

# City of Ashland, Ohio

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## Comprehensive Annual Financial Report (CAFR)

For Year Ended December 31, 2008

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## **INTRODUCTORY SECTION**

**CITY OF ASHLAND  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 YEAR ENDED DECEMBER 31, 2008**

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**CITY OF ASHLAND**  
Municipal Building  
206 Clarendon Ave.  
Ashland, Ohio 44805  
(419) 289-8170  
FAX: (419) 281-0400

Acting Director of the  
Finance Division

August 27, 2009

TO: Ashland City Council and Citizens of Ashland, Ohio

### **The Comprehensive Annual Financial Report**

The Ohio Revised Code requires that every public office, other than a state agency, publish a financial report for each fiscal year. Because the City prepares this report pursuant to generally accepted accounting principles, the report must be filed with the Auditor of State within one hundred fifty (150) days after the end of the fiscal year. This document is produced to fulfill this requirement for the year ended December 31, 2008.

City Management is fully responsible for the completeness and reliability of the information contained in this report. The City of Ashland uses a comprehensive framework of internal controls to ensure this information is dependable. Because the cost of internal controls should not exceed the benefit derived from such controls, the objective of the framework is to provide reasonable and assurance that this report is free from any material misstatements.

Rea & Associates, Inc., Accountants and Business Consultants, have issued an unqualified (“clean”) opinion for the City of Ashland’s financial statements for the year ended December 31, 2008. The independent auditor’s report is located in the front of the financial section of this report.

Management Discussion and Analysis (MD&A) immediately follows the independent auditor’s report. The MD&A provides a narrative of the financial statements, including an introduction, overview and analysis of information reported in this document. MD&A complements this letter of transmittal and should be read in conjunction with it.

### **Profile of the Government**

The City of Ashland, Ohio was incorporated in 1884 and is located in the north central part of the State of Ohio. The City’s 10.85 square mile area is home to a population of 21,249. Located within Ashland County, Ashland is a home rule municipal corporation under the laws of the State of Ohio and, as such, operated under its’ own Charter. The current Charter was adopted June 18, 1914 and has undergone several amendments, with the last being in 2007. The city government consists of a Mayor, a four member Council and a Council President. All of these officials are elected to four-year terms.

## **Profile of the Government (Continued)**

The City provides a full range of municipal services contemplated by its' Charter. These services include police, fire, health care, recreational programs, planning and zoning, and general administrative services.

For financial reporting purposes, the City includes in this report all funds, agencies, boards and commissions that are controlled by, or dependent on the City legislative branch. "Controlled by" or "dependent on" the City is determined on the basis of budget adoption, taxing authority of the City, and/or the City's obligation to fund any deficits that may occur.

Annual budgets are adopted for all City funds. Under state law, the annual tax budget is required to be submitted to Council for consideration and approval no later than July 15th. By City Charter, an annual appropriation ordinance must be passed by no later than March 31<sup>st</sup>. The ordinance builds upon the tax budget of the previous July and is updated for any estimates or revisions. The legal level of City Council appropriated budgetary control is at the personal services or other services level within all funds.

## **Historical Local Economy Analysis 5-10 year for Ashland, Ohio**

The City works closely with the Ashland Area Council for Economic Development (AACED) for business attraction and business expansion services. AACED files indicate that approximately 1,500 manufacturing jobs were lost in the late 1990s through 2002. Consolidations and closing of companies such as Caraustar, Hedstrom, Timken, and Bosch reflected our City's transition from a high-volume commodity-type manufacturing town to our current focus on niche industries and product innovation.

With the exception of Hospira's closing in 2007, which removed approximately 450 jobs from the local economy, the off-shoring and consolidation trend has subsided. Nevertheless, the City and County are dealing with a twelve percent (12%) unemployment rate during this current national recession.

Positive economic signs include:

1. AACED's continued work with the industrial base in and around the City of Ashland. Many large companies are beginning to explore emerging markets, such as alternative energy products (wind turbines, solar panels, biomass-based devices, etc.).
2. While outside the City of Ashland, large employers in the northern and southern sections of the county respectively (American Augers and Mansfield Plumbing Products) have collectively spent over \$15 million in physical improvements to their plants. This is a great sign of potential future employment for our citizens.
3. Barbasol, LLC announced a \$7.25 million investment in the City's Business Park in August 2009. This project will create 30 jobs in 2010.

## **Historical Local Economy Analysis 5-10 year for Ashland, Ohio (Continued)**

4. The BioScience Consortium of Northeast Ohio, in partnership with local institutions like Ashland-West Holmes Career Center and North Central State College, are successfully collaborating with one of the City's biggest employers—WIL Research, employer of 700. WIL (and the overall bioscience industry) holds great potential for the future of Ashland.

## **Financial Management Initiatives**

The elected Finance Director prepares and maintains the Accounting Policies and Procedures Manual, which has all the new financial policies and procedures:

1. The Procurement Policy was adopted.
2. The City of Ashland has been awarded for having the first Financial Disaster Minimization Policy in 2003 by the Association of Public Treasurers of the United States and Canada.
3. In 2007, the City Council approved a new Investment Policy which was nationally recognized for certification award by the Association of Public Treasurers of the United States and Canada.
4. In 2006, the City Council approved a Cash Handling Policy which has also been recognized for certification by the Association of Public Treasurers of the United States and Canada.
5. The City Management will be analyzing and reviewing the need to have a debt policy and a cash reserve policy.
6. The City of Ashland has been awarded a Certificate of Achievement for Excellence in Financial Reporting for our Comprehensive Annual Financial Report for the Fiscal Year ended December 31, 2007 by the Government Finance Officers Association of the United States and Canada.

## **Major Initiatives**

The City continues to move forward with infrastructure projects. The \$1,250,000.00 US EPA 17 Waterline Replacement Project started the construction phase in 2008 and will be continuing into 2009. The City added an additional one thousand five hundred (1,500) feet of roadway in the Ashland Business Park for \$330,000.00 which was paid by Federal and State highway monies. An additional water well was drilled, which will provide approximately 1 million gallons of water per day once in production. One thousand (1,000) feet of roadway was installed for the new "East View Development"; a private development located on the east side of the city, which

### **Major Initiatives (Continued)**

will include both residential and commercial properties. The City accepted the annexations of two major employers, WIL Research and Bookmasters in 2008; along with retailer, WalMart, which shows continued growth of the City.

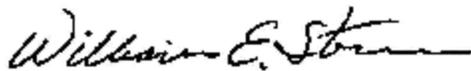
### **Award and Acknowledgements**

This is the second year the City of Ashland, Ohio has completed an Annual Comprehensive Report and will be submitting an application to the Government Finance Officer's Association of the United States and Canada (GFOA) for the Certificate of Achievement for Excellence in Financial Reporting. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. This is a prestigious award for any local government.

A Certificate of Achievement is valid for a period of one year only. I believe our current comprehensive annual financial report meets the program's requirements that we will be submitting to GFOA to determine its eligibility for a certificate.

The preparation of this report would not have been possible without the dedicated and efficient services of the Finance Department and its employees who contributed to this report. Sincere appreciation is given not only for their assistance in the preparation of this report, but also for the efforts expended throughout the year in following good financial management in order to maintain sound business practices.

Respectfully submitted,

A handwritten signature in cursive script, reading "William E. Strine".

William E. Strine,  
Acting Director of Finance Division

**City of Ashland, Ohio**  
Comprehensive Annual Financial Report  
For the year ended December 31, 2008

City Officials

**Ruth G. Detrow**

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

**Robert L. Valentine**

Employed **seasonally** as Recreation Supervisor/Park: 1979 – 1992  
1/1/2004 – present (Council)

**Robert M. Valentine**

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

**Paul E. Wertz**

1/1/1986 – present (Council)

**Stephen L. Stuart**

2/5/2008 – present (Council)

**Glen P. Stewart**

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

**Jacob M. Fridline**

4/6/1979 – 12/31/1993 (Acting Judge)  
1/1/1994 – present (Municipal Court Judge)

**Richard P. Wolfe II**

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

**Anna M. Tomasek**

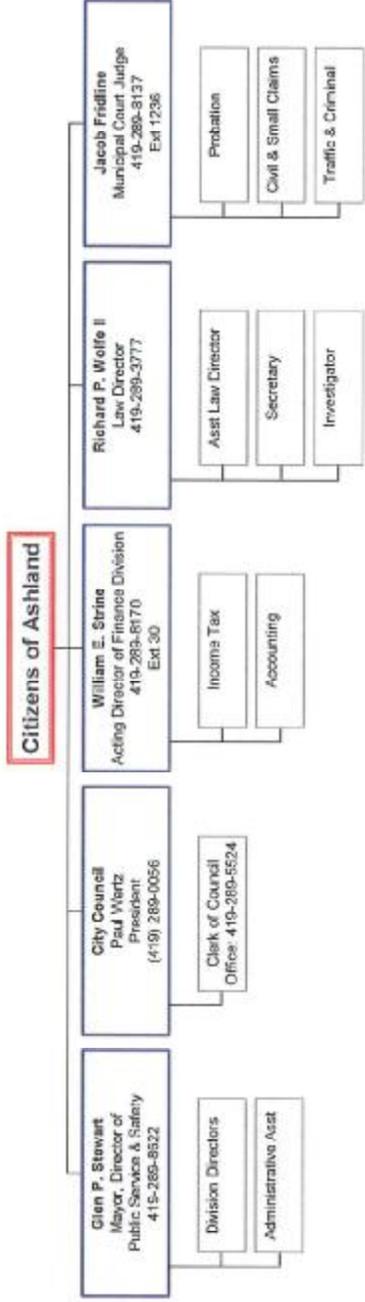
11/26/2001 – 5/26/2002 (Administrative Asst)  
5/27/2002 – 2/28/2006 (Director of Accounting)  
3/1/2006 – 6/1/2009 (Director of Finance)

**William E. Strine**

1/1/1976 – 12/31/2001 (Director of Finance)  
1/1/2002- 12/31/2007 (Mayor)  
6/3/2009 - present (Acting Director of Finance)



# City of Ashland Elected Officials



**Glen P. Stewart**  
Mayor, Director of  
Public Service & Safety  
415-289-8522

- Division Directors
- Administrative Asst

**City Council**  
**Paul Wirtz**  
President  
(419) 289-0056

- Clerk of Council  
Office: 419-289-5524

**William E. Strine**  
Acting Director of Finance Division  
419-289-8170  
Ext 30

- Income Tax
- Accounting

**Richard P. Wolfe II**  
Law Director  
419-289-3777

- Asst Law Director
- Secretary
- Investigator

**Jacob Fridline**  
Municipal Court Judge  
419-289-8137  
Ext 1236

- Probation
- Civil & Small Claims
- Traffic & Criminal

# 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, 2007

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



A handwritten signature in black ink, appearing to read "M. L. R. R.", written in a cursive style.

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emery", written in a cursive style.

Executive Director

## **BASIC FINANCIAL STATEMENTS**



# Rea & Associates, Inc.

ACCOUNTANTS AND BUSINESS CONSULTANTS

*Focused on Your Future.*

August 28, 2009

To the Honorable Mayor and City Council  
City of Ashland  
Ashland County, Ohio

## **INDEPENDENT AUDITOR'S REPORT**

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Ashland, Ohio, as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Ashland's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Ashland, Ohio, as of December 31, 2008, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and the Street Maintenance and Repair Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2009, 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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 3 through 11 are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financials statements that collectively comprise the City of Ashland, Ohio's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Hea & Associates, Inc.*

**City of Ashland**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2008*

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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, 2008. The intent of this discussion and analysis is to look at the City's performance as a whole; readers should also review the transmittal letter, 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 2008 are as follows:

- General revenues accounted for \$11,117,847 in revenue or 43 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants, and contributions accounted for \$14,692,991 or 57 percent of total revenues of \$25,810,838.
- Total program expenses were \$27,390,412; \$18,129,961 in governmental activities and \$9,260,451 in business-type activities.
- In total, net assets decreased \$1,579,574. Net assets of governmental activities decreased \$2,202,160. Net assets of business-type activities increased \$622,586.
- Outstanding debt increased from \$21,384,070 to \$26,876,523 through issue of notes.

***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 operations, as they prefer.

The Statement of Net Assets and the Statement of Changes in Net Assets provide information from a summary perspective showing the effects of the operations for the year 2008 and how they affected the operations of the City as a whole.

***Reporting the City of Ashland as a Whole***

*Statement of Net Assets and the Statement of Activities*

The *Statement of Net Assets 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 Ashland, the general fund and street maintenance and repair fund are the most significant governmental funds. The water, sewer, and sanitation funds are the significant enterprise funds.

**City of Ashland**  
*Management's Discussion and Analysis (Continued)*  
*For the Year Ended December 31, 2008*

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A question typically asked about the City's finances "How did we do financially during 2008?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include *all assets and liabilities* using the *accrual basis of accounting* similar to the accounting 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 assets* and *changes in those assets*. This change in net assets 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, required educational programs, and other factors.

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

- ü **Governmental Activities** - Most of the City's programs and services are reported here, including general government, security of persons and property, community environment, leisure time activities and transportation.
- ü **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, golf course and swimming pool funds are reported as business 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 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 educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and street maintenance and repair fund, both of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation.

**City of Ashland**  
*Management's Discussion and Analysis (Continued)*  
For the Year Ended December 31, 2008

The City adopts an annual appropriated budget for each of its funds. A budgetary comparison statement has been provided for the general fund and each major special revenue fund to demonstrate compliance with this budget.

**Proprietary Funds** - Proprietary funds use the same basis of accounting as business-type activities (water, sewer, sanitation, golf course, and swimming pool); therefore, these statements will essentially match, except for the internal service fund allocations to the governmental activities.

**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 Assets provides the perspective of the City as a whole.

Table 1 provides a summary of the City's net assets for 2008 compared to 2007:

**(Table 1)**  
**Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
<b>Assets</b>						
Current and Other Assets	\$ 10,637,237	\$ 11,719,106	\$ 12,497,659	\$ 7,167,323	\$ 23,134,896	\$ 18,886,429
Capital Assets	20,940,751	21,412,235	36,916,781	36,414,154	57,857,532	57,826,389
Total Assets	31,577,988	33,131,341	49,414,440	43,581,477	80,992,428	76,712,818
<b>Liabilities</b>						
Long-Term Liabilities	3,845,314	4,788,712	9,078,128	17,578,321	12,923,442	22,367,033
Other Liabilities	3,608,440	2,016,235	14,306,257	595,687	17,914,697	2,611,922
Total Liabilities	7,453,754	6,804,947	23,384,385	18,174,008	30,838,139	24,978,955
<b>Net Assets</b>						
Invested in Capital Assets Net of Debt	17,364,157	17,464,839	19,848,064	19,156,906	37,212,221	36,621,745
Restricted	5,354,993	5,917,701	0	0	5,354,993	5,917,701
Unrestricted	1,405,084	2,943,854	6,181,991	6,250,563	7,587,075	9,194,417
Total Net Assets	\$ 24,124,234	\$ 26,326,394	\$ 26,030,055	\$ 25,407,469	\$ 50,154,289	\$ 51,733,863

**City of Ashland**  
*Management's Discussion and Analysis (Continued)*  
For the Year Ended December 31, 2008

Total assets increased by \$4,279,610 with governmental assets decreasing \$1,553,353 and business-type assets increasing \$5,832,963. The \$1,553,353 decrease in governmental current assets was primarily due to a decrease in intergovernmental receivable. The \$5,832,963 increase in current assets was due an increase in cash balance from refinancing notes. The City issued new notes during 2008 to repay the notes maturing in 2009. As of December 31, 2008, the City has not repaid the outstanding notes. Total liabilities increased by \$5,859,184 with governmental liabilities increasing \$648,807 and business-type liabilities increasing \$5,210,377. The majority of this increase was the result of reissuing notes, but not repaying old notes until 2009.

Table 2 shows the changes in net assets for fiscal year 2008 and 2007. This table will present two fiscal years in side-by-side comparisons in successive reporting years. This will enable the reader to draw further conclusion about the City's financial status and possibly project future problems.

**(Table 2)**  
**Changes in Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
<b>Revenues</b>						
<i>Program Revenues:</i>						
Charges for Services	\$ 3,140,886	\$ 3,437,522	\$ 8,785,623	\$ 8,872,574	\$ 11,926,509	\$ 12,310,096
Operating Grants and Contributions	2,057,660	2,978,931	371	258	2,058,031	2,979,189
Capital Grants and Contributions	0	41,447	708,451	702,950	708,451	744,397
<i>General Revenue:</i>						
Property Taxes	1,298,913	1,243,168	0	0	1,298,913	1,243,168
Income Taxes	8,265,781	8,493,569	0	0	8,265,781	8,493,569
Grants and Entitlements	940,906	1,512,283	0	0	940,906	1,512,283
Investment Earnings	367,013	641,645	0	0	367,013	641,645
Premium on Debt Issued	9,944	16,117	0	0	9,944	16,117
Gain on Sale of Capital Assets	0	113,814	0	0	0	113,814
Other	228,174	152,654	7,116	4,057	235,290	156,711
<b>Total Revenues</b>	<b>16,309,277</b>	<b>18,631,150</b>	<b>9,501,561</b>	<b>9,579,839</b>	<b>25,810,838</b>	<b>28,210,989</b>
<b>Program Expenses</b>						
General Government	5,605,535	4,968,816	0	0	5,605,535	4,968,816
Security of Persons and Property	7,237,405	6,784,358	0	0	7,237,405	6,784,358
Transportation	3,075,759	2,145,360	0	0	3,075,759	2,145,360
Public Health Services	278,645	278,792	0	0	278,645	278,792
Community Environment	607,586	280,071	0	0	607,586	280,071
Leisure Time Activities	1,181,681	1,155,718	0	0	1,181,681	1,155,718
Interest and Fiscal Charges	143,350	203,089	0	0	143,350	203,089
<b>Enterprise Operations:</b>						
Water	0	0	3,564,277	3,220,773	3,564,277	3,220,773
Sewer	0	0	3,087,637	3,403,143	3,087,637	3,403,143
Sanitation	0	0	1,777,164	1,733,145	1,777,164	1,733,145
Other	0	0	831,373	669,767	831,373	669,767
<b>Total Program Expenses</b>	<b>18,129,961</b>	<b>15,816,204</b>	<b>9,260,451</b>	<b>9,026,828</b>	<b>27,390,412</b>	<b>24,843,032</b>
Increase (Decrease) in Net Assets Before Transfers	(1,820,684)	2,814,946	241,110	553,011	(1,579,574)	3,367,957
Transfers	(381,476)	(179,214)	381,476	179,214	0	0
<b>Increase (Decrease) in Net Assets</b>	<b>\$ (2,202,160)</b>	<b>\$ 2,635,732</b>	<b>\$ 622,586</b>	<b>\$ 732,225</b>	<b>\$ (1,579,574)</b>	<b>\$ 3,367,957</b>

**City of Ashland**  
*Management's Discussion and Analysis (Continued)*  
*For the Year Ended December 31, 2008*

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**Governmental Activities**

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

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

Police and fire represent the largest expense of the Governmental Activities. This expense of \$7,237,405 represents 40 percent of the total expenses. These two departments operate out of the General fund.

The City also maintains a health department (public health services) and a park department (leisure time services) within the City. These areas had expenses of \$1,460,326 in 2008 equaling 8 percent of the total governmental services expenses.

**Business-Type Activities**

Business-type activities include water, sewer, sanitation, golf course and swimming pool operations. The revenues are generated primarily from charges for services. In 2008, charges for services of \$8,785,623 accounted for almost 93 percent of the business-type revenues. The total expenses were \$9,260,451, thus leaving an increase in net assets of \$622,586 for the business-type activities.

***The City's Funds***

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$5,502,850, a 24 percent increase from the prior year.

**City of Ashland**  
*Management's Discussion and Analysis (Continued)*  
For the Year Ended December 31, 2008

The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2008 and 2007.

	Fund Balance		(Decrease)
	12/31/08	12/31/07	
General	\$ 1,261,762	\$ 2,807,891	\$(1,546,129)
Street Maintenance and Repair	1,718,222	1,790,152	(71,930)
Other governmental	2,522,866	2,684,001	(161,135)
<i>Totals</i>	\$ 5,502,850	\$ 7,282,044	\$(1,779,194)

The general fund is the chief operating fund of the City. The decrease in fund balance of the general fund is primarily due to a decrease in cash which is the direct result of expenditures exceeding revenues during the year. The street maintenance and repair fund is a special revenue fund that maintains the City's streets and public roads. The decrease in fund balance of the street maintenance and repair fund is primarily due to a decrease in cash which is the direct result of expenditures exceeding revenues during the year. At the end of the current fiscal year, unreserved fund balances of the general and street maintenance and repair funds were \$1,225,356 and \$1,699,730, respectively.

***Proprietary Funds***

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

Unrestricted net assets in the water fund at the end of the year amounted to \$3,948,581. Total net assets increased \$643,022 from the previous year, due to an increase in capital assets.

Unrestricted net assets in the sewer fund at the end of the year amounted to \$1,808,015. Total net assets decreased \$114,088 or .9 percent from the previous year.

Unrestricted net assets in the sanitation fund at the end of the year amounted to \$321,190. Total net assets decreased \$8,486 or 1.0 percent from the previous year.

***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 2008, the City amended its general fund budget various occasions. All recommendations for appropriation changes come to Council from the City Auditor. The Finance Committee of Council reviews them, and they make their recommendation to the Council as a whole.

For the general fund, final budget basis revenue was \$10,306,893, and the original budget estimates were \$9,794,801. The majority of this \$512,092 increase was attributable to higher than expected tax and intergovernmental revenues. Actual revenues exceeded final budgeted amounts by \$316,638. The majority of this increase was due to income and property tax revenues being higher than expected.

**City of Ashland**  
*Management's Discussion and Analysis (Continued)*  
For the Year Ended December 31, 2008

Final appropriations of \$11,914,553 were \$209,438 higher than the \$11,702,115 in the original budget. Actual expenditures of \$11,274,062 were less than the final budget by \$640,491. The majority of this difference is due to a reduction in general government and security of persons and property expenditures.

***Capital Assets and Debt Administration***

**Capital Assets**

At the end of year 2008, the City had \$57,857,532 invested in land, buildings and improvements, equipment, infrastructure vehicles and construction in progress. A total of \$20,940,751 of this was for governmental activities with the remainder attributable to business-type activities. Table 3 shows fiscal year 2008 balances compared with 2007.

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

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$ 5,981,027	\$ 6,024,070	\$ 3,534,768	\$ 3,526,518	\$ 9,515,795	\$ 9,550,588
Construction in Progress	0	146,144	1,410,196	263,643	1,410,196	409,787
Buildings and Improvements	5,138,795	5,261,401	7,399,030	7,647,415	12,537,825	12,908,816
Equipment	1,305,953	1,176,732	2,149,501	2,349,111	3,455,454	3,525,843
Vehicles	2,097,423	2,231,287	552,317	419,308	2,649,740	2,650,595
Streets	5,000,267	5,038,491	0	0	5,000,267	5,038,491
Bridges	985,109	1,071,732	0	0	985,109	1,071,732
Street Lighting	432,177	462,378	0	0	432,177	462,378
Infrastructure	0	0	21,870,969	22,208,159	21,870,969	22,208,159
<b>Totals</b>	<b>\$ 20,940,751</b>	<b>\$ 21,412,235</b>	<b>\$ 36,916,781</b>	<b>\$ 36,414,154</b>	<b>\$ 57,857,532</b>	<b>\$ 57,826,389</b>

The \$31,143 increase in capital assets was attributable to additional purchases exceeding depreciation expense. Note 9 provides capital asset activity during the 2008 year.

**City of Ashland**  
*Management's Discussion and Analysis (Continued)*  
For the Year Ended December 31, 2008

**Debt**

The outstanding debt for the City of Ashland as of December 31, 2008 was \$26,876,523 with \$16,068,369 due within one year. Table 4 summarizes outstanding debt.

**(Table 4)**  
**Outstanding Debt, at December 31**

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
OPWC Loans	\$ 22,017	\$ 31,027	\$ 40,356	\$ 5,163	\$ 62,373	\$ 36,190
OWDA Loans	0	0	775,547	1,059,906	775,547	1,059,906
General Obligation Bonds	2,367,000	2,484,000	8,083,000	8,481,000	10,450,000	10,965,000
Bond Anticipation Notes	250,000	997,000	0	7,850,000	250,000	8,847,000
ODOT Loan	412,603	475,974	0	0	412,603	475,974
Notes Payable	1,126,000	0	13,800,000	0	14,926,000	0
<i>Total</i>	<u>\$ 4,177,620</u>	<u>\$ 3,988,001</u>	<u>\$ 22,698,903</u>	<u>\$ 17,396,069</u>	<u>\$ 26,876,523</u>	<u>\$ 21,384,070</u>

In 2008, the City issued bond anticipation notes in the amount of \$13,800,000. The proceeds will be used to pay off \$6,063,000 of notes.

In 2005, the City was awarded a new loan from the Ohio Department of Transportation (ODOT) in the amount of \$462,010. The loan proceeds were used for U.S. Route 250 improvements.

In 2004 the City was awarded a new loan from the Ohio Public Works Commission (OPWC) in the amount of \$7,942. The proceeds of this loan are being used to replace waterlines in the City.

In 1990 the City entered into an agreement with the Ohio Water Development Authority (OWDA) for the expansion and improvements of the wastewater treatment plant.

In previous years, the proceeds of the general obligation bonds of the business-type funds were used for various water and sewer utility construction and improvement projects.

In previous years, the proceeds of the general obligation bonds of the governmental activities were used for the construction of a new municipal court and police facility.

In 2008 the City was awarded a loan from the Ohio Public Works Commission (OPWC) in the amount of \$96,000. The proceeds will used to make water treatment plant improvements.

Additional information concerning the City's debt can be found in Note 15 and 16 to the basic financial statements.

**City of Ashland**  
*Management's Discussion and Analysis (Continued)*  
*For the Year Ended December 31, 2008*

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***Current Financial Status***

Like most cities, the City of Ashland depends on multiple sources of revenue and many of these revenues diminished due to the challenging financial times we are facing. This phenomenon has given us fair warning for 2009. However, by budgeting in a conservative manner we met the expected revenues for 2008, which allowed us to continue to meet the needs of our citizens.

We continued our planned equipment replacement/upgrade in the Fire Division as well as many other Divisions in the City. Training hours increased by 11% in the Fire Division in 2008.

We established a plan for debt retirement for the debt incurred by an EPA edict to construct an equalization basin for our Waste Water Treatment facility. This was accomplished by restructuring the sewer rates.

Just like several cities around the United States we have seen the increase in unemployment rates and job losses. The ability to maintain the high level and quality of services provided the citizens of Ashland has become a real concern for us based on the downturn in the economy.

Another factor contributing to our ability to provide for our community was the return on our investments. A significant source of our revenue has nearly disappeared.

During 2008 the Storm Sewer enterprise fund allowed us to upgrade some storm sewer infrastructure, thus making progress toward mandates regarding our storm sewer system. Our 190 acre Business Park has seen gradual development with three firms located in the park and another started construction during 2008.

Through the strength of our Senior Leadership Team, having an average of 19.6 years of service, we feel prepared to take the City of Ashland through the downturn in the economy we experienced in the second half of 2008.

***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 Bill Strine, Director of Finance, 206 Claremont Avenue, Ashland, Ohio 44805, or [billstrine@ashland-ohio.com](mailto:billstrine@ashland-ohio.com).

**City of Ashland**  
*Statement of Net Assets*  
*December 31, 2008*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 6,323,639	\$ 10,678,428	\$ 17,002,067
Taxes Receivable	2,552,818	0	2,552,818
Accounts Receivable	222,667	913,106	1,135,773
Internal Balances	(10,306)	10,306	0
Intergovernmental Receivable	1,280,799	520,113	1,800,912
Prepaid Items	107,954	49,523	157,477
Materials and Supplies Inventory	121,640	195,997	317,637
Deferred Charges	38,026	130,186	168,212
Non-Depreciable Capital Assets	5,981,027	4,944,964	10,925,991
Depreciable Capital Assets, Net	14,959,724	31,971,817	46,931,541
<i>Total Assets</i>	<u>31,577,988</u>	<u>49,414,440</u>	<u>80,992,428</u>
<b>Liabilities</b>			
Accounts Payable	325,825	116,082	441,907
Accrued Wages	173,550	56,662	230,212
Contracts Payable	15,645	8,903	24,548
Intergovernmental Payable	742,127	113,884	856,011
Accrued Vacation Payable	102,910	18,117	121,027
Accrued Interest Payable	26,440	192,609	219,049
Unearned Revenue	1,095,943	0	1,095,943
Notes Payable	1,126,000	13,800,000	14,926,000
Long-Term Liabilities:			
Due Within One Year	474,199	717,270	1,191,469
Due in More Than One Year	3,371,115	8,360,858	11,731,973
<i>Total Liabilities</i>	<u>7,453,754</u>	<u>23,384,385</u>	<u>30,838,139</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	17,364,157	19,848,064	37,212,221
Restricted for Debt Service	43,246	0	43,246
Restricted for Capital Outlay	1,174,211	0	1,174,211
Restricted for Roads and Bridges	2,121,164	0	2,121,164
Restricted for Grant Programs	393,277	0	393,277
Restricted for Other Purposes	1,623,095	0	1,623,095
Unrestricted	1,405,084	6,181,991	7,587,075
<i>Total Net Assets</i>	<u>\$ 24,124,234</u>	<u>\$ 26,030,055</u>	<u>\$ 50,154,289</u>

The accompanying notes are an integral part of the basic financial statements.

**City of Ashland**  
**Statement of Activities**  
For the Year Ended December 31, 2008

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for	Operating Grants	Capital	Governmental	Business-Type	Total
		Services and	and	Grants and			
	Sales	Contributions	Contributions	Activities	Activities		
<b>Governmental Activities</b>							
General Government	\$ 5,605,535	\$ 1,324,950	\$ 393,372	\$ 0	\$ (3,887,213)	\$ 0	\$ (3,887,213)
Security of Persons and Property	7,237,405	1,435,562	234,488	0	(5,567,355)	0	(5,567,355)
Public Health	278,645	67,220	0	0	(211,425)	0	(211,425)
Leisure Time Services	1,181,681	90,603	47,200	0	(1,043,878)	0	(1,043,878)
Community and Economic Development	607,586	0	72,701	0	(534,885)	0	(534,885)
Transportation	3,075,759	222,551	1,309,899	0	(1,543,309)	0	(1,543,309)
Interest and Fiscal Charges	143,350	0	0	0	(143,350)	0	(143,350)
<i>Total Governmental Activities</i>	<u>18,129,961</u>	<u>3,140,886</u>	<u>2,057,660</u>	<u>0</u>	<u>(12,931,415)</u>	<u>0</u>	<u>(12,931,415)</u>
<b>Business-Type Activities</b>							
Water	3,564,277	3,520,505	0	687,867	0	644,095	644,095
Sewer	3,087,637	2,964,354	0	20,584	0	(102,699)	(102,699)
Sanitation	1,777,164	1,769,983	0	0	0	(7,181)	(7,181)
Golf Course	748,960	473,002	371	0	0	(275,587)	(275,587)
Swimming Pool	82,413	57,779	0	0	0	(24,634)	(24,634)
<i>Total Business-Type Activities</i>	<u>9,260,451</u>	<u>8,785,623</u>	<u>371</u>	<u>708,451</u>	<u>0</u>	<u>233,994</u>	<u>233,994</u>
<i>Totals</i>	<u>\$ 27,390,412</u>	<u>\$ 11,926,509</u>	<u>\$ 2,058,031</u>	<u>\$ 708,451</u>	<u>(12,931,415)</u>	<u>233,994</u>	<u>(12,697,421)</u>
<b>General Revenues:</b>							
Property Taxes Levied for:							
General Purposes					812,133	0	812,133
Park and Recreation					160,316	0	160,316
Police and Fire Pension					200,052	0	200,052
Debt Service					126,412	0	126,412
Income Taxes Levied for:							
General Purposes					6,565,955	0	6,565,955
Street Maintenance and Repair					887,478	0	887,478
Park and Recreation					812,348	0	812,348
Grants and Entitlements not Restricted to Specific Programs					940,906	0	940,906
Investment Earnings					367,013	0	367,013
Premium on Debt Issued					9,944	0	9,944
Miscellaneous					228,174	7,116	235,290
<i>Total General Revenues</i>					<u>11,110,731</u>	<u>7,116</u>	<u>11,117,847</u>
Transfers					<u>(381,476)</u>	<u>381,476</u>	<u>0</u>
<i>Total General Revenues and Transfers</i>					<u>10,729,255</u>	<u>388,592</u>	<u>11,117,847</u>
<i>Change in Net Assets</i>					<u>(2,202,160)</u>	<u>622,586</u>	<u>(1,579,574)</u>
<i>Net Assets Beginning of Year</i>					<u>26,326,394</u>	<u>25,407,469</u>	<u>51,733,863</u>
<i>Net Assets End of Year</i>					<u>\$ 24,124,234</u>	<u>\$ 26,030,055</u>	<u>\$ 50,154,289</u>

The accompanying notes are an integral part of the basic financial statements.

**City of Ashland**  
*Balance Sheet*  
*Governmental Funds*  
*December 31, 2008*

	General	Street Maintenance and Repair	All Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 1,017,550	\$ 1,397,810	\$ 3,773,152	\$ 6,188,512
Taxes Receivable	1,578,867	215,714	758,237	2,552,818
Accounts Receivable	185,897	0	36,770	222,667
Intergovernmental Receivable	470,097	405,673	405,029	1,280,799
Interfund Receivable	0	0	100,721	100,721
Prepaid Items	82,943	13,034	11,977	107,954
Materials and Supplies Inventory	0	121,640	0	121,640
<i>Total Assets</i>	<u>\$ 3,335,354</u>	<u>\$ 2,153,871</u>	<u>\$ 5,085,886</u>	<u>\$ 10,575,111</u>
<b>Liabilities</b>				
Accounts Payable	138,220	44,247	143,358	325,825
Accrued Wages	143,708	15,803	14,039	173,550
Contracts Payable	0	0	15,645	15,645
Intergovernmental Payable	440,168	30,628	271,331	742,127
Accrued Interest Payable	0	0	12,702	12,702
Interfund Payable	0	0	70,091	70,091
Deferred Revenue	1,351,496	344,971	909,854	2,606,321
Notes Payable	0	0	1,126,000	1,126,000
<i>Total Liabilities</i>	<u>2,073,592</u>	<u>435,649</u>	<u>2,563,020</u>	<u>5,072,261</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	36,406	18,492	240,174	295,072
Unreserved, Undesignated, Reported in:				
General Fund	1,225,356	0	0	1,225,356
Special Revenue Funds	0	1,699,730	1,109,763	2,809,493
Debt Service Funds	0	0	14,542	14,542
Capital Projects Funds	0	0	1,158,387	1,158,387
<i>Total Fund Balances</i>	<u>1,261,762</u>	<u>1,718,222</u>	<u>2,522,866</u>	<u>5,502,850</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 3,335,354</u>	<u>\$ 2,153,871</u>	<u>\$ 5,085,886</u>	<u>\$ 10,575,111</u>

The accompanying notes are an integral part of the basic financial statements.

**City of Ashland**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 December 31, 2008*

<b>Total Governmental Fund Balances</b>		\$ 5,502,850
<i>Amounts reported for governmental activities in the statement of net assets are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		20,940,751
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Property Taxes	\$ 108,661	
Income Tax	497,049	
Intergovernmental	888,070	
Charges for Services	<u>16,598</u>	
Total		1,510,378
An internal service fund is used by management to charge the costs of insurance to individual funds, The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		94,191
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(13,738)
In the statement of activities, bond issuance costs are amortized over the term of the bonds, whereas in governmental funds a bond issuance expenditure is reported when bonds are issued.		38,026
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(2,367,000)	
Bond Anticipation notes	(250,000)	
OPWC Loans	(22,017)	
ODOT Loan	(412,603)	
Accrued Vacation Leave	(102,910)	
Compensated Absences	<u>(793,694)</u>	
Total		<u>(3,948,224)</u>
<i>Net Assets of Governmental Activities</i>		<u><u>\$ 24,124,234</u></u>

The accompanying notes are an integral part of the basic financial statements.

**City of Ashland**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2008*

	General	Street Maintenance and Repair	All Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property Taxes	\$ 807,894	\$ 0	\$ 477,779	\$ 1,285,673
Income Taxes	6,541,799	882,034	807,926	8,231,759
Charges for Services	1,400,342	212,733	503,038	2,116,113
Licenses and Permits	34,102	0	0	34,102
Fines and Forfeitures	633,379	9,818	455,135	1,098,332
Intergovernmental	996,043	1,235,542	1,513,667	3,745,252
Interest	1,161	766	365,086	367,013
Rental Income	51,584	0	350	51,934
Contributions and Donations	11	0	47,279	47,290
Other	58,729	60,198	109,245	228,172
<i>Total Revenues</i>	<u>10,525,044</u>	<u>2,401,091</u>	<u>4,279,505</u>	<u>17,205,640</u>
<b>Expenditures</b>				
Current:				
General Government	4,755,490	0	616,952	5,372,442
Security of Persons and Property	6,093,551	0	887,297	6,980,848
Public Health	304,456	0	0	304,456
Leisure Time Services	0	0	1,051,707	1,051,707
Community and Economic Development	182,382	0	423,819	606,201
Transportation	0	2,168,266	785	2,169,051
Capital Outlay	268,649	304,755	438,679	1,012,083
Debt Service:				
Principal Retirements	0	0	1,186,381	1,186,381
Interest and Fiscal Charges	0	0	169,428	169,428
<i>Total Expenditures</i>	<u>11,604,528</u>	<u>2,473,021</u>	<u>4,775,048</u>	<u>18,852,597</u>
<i>Excess of Revenues Over Expenditures</i>	<u>(1,079,484)</u>	<u>(71,930)</u>	<u>(495,543)</u>	<u>(1,646,957)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	846,829	846,829
Proceeds from Bond Anticipation Notes	0	0	250,000	250,000
Premium on Debt Issued	0	0	9,944	9,944
Transfers Out	(466,645)	0	(772,365)	(1,239,010)
<i>Total Other Financing Sources (Uses)</i>	<u>(466,645)</u>	<u>0</u>	<u>334,408</u>	<u>(132,237)</u>
<i>Net Change in Fund Balance</i>	(1,546,129)	(71,930)	(161,135)	(1,779,194)
<i>Fund Balance Beginning of Year</i>	<u>2,807,891</u>	<u>1,790,152</u>	<u>2,684,001</u>	<u>7,282,044</u>
<i>Fund Balance End of Year</i>	<u>\$ 1,261,762</u>	<u>\$ 1,718,222</u>	<u>\$ 2,522,866</u>	<u>\$ 5,502,850</u>

The accompanying notes are an integral part of the basic financial statements.

**City of Ashland**

*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, 2008*

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**Net Change in Fund Balances - Total Governmental Funds** \$ (1,779,194)

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

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

Capital Asset Additions	\$ 1,012,083	
Capital Asset Transfers	10,705	
Current Year Depreciation	<u>(1,446,728)</u>	
Total		(423,940)

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. (47,544)

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

Delinquent Property Taxes	13,240	
Income Tax	34,022	
Charges for Services	(159,593)	
Intergovernmental	<u>(793,976)</u>	
Total		(906,307)

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. 10,128

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

General Obligation Bonds	117,000	
Bond Anticipation Notes	997,000	
OPWC Loans	9,010	
ODOT Loan	<u>63,371</u>	
Total		1,186,381

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 28,657

In the statement of activities, bond issuance costs are amortized over the term of the bonds, whereas in governmental funds a bond issuance expenditure is reported when bonds are issued. (2,579)

Note proceeds in the governmental funds that increase long-term liabilities in the statement of net assets are not reported as revenues. (250,000)

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

Compensated Absences	7,017	
Vacation Payable	<u>(24,779)</u>	
Total		<u>(17,762)</u>

*Change in Net Assets of Governmental Activities* \$ (2,202,160)

The accompanying notes are an integral part of the basic financial statements.

**City of Ashland**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Property Taxes	\$ 719,031	\$ 794,803	\$ 807,894	\$ 13,091
Income Taxes	6,097,300	6,202,218	6,656,066	453,848
Charges for Services	1,338,322	1,388,840	1,380,949	(7,891)
Licenses and Permits	27,450	51,860	34,102	(17,758)
Fines and Forfeitures	620,735	690,839	637,728	(53,111)
Intergovernmental	922,963	1,070,750	1,002,409	(68,341)
Interest	0	0	1,161	1,161
Rent	4,800	38,600	37,254	(1,346)
Contributions and Donations	1,000	1,000	11	(989)
Other	63,200	67,983	65,957	(2,026)
<i>Total Revenues</i>	<u>9,794,801</u>	<u>10,306,893</u>	<u>10,623,531</u>	<u>316,638</u>
<b>Expenditures</b>				
Current:				
General Government	4,850,840	5,016,011	4,844,978	171,033
Security of Persons and Property	6,360,737	6,405,133	5,952,007	453,126
Public Health	294,050	296,921	294,695	2,226
Community and Economic Development	196,488	196,488	182,382	14,106
<i>Total Expenditures</i>	<u>11,702,115</u>	<u>11,914,553</u>	<u>11,274,062</u>	<u>640,491</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,907,314)</u>	<u>(1,607,660)</u>	<u>(650,531)</u>	<u>957,129</u>
<b>Other Financing Use</b>				
Transfers Out	(80,464)	(472,645)	(466,645)	6,000
<i>Net Change in Fund Balance</i>	(1,987,778)	(2,080,305)	(1,117,176)	963,129
<i>Fund Balance Beginning of Year</i>	1,973,551	1,973,551	1,973,551	0
Prior Year Encumbrances Appropriated	<u>117,929</u>	<u>117,929</u>	<u>117,929</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 103,702</u>	<u>\$ 11,175</u>	<u>\$ 974,304</u>	<u>\$ 963,129</u>

The accompanying notes are an integral part of the basic financial statements.

**City of Ashland**  
*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, 2008*

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Income Taxes	\$ 837,775	\$ 837,775	\$ 907,785	\$ 70,010
Charges for Services	254,600	254,600	212,733	(41,867)
Fines and Forfeitures	5,400	5,400	9,818	4,418
Intergovernmental	1,117,500	1,192,351	1,241,491	49,140
Interest	700	700	766	66
Other	31,500	31,500	60,198	28,698
<i>Total Revenues</i>	<u>2,247,475</u>	<u>2,322,326</u>	<u>2,432,791</u>	<u>110,465</u>
<b>Expenditures</b>				
Current:				
Transportation	3,302,061	3,195,896	2,219,665	976,231
Capital Outlay	125,000	125,000	304,755	(179,755)
<i>Total Expenditures</i>	<u>3,427,061</u>	<u>3,320,896</u>	<u>2,524,420</u>	<u>796,476</u>
<i>Net Change in Fund Balance</i>	(1,179,586)	(998,570)	(91,629)	906,941
<i>Fund Balance Beginning of Year</i>	1,343,919	1,343,919	1,343,919	0
Prior Year Encumbrances Appropriated	120,576	120,576	120,576	0
<i>Fund Balance End of Year</i>	<u>\$ 284,909</u>	<u>\$ 465,925</u>	<u>\$ 1,372,866</u>	<u>\$ 906,941</u>

The accompanying notes are an integral part of the basic financial statements.

**City of Ashland**  
*Statement of Fund Net Assets*  
*Proprietary Funds*  
*December 31, 2008*

	Enterprise Funds				Totals	Governmental Activities - Internal Service Fund
	Water	Sewer	Sanitation	All Other Enterprise Funds		
<b>Assets</b>						
<i>Current Assets</i>						
Equity in Pooled Cash and Cash Equivalents	\$ 3,075,499	\$ 7,175,644	\$ 408,399	\$ 18,886	\$ 10,678,428	\$ 135,127
Materials and Supplies Inventory	93,909	2,070	0	100,018	195,997	0
Accounts Receivable	472,221	415,928	24,253	704	913,106	0
Intergovernmental Receivable	520,113	0	0	0	520,113	0
Prepaid Items	19,346	22,000	8,177	0	49,523	0
<i>Total Current Assets</i>	<u>4,181,088</u>	<u>7,615,642</u>	<u>440,829</u>	<u>119,608</u>	<u>12,357,167</u>	<u>135,127</u>
<i>Non-Current Assets</i>						
Deferred Charges	85,084	45,102	0	0	130,186	0
Non-Depreciable Capital Assets	3,946,488	136,425	25,000	837,051	4,944,964	0
Depreciable Capital Assets, net	10,238,604	20,921,210	372,719	439,284	31,971,817	0
<i>Total Non-Current Assets</i>	<u>14,270,176</u>	<u>21,102,737</u>	<u>397,719</u>	<u>1,276,335</u>	<u>37,046,967</u>	<u>0</u>
<i>Total Assets</i>	<u>18,451,264</u>	<u>28,718,379</u>	<u>838,548</u>	<u>1,395,943</u>	<u>49,404,134</u>	<u>135,127</u>
<b>Liabilities</b>						
<i>Current Liabilities</i>						
Accounts Payable	41,233	5,264	49,195	20,390	116,082	0
Accrued Wages	24,412	18,167	9,587	4,496	56,662	0
Contracts Payable	0	8,903	0	0	8,903	0
Intergovernmental Payable	47,289	32,583	20,956	13,056	113,884	0
Accrued Interest Payable	34,554	158,055	0	0	192,609	0
Accrued Vacation Leave Payable	5,980	9,272	1,083	1,782	18,117	0
Interfund Payable	24,031	6,599	0	0	30,630	0
Notes Payable	2,200,000	11,600,000	0	0	13,800,000	0
Compensated Absences Payable	526	958	5,938	300	7,722	0
General Obligation Bonds Payable	268,000	142,000	0	0	410,000	0
OPWC Loans Payable	794	0	0	0	794	0
OWDA Loan Payable	0	298,754	0	0	298,754	0
<i>Total Current Liabilities</i>	<u>2,646,819</u>	<u>12,280,555</u>	<u>86,759</u>	<u>40,024</u>	<u>15,054,157</u>	<u>0</u>
<i>Long-Term Liabilities</i>						
Compensated Absences Payable - Net of Current Portion	54,482	67,826	32,880	16,315	171,503	0
General Obligations Bonds Payable - Net of Current Portion	5,011,000	2,662,000	0	0	7,673,000	0
OPWC Loans Payable - Net of Current Portion	39,562	0	0	0	39,562	0
OWDA Loan Payable - Net of Current Portion	0	476,793	0	0	476,793	0
<i>Total Long-Term Liabilities</i>	<u>5,105,044</u>	<u>3,206,619</u>	<u>32,880</u>	<u>16,315</u>	<u>8,360,858</u>	<u>0</u>
<i>Total Liabilities</i>	<u>7,751,863</u>	<u>15,487,174</u>	<u>119,639</u>	<u>56,339</u>	<u>23,415,015</u>	<u>0</u>
<b>Net Assets</b>						
Invested in Capital Assets, Net of Related Debt	6,750,820	11,423,190	397,719	1,276,335	19,848,064	0
Unrestricted	3,948,581	1,808,015	321,190	63,269	6,141,055	135,127
<i>Total Net Assets</i>	<u>\$ 10,699,401</u>	<u>\$ 13,231,205</u>	<u>\$ 718,909</u>	<u>\$ 1,339,604</u>	<u>\$ 26,030,055</u>	<u>\$ 135,127</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:					40,936	
Net Assets of Business-Type Activities					<u>\$ 26,030,055</u>	

The accompanying notes are an integral part of the basic financial statements.

**City of Ashland**  
*Statement of Revenues, Expenses and Changes in Fund Net Assets*  
*Proprietary Funds*  
*For the Year Ended December 31, 2008*

	Enterprise Funds				Governmental Activities - Internal Service Fund	
	Water	Sewer	Sanitation	All Other Enterprise Funds		Totals
<b>Operating Revenue</b>						
Charges for Services	\$ 3,520,505	\$ 2,964,354	\$ 1,769,983	\$ 530,781	\$ 8,785,623	\$ 268,610
Other	0	0	0	7,116	7,116	0
<i>Total Operating Revenue</i>	<u>3,520,505</u>	<u>2,964,354</u>	<u>1,769,983</u>	<u>537,897</u>	<u>8,792,739</u>	<u>268,610</u>
<b>Operating Expenses</b>						
Personal Services	1,287,181	1,003,586	767,817	432,599	3,491,183	0
Contractual Services	480,215	368,349	744,900	70,770	1,664,234	258,959
Materials and Supplies	692,119	350,659	190,225	251,297	1,484,300	0
Utilities	313,641	256,571	14,222	28,924	613,358	0
Depreciation	462,430	549,706	61,305	48,057	1,121,498	0
Other	0	164,718	0	0	164,718	0
<i>Total Operating Expenses</i>	<u>3,235,586</u>	<u>2,693,589</u>	<u>1,778,469</u>	<u>831,647</u>	<u>8,539,291</u>	<u>258,959</u>
<i>Operating Income (Loss)</i>	<u>284,919</u>	<u>270,765</u>	<u>(8,486)</u>	<u>(293,750)</u>	<u>253,448</u>	<u>9,651</u>
<b>Non-Operating Revenues (Expenses)</b>						
Interest	0	0	0	0	0	3,813
Intergovernmental	687,867	20,584	0	371	708,822	0
Interest and Fiscal Charges	(329,764)	(394,732)	0	0	(724,496)	0
<i>Total Non-Operating Revenues (Expenses)</i>	<u>358,103</u>	<u>(374,148)</u>	<u>0</u>	<u>371</u>	<u>(15,674)</u>	<u>3,813</u>
<i>Income (Loss) Before Transfers</i>	<u>643,022</u>	<u>(103,383)</u>	<u>(8,486)</u>	<u>(293,379)</u>	<u>237,774</u>	<u>13,464</u>
Transfers In	0	0	0	392,181	392,181	0
Transfers Out	0	(10,705)	0	0	(10,705)	0
<i>Total Transfers</i>	<u>0</u>	<u>(10,705)</u>	<u>0</u>	<u>392,181</u>	<u>381,476</u>	<u>0</u>
<i>Change in Net Assets</i>	<u>643,022</u>	<u>(114,088)</u>	<u>(8,486)</u>	<u>98,802</u>	<u>619,250</u>	<u>13,464</u>
<i>Net Assets Beginning of Year</i>	<u>10,056,379</u>	<u>13,345,293</u>	<u>727,395</u>	<u>1,240,802</u>		<u>121,663</u>
<i>Net Assets End of Year</i>	<u>\$ 10,699,401</u>	<u>\$ 13,231,205</u>	<u>\$ 718,909</u>	<u>\$ 1,339,604</u>		<u>\$ 135,127</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:					3,336	
Change in Net Assets of Business-Type Activities					<u>\$ 622,586</u>	

The accompanying notes are an integral part of the basic financial statements.

**City of Ashland**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2008

	Enterprise Funds				Governmental Activities - Internal Service Fund	
	Water	Sewer	Sanitation	All Other Enterprise Funds		Totals
<b>Increase (Decrease) in Cash and Cash Equivalents</b>						
<b>Cash Flows from Operating Activities</b>						
Cash Received from Customers	\$ 3,639,359	\$ 3,061,815	\$ 1,759,777	\$ 537,193	\$ 8,998,144	\$ 268,610
Cash Payments to Suppliers for Goods and Services	(651,163)	(333,117)	(177,412)	(240,537)	(1,402,229)	0
Cash Payments to Employees	(1,254,749)	(994,281)	(761,809)	(423,251)	(3,434,090)	0
Cash Payments for Contractual Services	(827,989)	(656,116)	(747,871)	(101,267)	(2,333,243)	(258,959)
Other Cash Payments	0	(164,718)	0	0	(164,718)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>905,458</u>	<u>913,583</u>	<u>72,685</u>	<u>(227,862)</u>	<u>1,663,864</u>	<u>9,651</u>
<b>Cash Flows from Noncapital Financing Activities</b>						
Intergovernmental Receipts	842,754	20,584	0	371	863,709	0
Advances In	24,031	6,599	0	0	30,630	0
Transfers In	0	0	0	392,181	392,181	0
Advances Out	0	0	0	(145,804)	(145,804)	0
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>866,785</u>	<u>27,183</u>	<u>0</u>	<u>246,748</u>	<u>1,140,716</u>	<u>0</u>
<b>Cash Flows from Capital and Related Financing Activities</b>						
Proceeds from Notes	2,200,000	11,600,000	0	0	13,800,000	0
Proceeds from OPWC Loan	35,988	0	0	0	35,988	0
Acquisition of Capital Assets	(1,451,759)	(141,529)	(137,342)	0	(1,730,630)	0
Principal Payments on Debt	(2,559,795)	(5,973,359)	0	0	(8,533,154)	0
Interest Payments	(328,409)	(440,244)	0	0	(768,653)	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(2,103,975)</u>	<u>5,044,868</u>	<u>(137,342)</u>	<u>0</u>	<u>2,803,551</u>	<u>0</u>
<b>Cash Flows from Investing Activities</b>						
Interest	0	0	0	0	0	3,813
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	<u>(331,732)</u>	<u>5,985,634</u>	<u>(64,657)</u>	<u>18,886</u>	<u>5,608,131</u>	<u>13,464</u>
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>3,407,231</u>	<u>1,190,010</u>	<u>473,056</u>	<u>0</u>	<u>5,070,297</u>	<u>121,663</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 3,075,499</u>	<u>\$ 7,175,644</u>	<u>\$ 408,399</u>	<u>\$ 18,886</u>	<u>\$ 10,678,428</u>	<u>\$ 135,127</u>

(Continued)

**City of Ashland**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2008

	Enterprise Funds				Totals	Governmental Activities - Internal Service Fund
	Water	Sewer	Sanitation	All Other Enterprise Funds		
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>						
<i>Operating Income (Loss)</i>	\$ 284,919	\$ 270,765	\$ (8,486)	\$ (293,750)	253,448	\$ 9,651
Adjustments:						
Depreciation	462,430	549,706	61,305	48,057	1,121,498	0
Loss on Disposal of Capital Assets	7,067	4,968	0	0	12,035	0
(Increase) Decrease in Assets:						
Accounts Receivable	118,854	97,461	(10,206)	(704)	205,405	0
Materials and Supplies Inventory	27,899	11,760	0	(9,630)	30,029	0
Prepaid Items	(2,833)	(84)	266	0	(2,651)	0
Increase (Decrease) in Liabilities:						
Accounts Payable	(25,310)	(30,298)	23,798	18,817	(12,993)	0
Accrued Wages	3,163	(920)	(3,072)	255	(574)	0
Accrued Vacation Leave Payable	4,460	5,441	1,083	1,782	12,766	0
Compensated Absences Payable	(657)	(4,945)	(118)	2,693	(3,027)	0
Intergovernmental Payable	25,466	9,729	8,115	4,618	47,928	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$ 905,458</u>	<u>\$ 913,583</u>	<u>\$ 72,685</u>	<u>\$ (227,862)</u>	<u>\$ 1,663,864</u>	<u>\$ 9,651</u>

**Noncash Capital Financing Activities:**

During 2008, capital assets were transferred from the sewer enterprise fund to governmental activities in the amount of \$10,705.

The accompanying notes are an integral part of the basic financial statements.

**City of Ashland**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Funds*  
*December 31, 2008*

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	<u>Agency Funds</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 20,012
Cash and Cash Equivalents in Segregated Accounts	64,470
Accounts Receivable	<u>3,705</u>
<i>Total Assets</i>	<u><u>\$ 88,187</u></u>
<b>Liabilities</b>	
Accounts Payable	\$ 3,705
Undistributed Monies	<u>84,482</u>
<i>Total Liabilities</i>	<u><u>\$ 88,187</u></u>

The accompanying notes are an integral part of the basic financial statements.

**CITY OF ASHLAND, OHIO**  
*Notes To The Basic Financial Statements*  
*December 31, 2008*

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**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, Council, Finance Director, and Law Director are elected.

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

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the levying of taxes or the issuance of debt. The City does not have any component units.

**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 City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The entity has elected not to apply FASB pronouncements and Interpretations issued after November 30, 1989, to its business-type activities and enterprise funds. The most significant of the City's accounting policies are described below.

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

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**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***A. Basis of Presentation***

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

***Government-wide Financial Statements*** The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is also eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

The statement of net assets presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain 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.

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

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**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

**Street Maintenance and Repair Special Revenue 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 other governmental funds of the City account for grants and other resources whose use is restricted to a particular purpose.

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

**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.

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

**Water Fund** – The water fund accounts for the provision of water 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 golf course and swimming pool.

**Internal Service Fund** – Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service fund accounts for the City's health reimbursement account.

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

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**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Fiduciary Funds*** Fiduciary fund reporting focuses on net assets and changes in net assets. 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 has no trust funds. 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 all liabilities associated with the operation of the City are included on the statement of net assets. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net assets.

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

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

***D. Basis of Accounting***

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

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

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**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note 6.) Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

**Unearned/Deferred Revenue** Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2008, but which were levied to finance fiscal year 2009 operations, have been recorded as unearned/deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

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**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***E. Equity in Pooled Cash and Cash Equivalents***

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 cash equivalents."

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 2008, investments were limited to certificates of deposit, overnight repurchase agreements, interest in STAROhio, (the State Treasury Asset Reserve of Ohio) and Federal Home Loan Bank Notes, Federal Home Loan Mortgage Corporation Notes, Federal National Mortgage Association Notes, Federal Farm Credit Bank Notes and commercial paper.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on December 31, 2008.

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

Investments of the cash management pool and investments with a maturity of three months or less at the time they are purchased by the City are considered to be cash equivalents. 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, 2008 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.

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***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 assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective 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 and Machinery	3-20 Years	3-20 Years
Infrastructure	10-75 Years	10-75 Years
Vehicles	3-20 Years	3-20 Years

The City's infrastructure consists of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, sewer systems, and water systems.

***I. Interfund Balances***

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." Interfund loans which do not represent available expendable resources are offset by a fund balance reserve account. These amounts are eliminated in the governmental columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as "internal balances".

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

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**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***J. Compensated Absences***

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

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

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

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

***K. 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, capital leases, and long-term loans are recognized as a liability on the government fund financial statements when due.

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

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**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***L. Net Assets***

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions, enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. At December 31, 2008, none of the City's net assets 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 assets are available.

***M. Fund Balance Reserves***

The City reserves those portions of fund balance which are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity, which is available for appropriation, in future periods. Fund balance reserves are established for encumbrances.

***N. Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, sewer and sanitation services, as well as charges related to the City's 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.

***O. Interfund Activity***

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

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

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

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**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***P. Extraordinary and Special Items***

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

***Q. Estimates***

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

***R. Budgetary Data***

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

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.

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

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**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***S. Implementation of New Accounting Policies***

For 2008, the City has implemented GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions," GASB Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations," and GASB Statement No. 50, "Pension Disclosures."

GASB Statement No. 45 provides guidance on all aspects of OPEB reporting by employers.

GASB Statement No. 49 provides guidance on calculating and reporting the costs and obligations associated with pollution cleanup efforts.

GASB Statement No. 50 more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits.

The implementation of GASB Statement No. 45, No. 49, and No. 50 did not affect the presentation of the financial statements of the City.

**NOTE 3: ACCOUNTABILITY AND COMPLIANCE**

***A. Accountability***

Fund balances at December 31, 2008 included the following individual fund deficits:

	<u>Deficit</u>
Non-Major Funds:	
Fire and Rescue Equipment	\$ 157,252
Firemen's Pension	113,017
Policemen's Pension	107,475
G.O. Bond Retirement	70,091

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

***B. Compliance***

The Water Softener Fund #444 had final appropriations in excess of estimated resources in the amount of \$261,539, contrary to Section 5705.39, Ohio Revised Code. Although this fund is budgeted individually by the City, it is reported as part of the Water Fund for financial reporting purposes.

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

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**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 Statements 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 major special revenue fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditure/expenses (budget) rather than as a reservation of fund balance (GAAP).

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 special revenue fund.

**Net Change in Fund Balance**

	General	Street Maintenance and Repair
GAAP Basis	\$ (1,546,129)	\$ (71,930)
Revenue accruals	98,487	31,700
Expenditure accruals	380,940	(26,455)
Encumbrances	(50,474)	(24,944)
Budget Basis	\$ (1,117,176)	\$ (91,629)

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

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**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 market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days.;
4. Bonds and any other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio).
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

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

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**NOTE 5: DEPOSITS AND INVESTMENTS (Continued)**

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 5 years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the City's name. During 2008, the City and public depositories complied with the provisions of these statutes.

**Deposits with Financial Institutions**

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

At year-end, the carrying amount of the City's deposits was \$5,749,931. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures," as of December 31, 2008, \$4,411,272 of the City's bank balance of \$5,944,874 was exposed to custodial risk as discussed above, while \$1,533,602 was covered by Federal Deposit Insurance Corporation.

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

**NOTE 5: DEPOSITS AND INVESTMENTS (Continued)**

**Investments**

As of December 31, 2008, the City had the following investments and maturities:

Investment Type	Fair Value	6 Months or Less	7-12 Months	13-18 Months	19-24 Months
FHLB	\$ 2,223,102	\$ 699,704	\$ 1,009,023	\$ 514,375	\$ 0
FNMA	725,703	201,638	0	524,065	0
FHLMC	175,000	175,000	0	0	0
FFCB	505,315	0	0	0	505,315
GE Capital Corp Commercial Paper	1,983,443	1,983,443	0	0	0
Repurchase Agreement	4,754,321	4,754,321	0	0	0
STAROhio	969,734	969,734	0	0	0
Total	<u>\$ 11,336,618</u>	<u>\$ 8,783,840</u>	<u>\$ 1,009,023</u>	<u>\$ 1,038,440</u>	<u>\$ 505,315</u>

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

**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 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. The City's investment in repurchase agreements is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City. Ohio law requires the market value of the securities subject to repurchase agreements must exceed the principal value of the securities subject to a repurchase agreement by 2%. The City's investment in commercial paper is also backed by the Federal Deposit Insurance Corporation under the FDIC's Temporary Liquidity Guarantee Program.

**Credit Risk** Standard & Poor's has assigned STAROhio, FHLB, FHLMC, FFCB, FNMA and the commercial paper an AAA rating. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The City has no investment policy that would further limit its investment choices.

**Concentration of Credit Risk** The following table includes the percentage to total of each investment type held by the City at December 31, 2008:

Investment Type	Fair Value	Percent of Total
FHLB	\$ 2,223,102	19.61%
FNMA	725,703	6.40%
FHLMC	175,000	1.54%
FFCB	505,315	4.46%
GE Capital Corp Commercial Paper	1,983,443	17.50%
Repurchase Agreements	4,754,321	41.94%
STAROhio	969,734	8.55%
Total Investments	<u>\$ 11,336,618</u>	<u>100.00%</u>

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

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**NOTE 6: PROPERTY TAXES**

Property taxes include amounts levied against all real and public utility property, and tangible personal property located in the City. Property tax revenue received during 2008 for real and public utility property taxes represents collections of the 2007 taxes. Property tax payments received during 2008 for tangible personal property (other than public utility property) are for 2008 taxes.

2008 real property taxes were levied after October 1, 2007 on the assessed value as of January 1, 2007, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2008 real property taxes are collected in and intended to finance 2009.

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. 2008 public utility property taxes which became a lien December 31, 2007, are levied after October 1, 2008, and are collected in 2008 with real property taxes.

Tangible personal property tax revenue received during calendar 2008 (other than public utility property) represents the collection of 2008 taxes. Tangible personal property taxes received in calendar year 2008 were levied after April 1, 2008, on the value as of December 31, 2007. For 2008, tangible personal property is assessed at 6.25 percent for property including inventory. This percentage will be reduced to zero percent for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the City prior to June 30.

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 will be eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaced the revenue lost by the City due the phasing out of the tax. In calendar years 2006-2010, the City will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

The full tax rate for all City operations for the year ended December 31, 2008 was \$3.90 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2008 property tax receipts were based are as follows:

Real Property - 2007 Valuation:	
Residential/Agricultural	\$ 221,436,630
Other Real Property	86,915,050
Tangible Personal Property - 2008 Valuation:	
General	31,913,261
Public Utilities	<u>7,557,520</u>
Total	<u>\$ 347,822,461</u>

**CITY OF ASHLAND, OHIO**  
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**NOTE 6: PROPERTY TAXES (Continued)**

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

The Ashland County Treasurer collects property tax on behalf of all tax districts within the County. The County Auditor periodically remits to the taxing district their portion of the taxes collected.

**NOTE 7: RECEIVABLES**

Receivables at December 31, 2008 consisted of taxes, accounts (billed and unbilled user charged services), interfund and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables are deemed collectible in full.

**NOTE 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 Fund, a Special Revenue Fund and the Park and Recreation Fund, a Special Revenue Fund. The distribution was determined by Ordinance 109-03.

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
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**NOTE 9: CAPITAL ASSETS**

A summary of changes in capital assets during 2008 follows:

	Balance 12/31/2007	Additions	Deletions	Transfers	Balance 12/31/2008
<b>Governmental Activities:</b>					
<i>Capital Assets Not Being Depreciated:</i>					
Land	\$ 6,024,070	\$ 0	\$ (43,043)	\$ 0	\$ 5,981,027
Construction in Progress	146,144	35,485	(181,629)	0	0
<i>Total Capital Assets, Not Being Depreciated</i>	<u>6,170,214</u>	<u>35,485</u>	<u>(224,672)</u>	<u>0</u>	<u>5,981,027</u>
<i>Capital Assets, Being Depreciated:</i>					
Buildings Improvements	8,837,578	104,823	0	0	8,942,401
Equipment	2,738,230	296,461	(57,267)	10,979	2,988,403
Vehicles	4,904,697	223,368	(284,531)	0	4,843,534
Streets	23,248,503	533,575	0	0	23,782,078
Bridges	2,526,671	0	0	0	2,526,671
Street lighting	845,373	0	0	0	845,373
<i>Total Capital Assets, Being Depreciated</i>	<u>43,101,052</u>	<u>1,158,227</u>	<u>(341,798)</u>	<u>10,979</u>	<u>43,928,460</u>
<i>Less Accumulated Depreciation:</i>					
Buildings Improvements	(3,576,177)	(227,429)	0	0	(3,803,606)
Equipment	(1,561,498)	(176,018)	55,340	(274)	(1,682,450)
Vehicles	(2,673,410)	(354,658)	281,957	0	(2,746,111)
Streets	(18,210,012)	(571,799)	0	0	(18,781,811)
Bridges	(1,454,939)	(86,623)	0	0	(1,541,562)
Street Lighting	(382,995)	(30,201)	0	0	(413,196)
<i>Total Accumulated Depreciation</i>	<u>(27,859,031)</u>	<u>(1,446,728) *</u>	<u>337,297</u>	<u>(274)</u>	<u>(28,968,736)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>15,242,021</u>	<u>(288,501)</u>	<u>(4,501)</u>	<u>10,705</u>	<u>14,959,724</u>
<i>Total Governmental Activity Capital Assets, Net</i>	<u>\$ 21,412,235</u>	<u>\$ (253,016)</u>	<u>\$ (229,173)</u>	<u>\$ 10,705</u>	<u>\$ 20,940,751</u>

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
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**NOTE 9: CAPITAL ASSETS (Continued)**

\*Depreciation expense was charged to governmental functions as follows:

General Government	\$	183,561
Leisure Time Services		121,029
Security of Persons and Property		246,877
Transportation		895,261
<b>Total</b>	<b>\$</b>	<b>1,446,728</b>

	Balance 12/31/2007	Additions	Deletions	Transfers	Balance 12/31/2008
<b>Business-Type Activities:</b>					
<i>Capital Assets Not Being Depreciated:</i>					
Land	\$ 3,526,518	\$ 8,250	\$ 0	\$ 0	\$ 3,534,768
Construction in Progress	263,643	1,329,119	(182,566)	0	1,410,196
<i>Total Capital Assets, Not Being Depreciated</i>	3,790,161	1,337,369	(182,566)	0	4,944,964
<i>Capital Assets, Being Depreciated:</i>					
Buildings and Improvements	12,025,142	0	0	0	12,025,142
Machinery and Equipment	3,599,548	14,716	(38,157)	(10,979)	3,565,128
Vehicles	1,403,350	212,516	(120,683)	0	1,495,183
Infrastructure	35,622,411	264,830	(20,000)	0	35,867,241
<i>Total Capital Assets, Being Depreciated</i>	52,650,451	492,062	(178,840)	(10,979)	52,952,694
<i>Less Accumulated Depreciation:</i>					
Buildings and Improvements	(4,377,729)	(248,383)	0	0	(4,626,112)
Machinery and Equipment	(1,250,438)	(195,308)	29,845	274	(1,415,627)
Vehicles	(984,042)	(79,507)	120,683	0	(942,866)
Infrastructure	(13,414,249)	(598,300)	16,277	0	(13,996,272)
<i>Total Accumulated Depreciation</i>	(20,026,458)	(1,121,498)	166,805	274	(20,980,877)
<i>Total Capital Assets Being Depreciated, Net</i>	32,623,993	(629,436)	(12,035)	(10,705)	31,971,817
<i>Total Business-Type Capital Assets, Net</i>	\$ 36,414,154	\$ 707,933	\$ (194,601)	\$ (10,705)	\$ 36,916,781

**CITY OF ASHLAND, OHIO**  
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**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>	<u>Type of Coverage</u>	<u>Period</u>
Westfield Insurance/The Buren Insurance Group, Inc.	Property	8/30/08-8/30/09
St. Paul Travelers/Boales Insurance	Commercial General Liability	8/30/08-8/30/09
	Law Enforcement Liability	8/30/08-8/30/09
	Automobile Liability	8/30/08-8/30/09
	Umbrella Policy	8/30/08-8/30/09
	Basic Errors and Omissions	8/30/08-8/30/09

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 Mayor. Sick leave is generally earned at the rate of 4.6 hours for every 80 hours worked and employees may accumulate on continuing basis. Sick leave is fully vested when earned. 25 percent of unused sick leave, up to the following maximums for employees who complete ten years of service plus any accumulated vacation leave, is paid at retirement or death. Sick leave accumulates up to a maximum of 688 hours for members of the Northern Ohio Patrolmen's Benevolent Association, 884 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, 2008, the total liability for unpaid compensated absences was \$972,919.

***B. Additional Insurance***

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

The City contracts with Principal Financial Group to provide dental, vision and health insurance to employees. The City and the employees share the cost of the total monthly premiums of \$428.25 single health care, \$892.72 employee and spouse health care, \$708.25 employee and child health care and \$1,172.72 family health care. Premiums and co-payments are paid from the same funds that pay the employee's salaries.

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
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**NOTE 12: SELF-INSURANCE**

The City's health insurance also includes a health reimbursement account (HRA), which is administered by Principal Financial Group. The HRA is an allocated benefit amount set up by the City to reimburse covered out-of-pocket expenses incurred by covered employees. The allocated benefit amount for those employees electing single coverage was \$1,120 per year, and the allocated benefit amount for those employees electing family coverage was \$2,240 per year. Additionally, the HRA has a rollover feature which allows the amount of unused HRA at the end of the plan year to be added to the new amount available in the new plan year. The maximum amount the HRA may have as an accumulated balance is \$1,620 for single coverage and \$3,240 for family coverage. Providers submit claims to the third-party administrator, which then invoices the City weekly. Due to the small lag in claims payments, the City reports no claims liability at year-end.

**NOTE 13: DEFINED BENEFIT PENSION PLANS**

***A. Ohio Public Employees Retirement System***

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional 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 that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional 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 that may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2008, members in State and local classifications contributed 10.0 percent of covered payroll and public safety members and law enforcement members contributed 10.1 percent.

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

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**NOTE 13: DEFINED BENEFIT PENSION PLANS (Continued)**

The City's contribution rate for 2008 was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.4 percent of covered payroll. For 2008, a portion of the City's contribution equal to 7.0 percent of covered payroll was allocated to fund the post-employment health care plan. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the City of 14 percent, except for public safety and law enforcement, where the maximum employer contribution rate is 18.1 percent.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2008, 2007, and 2006 were \$468,564, \$514,367, and \$684,528, respectively; 92.6 percent has been contributed for 2008 and 100 percent for 2007 and 2006. Contributions to the member-directed plan for 2008 were \$10,281 made by the City and \$7,729 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 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 the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations. The City's contribution was 19.5 percent for police officers and 24.0 percent for firefighters. Contributions are authorized by State statute. For 2008, a portion of the City's contribution equal to 6.75 percent of covered payroll was allocated to fund the post-employment health care plan. The City's contributions to OP&F for police and firefighters were \$247,986 and \$325,508, \$167,874 and \$243,920, and \$164,496 and 314,215 for the years ended December 31, 2008, 2007 and 2006, respectively. The full amount has been contributed for 2007 and 2006. 44.3 percent has been contributed for police and 51.7 percent for firefighters for 2008.

**NOTE 14: POSTEMPLOYMENT BENEFITS**

***A. Ohio Public Employees Retirement System***

Plan Description - OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the traditional and combined pension plans. Members of the member-directed plan do not qualify for ancillary benefits, including post-employment health care. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
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**NOTE 14: POSTEMPLOYMENT BENEFITS (Continued)**

To qualify for post-employment health care coverage, age and service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not require, 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.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222- 5601 or (800) 222-7377.

Funding Policy – The post-employment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). State statute requires that public employers fund postemployment health care through contributions to OPERS. A portion of each employer’s contribution to the traditional or combined plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2008, local government employers contributed 14.0 percent of covered payroll (17.4 percent for public safety and law enforcement). Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding post-employment health care benefits. The amount of the employer contributions which was allocated to fund post-employment health care was 7.0 percent of covered payroll for 2008.

The retirement board is also authorized to establish rules for the payment of a portion of the health care benefits by the retiree or the retiree’s surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and coverage selected. Active members do not make contributions to the post-employment health care plan.

The City’s contributions allocated to fund post-employment health care benefits for the years ended December 31, 2008, 2007, and 2006 were \$468,564, \$338,805, and \$334,823, respectively; 92.6 percent has been contributed for 2008 and 100 percent for 2007 and 2006.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007 and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

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

Plan Description – The City contributes to the OP&F sponsored healthcare program, a cost-sharing multiple-employer defined post-employment healthcare plan administered by OP&F. OP&F provides healthcare 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.

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
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**NOTE 14: POSTEMPLOYMENT BENEFITS (Continued)**

OP&F provides access to post-retirement healthcare coverage for any person who receives or is eligible to receive a monthly service, disability or survivor benefit or is a spouse or eligible dependent child of such person.

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.

Funding Policy – OP&F's post-employment healthcare plan was established and is administered as an Internal Revenue Code 401(h) account within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees. The Ohio Revised Code sets the contribution rates for participating employers and for plan members to OP&F. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24.0 percent of covered payroll for police and fire employers, respectively.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made to the pension plan to the 401(h) account as the employer contribution for retiree healthcare benefits. For the year ended December 31, 2008, the employer contribution allocated to the healthcare plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the healthcare plan each year is subject to the trustees' primary responsibility to ensure that pension benefits are adequately funded and also is limited by the provisions of Section 401(h).

The OP&F Board of Trustees is also authorized to establish requirements for contributions to the healthcare 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. Active members do not make contributions to the OPEB Plan.

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$131,287 and \$127,373, \$88,875 and \$95,447, and \$108,497 and \$149,857 for the years ended December 31, 2008, 2007 and 2006, respectively. The full amount has been contributed for 2007 and 2006. 44.3 percent has been contributed for police and 51.7 percent for firefighters for 2008.

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
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**NOTE 15: NOTES PAYABLE**

Note activity for the year ended December 31, 2008, consisted of the following:

	<u>Outstanding 12/31/2007</u>	<u>Issued</u>	<u>Retired</u>	<u>Outstanding 12/31/2008</u>
<b>Bond Anticipation Notes:</b>				
<b>Governmental Activities</b>				
<b>Nonmajor Funds</b>				
2.5% Maturity - 1/13/09 Soccer Field	\$ 0	\$ 88,000	\$ 0	\$ 88,000
3.5% Maturity - 10/15/09 Soccer Field	0	88,000	0	88,000
2.5% Maturity - 1/13/09 Fire Engine	0	105,000	0	105,000
3.5% Maturity - 10/15/09 Fire Engine	0	105,000	0	105,000
2.5% Maturity - 1/13/09 Fire Engine	0	290,000	0	290,000
3.5% Maturity - 10/15/09 Fire Engine	0	290,000	0	290,000
2.5% Maturity - 1/13/09 Rescue Truck	0	80,000	0	80,000
3.5% Maturity - 10/15/09 Rescue Truck	0	80,000	0	80,000
<i>Total Governmental Activities</i>	<u>\$ 0</u>	<u>\$ 1,126,000</u>	<u>\$ 0</u>	<u>\$ 1,126,000</u>
<b>Business-Type Activities</b>				
<b>Water Fund</b>				
2.5% Maturity - 1/13/09 Land Acquisition	\$ 0	\$ 2,200,000	\$ 0	\$ 2,200,000
<b>Sewer Fund</b>				
2.5% Maturity - 1/13/09 Sanitary Sewer	0	600,000	0	600,000
2.5% Maturity - 1/13/09 Equalization Basin	0	5,500,000	0	5,500,000
3.5% Maturity - 10/15/09 Equalization Basin	0	5,500,000	0	5,500,000
<i>Total Business-Type Activities</i>	<u>\$ 0</u>	<u>\$ 13,800,000</u>	<u>\$ 0</u>	<u>\$ 13,800,000</u>

All the notes were issued for one year or less and are backed by the full faith and credit of the City.

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**NOTE 16: LONG-TERM OBLIGATIONS**

<u>Debt Issue</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
<b>Governmental Activities</b>			
OPWC Loans:			
1999 Various Road Widening Reconstruction	0.00%	\$ 43,281	1/01/2010
2000 George Rd. Reconstruction	0.00%	4,162	1/01/2011
2002 Road Improvements	0.00%	11,931	1/01/2011
2003 Baney Rd. Reconstruction	0.00%	27,745	1/01/2014
2005 ODOT Loan - US Route 250	3.00%	462,010	11/28/2015
2003 Justice Center Bond	Various	2,923,000	3/05/2018
Bond Anticipation Note:			
Fire Pumper Truck	2.00%	250,000	2/26/2009
<b>Business-Type Activities</b>			
1990 OWDA Loan - Wastewater Treatment			
Plant Improvements	5.00%	4,190,216	1/01/2011
2004 OPWC Loan - Waterline Replacement	0.00%	7,942	7/01/2014
2008 OPWC Loan - Water Treatment			
Plant Improvements	0.00%	96,000	To be determined
General Obligation Bonds:			
2003 North Trunk Sewer Bond	Various	1,019,000	12/1/2023
2003 Sewer System Bond	Various	1,426,000	12/1/2023
2003 Jamison Creek Bond	Various	1,019,000	12/1/2023
2003 Water System Bond	Various	1,834,000	12/1/2023
2003 Water Treatment Bond	Various	3,360,000	12/1/2023
2003 Reservoir Bond	Various	1,324,000	12/1/2023

**CITY OF ASHLAND, OHIO**  
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**NOTE 16: LONG-TERM OBLIGATIONS (Continued)**

Changes in the long-term obligations of the City during 2008 were as follows:

	Outstanding 12/31/2007	Additions	(Reductions)	Outstanding 12/31/2008	Amounts Due In One Year
<b>Business-Type Activities:</b>					
OWDA Loan	\$ 1,059,906	\$ 0	\$ (284,359)	\$ 775,547	\$ 298,754
OPWC Loans	5,163	35,988	(795)	40,356	794
General Obligation Bonds	8,481,000	0	(398,000)	8,083,000	410,000
Bond Anticipation Notes	7,850,000	0	(7,850,000)	0	0
Compensated Absences	182,252	2,983	(6,010)	179,225	7,722
<i>Total Business-Type Activities</i>	<u>\$ 17,578,321</u>	<u>\$ 38,971</u>	<u>\$ (8,539,164)</u>	<u>\$ 9,078,128</u>	<u>\$ 717,270</u>
<b>Governmental Activities:</b>					
OPWC Loans	\$ 31,027	\$ 0	\$ (9,010)	\$ 22,017	\$ 9,010
General Obligation Bonds	2,484,000	0	(117,000)	2,367,000	120,000
Bond Anticipation Notes	997,000	250,000	(997,000)	250,000	250,000
ODOT Loan	475,974	0	(63,371)	412,603	53,811
Compensated Absences	800,711	1,787	(8,804)	793,694	41,378
<i>Total Governmental Activities</i>	<u>\$ 4,788,712</u>	<u>\$ 251,787</u>	<u>\$ (1,195,185)</u>	<u>\$ 3,845,314</u>	<u>\$ 474,199</u>

The Ohio Public Works Commission (OPWC) loan, the Ohio Water Development Authority (OWDA) loan and the general obligation bonds and bond anticipation notes appearing in the business-type funds will be paid from the water and sewer funds. The OPWC loans and the general obligation bonds in the governmental activities will be repaid with property tax revenues. The governmental bond anticipation notes will be paid from fire department charges for services, park and recreation donations, income tax and property tax revenues. The compensated absences will be paid from the general operating revenues of the fund from which the employees' salaries are paid.

In 2008, the City was awarded a loan from the Ohio Public Works Commission (OPWC) in the amount of \$96,000. The proceeds of this loan are being used for water treatment plant improvements. As of December 31, 2008, the City had drawn down \$35,988 of the loan. An amortization schedule has not been completed by the OPWC, therefore, the loan is not included in the following amortization schedule.

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

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

**NOTE 16: LONG-TERM OBLIGATIONS (Continued)**

A summary of annual requirements to pay principal and interest on debt outstanding at December 31, 2008 is as follows:

	Business-Type Activities				
	OWDA Loan		OPWC Loan	General Obligation Bonds	
	Principal	Interest	Principal	Principal	Interest
2009	\$ 298,754	\$ 35,089	\$ 794	\$ 410,000	\$ 340,329
2010	313,879	19,965	794	422,000	328,849
2011	162,914	4,007	794	433,000	315,767
2012	0	0	794	449,000	301,045
2013	0	0	794	464,000	285,330
2014-2018	0	0	398	2,617,000	1,126,848
2019-2023	0	0	0	3,288,000	461,920
<b>Totals</b>	<b>\$ 775,547</b>	<b>\$ 59,061</b>	<b>\$ 4,368</b>	<b>\$ 8,083,000</b>	<b>\$ 3,160,088</b>

	Governmental Activities						
	Bond Anticipation Notes		OPWC Loan	General Obligation Bonds		ODOT Loan	
	Principal	Interest	Principal	Principal	Interest	Principal	Interest
2009	\$ 250,000	\$ 4,162	\$ 9,010	\$ 120,000	\$ 99,684	\$ 53,811	\$ 11,978
2010	0	0	4,682	123,000	96,323	55,437	10,351
2011	0	0	2,775	127,000	92,511	57,113	8,675
2012	0	0	2,775	131,000	88,192	58,839	6,949
2013	0	0	2,775	136,000	83,608	60,617	5,171
2014-2018	0	0	0	768,000	330,203	62,449	3,339
2019-2023	0	0	0	962,000	135,142	64,337	1,451
<b>Totals</b>	<b>\$ 250,000</b>	<b>\$ 4,162</b>	<b>\$ 22,017</b>	<b>\$ 2,367,000</b>	<b>\$ 925,663</b>	<b>\$ 412,603</b>	<b>\$ 47,914</b>

	Business Type Activities		Governmental Activities	
	Total		Total	
	Principal	Interest	Principal	Interest
2009	\$ 709,548	\$ 375,418	\$ 432,821	\$ 115,824
2010	736,673	348,814	183,119	106,674
2011	596,708	319,774	186,888	101,186
2012	449,794	301,045	192,614	95,141
2013	464,794	285,330	199,392	88,779
2014-2018	2,617,398	1,126,848	830,449	333,542
2019-2023	3,288,000	461,920	1,026,337	136,593
<b>Totals</b>	<b>\$ 8,862,915</b>	<b>\$ 3,219,149</b>	<b>\$ 3,051,620</b>	<b>\$ 977,739</b>

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

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**NOTE 16: LONG-TERM OBLIGATIONS (Continued)**

***2003 Various Purpose Improvement Bonds***

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

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

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

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

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

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

**NOTE 17: INTERFUND TRANSFERS AND BALANCES**

***A. Interfund Transfers***

Following is a summary of transfers in and out for all funds for 2008:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 0	\$ 466,645
Park and Recreation	0	105,937
Ashland Public Transportation	74,464	0
Fire Rescue Equipment	0	666,428
Note Retirement	772,365	0
Brookside Swimming Pool	20,101	0
Brookside Golf Course	372,080	0
Sewer	0	10,705
Governmental Activities	10,705	0
Total	<u>\$ 1,249,715</u>	<u>\$ 1,249,715</u>

The Park and Recreation Fund and the Fire Rescue Equipment Fund transferred \$105,937 and \$666,428, respectively, to the Note Retirement Fund for debt payments. The Sewer Fund transferred capital assets in the amount of \$10,705 to governmental activities. The remaining transfers from the General Fund to the various other funds were to provide additional resources for current operations.

***B. Interfund Balances***

As of December 31, 2008, interfund balances were as follows:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
Capital Improvements	\$ 100,721	\$ 0
General Obligation Bond Retirement	0	70,091
Water	0	24,031
Sewer	0	6,599
Total	<u>\$ 100,721</u>	<u>\$ 100,721</u>

The advance to the General Obligation Bond Retirement Fund was for debt service. The advances to the Water and Sewer funds were for capital projects of these funds. City legislation allows interest earned in the Capital Improvement Fund to be used on any capital projects within the City. All interfund balances are expected to be repaid within one year.

**CITY OF ASHLAND, OHIO**  
**Notes To The Basic Financial Statements**  
**December 31, 2008**

**NOTE 18: CONTRACTUAL COMMITMENTS**

As of December 31, 2008, the City had contractual commitments for the following projects:

	<u>Contractual Commitment</u>	<u>Expended</u>	<u>Balance 12/31/2008</u>
Simonson Construction-WTP Water Softner No. 1	\$ 621,212	\$ (433,995)	\$ 187,217
Reynolds Inc-Production Well Drilling Bates Property	195,600	(88,315)	107,285
	<u>\$ 816,812</u>	<u>\$ (522,310)</u>	<u>\$ 294,502</u>
Total Business-Type Activities	<u>\$ 816,812</u>	<u>\$ (522,310)</u>	<u>\$ 294,502</u>

**NOTE 19: CONTINGENCIES**

**A. Grants**

The City received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the overall financial position of the City at December 31, 2008.

**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 20: SUBSEQUENT EVENT**

On February 19, 2009, the City re-issued a bond anticipation note in the amount of \$200,000 for the purchase of a fire pumper truck. The note was issued at an interest rate of 2.75% with a maturity date of October 19, 2009.

**COMBINING STATEMENTS FOR  
NONMAJOR GOVERNMENTAL FUNDS**

## CITY OF ASHLAND, OHIO

### Fund Descriptions – Nonmajor Funds

#### *Nonmajor Special Revenue Funds*

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

***State Highway Fund*** - 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.

***Kate Myers Trust*** - To account for interest revenue and operating costs from the trust.

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

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

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

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

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

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

## CITY OF ASHLAND, OHIO

### *Fund Descriptions – Nonmajor Funds (continued)*

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

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

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

***D.A.R.E.*** - To account for the deposit, control of grant monies and donations received for the expenditure of supplies, contractual services, travel and salary reimbursement.

***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 expenses.

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

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

## CITY OF ASHLAND, OHIO

### *Fund Descriptions – Nonmajor Funds (continued)*

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

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

### ***Nonmajor Debt Service Funds***

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

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

***Special Assessment*** - To account for projects as provided in Chapter 729 of the Ohio Revised Code. The projects are usually financed through the City issuing special assessment bonds that will be paid off by assessing property owners.

### ***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.

***Sidewalk Program*** – To account for the deposit, control and expenditure of monies from assessments and transfers to pay for the construction of sidewalks throughout the City.

**City of Ashland**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2008*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 2,579,436	\$ 84,633	\$ 1,109,083	\$ 3,773,152
Receivables:				
Taxes	510,022	248,215	0	758,237
Accounts	36,770	0	0	36,770
Intergovernmental Receivable	386,216	18,813	0	405,029
Interfund Receivable	0	0	100,721	100,721
Prepaid Items	11,850	0	127	11,977
<i>Total Assets</i>	<u>\$ 3,524,294</u>	<u>\$ 351,661</u>	<u>\$ 1,209,931</u>	<u>\$ 5,085,886</u>
<b>Liabilities</b>				
Accounts Payable	\$ 124,522	\$ 0	\$ 18,836	\$ 143,358
Accrued Wages	14,039	0	0	14,039
Contracts Payable	0	0	15,645	15,645
Intergovernmental Payable	271,331	0	0	271,331
Accrued Interest Payable	12,702	0	0	12,702
Interfund Payable	0	70,091	0	70,091
Deferred Revenue	642,826	267,028	0	909,854
Notes Payable	1,126,000	0	0	1,126,000
<i>Total Liabilities</i>	<u>2,191,420</u>	<u>337,119</u>	<u>34,481</u>	<u>2,563,020</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	223,111	0	17,063	240,174
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,109,763	0	0	1,109,763
Debt Service Fund	0	14,542	0	14,542
Capital Projects Funds	0	0	1,158,387	1,158,387
<i>Total Fund Balances</i>	<u>1,332,874</u>	<u>14,542</u>	<u>1,175,450</u>	<u>2,522,866</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 3,524,294</u>	<u>\$ 351,661</u>	<u>\$ 1,209,931</u>	<u>\$ 5,085,886</u>

**City of Ashland**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2008*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Property Taxes	\$ 356,809	\$ 120,970	\$ 0	\$ 477,779
Income Taxes	807,926	0	0	807,926
Charges for Services	503,038	0	0	503,038
Fines and Forfeitures	455,135	0	0	455,135
Intergovernmental	1,499,256	14,411	0	1,513,667
Interest	1,317	0	363,769	365,086
Rental Income	350	0	0	350
Contributions and Donations	31,279	16,000	0	47,279
Other	62,539	0	46,706	109,245
<i>Total Revenues</i>	<u>3,717,649</u>	<u>151,381</u>	<u>410,475</u>	<u>4,279,505</u>
<b>Expenditures</b>				
Current:				
General Government	613,402	0	3,550	616,952
Security of Persons and Property	887,297	0	0	887,297
Leisure Time Services	1,051,707	0	0	1,051,707
Community and Economic Development	423,819	0	0	423,819
Transportation	785	0	0	785
Capital Outlay	293,822	0	144,857	438,679
Debt Service:				
Principal Retirement	63,371	1,114,000	9,010	1,186,381
Interest and Fiscal Charges	25,428	143,620	380	169,428
<i>Total Expenditures</i>	<u>3,359,631</u>	<u>1,257,620</u>	<u>157,797</u>	<u>4,775,048</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>358,018</u>	<u>(1,106,239)</u>	<u>252,678</u>	<u>(495,543)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	74,464	772,365	0	846,829
Proceeds of Loans	0	0	0	0
Proceeds from Bond Anticipation Notes	0	250,000	0	250,000
Proceeds from Sales of Capital Assets	0	0	0	0
Premium on Debt Issued	0	9,944	0	9,944
Transfers Out	(772,365)	0	0	(772,365)
<i>Total Other Financing Sources</i>	<u>(697,901)</u>	<u>1,032,309</u>	<u>0</u>	<u>334,408</u>
<i>Net Change in Fund Balances</i>	(339,883)	(73,930)	252,678	(161,135)
<i>Fund Balances Beginning of Year</i>	<u>1,672,757</u>	<u>88,472</u>	<u>922,772</u>	<u>2,684,001</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,332,874</u>	<u>\$ 14,542</u>	<u>\$ 1,175,450</u>	<u>\$ 2,522,866</u>

**City of Ashland**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2008*

	State Highway	Permissive Tax	City Permissive	Bandshell Improvements	Park & Recreation
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 116,073	\$ 0	\$ 23,018	\$ 79,120	\$ 328,447
Receivables:					
Taxes	0	0	0	0	323,676
Accounts	0	0	0	0	10,704
Intergovernmental Receivable	32,744	0	44,035	0	13,178
Prepaid Items	0	0	0	0	9,666
<i>Total Assets</i>	<u>\$ 148,817</u>	<u>\$ 0</u>	<u>\$ 67,053</u>	<u>\$ 79,120</u>	<u>\$ 685,671</u>
<b>Liabilities</b>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,165.00
Accrued Wages	0	0	0	0	8,318
Intergovernmental Payable	0	0	0	0	21,321
Accrued Interest Payable	0	0	0	0	1,985
Deferred Revenue	21,374	0	30,148	0	226,202
Notes Payable	0	0	0	0	176,000
<i>Total Liabilities</i>	<u>21,374</u>	<u>0</u>	<u>30,148</u>	<u>0</u>	<u>441,991</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	0	0	0	0	3,209
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	127,443	0	36,905	79,120	240,471
<i>Total Fund Balances</i>	<u>127,443</u>	<u>0</u>	<u>36,905</u>	<u>79,120</u>	<u>243,680</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 148,817</u>	<u>\$ 0</u>	<u>\$ 67,053</u>	<u>\$ 79,120</u>	<u>\$ 685,671</u>

(Continued)

<u>Kate Myers Trust</u>	<u>Fire/Rescue Training</u>	<u>Fire/Rescue Equipment</u>	<u>Community Development Block Grant</u>	<u>Ohio Regional Development Housing</u>	<u>Firemens Pension</u>	<u>Policemens Pension</u>
\$ 7,224	\$ 15,489	\$ 803,465	\$ 109,135	\$ 84,907	\$ 9,074.00	\$ 9,805.00
0	0	0	0	0	93,173	93,173
0	0	0	0	0	0	0
0	0	0	71,400	128,087	8,153	8,153
0	0	0	0	0	0	0
<u>\$ 7,224</u>	<u>\$ 15,489</u>	<u>\$ 803,465</u>	<u>\$ 180,535</u>	<u>\$ 212,994</u>	<u>\$ 110,400</u>	<u>\$ 111,131</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 46,713.00	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	122,091	117,280
0	0	10,717	0	0	0	0
0	0	0	12,300	109,921	101,326	101,326
0	0	950,000	0	0	0	0
<u>0</u>	<u>0</u>	<u>960,717</u>	<u>12,300</u>	<u>156,634</u>	<u>223,417</u>	<u>218,606</u>
0	0	173,006	0	37,779	0	0
<u>7,224</u>	<u>15,489</u>	<u>(330,258)</u>	<u>168,235</u>	<u>18,581</u>	<u>(113,017)</u>	<u>(107,475)</u>
<u>7,224</u>	<u>15,489</u>	<u>(157,252)</u>	<u>168,235</u>	<u>56,360</u>	<u>(113,017)</u>	<u>(107,475)</u>
<u>\$ 7,224</u>	<u>\$ 15,489</u>	<u>\$ 803,465</u>	<u>\$ 180,535</u>	<u>\$ 212,994</u>	<u>\$ 110,400</u>	<u>\$ 111,131</u>

(Continued)

**City of Ashland**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (Continued)*  
*December 31, 2008*

	<u>Drug Law Enforcement</u>	<u>Enforcement &amp; Education</u>	<u>Ashland Public Transportation</u>	<u>D.A.R.E.</u>	<u>Municipal Court Computer</u>
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 26,354	\$ 2,835	\$ 81,248	\$ 31,350	\$ 353,242
Receivables:					
Taxes	0	0	0	0	0
Accounts	0	0	0	0	22,243
Intergovernmental Receivable	0	0	25,192	0	0
Prepaid Items	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 26,354</u>	<u>\$ 2,835</u>	<u>\$ 106,440</u>	<u>\$ 31,350</u>	<u>\$ 375,485</u>
<b>Liabilities</b>					
Accounts Payable	\$ 0	\$ 0	\$ 31,237.00	\$ 0	\$ 34,709.00
Accrued Wages	0	0	1,268	0	0
Intergovernmental Payable	0	0	1,659	0	0
Accrued Interest Payable	0	0	0	0	0
Deferred Revenue	0	0	12,592	0	0
Notes Payable	0	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>46,756</u>	<u>0</u>	<u>34,709</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	0	0	0	0	0
Undesignated Reported In:					
Special Revenue Funds	26,354	2,835	59,684	31,350	340,776
<i>Total Fund Balances</i>	<u>26,354</u>	<u>2,835</u>	<u>59,684</u>	<u>31,350</u>	<u>340,776</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 26,354</u>	<u>\$ 2,835</u>	<u>\$ 106,440</u>	<u>\$ 31,350</u>	<u>\$ 375,485</u>

(Continued)

Indigent Drivers	Municipal Probation	Police Donations	Home Arrest	Community Corrections	Municipal Court Special Program	CCA Monitoring
\$ 61,835	\$ 141,793	\$ 10,329	\$ 1,728	\$ 5,659	\$ 233,263	\$ 4,422
0	0	0	0	0	0	0
0	0	0	0	0	3,239	584
0	0	0	0	55,274	0	0
0	1,422	0	0	762	0	0
<u>\$ 61,835</u>	<u>\$ 143,215</u>	<u>\$ 10,329</u>	<u>\$ 1,728</u>	<u>\$ 61,695</u>	<u>\$ 236,502</u>	<u>\$ 5,006</u>
\$ 0	\$ 17.00	\$ 0	\$ 0	\$ 2,373.00	\$ 1,308.00	\$ 0
0	3,084	0	0	1,369	0	0
0	6,602	0	0	2,378	0	0
0	0	0	0	0	0	0
0	0	0	0	27,637	0	0
0	0	0	0	0	0	0
0	9,703	0	0	33,757	1,308	0
0	0	0	0	367	8,750	0
61,835	133,512	10,329	1,728	27,571	226,444	5,006
61,835	133,512	10,329	1,728	27,938	235,194	5,006
<u>\$ 61,835</u>	<u>\$ 143,215</u>	<u>\$ 10,329</u>	<u>\$ 1,728</u>	<u>\$ 61,695</u>	<u>\$ 236,502</u>	<u>\$ 5,006</u>

(Continued)

**City of Ashland**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (Continued)*  
*December 31, 2008*

	Revolving Loan	Mayor's Underprivileged Children	Indigent Driver's Interlock	Continuing Education	Totals
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 37,454	\$ 387	\$ 100	\$ 1,680	\$ 2,579,436
Receivables:					
Taxes	0	0	0	0	510,022
Accounts	0	0	0	0	36,770
Intergovernmental Receivable	0	0	0	0	386,216
Prepaid Items	0	0	0	0	11,850
<i>Total Assets</i>	<u>\$ 37,454</u>	<u>\$ 387</u>	<u>\$ 100</u>	<u>\$ 1,680</u>	<u>\$ 3,524,294</u>
<b>Liabilities</b>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 124,522
Accrued Wages	0	0	0	0	14,039
Intergovernmental Payable	0	0	0	0	271,331
Accrued Interest Payable	0	0	0	0	12,702
Deferred Revenue	0	0	0	0	642,826
Notes Payable	0	0	0	0	1,126,000
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,191,420</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	0	0	0	0	223,111
Undesignated Reported In:					
Special Revenue Funds	37,454	387	100	1,680	1,109,763
<i>Total Fund Balances</i>	<u>37,454</u>	<u>387</u>	<u>100</u>	<u>1,680</u>	<u>1,332,874</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 37,454</u>	<u>\$ 387</u>	<u>\$ 100</u>	<u>\$ 1,680</u>	<u>\$ 3,524,294</u>

**City of Ashland**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2008*

	State Highway	Permissive Tax	City Permissive	Bandshell Improvements	Park & Recreation
<b>Revenues</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 158,787
Income Taxes	0	0	0	0	807,926
Charges for Services	0	0	0	0	90,253
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	120,511	128,000	94,698	0	23,551
Rental Income	0	0	0	0	350
Contributions and Donations	0	0	0	19,601	0
Interest	0	0	0	0	0
Other	19,509	0	0	0	28,479
<i>Total Revenues</i>	<u>140,020</u>	<u>128,000</u>	<u>94,698</u>	<u>19,601</u>	<u>1,109,346</u>
<b>Expenditures</b>					
Current:					
General Government:	0	0	0	0	0
Security of Persons and Property	0	0	0	0	0
Leisure Time Services	0	0	0	4,519	1,047,188
Community and Economic Development	0	0	0	0	0
Transportation	0	0	0	0	0
Capital Outlay	0	128,000	79,390	0	0
Debt Service:					
Principal Retirement	63,371	0	0	0	0
Interest and Fiscal Charges	6,466	0	0	0	2,553
<i>Total Expenditures</i>	<u>69,837</u>	<u>128,000</u>	<u>79,390</u>	<u>4,519</u>	<u>1,049,741</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>70,183</u>	<u>0</u>	<u>15,308</u>	<u>15,082</u>	<u>59,605</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	(105,937)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(105,937)</u>
<i>Net Change in Fund Balances</i>	70,183	0	15,308	15,082	(46,332)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>57,260</u>	<u>0</u>	<u>21,597</u>	<u>64,038</u>	<u>290,012</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 127,443</u>	<u>\$ 0</u>	<u>\$ 36,905</u>	<u>\$ 79,120</u>	<u>\$ 243,680</u>

(Continued)

<u>Kate Myers Trust</u>	<u>Fire/Rescue Training</u>	<u>Fire/Rescue Equipment</u>	<u>Community Development Block Grant</u>	<u>Ohio Regional Development Housing</u>	<u>Firemens Pension</u>	<u>Policemens Pension</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 99,011	\$ 99,011
0	0	0	0	0	0	0
0	0	290,750	0	0	0	0
0	0	0	0	0	0	0
0	39,141	0	138,800	413,342	11,685	11,684
0	0	0	0	0	0	0
0	6,553	0	0	0	0	0
173	0	0	0	0	0	0
0	0	0	0	12,159	0	0
<u>173</u>	<u>45,694</u>	<u>290,750</u>	<u>138,800</u>	<u>425,501</u>	<u>110,696</u>	<u>110,695</u>
0	0	0	0	46,713	0	0
0	58,080	31,246	0	0	165,590	169,307
0	0	0	0	0	0	0
0	0	0	18,299	405,520	0	0
0	0	0	0	0	0	0
0	0	85,167	0	0	0	0
0	0	0	0	0	0	0
0	0	16,409	0	0	0	0
<u>0</u>	<u>58,080</u>	<u>132,822</u>	<u>18,299</u>	<u>452,233</u>	<u>165,590</u>	<u>169,307</u>
<u>173</u>	<u>(12,386)</u>	<u>157,928</u>	<u>120,501</u>	<u>(26,732)</u>	<u>(54,894)</u>	<u>(58,612)</u>
0	0	0	0	0	0	0
0	0	(666,428)	0	0	0	0
<u>0</u>	<u>0</u>	<u>(666,428)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
173	(12,386)	(508,500)	120,501	(26,732)	(54,894)	(58,612)
<u>7,051</u>	<u>27,875</u>	<u>351,248</u>	<u>47,734</u>	<u>83,092</u>	<u>(58,123)</u>	<u>(48,863)</u>
<u>\$ 7,224</u>	<u>\$ 15,489</u>	<u>\$ (157,252)</u>	<u>\$ 168,235</u>	<u>\$ 56,360</u>	<u>\$ (113,017)</u>	<u>\$ (107,475)</u>

(Continued)

**City of Ashland**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (Continued)*  
*For the Year Ended December 31, 2008*

	Drug Law Enforcement	Enforcement & Education	Ashland Public Transportation	D.A.R.E.	Municipal Court Computer
<b>Revenues</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	0	0	0
Charges for Services	0	0	108,781	10,417	0
Fines and Forfeitures	12,288	1,888	0	0	130,794
Intergovernmental	0	0	360,234	16,352	0
Rental Income	0	0	0	0	0
Contributions and Donations	0	0	0	3,963	0
Interest	0	0	0	0	0
Other	0	0	2,392	0	0
<i>Total Revenues</i>	<u>12,288</u>	<u>1,888</u>	<u>471,407</u>	<u>30,732</u>	<u>130,794</u>
<b>Expenditures</b>					
Current:					
General Government:	0	0	530,635	0	34,246
Security of Persons and Property	499	150	0	14,970	69,549
Leisure Time Services	0	0	0	0	0
Community and Economic Development	0	0	0	0	0
Transportation	0	0	785	0	0
Capital Outlay	0	0	1,265	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>499</u>	<u>150</u>	<u>532,685</u>	<u>14,970</u>	<u>103,795</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>11,789</u>	<u>1,738</u>	<u>(61,278)</u>	<u>15,762</u>	<u>26,999</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	0	0	74,464	0	0
Transfers Out	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>74,464</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	11,789	1,738	13,186	15,762	26,999
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>14,565</u>	<u>1,097</u>	<u>46,498</u>	<u>15,588</u>	<u>313,777</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 26,354</u>	<u>\$ 2,835</u>	<u>\$ 59,684</u>	<u>\$ 31,350</u>	<u>\$ 340,776</u>

(Continued)

<u>Indigent Drivers</u>	<u>Municipal Probation</u>	<u>Police Donations</u>	<u>Home Arrest</u>	<u>Community Corrections</u>	<u>Municipal Court Special Program</u>	<u>CCA Monitoring</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
21,771	233,162	0	0	0	47,692	7,440
0	0	0	0	139,555	0	23
0	0	0	0	0	0	0
0	0	1,162	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>21,771</u>	<u>233,162</u>	<u>1,162</u>	<u>0</u>	<u>139,555</u>	<u>47,692</u>	<u>7,463</u>
0	0	0	0	0	1,308	0
15,001	201,280	1,510	0	118,469	36,631	5,015
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>15,001</u>	<u>201,280</u>	<u>1,510</u>	<u>0</u>	<u>118,469</u>	<u>37,939</u>	<u>5,015</u>
<u>6,770</u>	<u>31,882</u>	<u>(348)</u>	<u>0</u>	<u>21,086</u>	<u>9,753</u>	<u>2,448</u>
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
6,770	31,882	(348)	0	21,086	9,753	2,448
<u>55,065</u>	<u>101,630</u>	<u>10,677</u>	<u>1,728</u>	<u>6,852</u>	<u>225,441</u>	<u>2,558</u>
<u>\$ 61,835</u>	<u>\$ 133,512</u>	<u>\$ 10,329</u>	<u>\$ 1,728</u>	<u>\$ 27,938</u>	<u>\$ 235,194</u>	<u>\$ 5,006</u>

(Continued)

**City of Ashland**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (Continued)*  
*For the Year Ended December 31, 2008*

	Revolving Loan	Mayor's Underprivileged Children	Indigent Driver's Interlock	Continuing Education	Totals
<b>Revenues</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 356,809
Income Taxes	0	0	0	0	807,926
Charges for Services	2,837	0	0	0	503,038
Fines and Forfeitures	0	0	100	0	455,135
Intergovernmental	0	0	0	1,680	1,499,256
Rental Income	0	0	0	0	350
Contributions and Donations	0	0	0	0	31,279
Interest	1,122	22	0	0	1,317
Other	0	0	0	0	62,539
<i>Total Revenues</i>	<u>3,959</u>	<u>22</u>	<u>100</u>	<u>1,680</u>	<u>3,717,649</u>
<b>Expenditures</b>					
Current:					
General Government:					
General Government:	0	500	0	0	613,402
Security of Persons and Property	0	0	0	0	887,297
Leisure Time Services	0	0	0	0	1,051,707
Community and Economic Development	0	0	0	0	423,819
Transportation	0	0	0	0	785
Capital Outlay	0	0	0	0	293,822
Debt Service:					
Principal Retirement	0	0	0	0	63,371
Interest and Fiscal Charges	0	0	0	0	25,428
<i>Total Expenditures</i>	<u>0</u>	<u>500</u>	<u>0</u>	<u>0</u>	<u>3,359,631</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,959</u>	<u>(478)</u>	<u>100</u>	<u>1,680</u>	<u>358,018</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	0	0	0	0	74,464
Transfers Out	0	0	0	0	(772,365)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(697,901)</u>
<i>Net Change in Fund Balances</i>	3,959	(478)	100	1,680	(339,883)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>33,495</u>	<u>865</u>	<u>0</u>	<u>0</u>	<u>1,672,757</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 37,454</u>	<u>\$ 387</u>	<u>\$ 100</u>	<u>\$ 1,680</u>	<u>\$ 1,332,874</u>

**City of Ashland**  
*Combining Balance Sheet*  
*Nonmajor Debt Service Funds*  
*December 31, 2008*

	General Obligation Bond Retirement	Note Retirement	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 84,633	\$ 84,633
Receivables:			
Taxes	248,215	0	248,215
Intergovernmental	18,813	0	18,813
<i>Total Assets</i>	<u>\$ 267,028</u>	<u>\$ 84,633</u>	<u>\$ 351,661</u>
<b>Liabilities</b>			
Interfund Payable	\$ 70,091	\$ 0	\$ 70,091
Deferred Revenue	267,028	0	267,028
<i>Total Liabilities</i>	<u>337,119</u>	<u>0</u>	<u>337,119</u>
<b>Fund Balances</b>			
Unreserved, Undesignated, Reported in:			
Debt Service Funds	(70,091)	84,633	14,542
<i>Total Liabilities and Fund Balances</i>	<u>\$ 267,028</u>	<u>\$ 84,633</u>	<u>\$ 351,661</u>

**City of Ashland**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Debt Service Funds*  
*For the Year Ended December 31, 2008*

	General Obligation Bond Retirement	Note Retirement	Total
<b>Revenues</b>			
Property Taxes	\$ 120,970	\$ 0	\$ 120,970
Intergovernmental	14,411	0	14,411
Contributions and Donations	0	16,000	16,000
<i>Total Revenues</i>	<u>135,381</u>	<u>16,000</u>	<u>151,381</u>
<b>Expenditures</b>			
Current:			
Debt Service:			
Principal Retirement	117,000	997,000	1,114,000
Interest and Fiscal Charges	102,255	41,365	143,620
<i>Total Expenditures</i>	<u>219,255</u>	<u>1,038,365</u>	<u>1,257,620</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(83,874)</u>	<u>(1,022,365)</u>	<u>(1,106,239)</u>
<b>Other Financing Sources</b>			
Transfers In	0	772,365	772,365
Proceeds from Bond Anticipation Notes	0	250,000	250,000
Premium on Debt Issued	0	9,944	9,944
<i>Total Other Financing Sources</i>	<u>0</u>	<u>1,032,309</u>	<u>1,032,309</u>
<i>Net Change in Fund Balances</i>	(83,874)	9,944	(73,930)
<i>Fund Balance Beginning of Year</i>	<u>13,783</u>	<u>74,689</u>	<u>88,472</u>
<i>Fund Balances End of Year</i>	<u>\$ (70,091)</u>	<u>\$ 84,633</u>	<u>\$ 14,542</u>

**INDIVIDUAL FUND SCHEDULES OF REVENUES,  
EXPENDITURES AND CHANGES IN  
FUND BALANCE – BUDGET (NON-GAAP BASIS)  
AND ACTUAL**

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$ 719,031	\$ 794,803	\$ 807,894	\$ 13,091
Income Taxes	6,097,300	6,202,218	6,656,066	453,848
Charges for Services	1,338,322	1,388,840	1,380,949	(7,891)
Licenses and Permits	27,450	51,860	34,102	(17,758)
Fines and Forfeitures	620,735	690,839	637,728	(53,111)
Intergovernmental	922,963	1,070,750	1,002,409	(68,341)
Interest	0	0	1,161	1,161
Rent	4,800	38,600	37,254	(1,346)
Contributions and Donations	1,000	1,000	11	(989)
Other	63,200	67,983	65,957	(2,026)
<i>Total Revenues</i>	<u>9,794,801</u>	<u>10,306,893</u>	<u>10,623,531</u>	<u>316,638</u>
<b>Expenditures</b>				
Current:				
General Government				
Mayor				
Personal Services	181,280	180,249	173,483	6,766
Other	16,858	17,889	17,890	(1)
Total Mayor	<u>198,138</u>	<u>198,138</u>	<u>191,373</u>	<u>6,765</u>
Director of Finance				
Personal Services	332,700	332,700	309,620	23,080
Other	79,900	79,900	67,422	12,478
Total Director of Finance	<u>412,600</u>	<u>412,600</u>	<u>377,042</u>	<u>35,558</u>
Income Tax				
Personal Services	213,302	210,353	210,353	0
Other	206,448	294,191	294,634	(443)
Total Income Tax	<u>419,750</u>	<u>504,544</u>	<u>504,987</u>	<u>(443)</u>
Director of Law				
Personal Services	206,522	194,641	193,617	1,024
Other	44,442	56,323	53,281	3,042
Total Director of Law	<u>250,964</u>	<u>250,964</u>	<u>246,898</u>	<u>4,066</u>

(Continued)

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund  
For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Department of Human Services				
Personal Services	151,380	151,380	149,090	2,290
Other	17,763	26,131	16,641	9,490
<b>Total Department of Human Services</b>	<b>169,143</b>	<b>177,511</b>	<b>165,731</b>	<b>11,780</b>
Council				
Personal Services	80,123	80,123	78,319	1,804
Other	9,950	9,950	4,919	5,031
<b>Total Council</b>	<b>90,073</b>	<b>90,073</b>	<b>83,238</b>	<b>6,835</b>
Municipal Court Judge				
Personal Services	51,866	51,866	50,974	892
Other	5,000	5,000	6,832	(1,832)
<b>Total Municipal Court Judge</b>	<b>56,866</b>	<b>56,866</b>	<b>57,806</b>	<b>(940)</b>
Municipal Court Clerk				
Personal Services	947,159	948,542	962,691	(14,149)
Other	127,258	135,003	133,149	1,854
<b>Total Municipal Court Clerk</b>	<b>1,074,417</b>	<b>1,083,545</b>	<b>1,095,840</b>	<b>(12,295)</b>
Technical Services Department				
Personal Services	133,947	139,747	108,244	31,503
Other	9,121	9,121	3,862	5,259
<b>Total Technical Services Department</b>	<b>143,068</b>	<b>148,868</b>	<b>112,106</b>	<b>36,762</b>
Municipal Building Maintenance				
Personal Services	60,846	60,846	56,322	4,524
Other	58,200	58,200	52,188	6,012
<b>Total Municipal Building Maintenance</b>	<b>119,046</b>	<b>119,046</b>	<b>108,510</b>	<b>10,536</b>
Justice Center Maintenance				
Personal Services	59,076	61,978	62,691	(713)
Other	145,425	145,425	133,953	11,472
<b>Total Justice Center Maintenance</b>	<b>204,501</b>	<b>207,403</b>	<b>196,644</b>	<b>10,759</b>

(Continued)

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Engineer				
Personal Services	245,373	245,373	236,555	8,818
Other	50,058	50,058	43,676	6,382
Total Engineer	<u>295,431</u>	<u>295,431</u>	<u>280,231</u>	<u>15,200</u>
General Miscellaneous				
Personal Services	151,400	178,182	178,181	1
Other	994,421	1,021,818	1,023,045	(1,227)
Total General Miscellaneous	<u>1,145,821</u>	<u>1,200,000</u>	<u>1,201,226</u>	<u>(1,226)</u>
City Maintenance				
Personal Services	62,969	62,969	59,174	3,795
Other	17,653	17,653	12,970	4,683
Total City Maintenance	<u>80,622</u>	<u>80,622</u>	<u>72,144</u>	<u>8,478</u>
Section 125				
Other	190,400	190,400	151,202	39,198
Total General Government	<u>4,850,840</u>	<u>5,016,011</u>	<u>4,844,978</u>	<u>171,033</u>
Security of Persons and Property				
Police Department				
Personal Services	2,622,601	2,622,601	2,572,465	50,136
Other	410,572	440,619	376,774	63,845
Total Police Department	<u>3,033,173</u>	<u>3,063,220</u>	<u>2,949,239</u>	<u>113,981</u>
Fire Department				
Personal Services	2,842,980	2,842,980	2,557,264	285,716
Other	359,050	356,469	303,575	52,894
Total Fire Department	<u>3,202,030</u>	<u>3,199,449</u>	<u>2,860,839</u>	<u>338,610</u>
Street Lighting				
Other	125,534	142,464	141,929	535
Total Security of Persons and Property	<u>6,360,737</u>	<u>6,405,133</u>	<u>5,952,007</u>	<u>453,126</u>

(Continued)

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Public Health				
Health Department				
Personal Services	213,300	216,171	216,171	0
Other	80,750	80,750	78,524	2,226
Total Health Department	<u>294,050</u>	<u>296,921</u>	<u>294,695</u>	<u>2,226</u>
Community and Economic Development				
Building and Zoning				
Personal Services	176,378	176,378	172,367	4,011
Other	14,210	14,210	6,959	7,251
Total Building and Zoning	<u>190,588</u>	<u>190,588</u>	<u>179,326</u>	<u>11,262</u>
Planning Commission				
Other	1,900	1,900	1,900	0
Economic Development				
Personal Services	3,000	3,000	1,111	1,889
Other	1,000	1,000	45	955
Total Economic Development	<u>4,000</u>	<u>4,000</u>	<u>1,156</u>	<u>2,844</u>
Total Community and Economic Development	<u>196,488</u>	<u>196,488</u>	<u>182,382</u>	<u>14,106</u>
<i>Total Expenditures</i>	<u>11,702,115</u>	<u>11,914,553</u>	<u>11,274,062</u>	<u>640,491</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,907,314)</u>	<u>(1,607,660)</u>	<u>(650,531)</u>	<u>957,129</u>
<b>Other Financing Use</b>				
Transfers Out	<u>(80,464)</u>	<u>(472,645)</u>	<u>(466,645)</u>	<u>6,000</u>
<i>Net Change in Fund Balance</i>	(1,987,778)	(2,080,305)	(1,117,176)	963,129
<i>Fund Balance Beginning of Year</i>	1,973,551	1,973,551	1,973,551	0
Prior Year Encumbrances Appropriated	<u>117,929</u>	<u>117,929</u>	<u>117,929</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 103,702</u>	<u>\$ 11,175</u>	<u>\$ 974,304</u>	<u>\$ 963,129</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Maintenance and Repair Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Income Taxes	\$ 837,775	\$ 837,775	\$ 907,785	\$ 70,010
Charges for Services	254,600	254,600	212,733	(41,867)
Fines and Forfeitures	5,400	5,400	9,818	4,418
Intergovernmental	1,117,500	1,192,351	1,241,491	49,140
Interest	700	700	766	66
Other	31,500	31,500	60,198	28,698
<i>Total Revenues</i>	<u>2,247,475</u>	<u>2,322,326</u>	<u>2,432,791</u>	<u>110,465</u>
<b>Expenditures</b>				
Current:				
Transportation				
Street Maintenance and Repair				
Personal Services	1,062,255	1,062,255	932,920	129,335
Other	2,239,806	2,133,641	1,286,745	846,896
Total Transportation	3,302,061	3,195,896	2,219,665	976,231
Capital Outlay				
Street Maintenance and Repair				
Other	125,000	125,000	304,755	(179,755)
<i>Total Expenditures</i>	<u>3,427,061</u>	<u>3,320,896</u>	<u>2,524,420</u>	<u>796,476</u>
<i>Net Change in Fund Balance</i>	(1,179,586)	(998,570)	(91,629)	906,941
<i>Fund Balance Beginning of Year</i>	1,343,919	1,343,919	1,343,919	0
Prior Year Encumbrances Appropriated	120,576	120,576	120,576	0
<i>Fund Balance End of Year</i>	<u>\$ 284,909</u>	<u>\$ 465,925</u>	<u>\$ 1,372,866</u>	<u>\$ 906,941</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
State Highway Fund  
For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 69,000	\$ 76,588	\$ 120,993	44,405
Other	0	0	19,509	19,509
<i>Total Revenues</i>	<u>69,000</u>	<u>76,588</u>	<u>140,502</u>	<u>63,914</u>
<b>Expenditures</b>				
Debt Service				
Principal Retirements	53,484	97,617	63,371	34,246
Interest and Fiscal Charges	13,882	14,663	6,466	8,197
<i>Total Expenditures</i>	<u>67,366</u>	<u>112,280</u>	<u>69,837</u>	<u>42,443</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,634</u>	<u>(35,692)</u>	<u>70,665</u>	<u>106,357</u>
<b>Other Financing Source</b>				
Transfers In	0	19,000	0	(19,000)
<i>Net Change in Fund Balance</i>	1,634	(16,692)	70,665	87,357
<i>Fund Balance Beginning of Year</i>	<u>45,408</u>	<u>45,408</u>	<u>45,408</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 47,042</u>	<u>\$ 28,716</u>	<u>\$ 116,073</u>	<u>\$ 87,357</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Permissive Tax Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	<u>\$ 170,000</u>	<u>\$ 128,000</u>	<u>\$ 128,000</u>	<u>\$ 0</u>
<b>Expenditures</b>				
Capital Outlay				
Other	<u>170,000</u>	<u>128,000</u>	<u>128,000</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*City Permissive Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 90,000	\$ 95,088	\$ 95,088	\$ 0
<b>Expenditures</b>				
Capital Outlay				
Other	90,000	90,000	79,390	10,610
<i>Net Change in Fund Balance</i>	0	5,088	15,698	10,610
<i>Fund Balance Beginning of Year</i>	64,038	64,038	64,038	0
<i>Fund Balance End of Year</i>	<u>\$ 64,038</u>	<u>\$ 69,126</u>	<u>\$ 79,736</u>	<u>\$ 10,610</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Bandshell Improvements Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Contributions and Donations	\$ 12,000	\$ 19,601	\$ 19,601	\$ 0
<b>Expenditures</b>				
Current:				
Leisure Time Services				
Other	76,037	76,037	4,519	71,518
<i>Net Change in Fund Balance</i>	(64,037)	(56,436)	15,082	71,518
<i>Fund Balance Beginning of Year</i>	64,038	64,038	64,038	0
<i>Fund Balance End of Year</i>	<u>\$ 1</u>	<u>\$ 7,602</u>	<u>\$ 79,120</u>	<u>\$ 71,518</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Park and Recreation Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 147,218	\$ 147,218	\$ 158,787	\$ 11,569
Income Taxes	764,925	785,044	828,847	43,803
Charges for Services	57,750	57,750	79,899	22,149
Intergovernmental	14,200	35,252	23,551	(11,701)
Contributions and Donations	1,300	1,300	0	(1,300)
Other	9,000	9,000	28,479	19,479
<i>Total Revenues</i>	<u>994,393</u>	<u>1,035,564</u>	<u>1,119,563</u>	<u>83,999</u>
<b>Expenditures</b>				
Current:				
Leisure Time Services				
Park Levy				
Personal Services	90,958	90,958	92,453	(1,495)
Park and Recreation				
Personal Services	467,569	430,367	438,594	(8,227)
Other	404,916	449,624	299,999	149,625
Total Park and Recreation	<u>872,485</u>	<u>879,991</u>	<u>738,593</u>	<u>141,398</u>
Arborist				
Personal Services	178,827	165,698	165,641	57
Other	49,470	55,093	39,373	15,720
Total Arborist	<u>228,297</u>	<u>220,791</u>	<u>205,014</u>	<u>15,777</u>
Total Leisure Time Services	<u>1,191,740</u>	<u>1,191,740</u>	<u>1,036,060</u>	<u>155,680</u>
Debt Service				
Interest and Fiscal Charges	800	800	568	232
<i>Total Expenditures</i>	<u>1,192,540</u>	<u>1,192,540</u>	<u>1,036,628</u>	<u>155,912</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(198,147)	(156,976)	82,935	239,911
<b>Other Financing Sources (Uses):</b>				
Transfers In	84,000	84,000	0	(84,000)
Bond Anticipation Notes Issued	0	176,000	176,000	0
Transfers Out	(18,000)	(106,000)	(105,937)	63
<b>Total Other Financing Sources (Uses)</b>	<u>66,000</u>	<u>154,000</u>	<u>70,063</u>	<u>(83,937)</u>
<i>Net Change in Fund Balance</i>	(132,147)	(2,976)	152,998	155,974
<i>Fund Balance Beginning of Year</i>	<u>172,240</u>	<u>172,240</u>	<u>172,240</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 40,093</u>	<u>\$ 169,264</u>	<u>\$ 325,238</u>	<u>\$ 155,974</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Kate Myers Trust Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest	\$ 150	\$ 173	\$ 173	\$ 0
<b>Expenditures</b>				
Current:				
General Government				
Other	500	500	0	500
<i>Net Change in Fund Balance</i>	(350)	(327)	173	500
<i>Fund Balance Beginning of Year</i>	7,051	7,051	7,051	0
<i>Fund Balance End of Year</i>	<u>\$ 6,701</u>	<u>\$ 6,724</u>	<u>\$ 7,224</u>	<u>\$ 500</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire/Rescue Training Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 3,000	\$ 39,141	\$ 39,141	\$ 0
Contributions and Donations	4,000	6,553	6,553	0
Other	0	9,915	0	(9,915)
<i>Total Revenues</i>	<u>7,000</u>	<u>55,609</u>	<u>45,694</u>	<u>(9,915)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Other	<u>37,860</u>	<u>70,981</u>	<u>61,065</u>	<u>9,916</u>
<i>Net Change in Fund Balance</i>	(30,860)	(15,372)	(15,371)	1
<i>Fund Balance Beginning of Year</i>	27,875	27,875	27,875	0
Prior Year Encumbrances Appropriated	<u>2,985</u>	<u>2,985</u>	<u>2,985</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 15,488</u>	<u>\$ 15,489</u>	<u>\$ 1</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire/Rescue Equipment Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$ 290,750	\$ 290,750	\$ 290,750	\$ 0
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Other	0	110,926	31,246	79,680
Capital Outlay				
Other	272,173	272,173	258,173	14,000
Debt Service				
Principal Retirement	210,582	0	0	0
Interest and Fiscal Charges	32,594	3,500	5,692	(2,192)
Total Debt Service	243,176	3,500	5,692	(2,192)
<i>Total Expenditures</i>	<u>515,349</u>	<u>386,599</u>	<u>295,111</u>	<u>91,488</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(224,599)</u>	<u>(95,849)</u>	<u>(4,361)</u>	<u>91,488</u>
<b>Other Financing Sources (Uses)</b>				
Bond Anticipation Notes Issued	0	950,000	950,000	0
Proceeds of Loans	65,000	0	0	0
Transfers Out	(62,500)	(666,250)	(666,428)	(178)
<i>Total Other Financing Sources and Uses</i>	<u>2,500</u>	<u>283,750</u>	<u>283,572</u>	<u>(178)</u>
<i>Net Change in Fund Balance</i>	(222,099)	187,901	279,211	91,310
<i>Fund Balance Beginning of Year</i>	<u>351,248</u>	<u>351,248</u>	<u>351,248</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 129,149</u>	<u>\$ 539,149</u>	<u>\$ 630,459</u>	<u>\$ 91,310</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Community Development Block Grant Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 79,662	\$ 79,662	\$ 79,700	\$ 38
<b>Expenditures</b>				
Current:				
Community and Economic Development				
Other	143,360	143,360	18,299	125,061
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(63,698)</u>	<u>(63,698)</u>	<u>61,401</u>	<u>125,099</u>
<b>Other Financing Sources</b>				
Transfers In	52,838	2,398	0	(2,398)
<i>Net Change in Fund Balance</i>	(10,860)	(61,300)	61,401	122,701
<i>Fund Balance Beginning of Year</i>	45,374	45,374	45,374	0
Prior Year Encumbrances Appropriated	2,360	2,360	2,360	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 36,874</u>	<u>\$ (13,566)</u>	<u>\$ 109,135</u>	<u>\$ 122,701</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Ohio Regional Development Housing Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 522,000	\$ 407,335	\$ 395,176	\$ (12,159)
Other	<u>0</u>	<u>0</u>	<u>12,159</u>	<u>12,159</u>
<i>Total Revenues</i>	<u>522,000</u>	<u>407,335</u>	<u>407,335</u>	<u>0</u>
<b>Expenditures</b>				
Current:				
Community and Economic Development				
Other	<u>522,500</u>	<u>490,427</u>	<u>490,022</u>	<u>405</u>
<i>Net Change in Fund Balance</i>	(500)	(83,092)	(82,687)	405
<i>Fund Balance Beginning of Year</i>	<u>83,092</u>	<u>83,092</u>	<u>83,092</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 82,592</u>	<u>\$ 0</u>	<u>\$ 405</u>	<u>\$ 405</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Firemens Pension Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property Taxes	\$ 99,122	\$ 99,122	\$ 99,011	\$ (111)
Intergovernmental	2,500	13,462	11,685	(1,777)
<i>Total Revenues</i>	<u>101,622</u>	<u>112,584</u>	<u>110,696</u>	<u>(1,888)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Personal Services	<u>101,622</u>	<u>101,622</u>	<u>101,622</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>0</u>	<u>10,962</u>	<u>9,074</u>	<u>(1,888)</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 10,962</u>	<u>\$ 9,074</u>	<u>\$ (1,888)</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Policemens Pension Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property Taxes	\$ 99,122	\$ 99,122	\$ 99,011	\$ (111)
Intergovernmental	<u>2,500</u>	<u>9,685</u>	<u>11,684</u>	<u>1,999</u>
<i>Total Revenues</i>	<u>101,622</u>	<u>108,807</u>	<u>110,695</u>	<u>1,888</u>
<b>Expenditures</b>				
Current:				
Security of Person and Property				
Personal Services	<u>101,622</u>	<u>101,622</u>	<u>100,890</u>	<u>732</u>
<i>Net Change in Fund Balance</i>	<u>0</u>	<u>7,185</u>	<u>9,805</u>	<u>2,620</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 7,185</u>	<u>\$ 9,805</u>	<u>\$ 2,620</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Drug Law Enforcement Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$ 2,600	\$ 12,288	\$ 12,288	\$ 0
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Other	17,165	17,165	499	16,666
<i>Net Change in Fund Balance</i>	(14,565)	(4,877)	11,789	16,666
<i>Fund Balance Beginning of Year</i>	14,565	14,565	14,565	0
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 9,688</u>	<u>\$ 26,354</u>	<u>\$ 16,666</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Enforcement and Education Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$ 2,000	\$ 1,888	\$ 1,888	\$ 0
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Other	3,097	3,097	150	2,947
<i>Net Change in Fund Balance</i>	(1,097)	(1,209)	1,738	2,947
<i>Fund Balance Beginning of Year</i>	1,097	1,097	1,097	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ (112)</u>	<u>\$ 2,835</u>	<u>\$ 2,947</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Ashland Public Transportation Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$ 78,500	\$ 121,371	\$ 110,021	\$ (11,350)
Intergovernmental	341,298	434,335	403,989	(30,346)
Contributions and Donations	200	200	0	(200)
Other	0	2,392	2,392	0
<i>Total Revenues</i>	<u>419,998</u>	<u>558,298</u>	<u>516,402</u>	<u>(41,896)</u>
<b>Expenditures</b>				
Current:				
General Government				
Public Transit				
Other	469,931	526,384	486,106	40,278
Coordination				
Personal Services	46,614	46,614	45,352	1,262
Other	5,085	5,085	3,918	1,167
Total Coordination	<u>51,699</u>	<u>51,699</u>	<u>49,270</u>	<u>2,429</u>
Cancer				
Other	0	0	7	(7)
Total General Government	<u>521,630</u>	<u>578,083</u>	<u>535,383</u>	<u>42,700</u>
Capital Outlay	41,438	43,878	43,878	0
<i>Total Expenditures</i>	<u>563,068</u>	<u>621,961</u>	<u>579,261</u>	<u>42,700</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(143,070)</u>	<u>(63,663)</u>	<u>(62,859)</u>	<u>804</u>
<b>Other Financing Sources</b>				
Transfers In	74,464	74,464	74,464	0
<i>Net Change in Fund Balance</i>	(68,606)	10,801	11,605	804
<i>Fund Balance Beginning of Year</i>	27,224	27,224	27,224	0
Prior Year Encumbrances Appropriated	42,419	42,419	42,419	0
<i>Fund Balance End of Year</i>	<u>\$ 1,037</u>	<u>\$ 80,444</u>	<u>\$ 81,248</u>	<u>\$ 804</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*D.A.R.E. Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$ 0	\$ 10,417	\$ 10,417	\$ 0
Intergovernmental	15,300	25,940	31,940	6,000
Contributions and Donations	300	3,963	3,963	0
<i>Total Revenues</i>	<u>15,600</u>	<u>40,320</u>	<u>46,320</u>	<u>6,000</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Other	<u>21,600</u>	<u>21,600</u>	<u>14,970</u>	<u>6,630</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(6,000)</u>	<u>18,720</u>	<u>31,350</u>	<u>12,630</u>
<b>Other Financing Sources</b>				
Transfers In	<u>6,000</u>	<u>6,000</u>	<u>0</u>	<u>(6,000)</u>
<i>Net Change in Fund Balance</i>	0	24,720	31,350	6,630
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 24,720</u>	<u>\$ 31,350</u>	<u>\$ 6,630</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Court Computer Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$ 125,000	\$ 119,170	\$ 117,646	\$ (1,524)
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Other	251,524	251,524	70,318	181,206
<i>Net Change in Fund Balance</i>	(126,524)	(132,354)	47,328	179,682
<i>Fund Balance Beginning of Year</i>	303,158	303,158	303,158	0
Prior Year Encumbrances Appropriated	1,524	1,524	1,524	0
<i>Fund Balance End of Year</i>	<u>\$ 178,158</u>	<u>\$ 172,328</u>	<u>\$ 352,010</u>	<u>\$ 179,682</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Indigent Drivers Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$ 22,000	\$ 21,871	\$ 21,771	\$ (100)
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Other	39,000	39,000	15,001	23,999
<i>Net Change in Fund Balance</i>	(17,000)	(17,129)	6,770	23,899
<i>Fund Balance Beginning of Year</i>	55,065	55,065	55,065	0
<i>Fund Balance End of Year</i>	<u>\$ 38,065</u>	<u>\$ 37,936</u>	<u>\$ 61,835</u>	<u>\$ 23,899</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Probation Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$ 250,000	\$ 246,654	\$ 246,653	\$ (1)
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Personal Services	191,351	191,351	180,123	11,228
Other	53,040	53,040	18,375	34,665
Total Security of Persons and Property	244,391	244,391	198,498	45,893
<i>Net Change in Fund Balance</i>	5,609	2,263	48,155	45,892
<i>Fund Balance at Beginning of Year</i>	93,638	93,638	93,638	0
<i>Fund Balance at End of Year</i>	\$ 99,247	\$ 95,901	\$ 141,793	\$ 45,892

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Donations Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Contributions and Donations	\$ 10,000	\$ 1,162	\$ 1,162	\$ 0
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Other	20,677	11,839	1,510	10,329
<i>Net Change in Fund Balance</i>	(10,677)	(10,677)	(348)	10,329
<i>Fund Balance Beginning of Year</i>	10,677	10,677	10,677	0
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,329</u>	<u>\$ 10,329</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Home Arrest Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Other	\$ 1,728	\$ 1,728	\$ 0	\$ (1,728)
<i>Fund Balance Beginning of Year</i>	<u>1,728</u>	<u>1,728</u>	<u>1,728</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,728</u>	<u>\$ 1,728</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Community Corrections Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 113,547	\$ 111,918	\$ 111,918	\$ 0
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Community Corrections				
Personal Services	73,103	73,103	71,863	1,240
Other	11,529	11,529	10,749	780
Total Community Corrections	84,632	84,632	82,612	2,020
Special Programs				
Other	25,915	34,384	35,930	(1,546)
<i>Total Expenditures</i>	110,547	119,016	118,542	474
<i>Net Change in Fund Balance</i>	3,000	(7,098)	(6,624)	474
<i>Fund Balance Beginning of Year</i>	11,916	11,916	11,916	0
<i>Fund Balance End of Year</i>	<u>\$ 14,916</u>	<u>\$ 4,818</u>	<u>\$ 5,292</u>	<u>\$ 474</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Municipal Court Special Program Fund  
For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$ 41,000	\$ 48,417	\$ 48,417	\$ 0
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Other	200,000	200,000	45,381	154,619
<i>Net Change in Fund Balance</i>	(159,000)	(151,583)	3,036	154,619
<i>Fund Balance Beginning of Year</i>	221,477	221,477	221,477	0
<i>Fund Balance End of Year</i>	<u>\$ 62,477</u>	<u>\$ 69,894</u>	<u>\$ 224,513</u>	<u>\$ 154,619</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*CCA Monitoring Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$ 3,500	\$ 6,879	\$ 6,856	\$ (23)
Intergovernmental	0	0	23	23
<i>Total Revenues</i>	<u>3,500</u>	<u>6,879</u>	<u>6,879</u>	<u>0</u>
<b>Expenditures</b>				
Current				
Security of Persons and Property				
Personal Services	976	976	950	26
Other	5,082	5,082	4,065	1,017
Total Security of Persons and Property	<u>6,058</u>	<u>6,058</u>	<u>5,015</u>	<u>1,043</u>
<i>Net Change in Fund Balance</i>	(2,558)	821	1,864	1,043
<i>Fund Balance Beginning of Year</i>	<u>2,558</u>	<u>2,558</u>	<u>2,558</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 3,379</u>	<u>\$ 4,422</u>	<u>\$ 1,043</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Revolving Loan Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$ 4,000	\$ 3,560	\$ 2,837	\$ (723)
Interest	400	400	1,122	722
<i>Total Revenues</i>	<u>4,400</u>	<u>3,960</u>	<u>3,959</u>	<u>(1)</u>
<b>Expenditures</b>				
Current:				
General Government				
Other	<u>37,894</u>	<u>37,454</u>	<u>0</u>	<u>37,454</u>
<i>Net Change in Fund Balance</i>	(33,494)	(33,494)	3,959	37,453
<i>Fund Balance Beginning of Year</i>	<u>33,495</u>	<u>33,495</u>	<u>33,495</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 37,454</u>	<u>\$ 37,453</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Mayor's Underprivileged Children Fund  
For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest	\$ 15	\$ 12	\$ 22	\$ 10
Other	<u>1,100</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Revenues</i>	<u>1,115</u>	<u>12</u>	<u>22</u>	<u>10</u>
<b>Expenditures</b>				
Current:				
General Government				
Other	<u>1,980</u>	<u>877</u>	<u>500</u>	<u>377</u>
<i>Net Change in Fund Balance</i>	(865)	(865)	(478)	387
<i>Fund Balance Beginning of Year</i>	<u>865</u>	<u>865</u>	<u>865</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 387</u>	<u>\$ 387</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Indigent Driver's Interlock Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$ 0	\$ 100	\$ 100	\$ 0
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Other	0	100	0	100
<i>Net Change in Fund Balance</i>	0	0	100	100
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 100</u>	<u>\$ 100</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Continuing Education Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	<u>\$ 0</u>	<u>\$ 3,360</u>	<u>\$ 1,680</u>	<u>\$ (1,680)</u>
<b>Expenditures</b>				
Current:				
Security of Person and Property				
Other	<u>0</u>	<u>1,680</u>	<u>0</u>	<u>1,680</u>
<i>Net Change in Fund Balance</i>	<u>0</u>	<u>1,680</u>	<u>1,680</u>	<u>(3,360)</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 1,680</u>	<u>\$ 1,680</u>	<u>\$ (3,360)</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Obligation Bond Retirement Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property Taxes	\$ 218,901	\$ 187,257	\$ 120,970	\$ (66,287)
Intergovernmental	18,216	18,216	14,411	(3,805)
<i>Total Revenues</i>	<u>237,117</u>	<u>205,473</u>	<u>135,381</u>	<u>(70,092)</u>
<b>Expenditures</b>				
Debt Service				
Principal Retirements	116,658	116,658	117,000	(342)
Interest and Fiscal Charges	102,588	102,598	102,255	343
<i>Total Expenditures</i>	<u>219,246</u>	<u>219,256</u>	<u>219,255</u>	<u>1</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>17,871</u>	<u>(13,783)</u>	<u>(83,874)</u>	<u>(70,091)</u>
<b>Other Financing Source</b>				
Advances In	0	0	70,091	70,091
<i>Net Change in Fund Balance</i>	17,871	(13,783)	(13,783)	0
<i>Fund Balance Beginning of Year</i>	<u>13,783</u>	<u>13,783</u>	<u>13,783</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 31,654</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Note Retirement Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Contributions and Donations	\$ 0	\$ 0	\$ 16,000	\$ 16,000
<b>Expenditures</b>				
Debt Service				
Principal Retirements	8,847,000	997,000	997,000	0
Interest and Fiscal Charges	378,150	43,150	41,365	1,785
<i>Total Expenditures</i>	<u>9,225,150</u>	<u>1,040,150</u>	<u>1,038,365</u>	<u>1,785</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(9,225,150)</u>	<u>(1,040,150)</u>	<u>(1,022,365)</u>	<u>17,785</u>
<b>Other Financing Sources</b>				
Transfers In	0	468,534	772,365	303,831
Proceeds from Bond Anticipation Notes	9,225,150	579,774	250,000	(329,774)
Premium in Debt Issued	0	0	9,944	9,944
<i>Total Other Financing Sources</i>	<u>9,225,150</u>	<u>1,048,308</u>	<u>1,032,309</u>	<u>(15,999)</u>
<i>Net Change in Fund Balance</i>	0	8,158	9,944	1,786
<i>Fund Balance Beginning of Year</i>	<u>74,689</u>	<u>74,689</u>	<u>74,689</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 74,689</u></u>	<u><u>\$ 82,847</u></u>	<u><u>\$ 84,633</u></u>	<u><u>\$ 1,786</u></u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Special Assessment Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Special Assessments	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>\$ 0</u>	<u>\$ (150,000)</u>
<b>Other Financing Use</b>				
Transfers Out	<u>(150,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>0</u>	<u>150,000</u>	<u>0</u>	<u>(150,000)</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 0</u></u>	<u><u>\$ 150,000</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (150,000)</u></u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Capital Improvement Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 247,000	\$ 530,147	\$ 529,807	\$ (340)
Interest	25,135	186,551	46,706	(139,845)
<i>Total Revenues</i>	<u>272,135</u>	<u>716,698</u>	<u>576,513</u>	<u>(140,185)</u>
<b>Expenditures</b>				
Capital Outlay	584,969	411,063	165,537	245,526
Debt Service				
Principal Retirement	9,013	9,013	9,010	3
Interest and Fiscal Charges	285	285	380	(95)
<i>Total Debt Service</i>	<u>9,298</u>	<u>9,298</u>	<u>9,390</u>	<u>(92)</u>
<i>Total Expenditures</i>	<u>594,267</u>	<u>420,361</u>	<u>174,927</u>	<u>245,434</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(322,132)</u>	<u>296,337</u>	<u>401,586</u>	<u>105,249</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	32,868	0	(32,868)
Transfers Out	(234,635)	(209,635)	0	209,635
Advances Out	(25,000)	(100,721)	(100,721)	0
<i>Total Other Financing (Uses)</i>	<u>(259,635)</u>	<u>(277,488)</u>	<u>(100,721)</u>	<u>176,767</u>
<i>Net Change in Fund Balance</i>	(581,767)	18,849	300,865	282,016
<i>Fund Balance Beginning of Year</i>	798,838	798,838	798,838	0
Prior Year Encumbrances Appropriated	139,519	139,519	139,519	0
<i>Fund Balance End of Year</i>	<u>\$ 356,590</u>	<u>\$ 957,206</u>	<u>\$ 1,239,222</u>	<u>\$ 282,016</u>

**City of Ashland**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Sidewalk Program Fund  
For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures</b>				
Capital Outlay	\$ 175,000	\$ 175,000	\$ 0	\$ 175,000
<b>Other Financing Sources</b>				
Transfers In	175,000	175,000	0	(175,000)
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**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.

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

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

**City of Ashland**  
*Combining Statement of Fund Net Assets*  
*Nonmajor Enterprise Funds*  
*December 31, 2008*

	<u>Brookside Swimming Pool</u>	<u>Brookside Golf Course</u>	<u>Total</u>
<b>Assets</b>			
<i>Current Assets</i>			
Equity in Pooled Cash and Cash Equivalents	\$ 484	\$ 18,402	\$ 18,886
Materials and Supplies Inventory	0	100,018	100,018
Accounts Receivable	0	704	704
<i>Total Current Assets</i>	<u>484</u>	<u>119,124</u>	<u>119,608</u>
<i>Noncurrent Assets</i>			
Non-Depreciable Capital Assets	37,120	799,931	837,051
Depreciable Capital Assets, net	96,325	342,959	439,284
<i>Total Noncurrent Assets</i>	<u>133,445</u>	<u>1,142,890</u>	<u>1,276,335</u>
<i>Total Assets</i>	<u>133,929</u>	<u>1,262,014</u>	<u>1,395,943</u>
<b>Liabilities</b>			
<i>Current Liabilities</i>			
Accounts Payable	0	20,390	20,390
Accrued Wages	0	4,496	4,496
Intergovernmental Payable	1,282	11,774	13,056
Compensated Absences Payable	0	300	300
<i>Total Current Liabilities</i>	<u>1,282</u>	<u>36,960</u>	<u>38,242</u>
<i>Noncurrent Liabilities</i>			
Compensated Absences Payable - net of current portion	0	16,315	16,315
<i>Total Liabilities</i>	<u>1,282</u>	<u>53,275</u>	<u>54,557</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	133,446	1,142,889	1,276,335
Unrestricted	(800)	64,069	63,269
<i>Total Net Assets</i>	<u>\$ 132,646</u>	<u>\$ 1,206,958</u>	<u>\$ 1,339,604</u>

**City of Ashland**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Assets*  
*Nonmajor Enterprise Funds*  
*For the Year Ended December 31, 2008*

	Brookside Swimming Pool	Brookside Golf Course	Total
<b>Operating Revenue</b>			
Charges for Services	\$ 57,779	\$ 473,002	\$ 530,781
Other	0	7,116	7,116
<i>Total Operating Revenues</i>	<u>57,779</u>	<u>480,118</u>	<u>537,897</u>
<b>Operating Expenses</b>			
Personal Services	50,723	381,876	432,599
Contractual Services	108	70,662	70,770
Materials and Supplies	11,991	239,306	251,297
Utilities	5,617	23,307	28,924
Depreciation	13,974	34,083	48,057
<i>Total Operating Expenses</i>	<u>82,413</u>	<u>749,234</u>	<u>831,647</u>
<i>Operating Loss</i>	<u>(24,634)</u>	<u>(269,116)</u>	<u>(293,750)</u>
<b>Non-Operating Revenues</b>			
Intergovernmental	0	371	371
<i>Loss Before Transfers</i>	<u>(24,634)</u>	<u>(268,745)</u>	<u>(293,379)</u>
Transfers In	20,101	372,080	392,181
<i>Change in Net Assets</i>	<u>(4,533)</u>	<u>103,335</u>	<u>98,802</u>
<i>Net Assets at Beginning of Year</i>	<u>137,179</u>	<u>1,103,623</u>	<u>1,240,802</u>
<i>Net Assets at End of Year</i>	<u>\$ 132,646</u>	<u>\$ 1,206,958</u>	<u>\$ 1,339,604</u>

**City of Ashland**  
Combining Statements of Cash Flows  
Nonmajor Enterprise Funds  
For the Year Ended December 31, 2008

	Brookside Swimming Pool	Brookside Golf Course	Totals
<b><i>Increase (Decrease) in Cash and Cash Equivalents</i></b>			
<b>Cash Flows from Operating Activities</b>			
Cash Received from Customers	\$ 57,779	\$ 479,414	\$ 537,193
Cash Payments to Suppliers for Goods and Services	(11,991)	(228,546)	(240,537)
Cash Payments to Employees	(50,474)	(372,777)	(423,251)
Cash Payments for Contractual Services	(5,725)	(95,542)	(101,267)
<i>Net Cash Used for Operating Activities</i>	<u>(10,411)</u>	<u>(217,451)</u>	<u>(227,862)</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Intergovernmental Receipts	0	371	371
Other Non-Operating Receipts	0	0	0
Advances Out	(9,206)	(136,598)	(145,804)
Transfers In	20,101	372,080	392,181
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>10,895</u>	<u>235,853</u>	<u>246,748</u>
<i>Net Increase in Cash and Cash Equivalents</i>	484	18,402	18,886
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 484</u>	<u>\$ 18,402</u>	<u>\$ 18,886</u>
<b>Reconciliation of Operating Loss to Net Cash Used for Operating Activities</b>			
<i>Operating Loss</i>	\$ (24,634)	\$ (269,116)	(293,750)
Adjustments:			
Depreciation	13,974	34,083	48,057
(Increase) Decrease in Assets:			
Accounts Receivable	0	(704)	(704)
Materials and Supplies Inventory	0	(9,630)	(9,630)
Increase (Decrease) in Liabilities:			
Accounts Payable	0	18,817	18,817
Accrued Wages	0	255	255
Accrued Vacation Leave Payable	0	1,782	1,782
Compensated Absences Payable	0	2,693	2,693
Intergovernmental Payable	249	4,369	4,618
<i>Net Cash Used for Operating Activities</i>	<u>\$ (10,411)</u>	<u>\$ (217,451)</u>	<u>\$ (227,862)</u>

**COMBINING STATEMENTS FOR  
FIDUCIARY FUNDS**

## CITY OF ASHLAND, OHIO

### *Fund Descriptions - Fiduciary Funds*

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

#### *Agency Funds*

Agency funds are purely custodial (assets equal liabilities) and thus does 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.

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

**City of Ashland**  
*Combining Statement of Fiduciary Assets and Liabilities*  
 Agency Funds  
 December 31, 2008

	Municipal Court	Performance Bonds	Brookside Golf Course Gift Certificates	State Patrol Transfer	Total
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 1,050	\$ 18,962	\$ 0	\$ 20,012
Cash and Cash Equivalents in Segregated Accounts	64,470	0	0	0	64,470
Accounts Receivable	0	0	0	3,705	3,705
<i>Total Assets</i>	<u>\$ 64,470</u>	<u>\$ 1,050</u>	<u>\$ 18,962</u>	<u>\$ 3,705</u>	<u>\$ 88,187</u>
<b>Liabilities</b>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 3,705	\$ 3,705
Undistributed Monies	64,470	1,050	18,962	0	84,482
<i>Total Liabilities</i>	<u>\$ 64,470</u>	<u>\$ 1,050</u>	<u>\$ 18,962</u>	<u>\$ 3,705</u>	<u>\$ 88,187</u>

**City of Ashland**  
*Combining Statement of Changes in Assets and Liabilities*  
*All Agency Funds*  
*For the Year Ended December 31, 2008*

	Balance 12/31/07	Additions	Reductions	Balance 12/31/08
<b>Municipal Court</b>				
<b>Assets</b>				
Cash and Cash Equivalents in Segregated Accounts	\$ 52,270	\$ 12,200	\$ 0	\$ 64,470
<b>Liabilities</b>				
Undistributed Monies	\$ 52,270	\$ 12,200	\$ 0	\$ 64,470
<b>Performance Bonds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 2,610	\$ 0	\$ 1,560	\$ 1,050
<b>Liabilities</b>				
Undistributed Monies	\$ 2,610	\$ 0	\$ 1,560	\$ 1,050
<b>Brookside Golf Course Gift Certificates</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 10,417	\$ 8,545	\$ 0	\$ 18,962
<b>Liabilities</b>				
Undistributed Monies	\$ 10,417	\$ 8,545	\$ 0	\$ 18,962
<b>State Patrol Transfer</b>				
<b>Assets</b>				
Accounts Receivable	\$ 0	\$ 3,705	\$ 0	\$ 3,705
<b>Liabilities</b>				
Accounts Payable	\$ 15,656	\$ 3,705	\$ 15,656	\$ 3,705
Undistributed Monies	(15,656)	19,361	3,705	0
<i>Total Liabilities</i>	\$ 0	\$ 23,066	\$ 19,361	\$ 3,705
<b>All Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 13,027	\$ 8,545	\$ 1,560	\$ 20,012
Cash and Cash Equivalents in Segregated Accounts	52,270	12,200	0	64,470
Accounts Receivable	0	3,705	0	3,705
<i>Total Assets</i>	\$ 65,297	\$ 24,450	\$ 1,560	\$ 88,187
<b>Liabilities</b>				
Accounts Payable	\$ 15,656	\$ 3,705	\$ 15,656	\$ 3,705
Undistributed Monies	49,641	40,106	5,265	84,482
<i>Total Liabilities</i>	\$ 65,297	\$ 43,811	\$ 20,921	\$ 88,187

# City of Ashland



## Statistical Section

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# Statistical Section

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

## Contents

## Tables

### **Revenue Capacity**

**S2-S7**

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

### **Debt Capacity**

**S9-S12**

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

### **Demographic and Economic Information**

**S13-S14**

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

### **Financial Trends**

**S15-S20**

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

### **Operating Information**

**S22-S25**

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

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

# City of Ashland, Ohio

## Revenue Capacity

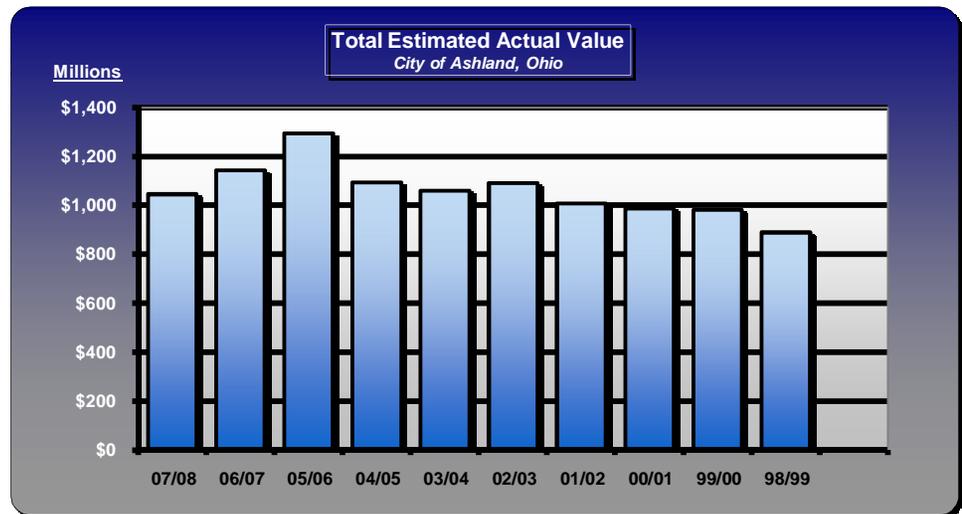
Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Years

Tax Year/Collection Year	Real Property Assessed Values		Estimated Actual Value	Tangible Personal Property Assessed Values		Estimated Actual Value	Total		Ratio	Direct Tax Rate
	Residential/Agricultural	Other Real Property		Tangible Personal Property	Public Utilities		Assessed Values	Estimated Actual Value		
07/08	\$231,461,610	\$91,522,560	\$922,811,914	\$14,399,868	\$7,739,260	\$123,993,558	\$347,822,461	\$1,046,805,472	33.23%	\$3.90
06/07	221,436,630	86,915,050	881,004,800	31,913,261	7,557,520	263,894,179	358,022,842	1,144,898,979	31.27%	\$3.90
05/06	218,161,440	78,330,240	847,119,086	54,780,177	9,106,840	448,590,098	360,378,697	1,295,709,184	27.81%	\$3.90
04/05	204,347,880	72,623,820	791,347,714	54,837,769	9,834,340	303,643,488	341,643,809	1,094,991,202	31.20%	3.90
03/04	201,973,640	72,618,350	784,548,543	61,134,064	10,114,410	277,293,926	345,840,464	1,061,842,469	32.57%	3.90
02/03	199,870,710	74,910,880	785,090,257	67,959,249	9,766,440	306,573,223	352,507,279	1,091,663,480	32.29%	3.90
01/02	174,907,620	59,240,980	668,996,000	75,804,187	9,794,410	340,713,433	319,747,197	1,009,709,433	31.67%	3.90
00/01	173,113,300	56,759,100	656,778,286	73,534,971	11,530,750	332,820,390	314,938,121	989,598,676	31.82%	3.90
99/00	170,852,010	56,836,550	650,538,743	72,512,939	14,259,620	331,477,761	314,461,119	982,016,504	32.02%	3.90
98/99	144,290,970	55,657,030	571,280,000	69,615,897	14,563,160	319,226,858	284,127,057	890,506,858	31.91%	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.

Source: Ashland County, Ohio: County Auditor



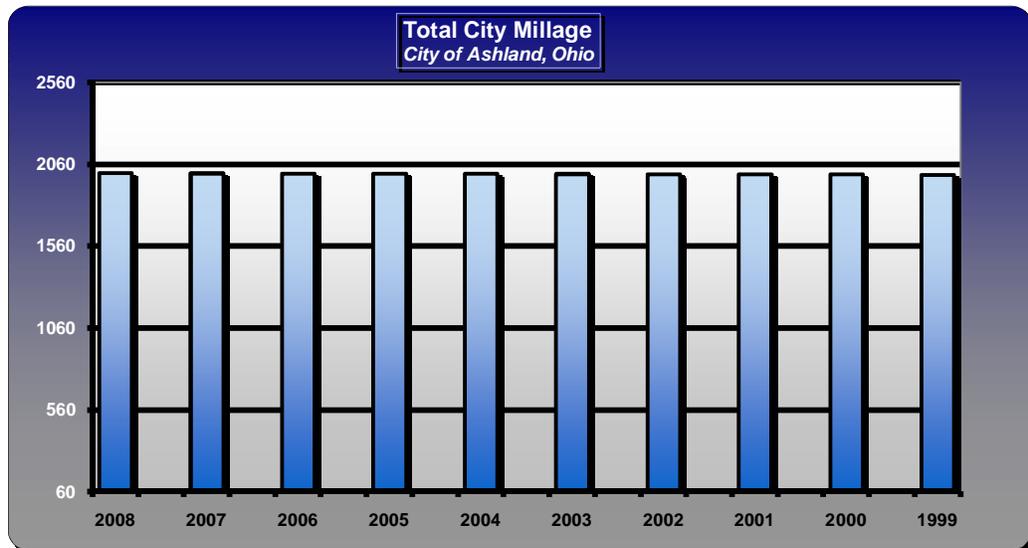
## City of Ashland, Ohio

### Revenue Capacity

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

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
<b>Inside Millage</b>										
Operating	2.10	2.43	2.43	2.43	2.43	2.68	2.80	2.80	2.80	2.80
Debt	0.70	0.37	0.37	0.37	0.37	0.12	0.00	0.00	0.00	0.00
Fire Pension	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Police Pension	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
<b>Total Unvoted Millage</b>	<b>3.40</b>									
<b>Outside Millage</b>										
Recreation	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>Total Voted Millage</b>	<b>0.50</b>									
<b>Total Millage</b>	<b>3.90</b>									
<b>Overlapping Rates by Taxing District</b>										
Ashland County	9.10	9.10	8.50	8.50	8.50	7.00	7.00	7.00	6.00	6.00
Ashland School District	62.25	62.25	62.25	62.25	62.25	52.35	52.35	52.35	52.10	52.10
Ashland County Vocational School	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
Ashland Public Library	0.00	0.00	0.00	0.00	0.00	0.10	0.10	0.10	0.10	0.50
City of Ashland	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90
<b>Total</b>	<b>79.35</b>	<b>79.35</b>	<b>78.75</b>	<b>78.75</b>	<b>78.75</b>	<b>67.45</b>	<b>67.45</b>	<b>67.45</b>	<b>66.20</b>	<b>66.60</b>

Source: Ashland County, Ohio: County Auditor



# City of Ashland, Ohio

## Revenue Capacity

Principal Property Tax Payers

2008 and 2007

Taxpayer	January 1, 2007		January 1, 2006	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Ohio Edison Company	\$4,220,200	1.82%	\$4,093,110	1.85%
Wal-Mart Real Estate	3,148,140	1.36%	3,045,010	1.38%
American Transmission	2,538,680	1.10%	3,045,010	1.38%
Myers Pump Company	237,300	0.10%	2,433,070	1.10%
Samariton Regional Hospital	2,167,400	0.94%	2,327,640	1.05%
Home Depot U.S.A, Inc.	1,916,580	0.83%	1,909,850	0.86%
Brethern Care Inc.	1,515,350	0.65%	1,445,140	0.65%
Packaging Corporation of America	1,222,660	0.53%	0	0.00%
Ashland Station Inc	1,137,440	0.49%	0	0.00%
Hawkins Market Inc	1,124,910	0.49%	0	0.00%
Baker Properties	0	0.00%	1,603,090	0.72%
Ashland 250 Apartments	0	0.00%	1,268,380	0.57%
Wurster Properties, Inc.	0	0.00%	1,245,290	0.56%
	<u>\$19,228,660</u>	<u>8.31%</u>	<u>\$22,415,590</u>	<u>10.12%</u>
<b>Total Assessed Valuation</b>	<b>\$231,461,610</b>		<b>\$221,436,630</b>	

**Note:** Property is assessed at 35 percent of fair market value. Real property taxes paid in 2008 are based on January 1, 2007 values. Data for nine years ago is not available.

**Source:** Ashland County, Ohio: County Auditor

# City of Ashland, Ohio

## *Revenue Capacity*

### Property Tax Levies and Collections

Last Seven Fiscal Years

Collection Year	Real and Public Utility				Tangible Personal Property				Total		
	Billed	Taxes Collected	Percent Collected	Delinquent Tax Collections	Billed	Taxes Collected	Percent Collected	Delinquent Tax Collections	Billed	Taxes Collected	Percent Collected
2008	\$1,224,642	\$1,187,330	97%	\$37,312	\$135,293	\$133,408	99%	\$1,885	\$1,359,935	\$1,320,738	97.12%
2007	1,122,409	1,092,877	97%	29,532	264,854	197,855	75%	\$66,999	1,387,263	1,320,284	95.17%
2006	1,321,079	1,064,709	81%	24,930	119,459	\$53,918	45%	25,925	1,440,538	1,118,627	77.65%
2005	1,065,423	1,065,423	100%	N/A	213,643	\$191,938	90%	21,705	1,279,066	1,257,361	98.30%
2004	1,071,648	1,071,648	100%	N/A	283,212	\$224,760	79%	58,452	1,354,860	1,296,408	95.69%
2003	871,034	871,034	100%	N/A	303,130	\$244,658	81%	58,472	1,174,164	1,115,692	95.02%
2002	824,964	824,964	100%	N/A	333,834	\$262,004	78%	52,669	1,158,798	1,086,968	93.80%

**Note:** Data for years prior to 2002 is unavailable. Special assessments are not included.

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

# City of Ashland, Ohio

## Revenue Capacity

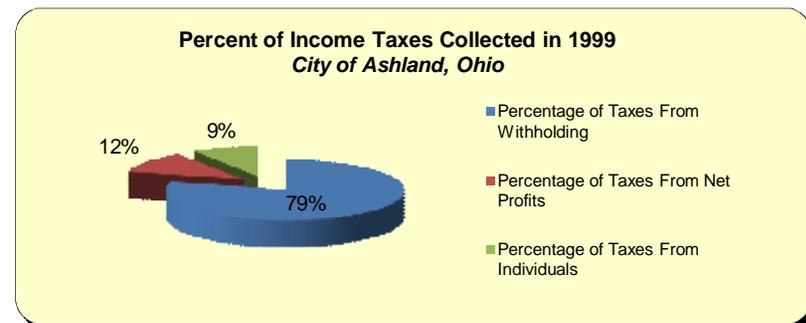
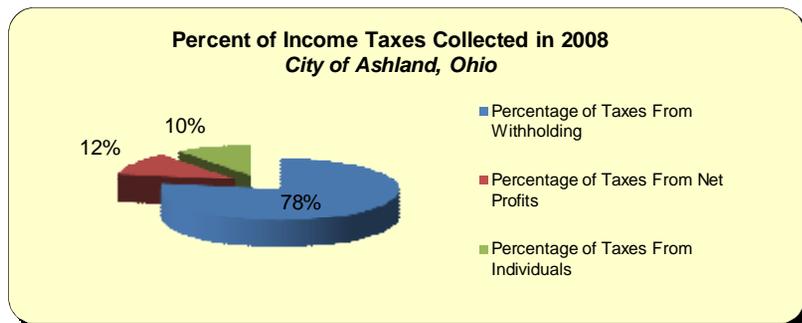
### Income Tax Revenue Base and Collections

Last Ten Years

Tax Year	Tax Rate	Total Tax Collected	Taxes From Withholding	Percentage of Taxes From Withholding	Taxes From Net Profits	Percentage of Taxes From Net Profits	Taxes From Individuals	Percentage of Taxes From Individuals
2008	1.50%	\$8,392,698	\$6,509,919	77.57%	\$1,014,856	12.09%	\$876,097	10.44%
2007	1.50%	8,554,563	6,434,318	75.22%	1,226,463	14.34%	893,782	10.45%
2006	1.50%	8,542,453	6,350,938	74.35%	1,277,454	14.95%	914,061	10.70%
2005	1.50%	7,890,443	5,993,886	75.96%	979,308	12.41%	917,249	11.62%
2004	1.50%	7,523,618	5,836,891	77.58%	811,456	10.79%	875,271	11.63%
2003	1.50%	7,760,498	5,967,838	76.90%	1,027,124	13.24%	765,536	9.86%
2002	1.50%	7,524,585	6,040,343	80.27%	754,690	10.03%	729,552	9.70%
2001	1.50%	7,244,642	5,980,171	82.55%	540,222	7.46%	724,249	10.00%
2000	1.50%	7,344,697	5,977,475	81.38%	713,750	9.72%	653,472	8.90%
1999	1.50%	7,396,029	5,831,041	78.84%	844,227	11.41%	680,761	9.20%

% Represents percent of total tax collected

Source: Income Tax Department, City of Ashland, Ohio



## City of Ashland, Ohio

### Revenue Capacity

Income Tax Statistics

Last Ten Fiscal Years

Income Averages for City of Ashland Tax Years 1998-2008					
Tax Year	Income Range (Dollars)	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
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	<u>399</u>	6%	<u>53,781,821</u>	25%
<i>Total</i>		7,179		\$ 210,952,133	
2007	0-24,999	4,043	51%	\$ 41,693,849	15%
2007	25,000-49,999	1,986	25%	71,818,388	25%
2007	50,000-74,999	969	12%	58,940,634	21%
2007	75,000-99,999	394	5%	33,915,792	12%
2007	Over 100,000	<u>389</u>	5%	<u>60,649,201</u>	22%
<i>Total</i>		7,781		\$ 267,017,864	
2006	0-24,999	4,066	51%	\$ 42,049,256	15%
2006	25,000-49,999	2,086	26%	75,122,885	27%
2006	50,000-74,999	1,009	13%	61,230,495	22%
2006	75,000-99,999	419	5%	36,038,282	13%
2006	Over 100,000	<u>393</u>	5%	<u>67,242,395</u>	24%
<i>Total</i>		7,973		\$ 281,683,313	
2005	0-24,999	4,753	53%	\$ 47,443,989	14%
2005	25,000-49,999	2,329	26%	84,145,992	24%
2005	50,000-74,999	1,065	12%	64,536,443	19%
2005	75,000-99,999	434	5%	37,354,431	11%
2005	Over 100,000	<u>463</u>	5%	<u>114,305,030</u>	33%
<i>Total</i>		9,044		\$ 347,785,885	
2004	0-24,999	4,925	54%	\$ 49,863,695	15%
2004	25,000-49,999	2,239	24%	80,939,115	24%
2004	50,000-74,999	1,088	12%	65,925,585	19%
2004	75,000-99,999	452	5%	39,867,135	12%
2004	Over 100,000	<u>445</u>	5%	<u>101,559,949</u>	30%
<i>Total</i>		9,149		\$ 338,155,479	
2003	0-24,999	4,994	54%	\$ 49,818,232	15%
2003	25,000-49,999	2,375	25%	85,482,246	25%
2003	50,000-74,999	1,073	12%	65,099,706	19%
2003	75,000-99,999	436	5%	37,452,745	11%
2003	Over 100,000	<u>446</u>	5%	<u>102,355,545</u>	30%
<i>Total</i>		9,324		\$ 340,208,474	

2002	0-24,999	5,082	53%	\$ 50,292,025	15%
2002	25,000-49,999	2,487	26%	89,735,825	27%
2002	50,000-74,999	1,093	11%	66,479,889	20%
2002	75,000-99,999	454	5%	38,775,251	12%
2002	Over 100,000	<u>424</u>	4%	<u>86,169,433</u>	26%
<i>Total</i>		9,540		\$ 331,452,423	
(Continued)					
2001	0-24,999	5,351	55%	\$ 52,999,695	16%
2001	25,000-49,999	2,525	26%	89,999,485	28%
2001	50,000-74,999	1,133	12%	68,642,785	21%
2001	75,000-99,999	425	4%	36,441,113	11%
2001	Over 100,000	<u>366</u>	4%	<u>76,331,259</u>	24%
<i>Total</i>		9,800		\$ 324,414,337	
2000	0-24,999	5,453	55%	\$ 55,473,506	17%
2000	25,000-49,999	2,640	27%	93,963,585	29%
2000	50,000-74,999	1,066	11%	64,879,845	20%
2000	75,000-99,999	401	4%	34,061,058	10%
2000	Over 100,000	<u>355</u>	4%	<u>76,472,757</u>	24%
<i>Total</i>		9,915		\$ 324,850,751	
1999	0-24,999	5,512	56%	\$ 55,235,381	17%
1999	25,000-49,999	2,560	26%	91,691,206	29%
1999	50,000-74,999	1,032	11%	62,500,965	20%
1999	75,000-99,999	389	4%	32,997,479	10%
1999	Over 100,000	<u>328</u>	3%	<u>75,339,755</u>	24%
<i>Total</i>		9,821		\$ 317,764,786	

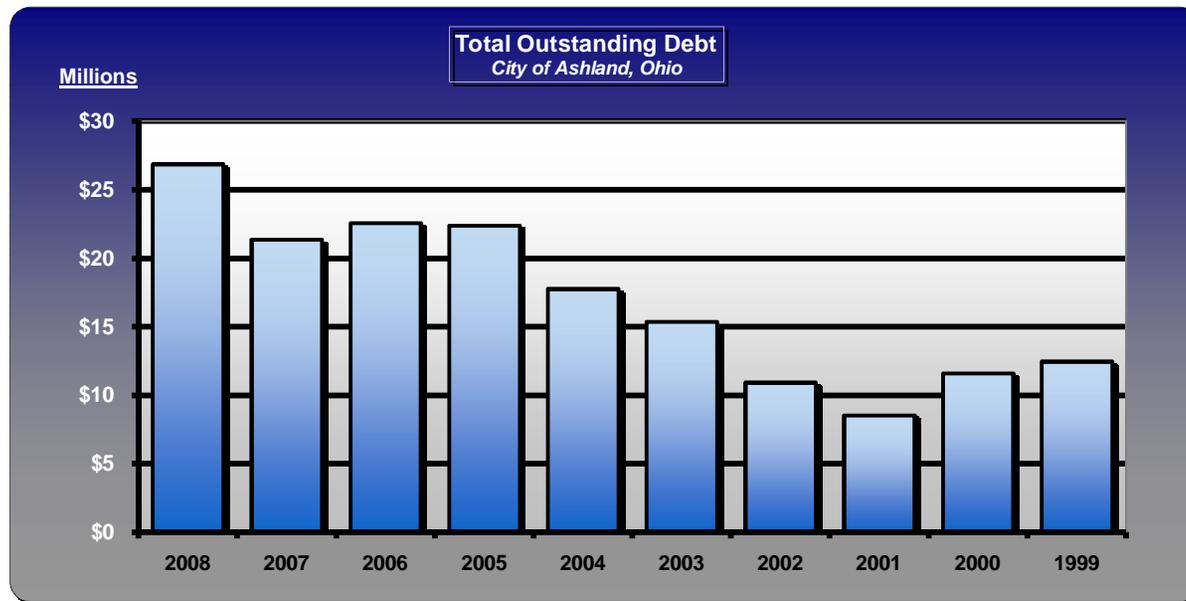
Source: Income Tax Department, City of Ashland, Ohio

## City of Ashland, Ohio

### Debt Capacity

Ratios of Outstanding Debt to Total Personal Income and Debt Per Capita  
Last Ten Years

Year	Governmental Activities					Business-Type Activities				Total Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds	ODOD Loan	ODOT Loan	Bond Anticipation Notes	OPWC Loan	General Obligation Bonds	Bond Anticipation Notes	OWDA Loan	OPWC Loan			
2008	\$ 2,367,000	\$ 0	\$ 412,603	\$ 1,376,000	\$ 22,017	\$ 8,083,000	\$ 13,800,000	\$ 775,547	\$ 40,356	\$26,876,523	7.55%	1,265
2007	2,484,000	0	475,974	997,000	31,027	8,481,000	7,850,000	1,059,906	5,163	\$21,384,070	6.00%	1,006
2006	2,598,177	379,500	462,010	947,000	40,037	8,871,823	8,065,000	1,196,905	5,957	\$22,566,409	6.34%	1,062
2005	2,657,072	379,500	462,010	1,176,932	49,046	9,072,930	7,005,000	1,588,176	6,751	\$22,397,417	6.29%	1,054
2004	2,766,934	0	0	1,185,000	58,057	9,448,067	2,595,000	1,712,290	7,545	\$17,772,893	4.99%	836
2003	2,870,000	0	0	629,000	0	9,800,000	135,000	1,951,511	0	\$15,385,511	4.32%	724
2002	165,000	0	0	3,772,000	0	165,000	4,650,000	2,179,205	0	\$10,931,205	3.07%	514
2001	195,000	0	0	4,525,000	0	190,000	1,250,000	2,395,927	0	\$8,555,927	2.40%	403
2000	280,000	0	0	5,015,000	0	2,200,000	1,500,000	2,602,206	0	\$11,597,206	3.26%	546
1999	360,000	0	0	5,203,000	0	2,360,000	1,750,000	2,798,546	0	\$12,471,546	3.71%	621



# City of Ashland, Ohio

## *Debt Capacity*

Ratios of Net General Bonded Debt Outstanding

Last Ten Years

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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
2008	21,249	\$1,046,805,472	\$1,045,000	\$0	\$1,045,000	0.10%	\$49
2007	21,249	1,144,898,979	10,965,000	13,783	10,951,217	0.96%	\$515
2006	21,249	1,295,709,184	11,470,000	102,746	11,367,254	0.88%	\$535
2005	21,249	1,094,991,202	11,730,002	43,250	11,686,752	1.07%	550
2004	21,249	1,061,842,469	12,215,001	0	12,215,001	1.15%	575
2003	21,249	1,091,663,480	12,670,000	130,972	12,539,028	1.15%	590
2002	21,249	1,009,709,433	330,000	148,126	181,874	0.02%	9
2001	21,249	989,598,676	385,000	177,284	207,716	0.02%	10
2000	21,249	982,016,504	2,480,000	211,001	2,268,999	0.23%	107
1999	20,079	890,506,858	2,720,000	233,975	2,486,025	0.28%	124

# City of Ashland, Ohio

## *Debt Capacity*

Direct and Overlapping Governmental Activities Debt

As of December 31, 2008

Jurisdiction	Total Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Ashland
<b>Direct - City of Ashland</b>			
General Obligation Bonds	\$2,367,000	100.00%	\$2,367,000
Bond Anticipation Notes	1,376,000	100.00%	1,376,000
OPWC Loan	22,017	100.00%	22,017
ODOT Loan	<u>412,603</u>	100.00%	<u>412,603</u>
<i>City of Ashland</i>	<i>4,177,620</i>		<i>4,177,620</i>
<b>Overlapping</b>			
Ashland County			
General Obligation Bonds	3,415,000	36.30%	1,239,597
Ashland City School District			
General Obligation Bonds	1,180,000	72.85%	859,670
Ashland-W. Holmes CC School District			
General Obligation Bonds	<u>1,291,854</u>	28.99%	<u>374,515</u>
<i>Total Overlapping Debt</i>	<i>5,886,854</i>		<i>2,473,782</i>
<b>Total</b>	<b>\$10,064,474</b>		<b>\$6,651,402</b>

**Note:** Ashland City School District and Ashland-W. Holmes CC School District general obligation bond amount is as of 6/30/08, which is the latest information available.

**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

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
<b>General Bonded Debt Outstanding:</b>										
General Obligation Bonds	\$1,045,000	\$10,965,000	\$11,470,000	\$11,730,002	\$12,215,001	\$12,670,000	\$330,000	\$385,000	\$2,480,000	\$2,720,000
Bond Anticipation Notes	15,176,000	8,847,000	9,012,000	8,181,932	3,780,000	764,000	8,422,000	5,775,000	6,515,000	6,953,000
<b>Total</b>	<b>\$16,221,000</b>	<b>\$19,812,000</b>	<b>\$20,482,000</b>	<b>\$19,911,934</b>	<b>\$15,995,001</b>	<b>\$13,434,000</b>	<b>\$8,752,000</b>	<b>\$6,160,000</b>	<b>\$8,995,000</b>	<b>\$9,673,000</b>
Percentage of Estimated Actual Property Value Assessed Property Value	1.55%	1.73%	1.58%	1.82%	1.51%	1.23%	0.87%	0.62%	0.92%	1.09%
	\$347,822,461	\$358,022,842	\$360,378,697	\$341,643,809	\$345,840,464	\$352,507,279	\$319,747,197	\$314,938,121	\$314,461,119	\$284,127,057
<b>Total Debt Per Capita</b>	<b>1,265</b>	<b>1,006</b>	<b>1,062</b>	<b>1,054</b>	<b>836</b>	<b>724</b>	<b>514</b>	<b>403</b>	<b>546</b>	<b>621</b>
Less:										
General Obligation Bonds- Business-Type Funds	8,083,000	8,481,000	8,871,823	9,072,930	9,448,067	9,800,000	165,000	190,000	2,200,000	2,360,000
Bond Anticipation Notes - Business-Type Funds	13,800,000	7,850,000	8,065,000	7,005,000	2,595,000	135,000	4,650,000	1,250,000	1,500,000	1,750,000
General Obligation Bond Retirement Fund Balance	0	13,783	102,746	43,250	0	130,972	148,126	177,284	211,001	233,975
<b>Total Net Debt Applicable to Limit</b>	<b>(\$5,662,000)</b>	<b>\$3,467,217</b>	<b>\$3,442,431</b>	<b>\$3,790,754</b>	<b>\$3,951,934</b>	<b>\$3,368,028</b>	<b>\$3,788,874</b>	<b>\$4,542,716</b>	<b>\$5,083,999</b>	<b>\$5,329,025</b>
<b>Overall Legal Debt Limit</b>										
10 1/2% of Assessed Valuation	36,521,358	37,592,398	37,839,763	35,872,600	36,313,249	37,013,264	33,573,456	33,068,503	33,018,417	29,833,341
Legal Debt Margin Within 10 1/2% Limitations	42,183,358	34,125,181	34,397,332	32,081,846	32,361,315	33,645,236	29,784,582	28,525,787	27,934,418	24,504,316
Legal Debt Margin as a Percentage of the Debt Limit	115.50%	90.78%	90.90%	89.43%	89.12%	90.90%	88.71%	86.26%	84.60%	82.14%
<b>Unvoted Debt Limitation</b>										
5 1/2% of Assessed Valuation	19,130,235	19,691,256	19,820,828	18,790,409	19,021,226	19,387,900	17,586,096	17,321,597	17,295,362	15,626,988
Total Net Debt Applicable to Limit	(5,662,000)	3,467,217	3,442,431	3,790,754	3,951,934	3,368,028	3,788,874	4,542,716	5,083,999	5,329,025
Net Debt Within 5 1/2% Limitations	\$24,792,235.36	\$16,224,039.31	\$16,378,397.34	\$14,999,655.50	\$15,069,291.52	\$16,019,872.35	\$13,797,221.84	\$12,778,880.66	\$12,211,362.55	\$10,297,963.14
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	129.60%	82.39%	82.63%	79.83%	79.22%	82.63%	78.46%	73.77%	70.60%	65.90%

(Continued)

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

## City of Ashland, Ohio

### *Demographic and Economic Information*

Demographic and Economic Statistics

Last Ten Years

Year	Population (1)	Total Personal Income	Per Capita Personal Income (1)	Median Household Income (1)	Median Age (1)	Bachelor's Degree or Higher (%) (1)	School Enrollment (1)	Unemployment Rate (1)	Total Assessed Property Value (2)
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	356,133,240	16,760 a	34,250 a	34.8 a	19.6 a	6,104 a	5.6 a	\$360,378,697
2006	21,249 a	356,133,240	16,760 a	34,250 a	34.8 a	19.6 a	6,104 a	5.6 a	\$345,123,298
2005	21,249 a	356,133,240	16,760 a	34,250 a	34.8 a	19.6 a	6,104 a	5.6 a	\$347,822,461
2004	21,249 a	356,133,240	16,760 a	34,250 a	34.8 a	19.6 a	6,104 a	5.6 a	\$360,378,697
2003	21,249 a	356,133,240	16,760 a	34,250 a	34.8 a	19.6 a	6,104 a	5.6 a	\$341,643,809
2002	21,249 a	356,133,240	16,760 a	34,250 a	34.8 a	19.6 a	6,104 a	5.6 a	\$345,840,464
2001	21,249 a	356,133,240	16,760 a	34,250 a	34.8 a	19.6 a	6,104 a	5.6 a	\$352,507,279
2000	21,249 a	356,133,240	16,760 a	34,250 a	34.8 a	19.6 a	6,104 a	5.6 a	\$319,747,197
1999	20,079 b	336,524,040	16,760 a	34,250 a	32.6 b	18.1 b	5,585 b	6.5 b	\$314,938,121

(1) Source: U.S. Census Bureau

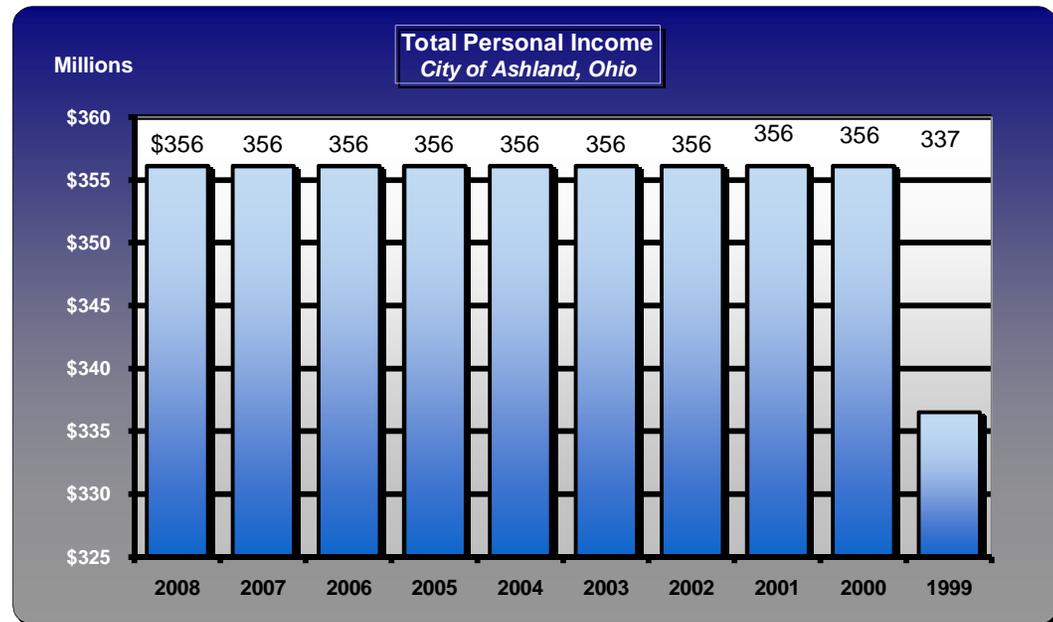
(a) 2000 Federal Census

(b) 1990 Federal Census

(c) 2000 Census Bureau Demographic Profile

**Note:** Unemployment Rate calculated by dividing Total Unemployed by Total Civilian Labor Force

(2) Ashland County, Ohio: County Auditor



# City of Ashland, Ohio

## Demographic and Economic Information

Principal Employers

Current Year and Ten Years Ago

2008			1998		
Employer*	Employees	Percentage of Total City Employment	Employer*	Employees	Percentage of Total City Employment
Ashland University	2,502	11.03%	Abbott Laboratories	638	2.46%
Pentair Pump Group	565	2.49%	Ashland University	2,027	7.81%
Samaritan Hospital	710	3.13%	F.E. Myers Co. (Pentair)	639	2.46%
Ashland City Schools	697	3.07%	Bosch Braking System Corp.	403	1.55%
Ashland County	524	2.31%	Landoll Inc.	688	2.65%
State of Ohio	272	1.20%	Ashland City Schools	783	3.02%
Wil Research Lab	311	1.37%	Samaritan Hospital	645	2.49%
City of Ashland	382	1.68%	Garber Co.	371	1.43%
Wal-Mart Association	480	2.12%	Aurora Hydro Pumps	292	1.13%
Archway Cookies**	300	1.32%	Ashland County	487	1.88%
<b>Total</b>			<b>Total</b>		
	<b>6,743</b>	<b>29.73%</b>		<b>6,973</b>	<b>26.87%</b>
<b>Total City Employees</b>		<b>22,680</b>	<b>Total City Employees</b>		<b>25,955</b>

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

\* Employers are listed by gross wages paid.

\*\* Estimated amount due to going out of business. Archway Cookies has not yet sent as of 4-30-09 W-2s to the City of Ashland.

## City of Ashland, Ohio

### *Financial Trends Information*

Net Assets by Component

Last Five Years

*(accrual basis of accounting)*

<b>Governmental Activities</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>
Invested in Capital Assets, Net of Related Debt	\$17,364,157	\$17,464,839	\$15,878,702	\$15,396,151	\$15,814,814
Restricted	5,354,993	5,917,701	4,546,053	4,897,655	4,486,273
Unrestricted	1,405,084	2,943,854	2,718,074	2,541,807	1,397,126
<b>Total Governmental Activities Net Assets</b>	<b>24,124,234</b>	<b>26,326,394</b>	<b>23,142,829</b>	<b>22,835,613</b>	<b>21,698,213</b>
<b>Business-Type Activities</b>					
Invested in Capital Assets, Net of Related Debt	19,848,064	19,156,906	17,836,938	14,082,876	11,785,629
Unrestricted	6,181,991	6,250,563	6,838,306	10,655,019	11,676,466
<b>Total Business-Type Activities Net Assets</b>	<b>26,030,055</b>	<b>25,407,469</b>	<b>24,675,244</b>	<b>24,737,895</b>	<b>23,462,095</b>
<b>Primary Government</b>					
Invested in Capital Assets, Net of Related Debt	37,212,221	36,621,745	33,715,640	29,479,027	27,600,443
Restricted	5,354,993	5,917,701	4,546,053	4,897,655	4,486,273
Unrestricted	7,587,075	9,194,417	9,556,380	13,196,826	13,073,592
<b>Total Primary Government Net Assets</b>	<b>\$50,154,289</b>	<b>\$51,733,863</b>	<b>\$47,818,073</b>	<b>\$47,573,508</b>	<b>\$45,160,308</b>

## City of Ashland, Ohio

### Financial Trends Information

Changes in Net Assets

Last Five Fiscal Years

(accrual basis of accounting)

	2008	2007	2006	2005	2004
<b>Program Revenues</b>					
Governmental Activities:					
Charges for Services:					
General Government	\$1,324,950	\$1,621,076	\$686,995	\$708,133	\$601,356
Security of Persons and Property	1,435,562	1,381,724	1,132,691	1,225,866	951,365
Public Health	67,220	62,497	282,529	189,816	44,901
Leisure Time Services	90,603	56,366	64,548	75,141	0
Transportation	222,551	315,859	7,132	4,830	55,555
Community and Economic Development	0	0	2,059	34,492	107,400
Operating Grants and Contributions	2,057,660	2,978,931	1,735,281	2,283,613	2,568,467
Capital Grants and Contributions	0	41,447	383,763	1,073,487	223,583
<b>Total Governmental Activities Program Revenues</b>	<b>5,198,546</b>	<b>6,457,900</b>	<b>4,294,998</b>	<b>5,595,378</b>	<b>4,552,627</b>
Business-Type Activities:					
Charges for Services:					
Water	3,520,505	3,520,855	3,490,314	2,842,528	2,186,344
Sewer	2,964,354	3,077,761	2,875,886	2,436,514	2,596,382
Sanitation	1,769,983	1,766,002	1,653,907	1,614,162	1,528,742
Operating Grants and Contributions	371	258	233	1,098,702	419,646
Capital Grants and Contributions	708,451	702,950	0	0	0
Other	530,781	507,956	605,911	613,555	564,895
<b>Total Business-Type Activities Program Revenues</b>	<b>9,494,445</b>	<b>9,575,782</b>	<b>8,626,251</b>	<b>8,605,461</b>	<b>7,296,009</b>
<b>Total Primary Government Program Revenues</b>	<b>14,692,991</b>	<b>16,033,682</b>	<b>12,921,249</b>	<b>14,200,839</b>	<b>11,848,636</b>
<b>Expenses</b>					
Governmental Activities:					
General Government	5,605,535	4,968,816	4,263,566	4,317,791	4,113,766
Security of Persons and Property	7,237,405	6,784,358	6,724,134	6,094,828	6,639,085
Public Health	278,645	278,792	286,343	241,998	264,135
Leisure Time Services	1,181,681	1,155,718	1,080,716	1,112,301	1,121,287
Transportation	3,075,759	2,145,360	2,481,334	3,175,923	2,220,560
Community and Economic Development	607,586	280,071	729,787	814,799	460,434
Interest and Fiscal Charges	143,350	203,089	162,169	132,990	134,083
<b>Total Governmental Activities Expenses</b>	<b>18,129,961</b>	<b>15,816,204</b>	<b>15,728,049</b>	<b>15,890,630</b>	<b>14,953,350</b>
Business-Type Activities:					
Water	3,564,277	3,220,773	2,876,249	2,883,882	3,635,238
Sewer	3,087,637	3,403,143	3,457,361	2,294,196	2,554,326
Sanitation	1,777,164	1,733,145	1,742,641	1,605,048	1,459,791
Other	831,373	669,767	654,844	591,940	745,266
<b>Total Business-Type Activities Expenses</b>	<b>9,260,451</b>	<b>9,026,828</b>	<b>8,731,095</b>	<b>7,375,066</b>	<b>8,394,621</b>
<b>Total Primary Government Expenses</b>	<b>27,390,412</b>	<b>24,843,032</b>	<b>24,459,144</b>	<b>23,265,696</b>	<b>23,347,971</b>

(Continued)

<b>Net (Expense)/Revenue</b>					
Governmental Activities	(\$12,931,415)	(\$9,358,304)	(\$11,433,051)	(\$10,295,252)	(\$10,400,723)
Business-Type Activities	<u>233,994</u>	<u>548,954</u>	<u>(104,844)</u>	<u>1,230,395</u>	<u>(1,098,612)</u>

<b>Total Primary Government Net Expense</b>	<b>(\$12,697,421)</b>	<b>(\$8,809,350)</b>	<b>(\$11,537,895)</b>	<b>(\$9,064,857)</b>	<b>(\$11,499,335)</b>
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**General Revenues and Other Changes in Net Assets**

Governmental Activities:					
Property Taxes	1,298,913	1,243,168	1,418,737	1,199,079	1,131,037
Income Taxes	8,265,781	8,493,569	8,500,884	8,031,251	7,969,508
Grants and Entitlements	940,906	1,512,283	1,015,634	1,094,831	861,821
Investment Earnings	367,013	641,645	467,275	503,014	217,604
Miscellaneous	238,118	282,585	379,930	604,477	27,564
Transfers	<u>(381,476)</u>	<u>(179,214)</u>	<u>0</u>	<u>0</u>	<u>(205,564)</u>

<b>Total Governmental Activities</b>	<b>10,729,255</b>	<b>11,994,036</b>	<b>11,782,460</b>	<b>11,432,652</b>	<b>10,001,970</b>
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Business-Type Activities:					
Investment Earnings	0	0	0	0	34,675
Miscellaneous	7,116	4,057	0	0	2,450
Transfers	<u>381,476</u>	<u>179,214</u>	<u>0</u>	<u>0</u>	<u>205,564</u>

<b>Total Business-Type Activities</b>	<b>388,592</b>	<b>183,271</b>	<b>0</b>	<b>0</b>	<b>242,689</b>
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<b>Total Primary Government</b>	<b>11,117,847</b>	<b>12,177,307</b>	<b>11,782,460</b>	<b>11,432,652</b>	<b>10,244,659</b>
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**Change in Net Assets**

Governmental Activities	(2,202,160)	2,635,732	349,409	1,137,400	(398,753)
Business-Type Activities	<u>622,586</u>	<u>732,225</u>	<u>(104,844)</u>	<u>1,230,395</u>	<u>(855,923)</u>

<b>Primary Government Change in Net Assets</b>	<b>(\$1,579,574)</b>	<b>\$3,367,957</b>	<b>\$244,565</b>	<b>\$2,367,795</b>	<b>(\$1,254,676)</b>
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# City of Ashland, Ohio

## *Financial Trends Information*

### Program Revenues by Function/Program

Last Five Fiscal Years

*(accrual basis of accounting)*

<b>Function/Program</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>
<b>Governmental Activities:</b>					
General Government	\$ 1,718,322	\$ 2,100,217	\$1,085,928	\$855,143	\$1,213,481
Security of Persons and Property	1,670,050	1,560,439	1,307,901	1,423,492	1,261,035
Public Health	67,220	62,497	282,529	189,816	49,401
Leisure Time Services	137,803	110,129	128,967	119,688	55,885
Community and Economic Development	72,701	645,823	27,405	1,644,520	800,082
Transportation	1,532,450	1,978,795	1,462,268	1,362,719	1,172,743
<b>Total Governmental Activities</b>	<b>5,198,546</b>	<b>6,457,900</b>	<b>4,294,998</b>	<b>5,595,378</b>	<b>4,552,627</b>
<b>Business-Type Activities:</b>					
Water	4,208,372	3,652,078	3,490,547	3,941,230	2,553,195
Sewer	2,984,938	3,649,488	2,875,886	2,436,514	2,649,177
Sanitation	1,769,983	1,766,002	1,653,907	1,614,162	1,528,742
Other	531,152	508,214	605,911	613,555	564,895
<b>Total Business-Type Activities</b>	<b>9,494,445</b>	<b>9,575,782</b>	<b>8,626,251</b>	<b>8,605,461</b>	<b>7,296,009</b>
<b>Total Primary Government</b>	<b>\$14,692,991</b>	<b>\$16,033,682</b>	<b>\$12,921,249</b>	<b>\$14,200,839</b>	<b>\$11,848,636</b>

## City of Ashland, Ohio

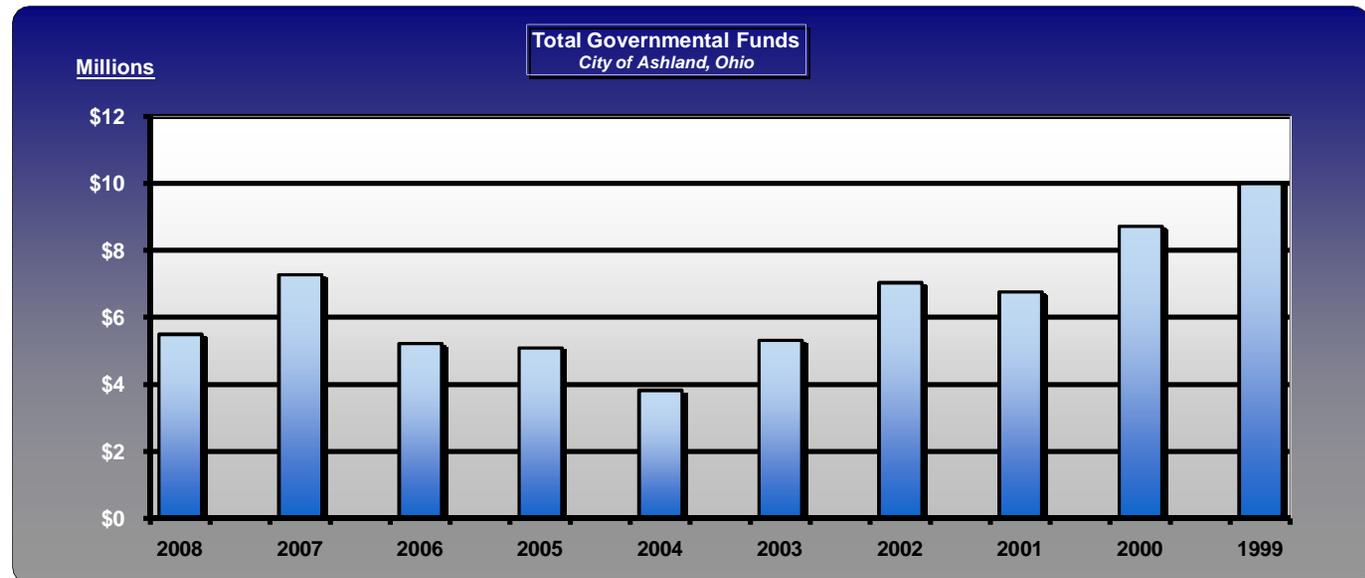
### Financial Trends Information

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General Fund										
Reserved	36,406	\$111,382	\$3,292	\$22,342	\$26,564	\$23,440	\$89,495	\$85,534	\$108,245	\$98,454
Unreserved	1,225,356	2,696,509	2,608,077	2,625,459	1,306,344	2,173,978	2,376,890	1,220,909	2,110,440	1,987,769
<b>Total General Fund</b>	<b>1,261,762</b>	<b>2,807,891</b>	<b>2,611,369</b>	<b>2,647,801</b>	<b>1,332,908</b>	<b>2,197,418</b>	<b>2,466,385</b>	<b>1,306,443</b>	<b>2,218,685</b>	<b>2,086,223</b>
All Other Governmental Funds										
Reserved	258,666	231,726	469,464	260,159	393,122	282,618	332,310	1,051,372	1,034,679	1,692,715
Unreserved, Reported in:										
Special Revenue Funds	2,809,493	3,355,117	1,494,180	1,597,840	1,977,329	2,014,927	2,759,721	1,979,899	2,327,860	2,209,417
Debt Service Funds	14,542	88,472	95,318	13,038	(42,889)	0	41,240	19,816	0	0
Capital Projects Funds	1,158,387	798,838	556,031	573,523	170,022	827,941	1,437,680	2,406,397	3,141,318	4,019,448
<b>Total All Other Governmental Funds</b>	<b>4,241,088</b>	<b>4,474,153</b>	<b>2,614,993</b>	<b>2,444,560</b>	<b>2,497,584</b>	<b>3,125,486</b>	<b>4,570,951</b>	<b>5,457,484</b>	<b>6,503,857</b>	<b>7,921,580</b>
<b>Total Governmental Funds</b>	<b>\$5,502,850</b>	<b>\$7,282,044</b>	<b>\$5,226,362</b>	<b>\$5,092,361</b>	<b>\$3,830,492</b>	<b>\$5,322,904</b>	<b>\$7,037,336</b>	<b>\$6,763,927</b>	<b>\$8,722,542</b>	<b>\$10,007,803</b>



## City of Ashland, Ohio

### Financial Trends Information

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

	2008	2007	2006	2005	2004	2003
<b>Revenues</b>						
Property Taxes	1,285,673	\$1,317,357	\$1,309,090	\$1,194,484	\$1,131,298	\$1,150,823
Income Taxes	8,231,759	8,578,034	8,510,633	7,978,111	7,492,176	7,190,039
Charges for Services	2,116,113	2,216,258	1,064,562	1,036,034	2,338,964	1,610,612
Licenses and Permits	34,102	40,911	23,127	83,351	99,910	68,660
Fines and Forfeitures	1,098,332	1,159,926	1,066,175	974,169	786,667	748,504
Intergovernmental	3,745,252	3,806,575	3,593,929	4,188,542	2,934,298	3,460,834
Special Assessments	0	0	0	0	0	0
Interest	367,013	641,645	467,275	503,014	217,604	219,900
Investment Income	51,934	0	0	0	0	0
Contributions and Donations	47,290	71,661	91,617	84,192	71,027	0
Other	228,172	157,148	311,482	552,596	8,759	63,329
<b>Total Revenues</b>	<b>17,205,640</b>	<b>17,989,515</b>	<b>16,437,890</b>	<b>16,594,493</b>	<b>15,080,703</b>	<b>14,512,701</b>
<b>Expenditures</b>						
Current:						
General Government	5,372,569	5,054,855	4,165,136	3,840,023	4,651,136	4,188,441
Security of Persons and Property	6,980,721	6,658,923	6,711,420	5,659,723	6,065,738	6,031,241
Public Health	304,456	278,792	283,364	243,830	263,467	255,409
Leisure Time Services	1,051,707	1,037,444	1,321,117	1,054,649	992,576	1,104,013
Community and Economic Development	606,201	280,593	742,619	790,187	456,665	326,108
Transportation	2,169,051	2,236,464	2,608,188	2,852,190	1,857,441	2,112,726
Capital Outlay	1,012,083	910,820	343,386	1,302,007	2,099,478	1,844,402
Debt Service:						
Principal Retirements	1,186,381	614,001	99,150	239,373	112,076	225,236
Interest and Fiscal Charges	169,428	166,864	196,205	142,109	124,964	124,645
<b>Total Expenditures</b>	<b>18,852,597</b>	<b>17,238,756</b>	<b>16,470,585</b>	<b>16,124,091</b>	<b>16,623,541</b>	<b>16,212,221</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(1,646,957)</b>	<b>750,759</b>	<b>(32,695)</b>	<b>470,402</b>	<b>(1,542,838)</b>	<b>(1,699,520)</b>
<b>Other Financing Sources (Uses)</b>						
Bond and Note Proceeds	250,000	997,000	0	0	0	2,870,000
Proceeds from Loans	0	13,964	0	962,010	0	0
Premium on Debt Issued	9,944	16,117	66,728	52,431	0	0
Contributions and Donations	0	0	0	0	0	801,261
Proceeds from Sale of Capital Assets	0	367,716	0	0	18,805	0
Transfers In	846,829	142,340	1,001,162	964,843	565,623	0
Transfers Out	(1,239,010)	(232,214)	(1,043,355)	(964,843)	(750,151)	0
Other	0	0	142,560	0	0	58,549
<b>Total Other Financing Sources (Uses)</b>	<b>(132,237)</b>	<b>1,304,923</b>	<b>167,095</b>	<b>1,014,441</b>	<b>(165,723)</b>	<b>3,729,810</b>
<b>Net Change in Fund Balances</b>	<b>(\$1,779,194)</b>	<b>\$2,055,682</b>	<b>\$134,400</b>	<b>\$1,484,843</b>	<b>(\$1,708,561)</b>	<b>\$2,030,290</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>7.60%</b>	<b>5.13%</b>	<b>1.95%</b>	<b>2.65%</b>	<b>1.63%</b>	<b>2.27%</b>

(Continued)

<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>
\$1,065,937	\$973,865	\$1,054,024	\$976,186
7,601,283	6,582,060	6,360,487	7,096,058
1,198,362	823,932	795,554	785,136
39,774	70,389	30,506	39,471
789,292	762,029	761,015	693,597
3,530,352	2,929,918	4,182,643	3,019,050
0	0	0	2,388
0	0	0	0
412,956	795,838	826,397	1,026,492
160,585	0	0	0
116,945	456,546	353,610	352,385
<b>14,915,486</b>	<b>13,394,577</b>	<b>14,364,236</b>	<b>13,990,763</b>
3,075,339	3,203,881	2,578,958	2,205,030
5,801,862	6,292,296	5,781,883	5,307,519
257,120	245,139	221,724	217,162
1,226,527	1,276,602	976,152	1,044,513
596,201	464,796	808,589	193,672
1,572,079	2,132,175	1,577,627	1,725,972
986,615	617,455	3,174,807	5,430,339
5,709,744	6,354,328	6,783,000	7,351,967
150,562	256,463	221,417	245,533
<b>19,376,049</b>	<b>20,843,135</b>	<b>22,124,157</b>	<b>23,721,707</b>
<b>(4,460,563)</b>	<b>(7,448,558)</b>	<b>(7,759,921)</b>	<b>(9,730,944)</b>
4,922,000	5,775,000	6,515,000	6,953,000
0	0	0	0
21,425	0	0	0
0	0	0	0
81,622	0	0	0
2,468,153	1,868,224	1,590,215	1,949,738
(2,813,562)	(2,153,278)	(1,630,555)	(2,033,370)
54,334	0	0	0
<b>4,733,972</b>	<b>5,489,946</b>	<b>6,474,660</b>	<b>6,869,368</b>
<b>\$273,409</b>	<b>(\$1,958,612)</b>	<b>(\$1,285,261)</b>	<b>(\$2,861,576)</b>
<b>32.65%</b>	<b>34.10%</b>	<b>36.47%</b>	<b>37.63%</b>

## City of Ashland, Ohio

### Operating Information

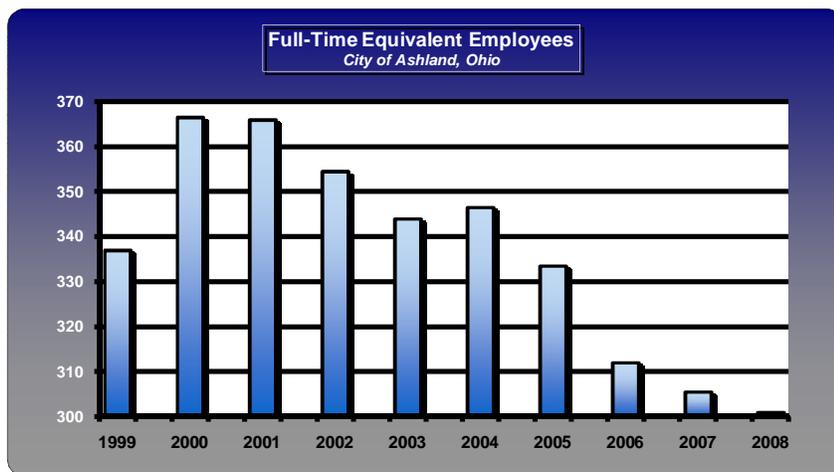
#### Full-Time Equivalent City Government Employees by Function/Program Last Ten Years

Function/Program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>General Government:</b>										
Council	3.5	3.5	3.5	4.5	3.5	3.5	4	3.5	3.5	3.5
Mayor	2	2	3	3	4	3	3	3	4	3
Finance	7	6	9	7	7	7	8	9	5	5.5
Law	5	5	5	4	4	4	5	4.5	4	5
Engineering	6.5	6.5	7	6.5	5	6	6	5.5	5.5	5
Building and Zoning	2.5	2.5	2	3.5	3.5	3.5	3	3	3.5	4
Human Resources	3	4	3	3	3	3	3	3	3	3
Income Tax	5.5	5	6	5	5	5	5	4	4	4
Municipal Court	29.5	31	33	31	31	30	30.5	29	29	34.5
Municipal Court Community Corrections	2	2	2	2	2	2	2	2	2	2
Municipal Court Probation	4	3	3	3	4	4	4	4	4	4
<b>Security of Persons and Property:</b>										
Police	42.5	57.5	53.5	49	49	48	42.5	42.5	42.5	44
Fire	64.5	59.5	62.5	55.5	50	51	47.5	38	40	39
<b>Recreation:</b>										
Golf Course	23	24.5	23.5	24	22.5	19.5	20	21	20.5	18
Park	27	37.5	37.5	36.5	35.5	34	31	33	31.5	26
Swimming Pool	14	11	10.5	13	10.5	11	9.5	9.5	8	8.5
<b>Service:</b>										
Building Maintenance	2	2.5	1	2	2	2	2	2	2	2
Economic Development	0	0	0	1	4.5	4	4	1	0	0
Justice Center Maintenance	0	2.5	2.5	2.5	2	2.5	2	1	1	1
Maintenance	2	2	2	2	2	2	2	1	1	1
Sanitation	24	28.5	25	26	26	22	24	24	20	18
Sewer	7	6	7	7	6	10.5	7	6	6	5
Street Maintenance	19.5	22.5	22.5	20.5	20.5	21.5	21	19	18	21
Technical Services	0	1	1.5	1.5	1.5	2	2	2	2	2
Water Distribution	15	16	15.5	15.5	14	15.5	13.5	14.5	14.5	15
Water Pollution	15	14	14	15	15	19	21	17	21	14
Water Treatment	11	11	11	11	11	11	11	10	10	13
<b>Total Number of Employees</b>	<b>337</b>	<b>366.5</b>	<b>366</b>	<b>354.5</b>	<b>344</b>	<b>346.5</b>	<b>333.5</b>	<b>312</b>	<b>305.5</b>	<b>301</b>

**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 at December 31.

Some employees have more than one W-2.



# City of Ashland, Ohio

## Operating Information

Operating Indicators by Function/Program  
Last Ten Years

Function/Program	2008	2007	2006	2005	2004	2003	2002
<b>General Government</b>							
Construction Permits Issued (1)	56	95	85	121	118	121	114
Estimated Value of Construction (1)	\$6,634,485	\$21,240,687	\$17,154,880	\$27,558,156	\$20,278,983	\$11,818,195	\$14,281,011
Total Cases Filed (2)	9,612	11,807	11,903	12,501	10,814	14,605	13,652
Fines Collected (2)	\$923,245	\$2,838,741	\$746,640	\$827,615	\$867,073	\$1,020,309	\$970,999
Economic Development Projects (3)	42	40	40	26	48	40	N/A
Purchase Orders Issued (4)	582	656	708	454	659	715	608
Number of W-2 Forms Issued (4)	375	382	388	409	443	441	459
<b>Police (5)</b>							
Total Incidents	21,028	14,699	14,256	13,500	14,887	14,009	15,796
Total Arrests	518	1,515	1,279	1,435	1,526	1,487	1,701
Hours of Training	2,305	1,167	514	633	1,490	1,065	1,295
Total Citations	671	1,180	1,093	851	1,251	1,234	1,762
Parking Tickets	518	1,452	1,015	760	1,576	1,300	1,398
Parking Ticket Fines Collected	\$10,098	\$11,750	\$6,290	\$4,830	\$9,530	\$8,110	\$8,405
<b>Fire (6)</b>							
Fire Calls	595	592	553	562	586	642	651
EMS Calls	3,021	3,336	3,041	3,049	3,020	2,919	3,238
Total People Reached (Fire Safety Classes)	1,134	2,018	4,100	3,838	4,000	3,917	2,754
Hours of Training	7,317	7,396	6,902	4,692	9,070	8,556	7,617
Fire Loss	\$1,298,840	\$398,950	\$1,291,520	\$420,200	\$581,795	\$474,050	\$3,510,275
<b>Public Service</b>							
Tons of snow melting salt used (7)	8,996	3,537	1,547	4,792	4,519	5,268	4,136
Leaves picked up (cubic yards) (7)	5,558	7,957	6,361	6,697	1,076	6,515	7,029
Diesel Fuel Used (gal.) (7)*	1,112	11,181	6,522	9,662	11,529	12,028	14,162
Unleaded Fuel Used (gal.) (7)*	4,548	6,794	6,202	7,079	6,854	8,110	10,565
Total Water Customers (8)	7,248	7,924	7,924	7,903	7,823	7,898	8,022
Water Receipts (8)	\$3,230,076	\$2,937,860	\$2,937,860	\$2,542,479	\$2,039,641	\$1,969,500	\$1,881,070
Sewer Receipts (8)	\$2,389,225	\$2,446,003	\$2,446,003	\$2,484,555	\$2,464,513	\$2,537,693	\$2,613,221
Refuse Receipts (8)	\$1,702,745	\$1,719,232	\$1,719,232	\$1,577,952	\$1,475,639	\$1,339,493	\$1,173,000
Number of trees removed (9)	315	228	228	107	116	91	87
Number of trees planted (9)	183	245	245	40	455	422	139
Transports (10)	28,430	24,334	24,334	25,700	29,838	13,995	N/A
Miles Transported (10)	155,565	176,677	176,677	138,105	156,548	61,861	N/A
<b>Recreation (11)</b>							
Number of Brookside Pool Memberships	201	212	212	179	254	354	368
Number of Parks	13	13	13	13	12	11	9
Size of Parks (Acres)	388	388	388	388	383	350	338
Number of Golf Courses	1	1	1	1	1	1	1

(Continued)

\* Fuel statistics are estimates.

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

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

(11) City of Ashland Park Division

**Note:** N/A indicates statistics were not available.

2001	2000	1999
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113	134	173
\$11,582,029	\$4,029,225	\$28,137,343
14,453	15,298	13,676
\$1,014,424	\$936,782	\$796,260
8	5	10
718	793	736
484	497	460

16,681	16,332	15,707
2,129	1,766	1,762
2,475	1,549	1,562
1,567	1,596	1,654
1,437	1,681	1,936
\$8,950	\$9,828	\$11,507

647	650	707
3,597	3,174	3,575
4,497	2,605	4,017
7,616	5,156	6,096
\$473,550	\$768,457	\$601,768

2,225	6,118	3,905
6,573	7,358	7,522
14,292	13,890	15,140
9,627	9,951	8,472
7,954	7,969	7,956
\$1,864,968	\$1,839,451	\$1,947,636
\$2,491,522	\$2,491,987	\$2,489,262
\$1,076,594	\$1,055,638	\$1,071,720
63	97	89
196	65	167
N/A	N/A	N/A
N/A	N/A	N/A

389	476	475
9	9	9
338	338	338
1	1	1

# City of Ashland, Ohio

## Operating Information

### Capital Asset Statistics by Function/Program

Last Five Years

Function/Program	2008	2007	2006	2005	2004
<b>General Government</b>					
Square Footage Occupied	21,726	21,726	21,726	21,726	21,726
Engineering Vehicles	2	5	4	4	5
Other Departmental Vehicles	10	10	10	10	11
<b>Police</b>					
Stations	1	1	1	1	1
Square Footage of Building	100,000	100,000	100,000	100,000	100,000
Vehicles	31	31	31	31	30
<b>Fire Station</b>					
Stations	1	1	1	1	1
Square Footage of Building	15,377	15,377	15,377	15,377	15,377
Vehicles	19	19	19	19	20
<b>Other Public Works</b>					
Streets (miles)	97	95	93	92	91
Streetlights	*	*	*	*	*
Traffic Signals	31	31	31	31	31
Public Service Vehicles	130	130	95	89	93
* Streetlights are owned by the Electric Company					
<b>Recreation</b>					
Number of Parks	13	13	13	13	12
Vehicles	29	29	34	33	35
<b>Water</b>					
Water mains (miles)	103	103	102	102	102
Fire hydrants	916	910	900	900	900
<b>Wastewater</b>					
Sanitary Sewers (miles)	97	96	95	95	95
Storm Sewers (miles)	66	64	63	62	62
<b>Transit</b>					
Vehicles	11	10	9	9	9