0 0 0 0 13,357 10 det 413,544 13,357 Total Expenditures 0 0 0 13,357 10 det 413,544 13,357 Total Expenditures 0 175,392 2,474 3,572,836 <td>5</td> <td>2,000</td> <td></td> <td>-</td> <td></td> <td>-</td> <td></td>	5	2,000		-		-	
Interest 0 0 0 350 Other 0 0 0 0 40,480 Total Revenues 2,000 60,659 3,389 3,296,206 Expenditures Current: 0 175,392 0 708,615 Current: 0 0 0 0 883,010 Public Health 0 0 2,474 2,474 Leisure Time Services 0 0 0 837,813 Community Development 0 0 0 449,859 Capital Outlay 0 0 0 413,544 Debt Service: 0 0 0 264,164 Interest and Fiscal Charges 0 0 264,164 Interest and Fiscal Charges 0 175,392 2,474 3,572,836 Excess of Revenues Over (Under) Expenditures 2,000 (114,733) 915 (276,630) Other Financing Sources 0 0 0 186,494 Net Change in F				60,659		-	
Other 0 0 0 $40,480$ Total Revenues $2,000$ $60,659$ $3,389$ $3,296,206$ Expenditures $2,000$ $60,659$ $3,389$ $3,296,206$ Expenditures 0 $175,392$ 0 $708,615$ Security of Persons and Property 0 0 0 $883,010$ Public Health 0 0 $2,474$ $2,474$ Leisure Time Services 0 0 0 0 $413,544$ Debt Service: 0 0 0 0 $175,392$ $2,474$ $3,572,836$ Excess of Revenues Over (Under) Expenditures 0 0 0 $13,357$ Total Expenditures $2,000$ $(114,733)$ 915 $(276,630)$ Other Financing Sources 0 0 0 0 0 $186,494$ Net Change in Fund Balances $2,000$ $(114,733)$ 915 $(90,136)$ Fund Balances Beginning of Year $1,975$ <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
Total Revenues $2,000$ $60,659$ $3,389$ $3,296,206$ Expenditures $Current:$ 0 $175,392$ 0 $708,615$ Security of Persons and Property 0 0 0 0 0 $883,010$ Public Health 0 0 $2,474$ $2,572,836$ 0 0 0 0 0 0 0 0 $13,357$ 7 7 total Expenditures $2,000$ $(114,733)$ 915 $(276,630)$ 0 $13,572,836$ $2,000$ $(114,733)$ 915 $(276,630)$ 0 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
Expenditures 0 175,392 0 708,615 Current: General Government 0 175,392 0 708,615 Security of Persons and Property 0 0 0 883,010 Public Health 0 0 2,474 2,474 Leisure Time Services 0 0 0 837,813 Community Development 0 0 0 449,859 Capital Outlay 0 0 0 13,554 Debt Service: 0 0 0 13,357 Total Expenditures 0 175,392 2,474 3,572,836 Excess of Revenues Over (Under) Expenditures 2,000 (114,733) 915 (276,630) Other Financing Sources 1 0 0 0 186,494 Net Change in Fund Balances 2,000 (114,733) 915 (90,136) Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086	Other	0		0		0	 40,480
Current: 0 175,392 0 708,615 Security of Persons and Property 0 0 0 883,010 Public Health 0 0 2,474 2,474 Leisure Time Services 0 0 0 837,813 Community Development 0 0 0 449,859 Capital Outlay 0 0 0 449,859 Capital Outlay 0 0 0 264,164 Interest and Fiscal Charges 0 0 0 13,357 Total Expenditures 0 175,392 2,474 3,572,836 Excess of Revenues Over (Under) Expenditures 2,000 (114,733) 915 (276,630) Other Financing Sources 0 0 0 186,494 Net Change in Fund Balances 2,000 (114,733) 915 (90,136) Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086	Total Revenues	2,000		60,659		3,389	 3,296,206
General Government 0 175,392 0 708,615 Security of Persons and Property 0 0 0 883,010 Public Health 0 0 2,474 2,474 Leisure Time Services 0 0 0 883,010 Community Development 0 0 0 837,813 Community Development 0 0 0 449,859 Capital Outlay 0 0 0 449,859 Capital Outlay 0 0 0 449,859 Debt Service:	Expenditures						
Security of Persons and Property 0 0 0 0 883,010 Public Health 0 0 2,474 2,474 Leisure Time Services 0 0 0 837,813 Community Development 0 0 0 449,859 Capital Outlay 0 0 0 449,859 Capital Outlay 0 0 0 413,544 Debt Service: Principal Retirement 0 0 0 264,164 Interest and Fiscal Charges 0 0 13,357 70tal Expenditures 0 175,392 2,474 3,572,836 Excess of Revenues Over (Under) Expenditures 2,000 (114,733) 915 (276,630) Other Financing Sources 0 0 0 186,494 Net Change in Fund Balances 2,000 (114,733) 915 (90,136) Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086	Current:						
Public Health 0 0 2,474 2,474 Leisure Time Services 0 0 0 837,813 Community Development 0 0 0 449,859 Capital Outlay 0 0 0 449,859 Capital Outlay 0 0 0 449,859 Capital Outlay 0 0 0 413,544 Debt Service: 0 0 0 264,164 Interest and Fiscal Charges 0 175,392 2,474 3,572,836 Excess of Revenues Over (Under) Expenditures 2,000 (114,733) 915 (276,630) Other Financing Sources 0 0 0 0 186,494 Net Change in Fund Balances 2,000 (114,733) 915 (90,136) Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086	General Government	0		175,392		0	708,615
Leisure Time Services 0 0 0 837,813 Community Development 0 0 0 449,859 Capital Outlay 0 0 0 449,859 Capital Outlay 0 0 0 449,859 Capital Outlay 0 0 0 449,859 Debt Service: 0 0 0 264,164 Interest and Fiscal Charges 0 175,392 2,474 3,572,836 Excess of Revenues Over (Under) Expenditures 2,000 (114,733) 915 (276,630) Other Financing Sources 0 0 0 0 186,494 Net Change in Fund Balances 2,000 (114,733) 915 (90,136) Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086	Security of Persons and Property	0		0		0	883,010
Community Development 0 0 0 449,859 Capital Outlay 0 0 0 449,859 Capital Outlay 0 0 0 413,544 Debt Service: Principal Retirement 0 0 0 264,164 Interest and Fiscal Charges 0 175,392 2,474 3,572,836 Excess of Revenues Over (Under) Expenditures 2,000 (114,733) 915 (276,630) Other Financing Sources 0 0 0 0 186,494 Net Change in Fund Balances 2,000 (114,733) 915 (90,136) Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086	Public Health	0		0		2,474	2,474
Capital Outlay 0 0 0 413,544 Debt Service: 0 0 0 264,164 Interest and Fiscal Charges 0 0 0 13,357 Total Expenditures 0 175,392 2,474 3,572,836 Excess of Revenues Over (Under) Expenditures 2,000 (114,733) 915 (276,630) Other Financing Sources 0 0 0 0 186,494 Net Change in Fund Balances 2,000 (114,733) 915 (90,136) Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086	Leisure Time Services	0		0		0	837,813
Debt Service: 0 0 0 0 0 1000000000000000000000000000000000000	Community Development	0		0		0	449,859
Principal Retirement Interest and Fiscal Charges 0 0 0 0 264,164 Interest and Fiscal Charges 0 0 0 13,357 Total Expenditures 0 175,392 2,474 3,572,836 Excess of Revenues Over (Under) Expenditures 2,000 (114,733) 915 (276,630) Other Financing Sources 0 0 0 0 186,494 Net Change in Fund Balances 2,000 (114,733) 915 (90,136) Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086	Capital Outlay	0		0		0	413,544
Interest and Fiscal Charges 0 0 0 13,357 Total Expenditures 0 175,392 2,474 3,572,836 Excess of Revenues Over (Under) Expenditures 2,000 (114,733) 915 (276,630) Other Financing Sources 0 0 0 186,494 Net Change in Fund Balances 2,000 (114,733) 915 (90,136) Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086	Debt Service:						
Total Expenditures 0 175,392 2,474 3,572,836 Excess of Revenues Over (Under) Expenditures 2,000 (114,733) 915 (276,630) Other Financing Sources 0 0 0 186,494 Net Change in Fund Balances 2,000 (114,733) 915 (90,136) Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086	Principal Retirement	0		0		0	264,164
Excess of Revenues Over (Under) Expenditures 2,000 (114,733) 915 (276,630) Other Financing Sources 0 0 0 186,494 Net Change in Fund Balances 2,000 (114,733) 915 (90,136) Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086	Interest and Fiscal Charges	0		0		0	 13,357
Other Financing Sources 0 0 0 186,494 Net Change in Fund Balances 2,000 (114,733) 915 (90,136) Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086	Total Expenditures	0		175,392		2,474	 3,572,836
Transfers In 0 0 0 186,494 Net Change in Fund Balances 2,000 (114,733) 915 (90,136) Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086	Excess of Revenues Over (Under) Expenditures	2,000		(114,733)		915	 (276,630)
Transfers In 0 0 0 186,494 Net Change in Fund Balances 2,000 (114,733) 915 (90,136) Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086	Other Financing Sources						
Net Change in Fund Balances 2,000 (114,733) 915 (90,136) Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086		0		0		0	186 494
Fund Balances Beginning of Year 1,975 171,730 30,882 1,788,086		0		0		0	 100,474
	Net Change in Fund Balances	2,000		(114,733)		915	(90,136)
Fund Balances End of Year \$ 3,975 \$ 56,997 \$ 31,797 \$ 1,697,950	Fund Balances Beginning of Year	1,975		171,730		30,882	 1,788,086
	Fund Balances End of Year	\$ 3,975	\$	56,997	\$	31,797	\$ 1,697,950

City of Ashland Combining Balance Sheet Nonmajor Capital Projects Funds December 31, 2014

	Capital Improvement		U.S. Route 42 Paving		East Main Improvement		Total	
Assets Equity in Pooled Cash and Investments	\$	567,914	\$	0	\$	0	\$	567,914
Fund Balances Restricted	\$	567,914	\$	0	\$	0	\$	567,914

City of Ashland Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Capital Projects Funds December 31, 2014

	Capital Improvement		U.S. Route 42 Paving		East Main Improvement		 Total
Revenues Intergovernmental Other	\$	17,500 31,547	\$	498,280 0	\$	1,137,504 0	\$ 1,653,284 31,547
Total Revenues		49,047		498,280		1,137,504	 1,684,831
Expenditures Current: General Government Capital Outlay Total Expenditures		145,758 179,484 325,242		0 0 0		0 1,137,504 1,137,504	 145,758 1,316,988 1,462,746
Excess of Revenues Over (Under) Expenditures		(276,195)		498,280		0	 222,085
Other Financing Sources Transfers In		7,034		0		0	 7,034
Net Change in Fund Balances		(269,161)		498,280		0	229,119
Fund Balances (Deficits) Beginning of Year		837,075		(498,280)		0	 338,795
Fund Balances End of Year	\$	567,914	\$	0	\$	0	\$ 567,914

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

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

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

Economic Development - To account for the deposit, control and expenditures of money to be used for community reinvestment areas.

Major Street Maintenance and Repair

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

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual General Fund For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Budget	
Revenues				
Property Taxes	\$ 554,075	\$ 542,066	\$ (12,009)	
Income Taxes	7,116,880	7,174,928	58,048	
Other Local Taxes	6,000	6,157	157	
Charges for Services	708,344	677,698	(30,646)	
Licenses and Permits	27,330	43,066	15,736	
Fines and Forfeitures	712,275	686,886	(25,389)	
Intergovernmental	535,246	531,560	(3,686)	
Interest	7,500	7,869	369	
Rent	10,200	10,413	213	
Contributions and Donations	450	589	139	
Other	79,350	202,864	123,514	
Total Revenues	9,757,650	9,884,096	126,446	
Expenditures				
Current:				
General Government				
Mayor				
Personal Services	62,368	62,100	268	
Other	5,386	4,996	390	
Total Mayor	67,754	67,096	658	
Director of Finance				
Personal Services	146,626	145,913	713	
Other	116,744	112,365	4,379	
Total Director of Finance	263,370	258,278	5,092	
Director of Law				
Personal Services	204,378	202,523	1,855	
Other	30,045	24,220	5,825	
Total Director of Law	234,423	226,743	7,680	
Department of Human Services				
Personal Services	85,247	84,909	338	
Other	12,643	9,637	3,006	
Total Department of Human Services	97,890	94,546	3,344	
Council				
Personal Services	38,261	37,939	322	
Other	512,693	501,787	10,906	
Total Council	550,954	539,726	11,228	
			(Continued)	

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual General Fund - (Continued) For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Budget
Municipal Court Clerk			
Personal Services	1,098,040	1,094,862	3,178
Other	150,773	135,773	15,000
Total Municipal Court Clerk	1,248,813	1,230,635	18,178
Technical Services Department			
Personal Services	68,800	68,364	436
Other	35,710	31,073	4,637
Total Technical Services Department	104,510	99,437	5,073
Municipal Building Maintenance			
Personal Services	34,702	24,994	9,708
Other	79,762	73,193	6,569
Total Municipal Building Maintenance	114,464	98,187	16,277
Justice Center Maintenance			
Personal Services	87,310	84,111	3,199
Other	96,606	86,249	10,357
Total Justice Center Maintenance	183,916	170,360	13,556
Engineer			
Personal Services	144,742	143,574	1,168
Other	21,039	15,562	5,477
Total Engineer	165,781	159,136	6,645
General Miscellaneous			
Other	54,440	45,782	8,658
Total General Government	3,086,315	2,989,926	96,389
Security of Persons and Property			
Police Department	0 740 546	0.710.105	27.261
Personal Services	2,749,546	2,712,185	37,361
Other	276,468	250,722	25,746
Total Police Department	3,026,014	2,962,907	63,107
Fire Department			
Personal Services	2,979,338	2,906,403	72,935
Other	270,899	252,574	18,325
Total Fire Department	3,250,237	3,158,977	91,260
			(Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual General Fund - (Continued) For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Budget
Street Lighting Other	141,001	141,001	0
Total Security of Persons and Property	6,417,252	6,262,885	154,367
Public Health			
Health Department Personal Services	228,638	219 650	0.088
Other	228,038 94,773	218,650 77,677	9,988 17,096
	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		17,000
Total Health Department	323,411	296,327	27,084
Community Development Building and Zoning			
Personal Services	131,916	129,685	2,231
Other	6,270	5,394	876
Total Building and Zoning	138,186	135,079	3,107
Planning Commission Other	300	280	20
Economic Development			_
Personal Services Other	5,121 35,313	5,112 35,313	9 0
Other	33,315	55,515	0
Total Economic Development	40,434	40,425	9
Total Community Development	178,920	175,784	3,136
Total Expenditures	10,005,898	9,724,922	280,976
Excess of Revenues Over (Under) Expenditures	(248,248)	159,174	407,422
Other Financing Sources (Uses)			
Proceeds from Sales of Capital Assets	0	9,182	9,182
Transfers Out	(220,600)	(220,600)	0
Total Other Financing Sources (Uses)	(220,600)	(211,418)	9,182
Net Change in Fund Balance	(468,848)	(52,244)	416,604
Fund Balance Beginning of Year	783,053	783,053	0
Prior Year Encumbrances Appropriated	31,145	31,145	0
Fund Balance End of Year	\$ 345,350	\$ 761,954	\$ 416,604

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, 2014

			Variance with Final Budget
Revenues Income Tax	\$ 600,000	\$ 481,546	\$ (118,454)
nicome Tax	\$ 000,000	\$ 461,540	\$ (118,454)
Expenditures			
Current:			
General Government			
City Income Tax			
Personal Services	259,340	184,274	75,066
Other	340,000	297,711	42,289
Total Expenditures	599,340	481,985	117,355
Net Change in Fund Balance	660	(439)	(1,099)
Fund Balance Beginning of Year	439	439	439
Fund Balance End of Year	\$ 1,099	\$ 0	\$ (660)

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Economic Development Fund For the Year Ended December 31, 2014

	Final Budget	Variance with Final Budget	
Expenditures			
Current: Community and Economic Development			
Other	4,600	4,566	34
Excess of Revenues Over (Under) Expenditures	(4,600)	(4,566)	34
Other Financing Sources			
Transfers In	4,600	4,566	(34)
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	\$ 0	\$ 0	\$ 0

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, 2014

	Final Budget	Actual	Variance with Final Budget
Revenues			
Income Taxes	\$ 519,820	\$ 515,230	\$ (4,590)
Charges for Services	14,000	22,024	8,024
Fines and Forfeitures	5,485	7,710	2,225
Intergovernmental	867,953	887,008	19,055
Interest	6,805	4,347	(2,458)
Other	540,563	58,727	(481,836)
Total Revenues	1,954,626	1,495,046	(459,580)
Expenditures			
Current:			
Transportation			
Street Maintenance and Repair			
Personal Services	1,256,302	1,143,173	113,129
Other	1,478,776	473,681	1,005,095
Total Street Maintenance and Repair	2,735,078	1,616,854	1,118,224
Capital Outlay			
Street Maintenance and Repair			
Capital Outlay	220,184	220,184	0
Total Expenditures	2,955,262	1,837,038	1,118,224
Net Change in Fund Balance	(1,000,636)	(341,992)	658,644
Fund Balance Beginning of Year	1,035,187	1,035,187	0
Prior Year Encumbrances Appropriated	10,000	10,000	0
Fund Balance End of Year	\$ 44,551	\$ 703,195	\$ 658,644

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual State Highway Fund For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 70,408	\$ 71,919	\$ 1,511
Interest	602	350	(252)
Total Revenues	71,010	72,269	1,259
Expenditures			
Debt Service:			
Principal Retirements	79,321	64,164	15,157
Interest and Fiscal Charges	22,569	7,357	15,212
Total Expenditures	101,890	71,521	30,369
Net Change in Fund Balance	(30,880)	748	31,628
Fund Balance Beginning of Year	30,880	30,880	0
Fund Balance End of Year	\$ 0	\$ 31,628	\$ 31,628

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Permissive Tax Fund For the Year Ended December 31, 2014

	 Final Budget Actual		Variance with Final Budget		
Revenues Intergovernmental	\$ 100,000	\$	100,000	\$	0
Expenditures Capital Outlay Other	 100,000		100,000		0
Net Change in Fund Balance	0		0		0
Fund Balance Beginning of Year	 0		0		0
Fund Balance End of Year	\$ 0	\$	0	\$	0

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual City Permissive Fund For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Budget
Revenues Intergovernmental	\$ 93,450	\$ 96,209	\$ 2,759
Expenditures Capital Outlay Other	143,282	123,752	19,530
Net Change in Fund Balance	(49,832)	(27,543)	22,289
Fund Balance Beginning of Year	49,832	49,832	0
Fund Balance End of Year	\$ 0	\$ 22,289	\$ 22,289

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Bandshell Improvements Fund For the Year Ended December 31, 2014

]	Final Budget Actual		Variance with Final Budget		
Expenditures Current: Leisure Time Services Other	\$	36,487	\$	1,999	\$	34,488
Net Change in Fund Balance		(36,487)		(1,999)		34,488
Fund Balance Beginning of Year		36,487		36,487		0
Fund Balance End of Year	\$	0	\$	34,488	\$	34,488

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, 2014

	Final Budget	Actual	Variance with Final Budget		
Revenues					
Property Taxes	\$ 138,037	\$ 135,397	\$ (2,640)		
Income Taxes	563,300	556,416	(6,884)		
Charges for Services	45,181	71,205	26,024		
Intergovernmental	22,252	22,307	55		
Contributions and Donations	1,200	1,500	300		
Other	14,552	10,617	(3,935)		
Total Revenues	784,522	797,442	12,920		
Expenditures					
Current:					
Leisure Time Services					
Personal Services	476,815	400,443	76,372		
Other	492,431	432,473	59,958		
Total Leisure Time Services	969,246	832,916	136,330		
Capital Outlay					
Leisure Time Services	53,563	48,168	5,395		
Total Expenditures	1,022,809	881,084	141,725		
Net Change in Fund Balance	(238,287)	(83,642)	154,645		
Fund Balance Beginning of Year	275,878	275,878	0		
Fund Balance End of Year	\$ 37,591	\$ 192,236	\$ 154,645		

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Nature Preserve Fund For the Year Ended December 31, 2014

	Final Budget Actual		Variance with Final Budget		
Revenues Rent	\$	8,800	\$ 5,700	\$	(3,100)
Expenditures Current: Leisure Time Services Other		18,693	650		18,043
Net Change in Fund Balance		(9,893)	 5,050		(21,143)
Fund Balance Beginning of Year		9,893	 9,893		0
Fund Balance End of Year	\$	0	\$ 14,943	\$	(21,143)

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, 2014

	nal dget	Actual		nce with Budget
Revenues Contributions and Donations	\$ 5,282	\$	7,161	\$ 1,879
Expenditures Current: Security of Persons and Property Other	 7,421		6,465	 956
Net Change in Fund Balance	(2,139)		696	2,835
Fund Balance Beginning of Year	 2,139		2,139	 0
Fund Balance End of Year	\$ 0	\$	2,835	\$ 2,835

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, 2014

	Final Budget	Actual	Variance with Final Budget	
Revenues				
Charges for Services	\$ 300,882	\$ 319,934	\$ 19,052	
Intergovernmental	72,000	72,000	0	
Total Revenues	372,882	391,934	19,052	
Expenditures				
Current:				
Security of Persons and Property				
Other	44,770	44,770	0	
Capital Outlay				
Other	112,957	103,063	9,894	
Debt Service				
Principal Retirement	210,000	200,000	10,000	
Interest and Fiscal Charges	13,900	6,000	7,900	
			.,,,	
Total Debt Service	223,900	206,000	17,900	
Total Expenditures	381,627	353,833	27,794	
Net Change in Fund Balance	(8,745)	38,101	46,846	
Fund Balance Beginning of Year	8,745	8,745	0	
Fund Balance End of Year	\$ 0	\$ 46,846	\$ 46,846	

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, 2014

	Final Budget Actual		Variance with Final Budget		
Revenues Intergovernmental	\$	75,000	\$ 68,320	\$	(6,680)
Expenditures Current: Community Development Other		139,110	 129,172		9,938
Net Change in Fund Balance		(64,110)	(60,852)		3,258
Fund Balance Beginning of Year		64,110	 64,110		0
Fund Balance End of Year	\$	0	\$ 3,258	\$	3,258

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, 2014

	Final Budget	Actual	Variance with Final Budget	
Revenues Intergovernmental Other	\$ 400,000 0	\$ 332,008 22,359	\$ (67,992) 22,359	
Total Revenues	400,000	354,367	(45,633)	
Expenditures Current: Community Development Other	463,541	255,003	208,538	
Net Change in Fund Balance	(63,541)	99,364	162,905	
Fund Balance Beginning of Year	63,541	63,541	0	
Fund Balance End of Year	\$ 0	\$ 162,905	\$ 162,905	

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Firemens Pension Fund For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Budget	
Revenues Property Taxes Intergovernmental	\$ 87,879 12,121	\$ 84,830 12,011	\$ (3,049) (110)	
Total Revenues	100,000	96,841	(3,159)	
Expenditures Current: Security of Persons and Property Personal Services	100,000	96,841	3,159	
Net Change in Fund Balance	0	0	0	
Fund Balance Beginning of Year	0	0	0	
Fund Balance End of Year	\$ 0	\$ 0	\$ 0	

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Policemens Pension Fund For the Year Ended December 31, 2014

	Final Budget		
Revenues	¢ 07.07		
Property Taxes Intergovernmental	\$ 87,879 12,121	. ,	
Total Revenues	100,000) 96,84	(3,159)
Expenditures			
Current:			
Security of Persons and Property Personal Services	100,000	96,84	3,159
Net Change in Fund Balance	()	0 0
Fund Balance Beginning of Year	()	0 0
Fund Balance End of Year	\$ () \$	0 \$ 0

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Property Management Fund For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Budget
Revenues Rent	\$ 0	\$ 2,678	\$ 2,678
Expenditures Current: General Government			
Other	25,000	0	25,000
Excess of Revenues Over (Under) Expenditures	(25,000)	2,678	27,678
Other Financing Source Transfers In	25,000	25,000	0
Net Change in Fund Balance	0	27,678	27,678
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	\$ 0	\$ 27,678	\$ 27,678

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, 2014

	Final Budget	Actual	Variance with Final Budget
Revenues Fines and Forfeitures	\$ 0	\$ 2,564	\$ 2,564
Expenditures Current: Security of Persons and Property Other	18,062	500	17,562
Net Change in Fund Balance	(18,062)	2,064	20,126
Fund Balance Beginning of Year	18,062	18,062	0
Fund Balance End of Year	\$ 0	\$ 20,126	\$ 20,126

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, 2014

	Final Budget Actu		Actual	Variance with Final Budget		
Revenues Fines and Forfeitures	\$	2,526	\$	1,166	\$	(1,360)
Expenditures Current: Security of Persons and Property Other		19,912		0		19,912
Net Change in Fund Balance		(17,386)		1,166		18,552
Fund Balance Beginning of Year		17,386		17,386		0
Fund Balance End of Year	\$	0	\$	18,552	\$	18,552

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, 2014

_	Final Budget	Actual	Variance with Final Budget
Revenues	*	*	* (1 * * * *
Charges for Services	\$ 115,500	\$ 114,118	\$ (1,382)
Intergovernmental	534,847	383,228	(151,619)
Total Revenues	650,347	497,346	(153,001)
Expenditures			
Current:			
General Government			
Public Transit			
Other	775,733	515,845	259,888
ould	115,155	515,015	237,000
Coordination			
Personal Services	21,269	20,157	1,112
	·	,	·
Total General Government	797,002	536,002	261,000
			- ,
Capital Outlay			
Other	38,651	38,561	90
ouler	50,051	50,501	
Total Expenditures	835,653	574,563	261,090
Total Experiationes	855,055	574,505	201,090
Deficiency of Revenues Under Expenditures	(185,306)	(77,217)	108,089
	(105,500)	(77,217)	100,007
Other Financing Sources			
Transfers In	121,497	161,494	39,997
			·
Net Change in Fund Balance	(63,809)	84,277	148,086
	(,,	- ,	- ,
Fund Balance Beginning of Year	187,011	187,011	0
	107,011	107,011	
Fund Balance End of Year	\$ 123,202	\$ 271,288	\$ 148,086
I what Durance Like of Ical	φ 125,202	φ 2/1,200	φ 140,000

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, 2014

	Final Budget		
Revenues Fines and Forfeitures	\$ 118,389	\$ 139,462	\$ 21,073
Expenditures Current: Security of Persons and Property Personal Services Other	51,800 281,048	11,394 124,197	40,406 156,851
Total Expenditures	332,848	135,591	197,257
Net Change in Fund Balance	(214,459)	3,871	218,330
Fund Balance Beginning of Year	214,459	214,459	0
Fund Balance End of Year	\$ 0	\$ 218,330	\$ 218,330

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Indigent Drivers Fund For the Year Ended December 31, 2014

	Final Budget		Actual				ance with al Budget					
Revenues Fines and Forfeitures	\$	32,027	\$	38,069	\$	6,042						
Expenditures Current: Security of Persons and Property Other		59,333		32,194		27,139						
Net Change in Fund Balance		(27,306)		(27,306)		(27,306)		(27,306)		5,875		33,181
Fund Balance Beginning of Year		27,306		27,306		27,306		27,306		0		
Fund Balance End of Year	\$	0	\$	33,181	\$	33,181						

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Municipal Probation Fund For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Budget
Revenues Fines and Forfeitures	\$ 265,132	\$ 169,497	\$ (95,635)
Other	0	77	77
Total Revenues	265,132	169,574	(95,558)
Expenditures			
Current: Security of Persons and Property			
Personal Services	264,944	224,721	40,223
Other	152,529	22,361	130,168
Total Expenditures	417,473	247,082	170,391
Net Change in Fund Balance	(152,341)	(77,508)	74,833
Fund Balance at Beginning of Year	152,341	152,341	0
Fund Balance at End of Year	\$ 0	\$ 74,833	\$ 74,833

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Police Donations Fund For the Year Ended December 31, 2014

	Final Budget Actual		Variance with Final Budget		
Revenues Contributions and Donations	\$	1,349	\$ 2,349	\$	1,000
Expenditures Current: Security of Persons and Property Other	\$	2,593	\$ 2,593	\$	0
Net Change in Fund Balance		(1,244)	(244)		1,000
Fund Balance Beginning of Year		1,244	 1,244		0
Fund Balance End of Year	\$	0	\$ 1,000	\$	1,000

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Home Arrest Fund For the Year Ended December 31, 2014

	Final Budget				Actual		 ance with l Budget
Expenditures Current: Security of Persons and Property Other	\$	1,728	\$	0	\$ 1,728		
Net Change in Fund Balance		(1,728)		0	1,728		
Fund Balance Beginning of Year		1,728		1,728	 0		
Fund Balance End of Year	\$	0	\$	1,728	\$ 1,728		

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Community Corrections Fund For the Year Ended December 31, 2014

	Final Budget		Actual		ance with l Budget
Revenues Intergovernmental Other	\$ 11	0,547	\$	110,547 12	\$ 0 12
Total Revenues	11	0,547		110,559	 12
Expenditures Current: Security of Persons and Property Community Corrections Personal Services Other		6,598 5,933		81,118 31,368	 5,480 4,565
Total Expenditures	12	2,531		112,486	 10,045
Net Change in Fund Balance	(1	1,984)		(1,927)	10,057
Fund Balance Beginning of Year	1	1,984		11,984	 0
Fund Balance End of Year	\$	0	\$	10,057	\$ 10,057

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, 2014

	Final Budget	Actual	Variance with Final Budget
Revenues Fines and Forfeitures	\$ 118,090	\$ 177,469	\$ 59,379
Other	0	11	φ <i>55</i> , <i>315</i> 11
Total Revenues	118,090	177,480	59,390
Expenditures			
Current: Security of Persons and Property			
Personal Services	140,790	80,079	60,711
Other	171,515	11,455	160,060
Total Expenditures	312,305	91,534	220,771
Net Change in Fund Balance	(194,215)	85,946	280,161
Fund Balance Beginning of Year	194,215	194,215	0
Fund Balance End of Year	\$ 0	\$ 280,161	\$ 280,161

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual CCA Monitoring Fund For the Year Ended December 31, 2014

	Final Budget Actual						Actual				ance with al Budget
Revenues Other	\$	9,900	\$	7,404	\$	(2,496)					
Expenditures Current: Security of Persons and Property Personal Services Other		5,553 10,631		3,622 6,168		1,931 4,463					
Total Expenditures		16,184		9,790		6,394					
Net Change in Fund Balance		(6,284)		(2,386)		3,898					
Fund Balance Beginning of Year		6,284		6,284		0					
Fund Balance End of Year	\$	0	\$	3,898	\$	3,898					

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, 2014

	-	Final Budget Actual		Variance wit Final Budge		
Revenues Contributions and Donations	\$	0	\$	2,348	\$	2,348
Expenditures Current: General Government Other		831		0		831
Net Change in Fund Balance		(831)		2,348		3,179
Fund Balance Beginning of Year		831		831		0
Fund Balance End of Year	\$	0	\$	3,179	\$	3,179

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, 2014

	Final Budget		
Revenues Fines and Forfeitures	\$ 27,000	\$ 18,294	\$ (8,706)
Expenditures Current: Security of Persons and Property Other	128,902	0_	128,902
Net Change in Fund Balance	(101,902)	18,294	120,196
Fund Balance Beginning of Year	101,902	101,902	0
Fund Balance End of Year	\$ 0	\$ 120,196	\$ 120,196

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Continuing Education Fund For the Year Ended December 31, 2014

	Final Budget			Variance wit Final Budge	
Expenditures Current: Security of Person and Property Other	\$ 1,975	\$	0	\$	1,975
Fund Balance Beginning of Year	 1,975		1,975		0
Fund Balance End of Year	\$ 0	\$	1,975	\$	1,975

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Industrial Park Fund For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Budget
Revenues Rent	\$ 64,200	\$ 60,659	\$ (3,541)
Expenditures Current: General Government Other	235,930	9,038	226,892
Net Change in Fund Balance	(171,730)	51,621	223,351
Fund Balance Beginning of Year	171,730	171,730	0
Fund Balance End of Year	\$ 0	\$ 223,351	\$ 223,351

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, 2014

		Final Budget		Actual		ance with al Budget
Revenues Special Assessments	\$ 3,110		\$	3,389	\$	279
Expenditures Current: Public Health Other		33,992		2,474		31,518
Net Change in Fund Balance		(30,882)		915	31,797	
Fund Balance Beginning of Year	30,882		30,882			0
Fund Balance End of Year	\$	0	\$	31,797	\$	31,797

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, 2014

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 222,878	\$ 234,378	\$ 11,500
Intergovernmental	28,750	31,409	2,659
Total Revenues	251,628	265,787	14,159
Expenditures			
Debt Service			
Principal Retirements	165,000	160,000	5,000
Interest and Fiscal Charges	47,638	47,019	619
Total Expenditures	212,638	207,019	5,619
Net Change in Fund Balance	38,990	58,768	19,778
Fund Balance Beginning of Year	264,491	264,491	0
Fund Balance End of Year	\$ 303,481	\$ 323,259	\$ 19,778

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Capital Improvement Fund For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Budget
Revenues Intergovernmental Other	\$ 17,500 9,034	\$ 17,500 31,547	\$ 0 22,513
Total Revenues	26,534	49,047	22,513
Expenditures Current: General Government Other	82,474	82,389	85
Capital Outlay Other	250,865	242,853	8,012
Total Expenditures	333,339	325,242	8,097
Deficiency of Revenues Under Expenditures	(306,805)	(276,195)	30,610
Other Financing Sources (Uses) Transfers In	0	7,034	7,034
Net Change in Fund Balance	(306,805)	(269,161)	37,644
Fund Balance Beginning of Year	837,075	837,075	0
Fund Balance End of Year	\$ 530,270	\$ 567,914	\$ 37,644

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual US Rt. 42 Paving Fund For the Year Ended December 31, 2014

	 Final Budget		Actual	Variance with Final Budget		
Revenues Intergovernmental	\$ \$ 498,280		398,423	\$	(99,857)	
Expenditures Capital Outlay Other	 498,280		398,423		99,857	
Net Change in Fund Balance	0		0		0	
Fund Balance Beginning of Year	 0		0		0	
Fund Balance End of Year	\$ 0	\$	0	\$	0	

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, 2014

	Stormwater Management Utility	Brookside Swimming Pool	Brookside Golf Course	Total
Assets				
Current Assets Equity in Pooled Cash and Investments	\$ 434,357	\$ 1,753	\$ 214,163	\$ 650,273
Cash and Investments in Segregated Accounts	φ +3+,337 0	φ 1,755 0	\$ 214,105 3,995	\$ 050,275 3,995
Materials and Supplies Inventory	0	0	67,933	67,933
Accounts Receivable	6,108	0	0	6,108
Total Current Assets	440,465	1,753	286,091	728,309
Noncurrent Assets				
Non-Depreciable Capital Assets	2,050	37,120	695,866	735,036
Depreciable Capital Assets, Net	2,864,749	78,451	178,984	3,122,184
Total Noncurrent Assets	2,866,799	115,571	874,850	3,857,220
Total Assets	3,307,264	117,324	1,160,941	4,585,529
Liabilities				
Current Liabilities				
Accounts Payable	1,677	0	0	1,677
Accrued Wages	2,859	0	8,454	11,313
Intergovernmental Payable	834	0	2,599	3,433
Compensated Absences Payable	0	0	299	299
Total Current Liabilities	5,370	0	11,352	16,722
Noncurrent Liabilities				
Compensated Absences Payable - Net of Current Portion	0	0	19,154	19,154
Total Liabilities	5,370	0	30,506	35,876
Net Position				
Net Investment in Capital Assets	2,866,799	115,571	874,850	3,857,220
Unrestricted	435,095	1,753	255,585	692,433
Total Net Position	\$ 3,301,894	\$ 117,324	\$ 1,130,435	\$ 4,549,653

City of Ashland Combining Statement of Revenues, Expenses and Changes in Fund Net Position NonmajorEnterprise Funds For the Year Ended December 31, 2014

	Stormwater Management Utility	Brookside Swimming Pool	Brookside Golf Course	Total
Operating Revenue Charges for Services Other	\$	\$ 53,884 0	\$ 372,462 0	\$
Total Operating Revenues	519,049	53,884	372,462	945,395
Operating Expenses Personal Services Contractual Services Materials and Supplies Utilities Depreciation Other	140,828 0 76,542 0 57,790 47,002	40,678 0 26,173 6,967 2,979 0	237,044 58,763 167,614 22,245 44,322 32,143	418,550 58,763 270,329 29,212 105,091 79,145
Total Operating Expenses	322,162	76,797	562,131	961,090
Operating Loss	196,887	(22,913)	(189,669)	(15,695)
Non-Operating Revenues Gain on Sale of Capital Assets	0	0	240,745	240,745
Income (Loss) Before Transfers	196,887	(22,913)	51,076	225,050
Transfers In Transfers Out	0 0	22,506 0	0 (3,250)	22,506 (3,250)
Change in Net Position	196,887	(407)	47,826	244,306
Net Position at Beginning of Year	3,105,007	117,731	1,082,609	4,305,347
Net Position at End of Year	\$ 3,301,894	\$ 117,324	\$ 1,130,435	\$ 4,549,653

City of Ashland Combining Statement of Cash Flows Nonmajor Enterprise Funds For the Year Ended December 31, 2014

	Stormwater Managemer Utility		rookside nming Pool	Bro	ookside Golf Course	 Totals
Cash Flows from Operating Activities						
Cash Received from Customers	\$ 519,5	13	\$ 53,884	\$	372,462	\$ 945,859
Other Operating Receipts		11	0		0	11
Cash Payments to Suppliers for Goods and Services	(92,5	63)	(26,173)		(165,224)	(283,960)
Cash Payments to Employees for Services and Benefits	(141,7	29)	(41,497)		(240,302)	(423,528)
Cash Payments for Contractual Services		0	(6,967)		(81,008)	(87,975)
Other Cash Payments	(47,0	02)	 0		(32,143)	 (79,145)
Net Cash Provided By (Used for) Operating Activities	238,2	30	 (20,753)		(146,215)	 71,262
Cash Flows from Noncapital Financing Activities						
Transfers In		0	 22,506		0	 22,506
Cash Flows from Capital and Related Financing Activities						
Proceeds from Sale of Capital Assets		0	0		344,810	344,810
Acquisition of Capital Assets	(254,2	61)	 0		(14,500)	 (268,761)
Net Cash Used Provided By (Used for) Capital and Related Financing Activities	(254,2	61)	 0		330,310	 76,049
Net Increase (Decrease) in Cash and Investments	(16,0	31)	1,753		184,095	169,817
Cash and Investments Beginning of Year	450,3	88	 0		34,063	 484,451
Cash and Investments End of Year	\$ 434,3	57	\$ 1,753	\$	218,158	\$ 654,268
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities						
Operating Income (Loss)	\$ 196,8	87	\$ (22,913)	\$	(189,669)	\$ (15,695)
Adjustments:						
Depreciation	57,7	90	2,979		44,322	105,091
(Increase) Decrease in Assets:						
Accounts Receivable	4	75	0		0	475
Materials and Supplies Inventory		0	0		2,390	2,390
Increase (Decrease) in Liabilities:						
Accounts Payable	(16,0		0		0	(16,021)
Accrued Wages	1	72	0		(129)	43
Compensated Absences Payable		0	0		1,340	1,340
Intergovernmental Payable	(1,0	73)	 (819)		(4,469)	 (6,361)
Net Cash Provided By (Used for) Operating Activities	\$ 238,2	30	\$ (20,753)	\$	(146,215)	\$ 71,262

Combining Statements for Fiduciary Funds

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.

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, 2014

	Municipal Court		Performance Bonds		Brookside Golf Course Gift Certificates		mployee eductions	Section 125		Total	
Assets Equity in Pooled Cash and Investments Cash and Investments in	\$	0	\$	300	\$	11,436	\$ 16,935	\$	4,494	\$	33,165
Segregated Accounts		87,855		0		0	 0		0		87,855
Total Assets	\$	87,855	\$	300	\$	11,436	\$ 16,935	\$	4,494	\$	121,020
Liabilities Undistributed Monies	\$	87,855	\$	300	\$	11,436	\$ 16,935	\$	4,494	\$	121,020

City of Ashland Combining Statement of Changes in Assets and Liabilities All Agency Funds For the Year Ended December 31, 2014

	Balance 2/31/2013	A	dditions	Re	eductions	3alance /31/2014
Municipal Court Assets Cash and Investments in Segregated Accounts	\$ 241,792	\$	0	\$	153,937	\$ 87,855
Liabilities Undistributed Monies	\$ 241,792	\$	0	\$	153,937	\$ 87,855
<i>Performance Bonds</i> Assets Equity in Pooled Cash and Investments	\$ 300	\$	0	\$	0	\$ 300
Liabilities Undistributed Monies	\$ 300	\$	0	\$	0	\$ 300
Brookside Golf Course Gift Certificates Assets Equity in Pooled Cash and Investments	\$ 10,571	_\$	6,356	\$	5,491	\$ 11,436
Liabilities Undistributed Monies	\$ 10,571	\$	6,356	\$	5,491	\$ 11,436
<i>Employee Deductions</i> Assets Equity in Pooled Cash and Investments	\$ 50,153	\$	420,832	\$	454,050	\$ 16,935
Liabilities Undistributed Monies	\$ 50,153	\$	420,832	\$	454,050	\$ 16,935
Section 125 Assets Equity in Pooled Cash and Investments	\$ 3,287	\$	1,207	\$	0	\$ 4,494
Liabilities Undistributed Monies	\$ 3,287	\$	1,207	\$	0	\$ 4,494
All Agency Funds Assets						
Equity in Pooled Cash and Investments Cash and Investments in Segregated Accounts	\$ 64,311 241,792	\$	428,395 0	\$	459,541 153,937	\$ 33,165 87,855
Total Assets	\$ 309,390	\$	428,395	\$	613,478	\$ 121,020
Liabilities Undistributed Monies	\$ 306,103	\$	428,395	\$	613,478	\$ 121,020

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	<u>Tables</u>
Revenue Capacity 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.	S2-S8
Debt Capacity These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.	S9-S12
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.	S13-S14
Financial Trends These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	S15-S21
Operating Information 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.	S22-S25

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

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Revenue Capacity

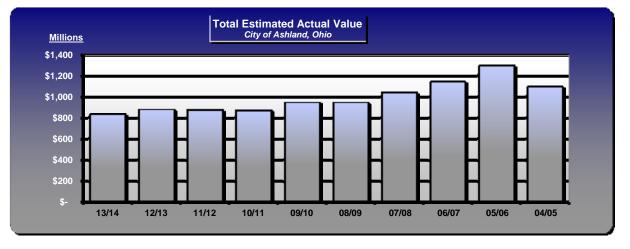
Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Years

	Real Property	Assessed Values		•	sonal Property ed Values		То	Total		
Tax Year/Collection Year	Residential/ Agricultural	Other Real Property	Estimated Actual Value	Tangible Personal Property	Public Utilities	Estimated Actual Value	Assessed Values	Estimated Actual Value	Ratio	Direct Tax Rate
13/14	\$ 196,866,32	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	211,721,70	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	211,790,81	0 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	211,442,55	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	231,041,55	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	231,385,55	0 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	231,461,61	0 91,522,560	922,811,914	14,399,868	7,739,260	123,993,558	345,123,298	1,046,805,472	32.97%	3.90
06/07	221,436,63	0 86,915,050	881,004,800	31,913,261	7,557,520	263,894,179	347,822,461	1,144,898,979	30.38%	3.90
05/06	218,161,44	0 78,330,240	847,119,086	54,780,177	9,106,840	448,590,098	360,378,697	1,295,709,184	27.81%	3.90
04/05	204,347,88	0 72,623,820	791,347,714	54,837,769	9,834,340	303,643,488	341,643,809	1,094,991,202	31.20%	3.90

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

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



Source: Ashland County, Ohio: County Auditor

Revenue Capacity

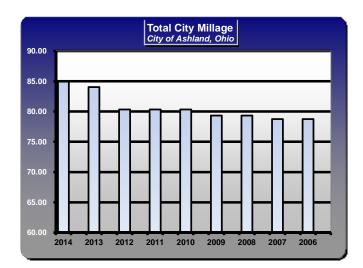
Direct and Overlapping Property Tax Rates

(Per \$1,000 of Assessed Valuation)

Last Ten Collection Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Inside Millage										
Operating	2.00	2.00	2.00	2.00	2.30	2.00	2.10	2.43	2.43	2.4
Debt	0.80	0.80	0.80	0.80	0.50	0.80	0.70	0.37	0.37	0.3
Fire Pension	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.3
Police Pension	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.3
Total Unvoted Millage	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.4
Outside Millage										
Recreation	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.5
Total Voted Millage	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.5
Total Millage	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.9
Overlapping Rates by Taxing District										
Ashland County	9.10	9.10	9.10	9.10	9.10	9.10	9.10	9.10	8.50	8.5
Ashland School District	66.25	66.85	65.95	62.25	62.25	62.25	62.25	62.25	62.25	62.2
Ashland County Vocational School	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.1
Ashland Public Library	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.0
City of Ashland	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.9
Total	84.35	84.95	84.05	80.35	80.35	80.35	79.35	79.35	78.75	78.7

Source: Ashland County, Ohio: County Auditor



Revenue Capacity Principal Property Tax Payers 2014 and 2007

	January 2	1, 2013		January	1, 2006
Taxpayer	Real Property Assessed	Total Assessed Valuation	Taxpayer	Real Property Assessed	Total Assessed Valuation
Ohio Edison Company	\$ 6,682,090	3.39%	Ohio Edison Company	\$ 4,093,110	1.85%
American Transmission	3,171,110	1.61%	Wal-Mart Real Estate	3,045,010	1.38%
Wal-Mart Real Estate	2,970,210	1.51%	American Transmission	3,045,010	1.38%
WIL Reasearch Laboratories	2,964,750	1.51%	Myers Pump Company	2,433,070	1.10%
Enterprise Parkway Leasing	2,518,260	1.28%	Samariton Regional Hospital	2,327,640	1.05%
Samariton Regional Hospital	2,131,900	1.08%	Home Depot U.S.A., Inc.	1,909,850	0.86%
Eagleview Realty LLC	2,046,970	1.04%	Baker Properties	1,603,090	0.72%
Columbia Gas of Ohio Inc	1,986,980	1.01%	Brethern Care, Inc.	1,445,140	0.65%
Kingston of Ashland LLC	1,957,830	0.99%	Ashland 250 Apartments	1,268,380	0.57%
Myers Pump Co	1,861,610	0.95%	Wurster Properties, Inc.	1,245,290	0.56%
	\$ 28,291,710	14.37%		\$ 22,415,590	10.12%
Total Assessed Valuation	\$ 196,866,320		Total Assessed Valuation	\$ 221,436,630	

Note: Property is assessed at 35 percent of fair market value. Real property taxes paid in 2014 are based on January 1, 2013 values. Data for nine years ago is not available, therefore, 2006 data was presented as it was the oldest information available.

Source: Ashland County, Ohio: County Auditor

Revenue Capacity

Property Tax Levies and Collections

Last Ten Years

		R	eal and Publi	ic Utility			Tangible Personal Property							T	otal		
Collection Year	Billed	Тах	es Collected	Percent Collected	-	quent Tax llections		Billed		Taxes ollected	Percent Collected		nquent Tax ollections	Billed	Тах	es Collected	Percent Collected
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%
2007	1,122,409		1,092,877	97%		29,532		264,854		197,855	75%		66,999	1,387,263		1,320,284	95.17%
2006	1,321,079		1,064,709	81%		24,930		119,459		53,918	45%		25,925	1,440,538		1,118,627	77.65%
2005	1,065,423		1,065,423	100%		N/A		213,643		191,938	90%		21,705	1,279,066		1,257,361	98.30%

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.

Revenue Capacity

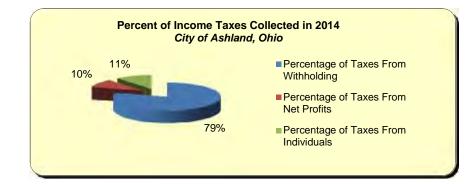
Income Tax Revenue Base and Collections

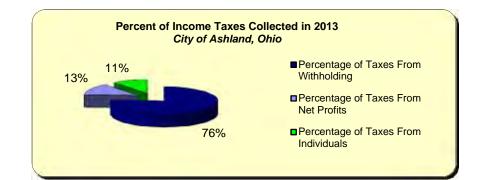
Last Ten Years

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
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%
2007	1.50%	8,554,563	6,434,318	75.22%	1,226,463	14.34%	893,782	10.45%
2006	1.50%	8,542,453	6,350,938	74.35%	1,277,454	14.95%	914,061	10.70%
2005	1.50%	7,890,443	5,993,886	75.96%	979,308	12.41%	917,249	11.62%

% Represents percent of total tax collected

Source: Income Tax Department, City of Ashland, Ohio





Revenue Capacity

Income Tax Statistics

Last Ten Years

	Inc	ome Averages	for Cit <u>y</u> of Ash	land	Tax Years 2005	-2014
Tax Year	Income Range (Dollars)	Number of Filers	Percent of Filers		xable Income	Percent of Taxable Income
2014	\$ 0-24,999	3,595	49%	\$	38,154,346	14%
2014	25,000-49,999	1,864	26%		67,410,073	25%
2014	50,000-74,999	929	13%		56,344,290	21%
2014	75,000-99,999	436	6%		37,242,956	14%
2014	Over 100,000	484	7%		74,245,282	27%
	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	
2012	¢ 0 24 000	0 000	50%	\$	20 020 110	14%
2012	\$ 0-24,999	2,833		φ	28,828,448	
2012	25,000-49,999 50,000-74,999	1,416 753	25% 13%		50,919,845 46,197,828	25% 22%
2012	75,000-99,999	316	6%			
2012	Over 100,000	349	6%		27,588,551 53,878,136	13% 26%
2012	Over 100,000	545	070		55,676,150	2076
	Total	5,667		\$	207,412,808	
2011	\$ 0-24,999	2,891	50%	\$	29,761,998	13%
2011	25,000-49,999	1,413	25%		51,281,096	23%
2011	50,000-74,999	745	13%		45,499,287	21%
2011	75,000-99,999	345	6%		29,571,974	13%
2011	Over 100,000	342	6%		65,605,458	30%
	Total	5,736		\$	221,719,813	
2010	\$ 0-24,999	5,177	58%	\$	38,033,159	14%
2010	25,000-49,999	1,863	21%		67,485,742	26%
2010	50,000-74,999	952	11%		58,033,920	22%
2010	75,000-99,999	404	4%		34,869,996	13%
2010	Over 100,000	534	6%		64,669,769	25%
				A	000 000 500	
	Total	8,930		\$	263,092,586	(Continued)
						N.ODUDUA(1)

(Continued)

Revenue Capacity

Income Tax Statistics

(Continued)

		()	Continued)			
		ome Averages f		land 1	Tax Years 2005	
Tax Year	Income Range (Dollars)	Number of Filers	Percent of Filers	Ta	xable Income	Percent of Taxable Income
2009	\$ 0-24,999	3,033	51%	\$	31,583,688	15%
2009	25,000-49,999	1,516	26%		54,889,979	26%
2009	50,000-74,999	722	12%		44,004,013	21%
2009	75,000-99,999	309	5%		26,633,712	13%
2009	Over 100,000	332	6%		52,424,949	25%
	Total	5,912		\$	209,536,341	
2008	\$ 0-24,999	3,684	51%	\$	31,671,250	15%
2008	25,000-49,999	1,843	26%		54,521,265	26%
2008	50,000-74,999	874	12%		44,404,815	21%
2008	75,000-99,999	379	5%		26,572,982	13%
2008	Over 100,000	399	6%		53,781,821	25%
	Total	7,179		\$	210,952,133	
2007	\$ 0-24,999	4,043	52%	\$	41,693,849	15%
2007	25,000-49,999	1,986	26%		71,818,388	27%
2007	50,000-74,999	969	12%		58,940,634	22%
2007	75,000-99,999	394	5%		33,915,792	13%
2007	Over 100,000	389	5%		60,649,201	23%
	Total	7,781		\$	267,017,864	
2006	\$ 0-24,999	4,066	51%	\$	42,049,256	15%
2006	25,000-49,999	2,086	26%	Ψ	75,122,885	26%
2006	50,000-74,999	1,009	13%		61,230,495	22%
2006	75,000-99,999	419	5%		36,038,282	13%
2006	Over 100,000	393	5%		67,242,395	24%
	Total	7,973		\$	281,683,313	
2005	\$ 0-24,999	4,753	52%	\$	47,443,989	13%
2005	25,000-49,999	2,329	26%		84,145,992	24%
2005	50,000-74,999	1,065	12%		64,536,443	19%
2005	75,000-99,999	434	5%		37,354,431	11%
2005	Over 100,000	463	5%		114,305,030	33%
	Total	9,044		\$	347,785,885	

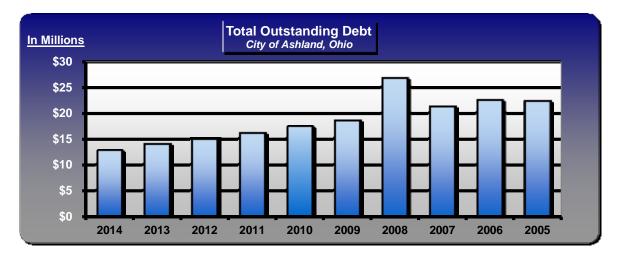
S8 Source: Income Tax Department, City of Ashland, Ohio

Debt Capacity

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

Last Ten Years

		Gove	mmental Activit	ies			Business-Type	e Activities				
Year	General Obligation Bonds	ODOD Loan	ODOT Loan	Bond Anticipation Notes	OPWC Loan	General Obligation Bonds	Bond Anticipation Notes	OWDA Loan	OPWC Loan	Total Debt	Percentage of Personal Income	Per Capita
2014	\$ 1,623,850	\$ 0	\$ 77,290	\$0	\$ 0	\$ 11,086,893	\$0	\$0	\$0	\$ 12,788,033	3.18%	628
2013	1,985,435	0	141,454	0	0	11,981,289	0	0	0	14,108,178	3.46%	682
2012	2,266,000	0	203,736	0	0	12,581,913	0	0	0	15,051,649	3.75%	739
2011	2,597,000	0	267,702	0	0	13,354,935	0	0	0	16,219,637	4.04%	797
2010	2,959,000	0	329,791	0	0	14,071,957	0	0	100,816	17,461,564	5.12%	858
2009	2,247,000	0	390,060	555,000	0	7,673,000	7,145,000	476,793	107,244	18,594,097	5.22%	875
2008	2,367,000	0	412,603	1,376,000	22,017	8,083,000	13,800,000	775,547	40,356	26,876,523	7.55%	1,265
2007	2,484,000	0	475,974	997,000	31,027	8,481,000	7,850,000	1,059,906	5,163	21,384,070	6.00%	1,006
2006	2,598,177	379,500	462,010	947,000	40,037	8,871,823	8,065,000	1,196,905	5,957	22,566,409	6.34%	1,062
2005	2,657,072	379,500	462,010	1,176,932	49,046	9,072,930	7,005,000	1,588,176	6,751	22,397,417	6.29%	1,054



Source: Ashland City Finance Dept

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

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
2014	20,362	\$ 833,417,771	\$ 12,710,743	\$ 323,259	\$ 12,387,484	1.49%	608
2013	20,362	881,160,839	13,966,724	264,491	13,702,233	1.56%	673
2012	20,362	880,386,263	14,847,913	199,846	14,648,067	1.66%	719
2011	20,362	872,452,752	15,951,935	151,652	15,800,283	1.81%	776
2010	20,362	948,661,415	17,030,957	190,480	16,840,477	1.78%	827
2009	21,249	948,261,889	17,620,000	60,721	17,559,279	1.85%	826
2008	21,249	1,046,805,472	25,626,000	0	25,626,000	2.45%	1,206
2007	21,249	1,144,898,979	19,812,000	13,783	19,798,217	1.73%	932
2006	21,249	1,295,709,184	20,482,000	102,746	20,379,254	1.57%	959
2005	21,249	1,094,991,202	19,911,934	43,250	19,868,684	1.81%	935

(1) U.S. Census Bureau

(2) Ashland County, Ohio: County Auditor

(3) General Obligation Bonds supported by property taxes.

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

Debt Capacity

Direct and Overlapping Governmental Activities Debt

As of December 31, 2014

Jurisdiction	Total Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Ashland
Direct - City of Ashland			
General Obligation Bonds	\$1,623,850	100.00%	\$1,623,850
ODOT Loan	77,290	100.00%	77,290
City of Ashland	1,701,140		1,701,140
Overlapping			
Ashland City School District			
General Obligation Bonds	56,790,623	70.01%	39,759,115
Total Overlapping Debt	56,790,623		39,759,115
Total	\$58,491,763		\$41,460,255

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

	2014		2013		2012		2011		2010		2009		2008		2007		2006		2005
\$	12,710,743	\$	13,966,724	\$	14,847,913	\$	15,951,935	\$	17,030,957	\$	9,920,000	\$	10,450,000	\$	10,965,000	\$	11,470,000	\$	11,730,002
	0		0		0		0		0		7,700,000		15,176,000		8,847,000		9,012,000		8,181,932
\$	12,710,743	\$	13,966,724	\$	14,847,913	\$	15,951,935	\$	17,030,957	\$	17,620,000	\$	25,626,000	\$	19,812,000	\$	20,482,000	\$	19,911,934
	1.56%		1.59%		1.69%		1.83%		1.80%		1.86%		1.55%		1.73%		1.58%		1.82%
\$	298,809,410	\$	314,535,840	\$	313,745,760	\$	310,455,130	\$	336,466,870	\$	335,718,290	\$	345,194,668	\$	347,822,461	\$	360,378,697	\$	341,643,809
\$	628	\$	682	\$	721	\$	797	\$	858	\$	875	\$	1,265	\$	1,006	\$	1,062	\$	1,054
\$	11,086,893	\$	11,981,289	\$	12,581,913	\$	13,354,935	\$	14,071,957	\$	7,673,000	\$	8,083,000	\$	8,481,000	\$	8,871,823	\$	9,072,930
	0 323,259		0 264,491		0 199,846		0 151,652		0 190,480		7,145,000 60,722		13,800,000 0		7,850,000 13,783		8,065,000 102,746		7,005,000 43,250
s	1.300.591	\$	1.720.944	\$	2,066,154	\$	2,445,348	\$	2,768,520	\$	2.741.278	\$	3,743,000	\$	3.467.217	\$	3,442,431	\$	3,790,754
			.,,		_,,		_, , , , , , , , , , , , , , , , , , ,												
\$	31,374,988	\$	33,026,263	\$	32,943,305	\$	32,597,789	\$	35,329,021	\$	35,250,420	\$	36,245,440	\$	36,521,358	\$	37,839,763	\$	35,872,600
	20.074.207		24 205 240		20.077.454		20 452 444		22 500 504		22 500 4 42		22 502 440		22.054.444		24 207 222		32,081,846
	30,074,397		31,305,319		30,877,151		30,152,441		32,360,501		32,509,142		32,502,440		33,054,141		34,397,332		32,081,846
	95.85%		94.79%		93.73%		92.50%		92.16%		92.22%		89.67%		90.51%		90.90%		89.43%
	16,434,518		17,299,471		17,256,017		17,075,032		18,505,678		18,464,506		18,985,707		19,130,235		19,820,828		18,790,409
	1,300,591		1,720,944		2,066,154		2,445,348		2,768,520		2,741,278		3,743,000		3,467,217		3,442,431		3,790,754
\$	15,133,927	\$	15,578,527	\$	15,189,863	\$	14,629,684	\$	15,737,158	\$	15,723,228	\$	15,242,707	\$	15,663,018	\$	16,378,397	\$	14,999,655
	\$ \$ \$ \$	0 \$ 12,710,743 \$ 298,809,410 \$ 628 \$ 11,086,893 0 323,259 \$ 1,300,591 \$ 31,374,988 30,074,397 95,85% 16,434,518	0 \$ 12,710,743 \$ \$ 298,809,410 \$ \$ 298,809,410 \$ \$ 628 \$ \$ 11,086,893 \$ 0 323,259 \$ \$ 1,300,591 \$ \$ 31,374,988 \$ 30,074,397 95.85% 16,434,518	0 0 \$ 12,710,743 \$ 13,966,724 \$ 298,809,410 \$ 314,535,840 \$ 298,809,410 \$ 314,535,840 \$ 298,809,410 \$ 314,535,840 \$ 11,086,893 \$ 11,981,289 0 0 323,259 264,491 \$ 31,374,988 \$ 33,026,263 30,074,397 31,305,319 95,85% 94,79% 16,434,518 17,299,471	0 0 0 \$ 12,710,743 \$ 13,966,724 \$ \$ 298,809,410 \$ 314,535,840 \$ \$ 298,809,410 \$ 314,535,840 \$ \$ 628 \$ 682 \$ \$ 628 \$ 682 \$ \$ 11,086,893 \$ 11,981,289 \$ \$ 11,000,591 \$ 1,720,944 \$ \$ 31,374,988 \$ 33,026,263 \$ \$ 30,074,397 31,305,319 \$ 94.79% \$ 16,434,518 17,299,471 \$	0 0 0 0 \$ 12,710,743 \$ 13,966,724 \$ 14,847,913 \$ 298,809,410 \$ 314,535,840 \$ 313,745,760 \$ 298,809,410 \$ 314,535,840 \$ 313,745,760 \$ 298,809,410 \$ 314,535,840 \$ 313,745,760 \$ 298,809,410 \$ 314,535,840 \$ 313,745,760 \$ 11,086,893 \$ 11,981,289 \$ 12,581,913 0 0 0 0 323,259 \$ 11,981,289 \$ 12,581,913 0 0 264,491 \$ 199,846 \$ 31,374,988 \$ 33,026,263 \$ 32,943,305 30,074,397 31,305,319 30,877,151 95,85% 94.79% 93.73% 16,434,518 17,299,471 17,256,017	0 0 0 0 \$ 12,710,743 \$ 13,966,724 \$ 14,847,913 \$ \$ 298,809,410 \$ 314,535,840 \$ 313,745,760 \$ \$ 298,809,410 \$ 314,535,840 \$ 313,745,760 \$ \$ 628 \$ 682 \$ 721 \$ \$ 628 \$ 682 \$ 721 \$ \$ 11,086,893 \$ 11,981,289 \$ 12,581,913 \$ \$ 11,006,991 \$ 1,720,944 \$ 2,066,154 \$ \$ 31,374,988 \$ 33,026,263 \$ 32,943,305 \$ \$ 31,374,988 \$ 33,026,263 \$ 32,943,305 \$ \$ 30,074,397 31,305,319 30,877,151 \$ \$ \$ 95,85% 94,79% \$ \$ \$ \$ 16,434,518 17,29	0 0	0 0	0 0	0 0	0 0 0 0 0 0 0 0 7,700,000 \$ 12,710,743 \$ 13,966,724 \$ 14,847,913 \$ 15,951,935 \$ 17,030,957 \$ 17,620,000 \$ 1.56% 1.59% 1.59% 1.69% \$ 1.83% \$ 1.80% \$ 335,718,290 \$ 628 \$ 682 \$ 721 \$ 797 \$ 858 \$ 875 \$ 11,086,893 \$ 11,981,289 \$ 12,581,913 \$ 13,354,935 \$ 14,071,957 \$ 7,673,000 \$ 11,086,893 \$ 11,981,289 \$ 12,581,913 \$ 13,354,935 \$ 14,071,957 \$ 7,673,000 \$ 323,259 \$ 1,720,944 \$ 2,066,154 \$ 2,445,348 \$ 2,768,520 \$ 2,741,278 \$ 31,305,319 30,877,151 30,152,441 32,560,	0 0 0 0 0 0 0 0 0 7,700,000 1 12,710,743 \$ 13,966,724 \$ 14,847,913 \$ 15,951,935 \$ 17,030,957 \$ 17,620,000 \$ 1 1.56% 1.59% 1.69% 1.83% 1.83% 1.80% 335,718,290 \$ 298,809,410 \$ 314,535,840 \$ 313,745,760 \$ 310,455,130 \$ 336,466,870 \$ 335,718,290 \$ \$ 628 \$ 682 \$ 721 \$ 797 \$ 858 \$ 875 \$ \$ 11,086,893 \$ 11,981,289 \$ 12,581,913 \$ 13,354,935 \$ 14,071,957 \$ 7,673,000 \$ \$ 1,300,591 \$ 1,720,944 \$ 2,066,154 \$ 2,445,348 \$ 2,768,520 \$ 2,741,278 \$ \$ 31,305,319 <	0 0 0 0 0 0 0 7,700,000 15,176,000 \$ 12,710,743 \$ 13,966,724 \$ 14,847,913 \$ 15,951,935 \$ 17,030,957 \$ 17,620,000 \$ 25,626,000 \$ 1.56% 1.59% 1.69% 1.83% 1.80% 1.80% 1.86% 1.55% \$ 298,809,410 \$ 314,535,840 \$ 313,745,760 \$ 310,455,130 \$ 336,466,870 \$ 335,718,290 \$ 345,194,668 \$ 628 \$ 662 \$ 721 \$ 797 \$ 858 \$ 7673,000 \$ 8,083,000 0 0 0 0 0 0 7,745,000 \$ 8,083,000 323,259 2 17,20,944 \$ 2,066,154 \$ 2,445,348 \$ 2,768,520 \$ 2,741,278 \$ 3,743,000 \$ 31,374,988 \$	0 0 0 0 0 0 0 7,700,000 15,176,000 \$ 12,710,743 \$ 13,966,724 \$ 14,847,913 \$ 15,951,935 \$ 17,030,957 \$ 17,620,000 \$ 25,626,000 \$ \$ 1.56% 1.59% 1.69% 1.69% 1.83% 1.80% 1.86% 1.56% 1.55% \$ 336,466,870 \$ 335,718,290 \$ 345,194,668 \$ \$ 298,809,410 \$ 314,535,840 \$ 313,745,760 \$ 310,455,130 \$ 336,466,870 \$ 335,718,290 \$ 345,194,668 \$ \$ 628 \$ 682 \$ 721 \$ 797 \$ 858 \$ 7673,000 \$ 8,083,000 \$ \$ 11,086,893 \$ 11,981,289 \$ 12,581,913 \$ 13,354,935 \$ 14,071,957 \$ 7.673,000 \$ 8,083,000 \$ \$ 13,005,919 \$ 1,720,944 \$ 2,066,154 \$	0 0 0 0 0 0 0 7,700,000 15,176,000 8,847,000 1 12,710,743 \$ 13,966,724 \$ 14,847,913 \$ 15,951,935 \$ 17,030,957 \$ 17,620,000 \$ 25,626,000 \$ 19,812,000 \$ 1,56% 1.59% 1.69% 1.69% 1.83% 1.80% 1.80% 335,718,290 \$ 345,194,668 \$ 347,822,461 \$ 628 682 \$ 721 \$ 797 \$ 858 \$ 875 \$ 1.265 \$ 1.006 \$ 11,086,893 \$ 11,981,289 \$ 12,581,913 \$ 13,354,935 \$ 14,071,957 \$ 7,673,000 \$ 8,083,000 \$ 8,481,000 7,350,000 3,467,217 \$ 11,086,893 \$ 1,720,944 \$ 2,066,154 \$ 2,445,348 \$ 2,768,520 \$ 2,741,278 \$ 3,62,440 \$ 3,652,1358 \$ 31,374,988 \$ 33,026,263	1 0 0 0 0 0 0 7,700,000 15,176,000 8,847,000 5 1 1,2710,743 S 13,366,724 S 14,847,913 S 15,951,935 S 17,030,957 S 17,620,000 S 25,626,000 S 19,812,000 S 1 5 298,809,410 S 14,837,5760 S 18,33% 1,80% 336,466,870 S 335,718,290 S 345,194,668 S 347,822,461 S 5 628 S 682 S 721 S 797 S 858 S 875 S 1,265 S 1,006 S 5 628 S 682 S 721 S 797 S 858 S 875 S 1,265 S 1,006 S 5 11,086,893 S 11,981,289 S 12,581,913 S 13,354,935 S 14,071,957 S 7,673,000 S 8,083,000 S 8,481,000 S 5	0 0 0 0 0 0 7,700,000 15,176,000 8,847,000 9,012,000 5 12,710,743 5 13,966,724 5 14,847,913 5 15,951,935 5 17,030,957 5 17,620,000 5 25,626,000 5 19,812,000 5 20,482,000 1.56% 1.59% 1.69% 1.69% 1.83% 1.80% 1.86% 1.55% 1.73% 1.58% 5 298,809,410 5 314,535,840 5 310,455,130 5 336,466,870 5 335,718,290 5 345,194,668 5 347,822,461 5 360,378,697 5 628 5 682 5 721 5 797 5 858 5 7,673,000 5 8,083,000 5 8,481,000 5 8,871,823 6 11,981,289 5 12,581,913 5 13,354,935 5 14,071,957 5 7,673,000 5 8,083,000 5 8,481,000 5 8,871,823 9 323,2597 9 19,	1 0 0 0 0 0 0 7,700,000 15,176,000 8,847,000 9,012,000 5 1 12,710,743 S 13,966,724 S 14,847,913 S 15,951,935 S 17,030,957 S 17,620,000 S 25,626,000 S 19,812,000 S 20,482,000 S 1 5 298,809,410 S 13,966,724 S 14,89% 1,83% 1,80% 1,86% 1,55% 1,73% 1,59% 1,59% 310,455,130 S 336,466,870 S 335,718,290 S 345,194,688 S 347,822,461 S 360,378,697 S S 628 S 682 S 721 S 797 S 858 S 375 S 1,265 S 1,006 S 3,8871,823 S S 11,086,893 S 11,981,289 S 12,581,913 S 13,354,935 S 14,071,957 S 7,673,000 S 8,083,000 S 8,481,000 S 8,8871,823 S

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.

Demographic and Economic Information Demographic and Economic Statistics

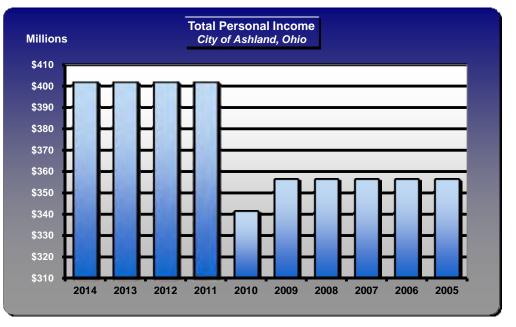
Last Ten Years

Year	Population (1)	Т	otal Personal Income	Pe	er Capita Personal Income (1)	lian Household Income (1)		an Age (1)	Bachelor's Degree or Higher (%) (1)	School Enrollment (1)	Unemployment Rate (1)	Total Assessed Property Value (2)
2014	20,362 c	\$	401,640,450	\$	19,725 c	\$ 37,776 c		36.1 c	25.9 c	6,064 c	7.2 c	\$ 298,809,410
2013	20,362 c		401,640,450		19,725 c	37,776 c		36.1 c	25.9 c	6,064 c	7.2 c	314,535,840
2012	20,362 c		401,640,450		19,725 c	37,776 c		36.1 c	25.9 c	6,064 c	7.2 c	313,745,760
2011	20,362 c		401,640,450		19,725 c	37,776 c		36.1 c	25.9 c	6,064 c	7.2 c	310,455,130
2010	20,362 b		341,267,120		16,760 b	34,250 b		34.8 b	19.6 b	6,104 b	5.6 b	336,466,870
2009	21,249 a		356,133,240		16,760 a	34,250 a	:	34.8 a	19.6 a	6,104 a	5.6 a	335,718,290
2008	21,249 a		356,133,240		16,760 a	34,250 a	:	34.8 a	19.6 a	6,104 a	5.6 a	345,123,298
2007	21,249 a		356,133,240		16,760 a	34,250 a	;	34.8 a	19.6 a	6,104 a	5.6 a	360,378,697
2006	21,249 a		356,133,240		16,760 a	34,250 a	;	34.8 a	19.6 a	6,104 a	5.6 a	345,123,298
2005	21,249 a		356,133,240		16,760 a	34,250 a	;	34.8 a	19.6 a	6,104 a	5.6 a	347,822,461

(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



Demographic and Economic Information

Principal Employers

Current Year and Nine Years Ago

	2014		2005								
Employer*	Employees	Percentage of Total City Employment	Employer*	Employees	Percentage o Total City Employmen						
Ashland University	2,181	9.40%	Ashland University	2,846	11.26%						
Samaritan Hospital	753	3.24%	Pentair Flow Tech	779	3.089						
Wil Research Lab	728	3.14%	Samaritan Hospital	723	2.869						
Ashland City Schools	569	2.45%	Ashland City Schools	674	2.67						
Ashland County Auditor	496	2.14%	Ashland County Auditor	523	2.07						
Brethren Care	423	1.82%	City of Ashland	333	1.32						
Wamary	414	1.78%	Walmart	318	1.26						
Ball Bounce & Sport	412	1.78%	Brethren Care	311	1.23						
Pentair Flow Technologies	331	1.43%	State of Ohio	298	1.18						
City of Ashland	317	1.37%	Buehler Food	286	1.13						

Total	6,624	28.55%
Total City Employees	23,205	

Total	7,091	28.06%
Total City Employees	25,281	
Total City Employees	20,201	

Source: Income Tax Department, City of Ashland, Ohio

* Employers are listed by gross wages paid.

Financial Trends Information

Net Position by Component

Last Ten Years

(accrual basis of accounting)

Governmental Activities	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Net Investment in Capital Assets	\$17,422,128	\$16,588,886	\$16,986,579	\$17,429,633	\$16,855,976	\$17,480,892	\$17,364,157	\$17,464,839	\$15,878,702	\$15,396,151
Restricted	4,154,526	5,112,823	4,870,075	5,247,071	4,697,276	5,041,024	5,354,993	5,917,701	4,546,053	4,897,655
Unrestricted	1,835,640	1,954,192	2,201,835	2,667,214	2,865,621	2,541,609	1,405,084	2,943,854	2,718,074	2,541,807
Total Governmental Activities Net Position	23,412,294	23,655,901	24,058,489	25,343,918	24,418,873	25,063,525	24,124,234	26,326,394	23,142,829	22,835,613
Business-Type Activities										
Net Investment in Capital Assets	25,785,110	25,443,512	24,787,398	24,249,832	23,585,113	22,448,977	19,848,064	19,156,906	17,836,938	14,082,876
Unrestricted	8,779,770	7,201,270	6,262,735	5,382,269	4,551,881	4,134,822	6,181,991	6,250,563	6,838,306	10,655,019
Total Business-Type Activities Net Position	34,564,880	32,644,782	31,050,133	29,632,101	28,136,994	26,583,799	26,030,055	25,407,469	24,675,244	24,737,895
Primary Government										
Net Investment in Capital Assets	43,207,238	42,032,398	41,773,977	41,679,465	40,441,089	39,929,869	37,212,221	36,621,745	33,715,640	29,479,027
Restricted	4,154,526	5,112,823	4,870,075	5,247,071	4,697,276	5,041,024	5,354,993	5,917,701	4,546,053	4,897,655
Unrestricted	10,615,410	9,155,462	8,464,570	8,049,483	7,417,502	6,676,431	7,587,075	9,194,417	9,556,380	13,196,826
Total Primary Government Net Position	\$57,977,174	\$56,300,683	\$55,108,622	\$54,976,019	\$52,555,867	\$51,647,324	\$50,154,289	\$51,733,863	\$47,818,073	\$47,573,508

			E	inancial Trends Infor	mation					
				Changes in Net Posi						
				Last Ten Years						
			(accrual basis of accou	inting)					
			2012		2010	2009	2008	2007	2006	2005
Program Revenues	2014	2013	2012	2011	2010	2009	2008	2007	2000	2005
Governmental Activities:										
Charges for Services:										
General Government	881,080	\$ 806,924	\$ 889,651	\$ 1,514,835	\$ 1,487,776	\$ 1,331,320	\$ 1,324,950	\$ 1,621,076	\$ 686,995	\$ 708,13
Security of Persons and Property	1,565,029	1,415,299	1,557,252	1,572,044	1,512,569	1,461,705	1,435,562	1,381,724	1,132,691	1,225,86
Public Health	68,751	174,157	238,699	216,045	241,702	399,078	67,220	62,497	282,529	189,81
Leisure Time Services	76,904	71,538	70,282	67,664	64,942	91,685	90,603	56,366	64,548	75,14
Transportation	31,361	24,044	249	305,695	319,728	364,678	222,551	315,859	7,132	4,830
Community Development	0	0	0	0	23,527	0	0	0	2,059	34,492
Operating Grants, Contributions and Interest	1,787,826	2,054,374	1,854,051	2,642,624	2,361,638	2,678,173	2,057,660	2,978,931	1,735,281	2,283,613
Capital Grants, Contributions and Interest	1,180,004	766,359	304,663	513,400	42,698	0	0_	41,447	383,763	1,073,487
Total Governmental Activities Program Revenues	5,590,955	5,312,695	4,914,847	6,832,307	6,054,580	6,326,639	5,198,546	6,457,900	4,294,998	5,595,378
Business-Type Activities:										
Charges for Services:										
Water	3,595,280	3,640,755	3,298,482	3,571,678	3,540,445	3,616,111	3,520,505	3,520,855	3,490,314	2,842,528
Sewer	3,919,125	3,958,563	3,751,473	3,578,750	3,307,884	3,023,932	2,964,354	3,077,761	2,875,886	2,436,514
Sanitation	1,827,009	1,825,909	1,844,651	1,884,653	1,830,742	1,776,691	1,769,983	1,766,002	1,653,907	1,614,162
Other	945,384	965,428	1,044,051	959,143	1,026,093	1,047,545	530,781	507,956	605,911	613,555
Operating Grants, Contributions and Interest	945,584	905,428	1,015,271	959,145	1,020,093	2,128	330,781	258	233	1,098,702
Capital Grants, Contributions and Interest	82,089	290,546	297,557	295,005	453,322	317,918	708,451	702,950	0	1,098,702
Total Business-Type Activities Program Revenues	10,368,887	10,681,201	10,207,434	10,289,229	10,158,486	9,784,325	9,494,445	9,575,782	8,626,251	8,605,461
Total Primary Government Program Revenues	15,959,842	15,993,896	15,122,281	17,121,536	16,213,066	16,110,964	14,692,991	16,033,682	12,921,249	14,200,839
Expenses										
Governmental Activities:										
General Government	4,551,037	4,556,731	4,873,750	5,341,766	5,618,313	4,901,152	5,605,535	4,968,816	4,263,566	4,317,791
Security of Persons and Property	7,529,505	6,976,843	6,961,052	6,836,097	6,965,365	7,171,283	7,237,405	6,784,358	6,724,134	6,094,828
Public Health	300,114	296,042	297,364	315,944	325,085	307,075	278,645	278,792	286,343	241,998
Leisure Time Services	939,238	894,106	1,131,083	1,181,955	1,323,969	1,197,605	1,181,681	1,155,718	1,080,716	1,112,301
Transportation	2,322,553	2,947,541	2,446,458	2,785,525	2,601,886	2,294,355	3,075,759	2,145,360	2,481,334	3,175,923
Community Development	634,148	446,357	574,802	455,576	465,674	363,379	607,586	280,071	729,787	814,799
Interest and Fiscal Charges	60,821	73,794	112,685	127,022	141,477	217,392	143,350	203,089	162,169	132,990
Issuance Costs	0	33,073	0	0	0	33,243	0	0	0	(
Total Governmental Activities Expenses	16,337,416	16,224,487	16,397,194	17,043,885	17,441,769	16,485,484	18,129,961	15,816,204	15,728,049	15,890,630
Business-Type Activities:										
Water	3,303,647	3,656,554	3,372,372	3,470,157	3,546,848	3,750,067	3,564,277	3,220,773	2,876,249	2,883,882
Sewer	3,082,994	2,772,679	2,939,944	2,862,379	2,797,203	2,524,962	3,087,637	3,403,143	3,457,361	2,294,196
Sanitation	1,522,213	1,517,356	1,666,114	1,718,055	1,640,119	1,676,694	1,777,164	1,733,145	1,742,641	1,605,048
Other	961,090	1,036,704	978,837	887,047	816,880	1,353,645	831,373	669,767	654,844	591,940
Total Business-Type Activities Expenses	8,869,944	8,983,293	8,957,267	8,937,638	8,801,050	9,305,368	9,260,451	9,026,828	8,731,095	7,375,066
		0,000,000		0,001,000	0,001,000	0,000,000	0,200,101	0;020;020	0,701,000	1,010,000

			Fina	y of Ashland, O ancial Trends Informa Changes in Net Positio Last Ten Years crual basis of account	ation on					
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Net (Expense)/Revenue										
Governmental Activities	(10,746,461)	(10,911,792)	(11,482,347)	(10,211,578)	(11,387,189)	(10,158,845)	(12,931,415)	(9,358,304)	(11,433,051)	(10,295,252
Business-Type Activities	1,498,943	1,697,908	1,250,167	1,351,591	1,357,436	478,957	233,994	548,954	(104,844)	1,230,395
Total Primary Government Net Expense	\$ (9,247,518)	\$ (9,213,884)	\$ (10,232,180)	\$ (8,859,987)	\$ (10,029,753)	\$ (9,679,888)	\$ (12,697,421)	\$ (8,809,350)	\$ (11,537,895)	\$ (9,064,85
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	1,085,428	1,116,594	1,076,792	1,139,664	1,081,107	1,164,661	1,298,913	1,243,168	1,418,737	1,199,079
Income Taxes	8,795,942	8,591,625	8,420,635	8,287,362	7,927,209	8,117,515	8,265,781	8,493,569	8,500,884	8,031,25
Hotel Lodging Tax	6,157	0	0	0	0	0	0	0	0	(
Grants and Entitlements	442,197	692,572	718,298	1,513,673	1,424,438	1,050,112	940,906	1,512,283	1,015,634	1,094,831
Investment Earnings	7,869	7,443	14,052	53,567	111,566	273,954	367,013	641,645	467,275	503,014
Miscellaneous	345,660	272,473	133,248	284,674	369,791	560,446	238,118	282,585	379,930	604,477
Transfers	(180,399)	(143,793)	(166,107)	(135,213)	(171,574)	(68,552)	(381,476)	(179,214)	0	(
Total Governmental Activities	10,502,854	10,536,914	10,196,918	11,143,727	10,742,537	11,098,136	10,729,255	11,994,036	11,782,460	11,432,652
Business-Type Activities:										
Miscellaneous	240,756	26	1,758	8,303	24,185	6,235	7,116	4,057	0	(
Transfers	180,399	143,793	166,107	135,213	171,574	68,552	381,476	179,214	0	(
Total Business-Type Activities	421,155	143,819	167,865	143,516	195,759	74,787	388,592	183,271	0	(
Total Primary Government	10,924,009	10,680,733	10,364,783	11,287,243	10,938,296	11,172,923	11,117,847	12,177,307	11,782,460	11,432,652
Change in Net Position										
Governmental Activities	(243,607)	(374,878)	(1,285,429)	932,149	(644,652)	939,291	(2,202,160)	2,635,732	349,409	1,137,400
Business-Type Activities	1,920,098	1,841,727	1,418,032	1,495,107	1,553,195	553,744	622,586	732,225	(104,844)	1,230,395
Primary Government Change in Net Position	\$ 1,676,491	\$ 1,466,849	\$ 132,603	\$ 2,427,256	\$ 908,543	\$ 1,493,035	(\$1,579,574)	\$3,367,957	\$244,565	\$2,367,795

Financial Trends Information

Program Revenues by Function/Program

Last Ten Years

(accrual basis of accounting)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Function/Program										
Governmental Activities:										
General Government	\$ 1,290,762	\$ 1,174,124	\$ 1,292,531	\$ 1,989,892	\$ 2,016,535	\$ 1,741,248	\$ 1,718,322	\$ 2,100,217	\$ 1,085,928	\$ 855,143
Security of Persons and Property	1,783,807	1,501,904	1,700,731	1,756,354	1,778,552	1,644,348	1,670,050	1,560,439	1,307,901	1,423,492
Public Health	68,751	174,157	238,699	216,045	241,702	399,078	67,220	62,497	282,529	189,816
Leisure Time Services	125,179	95,251	114,681	621,367	250,486	537,183	137,803	110,129	128,967	119,688
Community Development	789	419,439	132,963	568,170	276,327	393,603	72,701	645,823	27,405	1,644,520
Transportation	2,321,667	1,947,820	1,435,242	1,680,479	1,490,978	1,611,179	1,532,450	1,978,795	1,462,268	1,362,719
Total Governmental Activities	5,590,955	5,312,695	4,914,847	6,832,307	6,054,580	6,326,639	5,198,546	6,457,900	4,294,998	5,595,378
Business-Type Activities:										
Water	3,677,369	3,931,301	3,370,224	3,724,563	3,607,516	3,618,546	4,208,372	3,652,078	3,490,547	3,941,230
Sewer	3,919,125	3,958,563	3,977,288	3,657,377	3,694,135	3,341,164	2,984,938	3,649,488	2,875,886	2,436,514
Sanitation	1,827,009	1,825,909	1,844,651	1,884,653	1,830,742	1,776,691	1,769,983	1,766,002	1,653,907	1,614,162
Other	945,384	965,428	1,015,271	1,022,636	1,026,093	1,047,924	531,152	508,214	605,911	613,555
Total Business-Type Activities	10,368,887	10,681,201	10,207,434	10,289,229	10,158,486	9,784,325	9,494,445	9,575,782	8,626,251	8,605,461

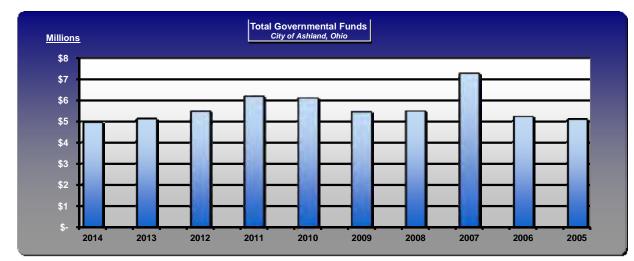
Financial Trends Information Fund Balances, Governmental Funds Last Ten Years

(modified accrual basis of accounting)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Fund										
Nonspendable	\$ 92,636	\$ 93,163	\$ 81,683	\$ 85,412	N/A	N/A	N/A	N/A	N/A	N/A
Committed	0	0	4,758	3,020	N/A	N/A	N/A	N/A	N/A	N/A
Assigned	738,152	1,291,982	1,360,086	129,698	N/A	N/A	N/A	N/A	N/A	N/A
Unassigned	497,540	(3,850)	(10,857)	1,874,507	N/A	N/A	N/A	N/A	N/A	N/A
Reserved	N/A	N/A	N/A	N/A	\$ 10,419	\$ 19,913	\$ 36,406	\$ 111,382	\$ 3,292	\$ 22,342
Unreserved	N/A	N/A	N/A	N/A	2,014,052	1,828,275	1,225,356	2,696,509	2,608,077	2,625,459
Total General Fund	1,328,328	1,381,295	1,435,670	2,092,637	2,024,471	1,848,188	1,261,762	2,807,891	2,611,369	2,647,801
All Other Governmental Funds										
Nonspendable	210,879	171,544	232,366	249,725	N/A	N/A	N/A	N/A	N/A	N/A
Restricted	2,998,800	3,511,353	3,348,469	3,369,915	N/A	N/A	N/A	N/A	N/A	N/A
Committed	416,315	549,195	500,714	480,217	N/A	N/A	N/A	N/A	N/A	N/A
Unassigned	0	(498,280)	(25,580)	(1,982)	N/A	N/A	N/A	N/A	N/A	N/A
Reserved	N/A	N/A	N/A	N/A	399,249	207,892	258,666	231,726	469,464	260,159
Unreserved, Reported in:										
Special Revenue Funds	N/A	N/A	N/A	N/A	2,531,803	2,252,686	2,809,493	3,355,117	1,494,180	1,597,840
Debt Service Funds	N/A	N/A	N/A	N/A	214,217	87,459	14,542	88,472	95,318	13,038
Capital Projects Funds	N/A	N/A	N/A	N/A	925,284	1,077,765	1,158,387	798,838	556,031	573,523

Total Governmental Funds

\$ 4,954,322 \$ 5,115,107 \$ 5,491,639 \$ 6,190,512 \$ 6,095,024 \$ 5,473,990 \$ 5,502,850 \$ 7,282,044 \$ 5,226,362 \$ 5,092,361



Financial Trends Information

Changes in Fund Balances, Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

	2014	2013	2012	2011		2009
Revenues	2014	2013	2012	2011	2010	2003
Property Taxes	\$ 1,081,501	\$ 1,109,885	\$ 1,099,577	\$ 1,157,321	\$ 1,052,925	\$ 1,158,112
Income Taxes	8,658,845	8,692,865	8,312,982	8,166,672	7,927,130	7,840,484
Other Local Taxes	6,157	0	0	0	0	0
Charges for Services	1,313,538	1,098,153	1,489,025	2,543,025	2,440,271	2,666,577
Licenses and Permits	43,066	23,778	21,867	28,051	27,785	53,418
Fines and Forfeitures	1,238,736	1,302,343	1,179,434	1,063,998	1,067,750	1,082,464
Intergovernmental	4,367,505	3,032,039	3,055,646	4,123,298	3,966,281	3,259,390
Special Assessments	3,389	0	0	0	23,527	0
Rental Income	79,450	82,961	73,910	72,191	63,380	52,643
Interest	12,566	14,752	21,087	53,951	111,602	274,215
Contributions and Donations	12,947	10,189	36,317	259,920	47,668	98,519
Other	338,583.00	272,473	139,277	195,116	289,756	503,340
Total Revenues	17,156,283	15,639,438	15,429,122	17,663,543	17,018,075	16,989,162
Expenditures						
Current:						
General Government	4,338,231	4,396,524	4,673,945	5,119,520	5,455,386	5,044,994
Security of Persons and Property	7,180,490	6,674,863	6,676,321	6,510,302	6,707,997	7,026,459
Public Health	300,114	296,042	297,364	315,944	325,085	307,075
Leisure Time Services	837,813	802,092	997,974	1,056,252	1,213,926	1,058,094
Community Development	631,993	437,033	579,507	445,004	483,674	364,060
Transportation	1,579,847	2,209,772	1,736,326	1,957,277	1,833,595	1,480,092
Capital Outlay	1,950,716	563,219	506,080	1,561,427	861,743	1,065,698
Debt Service:	.,,.	,	,	.,		.,,
Principal Retirements	424,164	418,282	394,966	424,089	183,269	414,560
Interest and Fiscal Charges	60,376	77,852	111,947	126,813	117,998	213,663
Issuance Costs	0	33,073	0	0	20,026	33,243
		55,015	0_	0_	20,020	55,245
Total Expenditures	17,303,744	15,908,752	15,974,430	17,516,628	17,202,699	17,007,938
Excess of Revenues Over (Under) Expenditures	(147,461)	(269,314)	(545,308)	146,915	(184,624)	(18,776)
Other Financing Sources (Uses)						
Bond and Note Proceeds	0	0	0	0	835,000	0
Proceeds from Loans	0	0	0	0	0	0
Premium on Debt Issued	0	15,829	0	0	30,629	57,106
Refunding Bonds Issued	0	1,790,000	0	0	0	0
Proceeds from Sale of Capital Assets	9,182	0	0	90,890	48,486	0
Transfers In	193,528	123,185	197,378	773,806	542,449	725,959
Transfers Out	(216,034)	(266,978)	(350,943)	(909,019)	(650,906)	(793,149)
Payment to Refunded Bond Escrow Agent	0	(1,769,254)	0	0	0	0
Other	0	0	0	0	0	0
Total Other Financing Sources (Uses)	(13,324)	(107,218)	(153,565)	(44,323)	805,658	(10,084)
Net Change in Fund Balances	(\$160,785)	(\$376,532)	(\$698,873)	\$102,592	\$621,034	(\$28,860)
Debt Service as a Percentage of Noncapital Expenditures	3.13%	3.45%	3.28%	3.45%	1.85%	3.95%

1112001010	11,000,010	10,101,000	10,00 1,100
5,372,569	5,054,855	4,165,136	3,840,023
6,980,721	6,658,923	6,711,420	5,659,723
304,456	278,792	283,364	243,830
1,051,707	1,037,444	1,321,117	1,054,649
606,201	280,593	742,619	790,187
2,169,051	2,236,464	2,608,188	2,852,190
1,012,083	910,820	343,386	1,302,007
1,186,381	614,001	99,150	239,373
169,428	166,864	196,205	142,109
0	0	0	0
18,852,597	17,238,756	16,470,585	16,124,091
(1,646,957)	750,759	(32,695)	470,402
250,000	997,000	0	0
0	13,964	0	962,010
9,944	16,117	66,728	52,431
0	0	0	0
0	367,716	0	0
846,829	142,340	1,001,162	964,843
(1,239,010)	(232,214)	(1,043,355)	(964,843)
0	0	0	0
0	0	142,560	0
(132,237)	1,304,923	167,095	1,014,441
	¢0.055.000	¢101 100	\$1,484,843
(\$1,779,194)	\$2,055,682	\$134,400	\$1,404,043
7.60%	5.13%	1.95%	2.65%
(Continued)			

2008	 2007	 2006	 2005
\$ 1,285,673	\$ 1,317,357	\$ 1,309,090	\$ 1,194,484
8,231,759	8,578,034	8,510,633	7,978,111
0	0	0	0
2,116,113	2,216,258	1,064,562	1,036,034
34,102	40,911	23,127	83,351
1,098,332	1,159,926	1,066,175	974,169
3,745,252	3,806,575	3,593,929	4,188,542
0	0	0	0
367,013	641,645	467,275	503,014
51,934	0	0	0
47,290	71,661	91,617	84,192
228,172	157,148	311,482	552,596

17,205,640 17,989,515 16,437,890 16,594,493

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Operating Information

Full-Time Equivalent City Government Employees by Function/Program

Last Ten Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Function/Program										
General Government:										
Council	4	3.5	3.5	3.5	3.5	3	3	3	3	3
Mayor	3	3	4	3	3	2.5	2.5	2.5	2.5	2.5
Finance	8	9	5	5.5	6	5	5	5	5	5
Law	5	4.5	4	5	4	5	4	4.5	4.5	5
Engineering	6	5.5	5.5	5	5	4	4	4	4	4
Building and Zoning	3	3	3.5	4	2.5	2	2	2	2	2.5
Human Resources	3	3	3	3	2.5	2	2	2	2	2
Income Tax	5	4	4	4	3.5	4	4	4	4	3
Municipal Court	30.5	29	29	34.5	35.5	30	41	39.5	34.5	34
Municipal Court Community Corrections	2	23	23	2	2	2	2	2	2	2
Municipal Court Probation	4	4	4	4	2	2	2	2	2	2
	4	4	4	4	3	5	2	2	2	I
Security of Persons and Property:										
Police	42.5	42.5	42.5	44	38.5	40	36	32	34.5	33.5
Fire	47.5	38	40	39	37	35	36	35	37	34
Recreation:										
Golf Course	20	21	20.5	18	15	11	12.5	31.5	12.5	13
Park	31	33	31.5	26	23	16.5	19.5	19.5	16	14
Swimming Pool	9.5	9.5	8	8.5	10	10.5	9	10	10	10
Service:										
Building Maintenance	2	2	2	2	2	1	1	1	1	1
Economic Development	4	1	0	0	0	0	0	0	0	0
Justice Center Maintenance	2	1	1	1	1	1.5	1	1	1	1
Maintenance	2	1	1	1	1	1	1	1	0	0
Sanitation	24	24	20	18	14	18	14	13	11	10
Sewer	7	6	6	5	4	6	5	5	5	5
Street Maintenance	21	19	18	21	20	20	18	15	18	16
Technical Services	2	2	2	2	2	2	2	2	2	2
Water Distribution	13.5	14.5	14.5	15	12	13	13	12	14	13
Water Pollution	21	17	21	14	15	14	14	15	15	17
Water Treatment	11	10	10	13	13	14	13	16	13	13
Total Number of Employees	333.5	312	305.5	301	278	266	266.5	279.5	255.5	246.5

Source: Finance Division, City of Ashland, Ohio **Method:** Using 1.0 for each full-time employee, and 0.50 for each part-time and seasonal employee. Count taken from W-2s.

Some employees have more than one W-2.



Operating Information Operating Indicators by Function/Program

Last Ten Years

	2014	2013	2012	2011	2010
Function/Program					
General Government					
Construction Permits Issued (1)	8	15	9	6	9
Estimated Value of Construction (1) **	\$ 1,833,000	\$ 36,431,000	\$ 1,624,000	\$ 1,083,000	\$ 1,213,300
Total Cases Filed (2)	12,117	11,212	12,325	13,265	11,265
Fines Collected (2)	\$ 3,319,318	\$ 3,477,423	\$ 3,307,294	\$ 3,068,278	\$ 3,076,082
Economic Development Projects (3)	70	75	54	40	46
Purchase Orders Issued (4)	3,316	3,568	977	546	735
Number of W-2 Forms Issued (4)	317	322	326	332	336
Police (5)					
Total Incidents	15,182	15,240	16,660	16,554	16,939
Total Arrests	1,917	1,252	1,339	390	1,319
Hours of Training	519	394	530	785	1,592
Total Citations	714	879	1,086	935	1,264
Parking Tickets	383	285	250	305	378
Parking Ticket Fines Collected	\$ 7,345	\$ 5,550	\$ 4,905	\$ 7,220	\$ 7,235
Fire (6)					
Fire Calls	622	541	641	572	543
EMS Calls	3,091	2,897	3,058	3,230	2,988
Total People Reached (Fire Safety Classes)	1,321	732	767	601	386
Hours of Training	6,269	4,170	4,679	3,304	3,792
Fire Loss	\$ 867,945	\$ 1,286,837	\$ 572,215	\$ 5,952,090	\$ 902,210
Public Service					
Tons of snow melting salt used (7)	4,545	3,589	2,419	4,927	4,041
Leaves picked up (cubic yards) (7)	8,562	5,637	6,707	4,823	6,240
Diesel Fuel Used (gal.) (7)*	35,215	35,476	35,483	36,371	35,942
Unleaded Fuel Used (gal.) (7)*	56,995	59,409	58,964	56,164	53,594
Total Water Customers (8)	7,422	7,354	7,257	7,613	7,820
Water Receipts (8)	\$ 3,183,643	\$ 3,188,513	\$ 3,244,157	2,967,778	\$ 3,109,373
Sewer Receipts (8)	\$ 3,898,115	\$ 3,834,517	\$ 3,766,871	3,276,106	\$ 3,179,785
Refuse Receipts (8)	\$ 1,643,962	\$ 1,654,312	\$ 1,795,853	\$ 1,538,533	\$ 1,684,341
Number of trees removed (9)	611	217	272	302	176
Number of trees planted (9)	59	121	110	309	275
Transports (10)	35,360	34,741	32,116	34,012	33,899
Miles Transported (10)	155,901	159,207	162,417	138,830	130,611
Recreation (11)					
Number of Brookside Pool Memberships	123	118	166	159	129
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)

Operating Information Operating Indicators by Function/Program Last Ten Years

(Continued)

	2009	2008	2007	2006	2005
Function/Program					
General Government					
Construction Permits Issued (1)	10	56	95	85	121
Estimated Value of Construction (1)	\$ 22,987,925	\$ 6,634,485	\$ 21,240,687	\$ 17,154,880	\$ 27,558,156
Total Cases Filed (2)	11,866	9,612	11,807	11,903	12,501
Fines Collected (2)	\$ 2,933,817	\$ 923,245	\$ 2,838,741	\$ 746,640	\$ 827,615
Economic Development Projects (3)	45	42	40	40	26
Purchase Orders Issued (4)	473	582	656	708	454
Number of W-2 Forms Issued (4)	346	375	382	388	409
Police (5)					
Total Incidents	18,704	21,028	14,699	14,256	13,500
Total Arrests	1,208	518	1,515	1,279	1,435
Hours of Training	549	2,305	1,167	514	633
Total Citations	1,082	671	1,180	1,093	851
Parking Tickets	379	518	1,452	1,015	760
Parking Ticket Fines Collected	\$ 7,863	\$ 10,098	\$ 1,170	\$ 6,290	\$ 4,830
Fire (6)					
Fire Calls	538	595	592	553	562
EMS Calls	3,016	3,021	3,336	3,041	3,049
Total People Reached (Fire Safety Classes)	1,678	1,134	2,018	4,100	3,838
Hours of Training	4,931	7,317	7,396	6,902	4,692
Fire Loss	\$ 919,800	\$ 1,298,840	\$ 398,950	\$ 1,291,520	\$ 420,200
Public Service					
Tons of snow melting salt used (7)	4,800	8,996	3,537	1,547	4,792
Leaves picked up (cubic yards) (7)	8,818	5,558	7,957	6,361	6,697
Diesel Fuel Used (gal.) (7)*	30,245	1,112	11,181	6,522	9,662
Unleaded Fuel Used (gal.) (7)*	49,236	4,548	6,794	6,202	7,079
Total Water Customers (8)	7,218	7,248	7,924	7,924	7,903
Water Receipts (8)	\$ 3,214,130	\$ 3,230,076	\$ 2,937,860	\$ 2,937,860	\$ 2,542,479
Sewer Receipts (8)	\$ 2,854,567	\$ 2,389,225	\$ 2,446,003	\$ 2,446,003	\$ 2,484,555
Refuse Receipts (8)	\$ 1,706,628	\$ 1,702,745	\$ 1,719,232	\$ 1,719,232	\$ 1,577,952
Number of trees removed (9)	185	315	228	228	107
Number of trees planted (9)	219	183	245	245	40
Transports (10)	27,158	28,430	24,334	24,334	25,700
Miles Transported (10)	129,990	155,565	176,677	176,677	138,105
Recreation (11)					
Number of Brookside Pool Memberships	147	201	212	212	179
Number of Parks	14	13	13	13	13
Size of Parks (Acres)	418	388	388	388	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	(6) City of Ashland Fire Department
(2) City of Ashland Municipal Court	(7) City of Ashland Street Department
(3) City of Ashland Economic Development	(8) City of Ashland Water and Sanitation Division
(4) City of Ashland Finance Division	(9) City of Ashland Arborist Division
(5) City of Ashland Police Department	(10) City of Ashland Transit Division
	(11) City of Ashland Park Division

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

Operating Information

Capital Asset Statistics by Function/Program

Last Ten Years

		2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
	Function/Program										
	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	1	2	2	2	2	5	4	4
(3)	Other Departmental Vehicles	6	6	7	7	7	6	10	10	10	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	22	23	21	19	23	20	31	31	31	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	18	18	17	17	16	18	19	19	19	19
	Other Public Works										
(4)	Streets (miles)	115	115	115	115	115	97	97	95	93	92
*	Streetlights	*	*	*	*	*	*	*	*	*	*
(4)	Traffic Signals (includes flashing)	39	38	38	37	37	31	31	31	31	31
(3)	Public Service Vehicles	87	82	79	80	85	89	130	130	95	89
	Recreation										
(2)	Number of Parks	15	15	15	15	15	14	13	13	13	13
(3)	Vehicles	23	29	32	35	36	22	29	29	34	33
	Water										
(1)	Water mains (miles)	104	104	104	104	104	104	103	103	102	102
(1)	Fire hydrants	921	921	921	920	920	920	916	910	900	900
	Wastewater										
(1)	Sanitary Sewers (miles)	100	100	100	100	100	100	97	96	95	95
(1)	Storm Sewers (miles)	67	67	67	66	66	66	66	64	63	62
. ,	Transit										
(3)	Vehicles	8	9	9	9	9	10	11	10	9	9
(-)		5	0	Ũ	Ŭ	Ũ				Ũ	5

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

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SUPPLEMENTAL REPORTS

FOR THE YEAR ENDED DECEMBER 31, 2014

LARRY PAXTON, DIRECTOR OF FINANCE

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SCHEDULE OF FEDERAL AWARDS EXPENDITURES FOR THE YEAR ENDED DECEMBER 31, 2014

FEDERAL GRANTOR			
Pass Through Grantor	Pass Through	Federal	(A)
Program Title	Grant Number	CFDA Number	Disbursements
U.S. DEPARTMENT OF TRANSPORTATION			
Passed Through Ohio Department of Transportation			
Formula Grants for Rural Areas	RPTF-4090-034-141	20.509	\$ 119,330
Formula Grants for Rural Areas	RPTF-0090-034-143	20.509	19,536
Formula Grants for Rural Areas	RPT-4003-031-131	20.509	14,275
Formula Grants for Rural Areas	RPT-0003-033-132	20.509	6,526
Formula Grants for Rural Areas	RPTF-0090-034-144	20.509	30,849
Total Formula Grants for Rural Areas			190,516
Federal Transit Capital Investment Grants	SUA-0003-100-141	20.500	32,006
Total Federal Transit Capital Investment Grants			32,006
Total U. S. Department of Transportation			222,522
U.S. DEPARTMENT OF ENVIRONMENTAL PROTECTION AGENCY			
Passed Through the N/A - Direct			
Congressionally Mandated Projects	N/A	66.202	112,873
Total U. S. Environmental Protection Agency			112,873
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed Through the N/A - Direct			
Assistance to Firefighters Grant	N/A	97.044	72,000
Total Assistance to Firefighters Grant			72,000
Total U. S. Department of Homeland Security			72,000
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed Through Ohio Department of Development			
Community Development Block Grants/State's program	AC-11-2AC-1	14.228	77,448
Community Development Block Grants/State's program	AC-11-2AC-1	14.228	144,024
Community Development Block Grants/State's program	AF-11-2AC-1	14.228	3,274
Community Development Block Grants/State's program	AF-13-2AC-1	14.228	68,320
Community Development Block Grants/State's program	AC-13-2AC-1	14.228	131,058
Community Development Block Grants/State's program	AT-11-2AC-2	14.228	15,000
Total Community Development Block Grants/State's program			439,124
Home Investment Partnerships Program	AC-13-2AC-2	14.239	123,576
Total Home Investment Partnerships Program			123,576
Total U. S. Department of Housing and Urban Development			562,700
TOTAL			\$ 970,095

The accompanying notes are an integral part of this schedule.

NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES FOR THE YEAR ENDED DECEMBER 31, 2014

Note A - Significant Accounting Policies

The Schedule of Expenditures of Federal Awards reports the City of Ashland's federal award programs' disbursements. The Schedule has been prepared on the cash basis of accounting.

Note B - Matching Requirements

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



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, 2014, 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 19, 2015.

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 communication is not suitable for any other purpose.

Julian & Sube the?

Julian & Grube, Inc. June 19, 2015



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

Independent Auditor's Report on Compliance With Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance Required by *OMB Circular A-133* and the Schedule of Federal Awards Expenditures

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

To the Members of Council and Mayor:

Report on Compliance for the Major Federal Program

We have audited the City of Ashland's compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the City of Ashland's major federal program for the year ended December 31, 2014. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City of Ashland's major federal program.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on The Major Federal Program

In our opinion, the City of Ashland complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2014.

Report on Internal Control over Compliance

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

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

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

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

Report on the Schedule of Federal Awards Expenditures

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Ashland as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City of Ashland's basic financial statements. We issued our unmodified report dated June 19, 2015. We conducted our audit to opine on the City of Ashland's basic financial statements. The accompanying schedule of federal awards expenditures presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Julian & Sube the

Julian & Grube, Inc. June 19, 2015

SCHEDULE OF FINDINGS OMB CIRCULAR A-133 § .505 DECEMBER 31, 2014

	1. SUMMARY OF AUDITORS' RE	SULTS				
(d)(1)(i)	Type of Financial Statement Opinion	Unmodified				
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No				
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No				
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No				
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No				
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No				
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified				
(d)(1)(vi)	Are there any reportable findings under §.510(a)?	No				
(d)(1)(vii)	Major Program (listed):	Community Development Block Grants/State's Program, CFDA #14.228				
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A:>\$300,000 Type B: all others				
(d)(1)(ix)	Low Risk Auditee?	Yes				

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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Dave Yost • Auditor of State

CITY OF ASHLAND

ASHLAND COUNTY

CLERK'S CERTIFICATION

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

Susan Babbett

CLERK OF THE BUREAU

CERTIFIED SEPTEMBER 29, 2015

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