

City of Ashland, Ohio



For Year Ended December 31, 2010



City of Ashland, Ohio

Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2010

Prepared by:
Larry D. Paxton, Finance Director
and Treasurer's Office Staff

*City of Ashland
Comprehensive Annual Financial Report
Year Ended December 31, 2010*

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Introductory Section



Ashland home of Archway Bakery purchased by Lance Corporation in late 2008
Plant is in full operation after being idled by bankruptcy of previous owner.



Acting Director of the
Finance Division

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

June 28, 2011

Dear Fellow Citizens, Business Partners and Interest Parties;

Enclosed, please find your city's Annual Comprehensive Annual Financial Report for the year ending December 31, 2010. As a part of our commitment to good government and a requirement of the Ohio Revised Code we are publishing this report in an effort to better inform you of your city's business and activities during this time frame. 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 has been produced to fulfill this requirement for the year ending December 31, 2010.

Your City's 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 assurance that this report is free from any material misstatements.

The city's annual audit was performed by an independent public accounting firm (IPA) Rea & Associates Inc., an Accountants and Business Consulting firm, which is under contract with the State Auditor's Office to perform this work. Once again this year, our auditor's have issued an unqualified ("clean") opinion for the City of Ashland's financial statements for the year ending December 31, 2010. 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, operates 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's management team consists of a Mayor serving as the chief executive officer, Law Director serving as the chief legal advisor, Finance Director serving as the chief financial officer, Council President serving as the head of the legislative body and the four members on City Council serving their respective wards of the community. The Municipal Judge also is considered an intricate part of this management team and is responsible for the operation of the court system. All of these public servants serve the community as independent elected officials but cooperate and work together for the good of the community.

The City provides a full range of municipal services contemplated by its' Charter. These services include police & fire protection, health care administration, utility services, recreational activities, programming, planning, 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's 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 those activities.

Annual budgets are adopted for all City funds and departments. Under state law, the annual tax budget is required to be submitted to Council for consideration and approval no later than July 15th. of each year. According to City Charter, the City must pass the annual appropriation ordinance by no later than March 31st. The appropriations 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, retention and expansion services. AACED files indicate that approximately 1,500 manufacturing jobs were lost in the late 1990's through 2002. through consolidations and closing of companies such as Caraustar, Hedstrom, Timken and Bosch. This consolidation reflects the City's transition from a high-volume commodity-type manufacturing community to a more current focus on niche industries and product innovation.

The City continues to be impacted by a sluggish national economy but has seen some improvements with unemployment rates leveling off at around 10% or lower greatly reduced from the 12% in last years report.

Positive economic signs include:

1. Ashland Area Council for Economic Development continues to work with the industrial base in and around the city. Many of the city's larger employers continue to explore emerging markets in an effort to develop new markets, such as alternative energy products (wind turbines, solar panels, biomass-based devices, etc.).
2. The City of Ashland Industrial Park with the assistances of a grant from the Ohio Department of Development completed some major utility improvements to the industrial park in 2010. This undertaking developed several shovel ready industrial sites for light to moderate manufacturing facilities.
3. Barbasol LLC completed its \$7.25 million investment in its new facility located within the Business Park and began operations employing approximately 40 employees.
4. Novatec North America completed an additional 60,000 square foot expansion to its original facility, which had only been in operation for less than five years.
5. 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 largest employers—WIL Research, employer of 700. WIL (and the overall bioscience industry) holds great potential for the future of Ashland.

Financial Management Initiatives

The Finance Director with the assistance of the finance division develops and maintains all accounting policies and procedures in conjunction with the charter of the city and state law. Recent initiatives include the following:

1. A new procurement policy was prepared and adopted.
2. A financial disaster minimization policy was prepared and adopted, with the city receiving an award from the Association of Public Treasurers of the United States and Canada.
3. An investment policy was prepared and adopted with the city receiving a national award by the Association of Public Treasurers of the United States and Canada.
4. A cash handling policy was prepared and adopted with the city receiving a national award by the Association of Public Treasurers of the United States and Canada.
5. A debt policy is currently being prepared and should be adopted in the near future.
6. A long-term financial plan is being developed with the city preparing its annual appropriations with three-year estimates into the future. This plan should help stabilize the funding of certain programs with anticipated revenue sources.

7. The City of Ashland has had the good fortune to be awarded a Certificate of Achievement for Excellence in Financial Reporting consecutively for the last three years by the Government Finance Officers Association of the United States and Canada.

Major Initiatives

The City continues to move forward with several major infrastructure projects. With the assistance of the Ohio Public Works Grant program the following projects were under development or construction in 2010. The East Liberty/Main Street intersection improvement project, The Water Treatment plant Chlorine Conversion project, The Jamison Creek lift station replacement project, The Wil Research lift station replacement project, The Miller Street, Main Street, Smith Road and Claremont Ave. traffic signals replacement projects, and The Center Street Storm Sewer replacement project. The city also funded several projects internally in 2010 including almost \$250,000 dollars worth of street resurfacing and crack sealing, \$300,000 dollars worth of roof repairs on several municipal buildings and the continuation of the development of additional water well with an estimated one million gallons of fresh water daily.

Award and Acknowledgements

This is the fourth 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 entity 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 efforts of the employees of the Finance Department who contributed greatly to this report. My sincere appreciation is given not only for their assistance in the preparation of this report, but also for their hard work and dedication to their jobs throughout the year.

Respectfully submitted,



Larry D. Paxton,
Director of Finance Division for the City of Ashland

City of Ashland, Ohio
Comprehensive Annual Financial Report
For the year ended December 31, 2010

City Officials

Glen P. Stewart

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

Richard P. Wolfe II

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

Larry D. Paxton

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

Jacob M. Fridline

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

Stephen L. Stuart

2/5/2008 – present (Council)

Ruth G. Detrow

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

Sandra Hedlund Tunnell

1/1/2010 – present (Council)

Robert L. Valentine

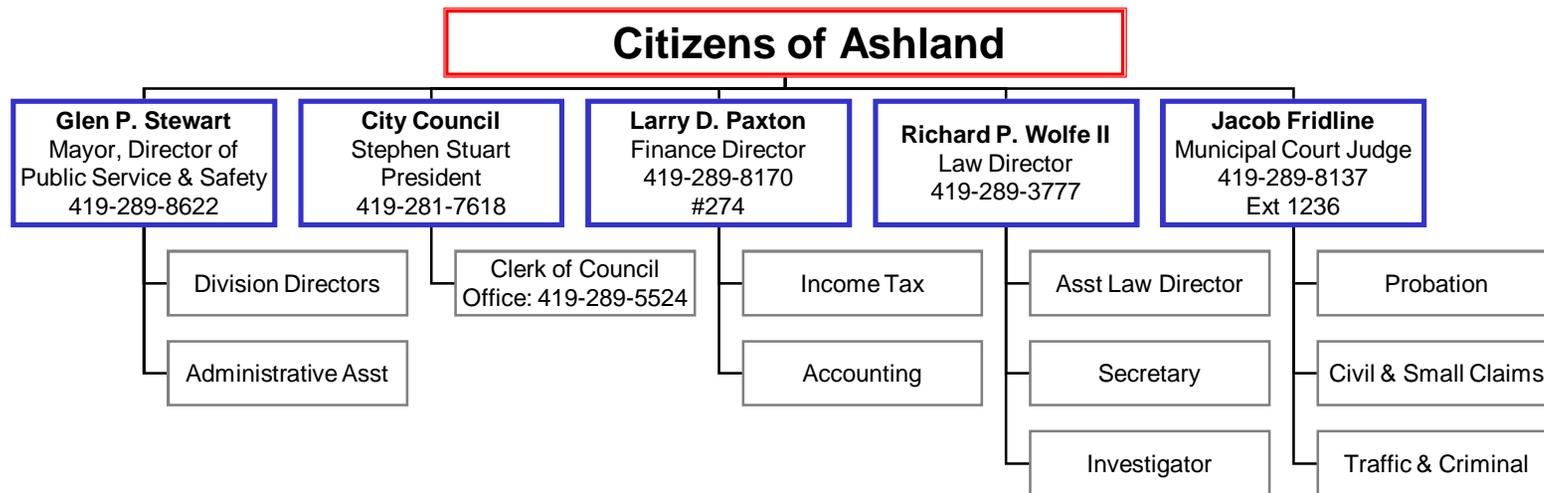
Employed seasonally as Recreation Supervisor/Park: 1979 – 1992
1/1/2004 – present (Council)

Robert M. Valentine

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



City of Ashland Elected Officials



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Ashland
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

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.



President

Executive Director

Financial Section

The City of Ashland is home to the new Barbasol Shaving Cream Production and Distribution Facility. In 2009 the Company began construction of the new facility in the City of Ashland Industrial Park with production scheduled to begin in 2010.





Rea & Associates, Inc.

ACCOUNTANTS AND BUSINESS CONSULTANTS

Focused on Your Future.

June 28, 2011

Those Charged with Governance
City of Ashland
206 Claremont Avenue
Ashland, Ohio 44805

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ashland, Ohio, (the City) as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2010, and the respective changes in financial position and the cash flows, where applicable, thereof and the respective budgetary comparisons for the General and Street Maintenance and Repair Funds 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 June 28, 2011, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City'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, 2010

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, 2010. 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 2010 are as follows:

- General revenues accounted for \$10,938,296 in revenue or 40 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants, and contributions accounted for \$16,213,066 or 60 percent of total revenues of \$27,151,362.
- Total program expenses were \$26,242,819; \$17,441,769 in governmental activities and \$8,801,050 in business-type activities.
- In total, net assets increased \$908,543. Net assets of governmental activities decreased \$644,652. Net assets of business-type activities increased \$1,553,195.
- Outstanding debt decreased from \$18,594,097 to \$17,461,564 through principal payments.

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 2010 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, 2010

A question typically asked about the City's finances "How did we do financially during 2010?" 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, public health services, 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, stormwater, 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 future services. 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, 2010

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, stormwater, 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 2010 compared to 2009:

(Table 1)
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Assets						
Current and Other Assets	\$ 10,222,274	\$ 10,291,102	\$ 5,331,963	\$ 4,750,142	\$ 15,554,237	\$ 15,041,244
Capital Assets	20,111,899	20,637,505	37,473,653	37,729,463	57,585,552	58,366,968
Total Assets	30,334,173	30,928,607	42,805,616	42,479,605	73,139,789	73,408,212
Liabilities						
Long-Term Liabilities	3,960,337	3,344,814	14,341,544	8,426,383	18,301,881	11,771,197
Other Liabilities	1,954,963	2,520,268	327,078	7,469,423	2,282,041	9,989,691
Total Liabilities	5,915,300	5,865,082	14,668,622	15,895,806	20,583,922	21,760,888
Net Assets						
Invested in Capital						
Assets Net of Related Debt	16,855,976	17,480,892	23,585,113	22,448,977	40,441,089	39,929,869
Restricted	4,697,276	5,041,024	0	0	4,697,276	5,041,024
Unrestricted	2,865,621	2,541,609	4,551,881	4,134,822	7,417,502	6,676,431
Total Net Assets	\$ 24,418,873	\$ 25,063,525	\$ 28,136,994	\$ 26,583,799	\$ 52,555,867	\$ 51,647,324

City of Ashland
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2010

Total assets decreased by \$268,423 with governmental assets decreasing \$594,434 and business-type assets increasing \$326,011. The \$594,434 decrease in governmental assets is due to depreciation exceeding capital outlay. The increase in business-type assets is due to an increase of cash. This is a result of general obligation bonds being issued for sewer and water projects. Total liabilities decreased by \$1,176,966 with governmental liabilities increasing \$50,218 and business-type liabilities decreasing \$1,227,184. The majority of this decrease in business-type liabilities was the result of payments on notes, general obligation bonds and OWDA loans. The increase in governmental liabilities is the result of new debt issued exceeding debt payments.

Table 2 shows the changes in net assets for fiscal year 2010 and 2009. 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	
	2010	2009	2010	2009	2010	2009
Revenues						
<i>Program Revenues:</i>						
Charges for Services	\$ 3,650,244	\$ 3,648,466	\$ 9,705,164	\$ 9,464,279	\$ 13,355,408	\$ 13,112,745
Operating Grants and Contributions	2,361,638	2,678,173	0	2,128	2,361,638	2,680,301
Capital Grants and Contributions	42,698	0	453,322	317,918	496,020	317,918
<i>General Revenue:</i>						
Property Taxes	1,081,107	1,164,661	0	0	1,081,107	1,164,661
Income Taxes	7,927,209	8,117,515	0	0	7,927,209	8,117,515
Grants and Entitlements	1,424,438	1,050,112	0	0	1,424,438	1,050,112
Investment Earnings	111,566	273,954	0	0	111,566	273,954
Gain on Sale of Capital Assets	48,486	0	13,127	0	61,613	0
Other	321,305	560,446	11,058	6,235	332,363	566,681
Total Revenues	16,968,691	17,493,327	10,182,671	9,790,560	27,151,362	27,283,887
Program Expenses						
General Government	5,618,313	4,901,152	0	0	5,618,313	4,901,152
Security of Persons and Property	6,965,365	7,171,283	0	0	6,965,365	7,171,283
Transportation	2,601,886	2,294,355	0	0	2,601,886	2,294,355
Public Health Services	325,085	307,075	0	0	325,085	307,075
Community Environment	465,674	363,379	0	0	465,674	363,379
Leisure Time Activities	1,323,969	1,197,605	0	0	1,323,969	1,197,605
Interest and Fiscal Charges	141,477	250,635	0	0	141,477	250,635
Enterprise Operations						
Water	0	0	3,546,848	3,750,067	3,546,848	3,750,067
Sewer	0	0	2,797,203	2,524,962	2,797,203	2,524,962
Sanitation	0	0	1,640,119	1,676,694	1,640,119	1,676,694
Other	0	0	816,880	1,353,645	816,880	1,353,645
Total Program Expenses	17,441,769	16,485,484	8,801,050	9,305,368	26,242,819	25,790,852
Increase (Decrease) in Net Assets						
Before Transfers	(473,078)	1,007,843	1,381,621	485,192	908,543	1,493,035
Transfers	(171,574)	(68,552)	171,574	68,552	0	0
Increase (Decrease) in Net Assets	\$ (644,652)	\$ 939,291	\$ 1,553,195	\$ 553,744	\$ 908,543	\$ 1,493,035

City of Ashland
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2010

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 \$6,965,365 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 \$1,649,054 in 2010 equaling 9 percent of the total governmental services expenses.

Business-Type Activities

Business-type activities include water, sewer, sanitation, storm water, golf course and swimming pool operations. The revenues are generated primarily from charges for services. In 2010, charges for services of \$9,705,164 accounted for almost 95 percent of the business-type revenues. The total expenses were \$8,801,050, thus leaving an increase in net assets of \$1,553,195 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 \$6,095,024, an 11 percent increase from the prior year.

City of Ashland
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2010

The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2010 and 2009.

	Fund Balance		Increase/ (Decrease)
	12/31/2010	12/31/2009	
General	\$ 2,024,471	\$ 1,848,188	\$ 176,283
Street Maintenance and Repair	925,987	1,404,586	(478,599)
Other governmental	3,144,566	2,221,216	923,350
<i>Totals</i>	<u>\$ 6,095,024</u>	<u>\$ 5,473,990</u>	<u>\$ 621,034</u>

The general fund is the chief operating fund of the City. The increase in fund balance of the general fund is the result of intergovernmental revenues offset by decreases in income tax revenue and charges for services. In 2010, the City's general fund revenues increased, while expenditures decreased from the prior year. The street maintenance and repair fund is a special revenue fund that maintains the City's streets and public roads. At the end of the current fiscal year, unreserved fund balances of the general and street maintenance and repair funds were \$2,014,052 and \$775,657, respectively. Other governmental funds showed a significant increase due to the issuance of various purpose improvement serial and term bonds to refund notes.

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 \$1,636,421. Total net assets increased \$129,600 from the previous year 1 percent from the previous year.

Unrestricted net assets in the sewer fund at the end of the year amounted to \$1,378,023. Total net assets increased \$928,544 or 8 percent from the previous year.

Unrestricted net assets in the sanitation fund at the end of the year amounted to \$732,221. Total net assets increased \$191,698 or 23 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 2010, the City amended its general fund budget various occasions. All recommendations for appropriation changes come to Council from the Director of Finance. The Finance Committee of Council reviews them and makes recommendation, to the Council as a whole.

For the general fund, final budget basis revenue was \$11,860,382, and the original budget estimates were \$11,568,596. The majority of this \$291,786 increase was attributable to higher than expected income tax and intergovernmental revenues. Final revenues exceeded actual budgeted amounts by \$105,934.

City of Ashland
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2010

Final appropriations (excluding other financing uses) of \$12,131,443 were \$138,390 higher than the \$11,993,053 in the original budget. Actual expenditures of \$10,874,980 were less than the final budget by \$1,256,463. The majority of this difference was related 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 2010, the City had \$57,585,552 invested in land, buildings and improvements, equipment, infrastructure vehicles and construction in progress. A total of \$20,111,901 of this was for governmental activities with the remainder attributable to business-type activities. Table 3 shows fiscal year 2010 balances compared with 2009.

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

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land	\$ 6,602,531	\$ 6,406,494	\$ 3,538,626	\$ 3,526,518	\$ 10,141,157	\$ 9,933,012
Construction in Progress	80,871	28,692	800,324	229,448	881,195	258,140
Buildings and Improvements	5,003,498	4,927,998	8,298,789	8,565,425	13,302,287	13,493,423
Equipment	1,068,981	1,258,226	1,944,579	2,016,571	3,013,560	3,274,797
Vehicles	1,997,176	2,060,737	706,796	734,762	2,703,972	2,795,499
Streets	4,179,013	4,657,264	0	0	4,179,013	4,657,264
Bridges	811,863	898,486	0	0	811,863	898,486
Street Lighting	367,966	399,608	0	0	367,966	399,608
Infrastructure	0	0	22,184,539	22,656,739	22,184,539	22,656,739
Totals	\$ 20,111,899	\$ 20,637,505	\$ 37,473,653	\$ 37,729,463	\$ 57,585,552	\$ 58,366,968

The \$781,416 decrease in capital assets was attributable to depreciation expense exceeding capital outlay. Note 9 provides capital asset activity during the 2010 year.

City of Ashland
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2010

Debt

The outstanding debt for the City of Ashland as of December 31, 2010 was \$17,461,564 with \$1,126,700 due within one year. Table 4 summarizes outstanding debt.

(Table 4)
Outstanding Debt, at December 31

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
OPWC Loans	\$ 0	\$ 0	\$ 100,816	\$ 107,244	\$ 100,816	\$ 107,244
OWDA Loans	0	0	0	476,793	0	476,793
General Obligation Bonds	2,959,000	2,247,000	13,886,000	7,673,000	16,845,000	9,920,000
Premium on General Obligation Bonds	0	0	185,957	0	185,957	0
ODOT Loan	329,791	390,060	0	0	329,791	390,060
Notes Payable	0	555,000	0	7,145,000	0	7,700,000
<i>Total</i>	<u>\$ 3,288,791</u>	<u>\$ 3,192,060</u>	<u>\$ 14,172,773</u>	<u>\$ 15,402,037</u>	<u>\$ 17,461,564</u>	<u>\$ 18,594,097</u>

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 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 \$93,261. The proceeds will used to make water treatment plant improvements.

In 2009, the Ohio Public Works Commission (OPWC) awarded the City a loan in the amount of \$18,097. The loan proceeds were used for the renovation of the Mifflin Avenue booster station.

In 2010, The City issued various purpose improvement serial and term bonds to refund notes. Additional proceeds were also borrowed to fund sewer and water projects and miscellaneous fire items.

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, 2010

Current Financial Status

In 2010 the City of Ashland continued to feel the effects of the national economy with unemployment lingering between 9.5 percent to 10 percent. This caused the City to closely monitor its revenues and control expenditures where possible. This discipline allowed the City to continue to meet its obligations and the needs of the community with a balanced budget with only minor reductions to its work force.

As the interest markets continued to decline the City saw its investment income all but evaporate with the maturing of its long term investments. During this time the City did take advantage of this declining market to convert its debt that it had been holding short converting it into longer term municipal bonds. This issue allowed the City to realign its debt and retire over a million dollars of this short term debt in 2010 and lock the remaining debt into very reasonable interest rates. This procedure also established a disciplined approach to retiring the remaining debt which will assist the City in the future budgeting processes.

The City continued with its Ohio Public Works Commission replacement projects, seeing some of those projects to completion. These projects had been budgeted and anticipated for several years with most of them being scheduled for completion within the next year. The City also completed a capital purchases program replacing only those units that needed replaced of the City's aging vehicles.

Another area the City saw improvements in was the development its Storm Water Sewer Enterprise fund. The establishment and development of this fund allowed the city to make several maintenance and upgrades improvements to the City's storm water infrastructure and addressing some mandated issues. The City's Industrial Park also continued to grow and develop with the completion of the new Barbasol shaving cream plant coming online and employing over forty new employees.

The management team of the City continues to be committed to meeting the needs of the community with the resources it has.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Larry Paxton, Director of Finance, 206 Claremont Avenue, Ashland, Ohio 44805, or larrypaxton@ashland-ohio.com.

City of Ashland
Statement of Net Assets
December 31, 2010

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 5,155,913	\$ 3,723,629	\$ 8,879,542
Cash and Cash Equivalents in Segregated Accounts	0	575	575
Taxes Receivable	3,050,044	0	3,050,044
Accounts Receivable	296,193	992,322	1,288,515
Internal Balances	(41,813)	41,813	0
Intergovernmental Receivable	1,488,054	16,222	1,504,276
Prepaid Items	111,776	52,517	164,293
Materials and Supplies Inventory	129,239	220,651	349,890
Deferred Charges	32,868	284,234	317,102
Non-Depreciable Capital Assets	6,683,402	4,338,950	11,022,352
Depreciable Capital Assets, Net	13,428,497	33,134,703	46,563,200
<i>Total Assets</i>	<u>30,334,173</u>	<u>42,805,616</u>	<u>73,139,789</u>
Liabilities			
Accounts Payable	101,045	22,575	123,620
Accrued Wages	272,951	93,605	366,556
Contracts Payable	0	39,808	39,808
Intergovernmental Payable	334,281	103,620	437,901
Matured Compensated Absences Payable	32,997	0	32,997
Accrued Vacation Payable	52,283	10,175	62,458
Accrued Interest Payable	15,762	52,975	68,737
Deferred Revenue	1,145,644	0	1,145,644
Retainage Payable	0	4,320	4,320
Long-Term Liabilities:			
Due Within One Year	427,884	711,149	1,139,033
Due in More Than One Year	3,532,453	13,630,395	17,162,848
<i>Total Liabilities</i>	<u>5,915,300</u>	<u>14,668,622</u>	<u>20,583,922</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	16,855,976	23,585,113	40,441,089
Restricted for Debt Service	237,394	0	237,394
Restricted for Capital Outlay	975,597	0	975,597
Restricted for Roads and Bridges	1,314,893	0	1,314,893
Restricted for Parks & Recreation	204,691	0	204,691
Restricted for Police & Fire	333,406	0	333,406
Restricted for Public Transportation	190,906	0	190,906
Restricted for Municipal Court Programs	787,121	0	787,121
Restricted for Community Development	485,954	0	485,954
Restricted for Other Purposes	167,314	0	167,314
Unrestricted	2,865,621	4,551,881	7,417,502
<i>Total Net Assets</i>	<u>\$ 24,418,873</u>	<u>\$ 28,136,994</u>	<u>\$ 52,555,867</u>

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

City of Ashland
Statement of Activities
For the Year Ended December 31, 2010

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government	\$ 5,618,313	\$ 1,487,776	\$ 528,759	\$ 0	\$ (3,601,778)	\$ 0	\$ (3,601,778)
Security of Persons and Property	6,965,365	1,512,569	265,983	0	(5,186,813)	0	(5,186,813)
Public Health	325,085	241,702	0	0	(83,383)	0	(83,383)
Leisure Time Services	1,323,969	64,942	185,544	0	(1,073,483)	0	(1,073,483)
Community and Economic Development	465,674	23,527	252,800	0	(189,347)	0	(189,347)
Transportation	2,601,886	319,728	1,128,552	42,698	(1,110,908)	0	(1,110,908)
Interest and Fiscal Charges	141,477	0	0	0	(141,477)	0	(141,477)
<i>Total Governmental Activities</i>	<u>17,441,769</u>	<u>3,650,244</u>	<u>2,361,638</u>	<u>42,698</u>	<u>(11,387,189)</u>	<u>0</u>	<u>(11,387,189)</u>
Business-Type Activities							
Water	3,546,848	3,540,445	0	67,071	0	60,668	60,668
Sewer	2,797,203	3,307,884	0	386,251	0	896,932	896,932
Sanitation	1,640,119	1,830,742	0	0	0	190,623	190,623
Stormwater Management	228,134	525,008	0	0	0	296,874	296,874
Golf Course	518,311	438,170	0	0	0	(80,141)	(80,141)
Swimming Pool	70,435	62,915	0	0	0	(7,520)	(7,520)
<i>Total Business-Type Activities</i>	<u>8,801,050</u>	<u>9,705,164</u>	<u>0</u>	<u>453,322</u>	<u>0</u>	<u>1,357,436</u>	<u>1,357,436</u>
<i>Totals</i>	<u>\$ 26,242,819</u>	<u>\$ 13,355,408</u>	<u>\$ 2,361,638</u>	<u>\$ 496,020</u>	<u>(11,387,189)</u>	<u>1,357,436</u>	<u>(10,029,753)</u>
General Revenues:							
Property Taxes Levied for:							
General Purposes					523,725	0	523,725
Park and Recreation					144,646	0	144,646
Police and Fire Pension					181,049	0	181,049
Debt Service					231,687	0	231,687
Income Taxes Levied for:							
General Purposes					7,141,307	0	7,141,307
Street Maintenance and Repair					201,855	0	201,855
Park and Recreation					584,047	0	584,047
Grants and Entitlements not Restricted to Specific Programs					1,424,438	0	1,424,438
Investment Earnings					111,566	0	111,566
Gain on the Sale of Capital Assets					48,486	13,127	61,613
Miscellaneous					321,305	11,058	332,363
<i>Total General Revenues</i>					<u>10,914,111</u>	<u>24,185</u>	<u>10,938,296</u>
Transfers					<u>(171,574)</u>	<u>171,574</u>	<u>0</u>
<i>Total General Revenues and Transfers</i>					<u>10,742,537</u>	<u>195,759</u>	<u>10,938,296</u>
<i>Change in Net Assets</i>					<u>(644,652)</u>	<u>1,553,195</u>	<u>908,543</u>
<i>Net Assets Beginning of Year</i>					<u>25,063,525</u>	<u>26,583,799</u>	<u>51,647,324</u>
<i>Net Assets End of Year</i>					<u>\$ 24,418,873</u>	<u>\$ 28,136,994</u>	<u>\$ 52,555,867</u>

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

City of Ashland
Balance Sheet
Governmental Funds
December 31, 2010

	General	Street Maintenance and Repair	All Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Investments	\$ 1,349,167	\$ 670,055	\$ 2,994,004	\$ 5,013,226
Taxes Receivable	2,338,047	47,899	664,098	3,050,044
Accounts Receivable	265,649	0	30,544	296,193
Intergovernmental Receivable	527,754	419,112	541,188	1,488,054
Prepaid Items	85,004	12,907	13,865	111,776
Materials and Supplies Inventory	0	129,239	0	129,239
<i>Total Assets</i>	<u>\$ 4,565,621</u>	<u>\$ 1,279,212</u>	<u>\$ 4,243,699</u>	<u>\$ 10,088,532</u>
Liabilities				
Accounts Payable	\$ 21,322	\$ 0	\$ 79,723	\$ 101,045
Accrued Wages	222,002	26,850	24,099	272,951
Intergovernmental Payable	282,760	27,706	23,815	334,281
Matured Compensated Absences Payable	32,997	0	0	32,997
Deferred Revenue	1,982,069	298,669	971,496	3,252,234
<i>Total Liabilities</i>	<u>2,541,150</u>	<u>353,225</u>	<u>1,099,133</u>	<u>3,993,508</u>
Fund Balances				
Reserved for Encumbrances	10,419	21,091	248,919	280,429
Reserved for Materials and Supplies Inventory	0	129,239	0	129,239
Unreserved, Undesignated, Reported in:				
General Fund	2,014,052	0	0	2,014,052
Special Revenue Funds	0	775,657	1,756,146	2,531,803
Debt Service Funds	0	0	214,217	214,217
Capital Projects Funds	0	0	925,284	925,284
<i>Total Fund Balances</i>	<u>2,024,471</u>	<u>925,987</u>	<u>3,144,566</u>	<u>6,095,024</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 4,565,621</u>	<u>\$ 1,279,212</u>	<u>\$ 4,243,699</u>	<u>\$ 10,088,532</u>

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

City of Ashland
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2010*

Total Governmental Fund Balances \$ 6,095,024

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 20,111,899

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

Property Taxes	\$ 143,393
Income Tax	774,160
Intergovernmental	1,052,674
Charges for Services	<u>136,363</u>

Total 2,106,590

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. 100,874

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (15,762)

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. 32,868

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

General Obligation Bonds	(3,288,791)
Accrued Vacation Leave	(52,283)
Compensated Absences	<u>(671,546)</u>

Total (4,012,620)

Net Assets of Governmental Activities \$ 24,418,873

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

City of Ashland
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2010

	General	Street Maintenance and Repair	All Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$ 498,020	\$ 0	\$ 554,905	\$ 1,052,925
Income Taxes	7,141,236	201,853	584,041	7,927,130
Special Assessments	0	0	23,527	23,527
Charges for Services	1,646,703	312,723	480,845	2,440,271
Licenses and Permits	27,785	0	0	27,785
Fines and Forfeitures	619,290	7,005	441,455	1,067,750
Intergovernmental	1,380,418	974,046	1,611,817	3,966,281
Interest	111,566	12	24	111,602
Rental Income	19,550	0	43,830	63,380
Contributions and Donations	2,213	0	45,455	47,668
Other	234,182	26,314	29,260	289,756
<i>Total Revenues</i>	<u>11,680,963</u>	<u>1,521,953</u>	<u>3,815,159</u>	<u>17,018,075</u>
Expenditures				
Current:				
General Government	4,740,263	0	715,123	5,455,386
Security of Persons and Property	5,604,691	0	1,103,306	6,707,997
Public Health	322,020	0	3,065	325,085
Leisure Time Services	0	0	1,213,926	1,213,926
Community and Economic Development	164,800	0	318,874	483,674
Transportation	0	1,833,595	0	1,833,595
Capital Outlay	22,000	167,858	671,885	861,743
Debt Service:				
Principal Retirements	0	0	183,269	183,269
Interest and Fiscal Charges	0	0	117,998	117,998
Issuance Costs	0	0	20,026	20,026
<i>Total Expenditures</i>	<u>10,853,774</u>	<u>2,001,453</u>	<u>4,347,472</u>	<u>17,202,699</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>827,189</u>	<u>(479,500)</u>	<u>(532,313)</u>	<u>(184,624)</u>
Other Financing Sources (Uses)				
Transfers In	0	901	541,548	542,449
General Obligation Bonds Issued	0	0	835,000	835,000
Proceeds from Sale of Capital Assets	0	0	48,486	48,486
Premium on Debt Issued	0	0	30,629	30,629
Transfers Out	(650,906)	0	0	(650,906)
<i>Total Other Financing Sources (Uses)</i>	<u>(650,906)</u>	<u>901</u>	<u>1,455,663</u>	<u>805,658</u>
<i>Net Change in Fund Balance</i>	176,283	(478,599)	923,350	621,034
<i>Fund Balance Beginning of Year</i>	<u>1,848,188</u>	<u>1,404,586</u>	<u>2,221,216</u>	<u>5,473,990</u>
<i>Fund Balance End of Year</i>	<u>\$ 2,024,471</u>	<u>\$ 925,987</u>	<u>\$ 3,144,566</u>	<u>\$ 6,095,024</u>

The accompanying notes are an integral part of the 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, 2010*

Net Change in Fund Balances - Total Governmental Funds \$ 621,034

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	\$ 861,744	
Capital Asset Transfers (Net)	(63,117)	
Current Year Depreciation	(1,316,460)	
Total		(517,833)

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. (7,773)

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

Delinquent Property Taxes	28,183	
Income Tax	79	
Charges for Services	30,634	
Intergovernmental	(187,395)	
Total		(128,499)

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. 13,292

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	123,000	
ODOT Loan	60,269	
Total		183,269

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (874)

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)

Bond proceeds in the governmental funds that increase long-term liabilities in the statement of net assets are not reported as revenues. (835,000)

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	36,208	
Vacation Payable	(5,897)	
Total		30,311

Change in Net Assets of Governmental Activities \$ (644,652)

The accompanying notes are an integral part of the 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, 2010

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Property Taxes	\$ 584,001	\$ 492,756	\$ 498,020	\$ 5,264
Income Taxes	6,921,974	6,956,974	7,013,283	56,309
Charges for Services	1,687,544	1,686,530	1,674,276	(12,254)
Licenses and Permits	33,000	33,000	27,785	(5,215)
Fines and Forfeitures	611,025	611,025	625,911	14,886
Intergovernmental	1,242,600	1,542,645	1,341,880	(200,765)
Interest	125,000	125,000	98,280	(26,720)
Rent	65,000	65,000	19,550	(45,450)
Contributions and Donations	1,000	1,000	2,213	1,213
Other	297,452	346,452	453,250	106,798
<i>Total Revenues</i>	<u>11,568,596</u>	<u>11,860,382</u>	<u>11,754,448</u>	<u>(105,934)</u>
Expenditures				
Current:				
General Government	5,204,275	5,288,665	4,849,065	439,600
Security of Persons and Property	6,108,223	6,133,223	5,519,454	613,769
Public Health	321,093	330,093	319,665	10,428
Community and Economic Development	159,462	179,462	164,796	14,666
Capital Outlay	200,000	200,000	22,000	178,000
<i>Total Expenditures</i>	<u>11,993,053</u>	<u>12,131,443</u>	<u>10,874,980</u>	<u>1,256,463</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(424,457)</u>	<u>(271,061)</u>	<u>879,468</u>	<u>1,150,529</u>
Other Financing Use				
Transfers Out	(569,905)	(724,405)	(650,906)	73,499
<i>Net Change in Fund Balance</i>	(994,362)	(995,466)	228,562	1,224,028
<i>Fund Balance Beginning of Year</i>	1,060,588	1,060,588	1,060,588	0
Prior Year Encumbrances Appropriated	25,377	25,377	25,377	0
<i>Fund Balance End of Year</i>	<u>\$ 91,603</u>	<u>\$ 90,499</u>	<u>\$ 1,314,527</u>	<u>\$ 1,224,028</u>

The accompanying notes are an integral part of the 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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Income Taxes	\$ 200,000	\$ 200,000	\$ 197,961	\$ (2,039)
Charges for Services	236,638	236,638	312,723	76,085
Fines and Forfeitures	5,400	5,400	7,005	1,605
Intergovernmental	1,225,000	1,225,000	971,763	(253,237)
Interest	650	650	12	(638)
Other	19,099	19,099	26,314	7,215
<i>Total Revenues</i>	<u>1,686,787</u>	<u>1,686,787</u>	<u>1,515,778</u>	<u>(171,009)</u>
Expenditures				
Current:				
Transportation	2,438,138	2,438,138	1,901,602	536,536
Capital Outlay	445,160	445,160	167,858	277,302
<i>Total Expenditures</i>	<u>2,883,298</u>	<u>2,883,298</u>	<u>2,069,460</u>	<u>813,838</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,196,511)</u>	<u>(1,196,511)</u>	<u>(553,682)</u>	<u>642,829</u>
Other Financing Sources (Uses)				
Transfers In	901	901	901	0
<i>Net Change in Fund Balance</i>	(1,195,610)	(1,195,610)	(552,781)	642,829
<i>Fund Balance Beginning of Year</i>	1,123,079	1,123,079	1,123,079	0
Prior Year Encumbrances Appropriated	78,666	78,666	78,666	0
<i>Fund Balance End of Year</i>	<u>\$ 6,135</u>	<u>\$ 6,135</u>	<u>\$ 648,964</u>	<u>\$ 642,829</u>

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

City of Ashland
Statement of Fund Net Assets
Proprietary Funds
December 31, 2010

	Enterprise Funds				Totals	Governmental Activities - Internal Service Fund
	Water	Sewer	Sanitation	All Other Enterprise Funds		
Assets						
<i>Current Assets</i>						
Equity in Pooled Cash and Investments	\$ 1,262,071	\$ 1,010,391	\$ 780,211	\$ 670,956	\$ 3,723,629	\$ 142,687
Cash and Cash Equivalents in Segregated Accounts	0	0	0	575	575	0
Materials and Supplies Inventory	96,318	2,070	0	122,263	220,651	0
Accounts Receivable	460,552	503,386	22,542	5,842	992,322	0
Intergovernmental Receivable	14,865	1,357	0	0	16,222	0
Prepaid Items	20,552	24,297	7,668	0	52,517	0
<i>Total Current Assets</i>	<u>1,854,358</u>	<u>1,541,501</u>	<u>810,421</u>	<u>799,636</u>	<u>5,005,916</u>	<u>142,687</u>
<i>Non-Current Assets</i>						
Deferred Charges	93,230	191,004	0	0	284,234	0
Non-Depreciable Capital Assets	2,845,888	628,961	25,000	839,101	4,338,950	0
Depreciable Capital Assets, net	11,784,140	18,930,618	261,505	2,158,440	33,134,703	0
<i>Total Non-Current Assets</i>	<u>14,723,258</u>	<u>19,750,583</u>	<u>286,505</u>	<u>2,997,541</u>	<u>37,757,887</u>	<u>0</u>
<i>Total Assets</i>	<u>16,577,616</u>	<u>21,292,084</u>	<u>1,096,926</u>	<u>3,797,177</u>	<u>42,763,803</u>	<u>142,687</u>
Liabilities						
<i>Current Liabilities</i>						
Accounts Payable	9,003	1,618	11,511	443	22,575	0
Accrued Wages	38,997	30,726	17,716	6,166	93,605	0
Contracts Payable	34,725	5,083	0	0	39,808	0
Intergovernmental Payable	41,293	31,703	17,629	12,995	103,620	0
Accrued Interest Payable	20,025	32,950	0	0	52,975	0
Accrued Vacation Leave Payable	5,370	4,805	0	0	10,175	0
Retainage Payable	4,320	0	0	0	4,320	0
Compensated Absences Payable	0	0	0	1,721	1,721	0
General Obligation Bonds Payable	348,000	355,000	0	0	703,000	0
OPWC Loans Payable	6,428	0	0	0	6,428	0
<i>Total Current Liabilities</i>	<u>508,161</u>	<u>461,885</u>	<u>46,856</u>	<u>21,325</u>	<u>1,038,227</u>	<u>0</u>
<i>Long-Term Liabilities</i>						
Compensated Absences Payable - Net of Current Portion	64,203	56,595	31,344	14,908	167,050	0
General Obligations Bonds Payable - Net of Current Portion	5,212,301	8,156,656	0	0	13,368,957	0
OPWC Loans Payable - Net of Current Portion	94,388	0	0	0	94,388	0
<i>Total Long-Term Liabilities</i>	<u>5,370,892</u>	<u>8,213,251</u>	<u>31,344</u>	<u>14,908</u>	<u>13,630,395</u>	<u>0</u>
<i>Total Liabilities</i>	<u>5,879,053</u>	<u>8,675,136</u>	<u>78,200</u>	<u>36,233</u>	<u>14,668,622</u>	<u>0</u>
Net Assets						
Invested in Capital Assets, Net of Related Debt Unrestricted	9,062,142	11,238,925	286,505	2,997,541	23,585,113	0
	<u>1,636,421</u>	<u>1,378,023</u>	<u>732,221</u>	<u>763,403</u>	<u>4,510,068</u>	<u>142,687</u>
<i>Total Net Assets</i>	<u>\$ 10,698,563</u>	<u>\$ 12,616,948</u>	<u>\$ 1,018,726</u>	<u>\$ 3,760,944</u>		<u>\$ 142,687</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:					41,813	
Net Assets of Business-Type Activities					<u>\$ 28,136,994</u>	

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

City of Ashland
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2010

	Enterprise Funds				Totals	Governmental Activities - Internal Service Fund
	Water	Sewer	Sanitation	All Other Enterprise Funds		
Operating Revenue						
Charges for Services	\$ 3,540,445	\$ 3,307,884	\$ 1,830,742	\$ 1,026,093	\$ 9,705,164	\$ 24,703
Other	3,819	0	1,482	5,757	11,058	0
<i>Total Operating Revenue</i>	<u>3,544,264</u>	<u>3,307,884</u>	<u>1,832,224</u>	<u>1,031,850</u>	<u>9,716,222</u>	<u>24,703</u>
Operating Expenses						
Personal Services	1,393,252	1,046,301	656,302	404,871	3,500,726	0
Contractual Services	571,289	422,390	780,703	107,298	1,881,680	0
Materials and Supplies	580,405	349,403	128,261	140,763	1,198,832	0
Utilities	236,047	192,901	14,432	25,047	468,427	0
Claims	0	0	0	0	0	7,890
Depreciation	529,249	551,296	60,828	65,873	1,207,246	0
Other	24	0	0	74,612	74,636	0
<i>Total Operating Expenses</i>	<u>3,310,266</u>	<u>2,562,291</u>	<u>1,640,526</u>	<u>818,464</u>	<u>8,331,547</u>	<u>7,890</u>
<i>Operating Income (Loss)</i>	<u>233,998</u>	<u>745,593</u>	<u>191,698</u>	<u>213,386</u>	<u>1,384,675</u>	<u>16,813</u>
Non-Operating Revenues (Expenses)						
Interest	0	0	0	0	0	74
Intergovernmental	67,071	386,251	0	0	453,322	0
Gain on Sale of Capital Assets	0	0	0	13,127	13,127	0
Interest and Fiscal Charges	(237,534)	(233,144)	0	0	(470,678)	0
Loss on Disposal of Capital Assets	0	(2,420)	0	0	(2,420)	0
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(170,463)</u>	<u>150,687</u>	<u>0</u>	<u>13,127</u>	<u>(6,649)</u>	<u>74</u>
<i>Income (Loss) Before Transfers and Contributions</i>	<u>63,535</u>	<u>896,280</u>	<u>191,698</u>	<u>226,513</u>	<u>1,378,026</u>	<u>16,887</u>
Capital Contributions	66,108	0	0	0	66,108	0
Transfers In	2,948	32,264	0	73,245	108,457	0
Transfers Out	(2,991)	0	0	0	(2,991)	0
<i>Total Transfers and Contributions</i>	<u>66,065</u>	<u>32,264</u>	<u>0</u>	<u>73,245</u>	<u>171,574</u>	<u>0</u>
<i>Change in Net Assets</i>	<u>129,600</u>	<u>928,544</u>	<u>191,698</u>	<u>299,758</u>	<u>1,549,600</u>	<u>16,887</u>
<i>Net Assets Beginning of Year</i>	<u>10,568,963</u>	<u>11,688,404</u>	<u>827,028</u>	<u>3,461,186</u>		<u>125,800</u>
<i>Net Assets End of Year</i>	<u>\$ 10,698,563</u>	<u>\$ 12,616,948</u>	<u>\$ 1,018,726</u>	<u>\$ 3,760,944</u>		<u>\$ 142,687</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:					3,595	
Change in Net Assets of Business-Type Activities					<u>\$ 1,553,195</u>	

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

City of Ashland
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2010

	Enterprise Funds				Governmental Activities - Internal Service Fund	
	Water	Sewer	Sanitation	All Other Enterprise Funds		Totals
Increase (Decrease) in Cash and Investments						
Cash Flows from Operating Activities						
Cash Received from Customers	\$ 3,585,850	\$ 3,328,533	\$ 1,834,009	\$ 1,027,000	\$ 9,775,392	\$ 24,703
Other Operating Receipts	0		0	5,757	5,757	0
Cash Payments to Suppliers for Goods and Services	(605,821)	(358,987)	(128,412)	(168,458)	(1,261,678)	0
Cash Payments to Employees	(1,378,024)	(1,026,105)	(654,727)	(409,024)	(3,467,880)	0
Cash Payments for Claims	0	0	0	0	0	(10,097)
Cash Payments for Contractual Services	(575,588)	(426,710)	(808,424)	(112,144)	(1,922,866)	0
Other Cash Payments	(236,071)	(192,901)	(14,432)	(94,813)	(538,217)	0
<i>Net Cash Provided by (Used for)</i> <i>Operating Activities</i>	<u>790,346</u>	<u>1,323,830</u>	<u>228,014</u>	<u>248,318</u>	<u>2,590,508</u>	<u>14,606</u>
Cash Flows from Noncapital Financing Activities						
Other Non-Operating Receipts	0	0	0	13,127	13,127	0
Transfers In	2,948	32,264	0	73,245	108,457	0
<i>Net Cash Provided by</i> <i>Noncapital Financing Activities</i>	<u>2,948</u>	<u>32,264</u>	<u>0</u>	<u>86,372</u>	<u>121,584</u>	<u>0</u>
Cash Flows from Capital and Related Financing Activities						
Proceeds from General Obligation Bonds Issued	770,000	5,865,000	0	0	6,635,000	0
Premium on Debt Issued	55,301	130,656	0	0	185,957	0
Intergovernmental Receipts	52,206	384,894	0	0	437,100	0
Acquisition of Capital Assets	(297,716)	(465,967)	(13,657)	(72,171)	(849,511)	0
Issuance Costs	(19,360)	(151,958)	0	0	(171,318)	0
Principal Payments on Notes	(1,125,000)	(6,020,000)	0	0	(7,145,000)	0
Principal Payments on Loans	(6,428)	(476,793)	0	0	(483,221)	0
Principal Payments on Bonds	(276,000)	(146,000)	0	0	(422,000)	0
Interest Payments	(234,383)	(243,128)	0	0	(477,511)	0
<i>Net Cash (Used for) Capital and</i> <i>Related Financing Activities</i>	<u>(1,081,380)</u>	<u>(1,123,296)</u>	<u>(13,657)</u>	<u>(72,171)</u>	<u>(2,290,504)</u>	<u>0</u>
Cash Flows from Investing Activities						
Interest	0	0	0	0	0	74
<i>Net Increase (Decrease) in Cash Investments</i>	<u>(288,086)</u>	<u>232,798</u>	<u>214,357</u>	<u>262,519</u>	<u>421,588</u>	<u>14,680</u>
<i>Cash and Investments Beginning of Year</i>	<u>1,550,157</u>	<u>777,593</u>	<u>565,854</u>	<u>409,012</u>	<u>3,302,616</u>	<u>128,007</u>
<i>Cash and Investments End of Year</i>	<u>\$ 1,262,071</u>	<u>\$ 1,010,391</u>	<u>\$ 780,211</u>	<u>\$ 671,531</u>	<u>\$ 3,724,204</u>	<u>\$ 142,687</u>

(Continued)

City of Ashland
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2010

	Enterprise Funds				Totals	Governmental Activities - Internal Service Fund
	Water	Sewer	Sanitation	All Other Enterprise Funds		
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities						
<i>Operating Income (Loss)</i>	\$ 233,998	\$ 745,593	\$ 191,698	\$ 213,386	1,384,675	\$ 16,813
Adjustments:						
Depreciation	529,249	551,296	60,828	65,873	1,207,246	0
(Increase) Decrease in Assets:						
Accounts Receivable	41,586	20,649	1,785	907	64,927	0
Materials and Supplies Inventory	(8,514)	0	0	(27,885)	(36,399)	0
Prepaid Items	(3,123)	(4,320)	1,182	0	(6,261)	0
Increase (Decrease) in Liabilities:						
Accounts Payable	(18,078)	(9,584)	(29,054)	190	(56,526)	0
Claims Payable	0	0	0	0	0	(2,207)
Accrued Wages	3,362	3,494	387	1,078	8,321	0
Accrued Vacation Leave Payable	93	1,126	0	(2,454)	(1,235)	0
Compensated Absences Payable	2,025	6,884	(3,035)	(6,449)	(575)	0
Intergovernmental Payable	9,748	8,692	4,223	3,672	26,335	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$ 790,346</u>	<u>\$ 1,323,830</u>	<u>\$ 228,014</u>	<u>\$ 248,318</u>	<u>\$ 2,590,508</u>	<u>\$ 14,606</u>

Noncash Capital Financing Activities:

During 2010, capital assets were transferred from governmental activities to the water enterprise fund in the amount of \$63,177 (cost was \$72,558 accumulated depreciation was \$6,450).

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

City of Ashland
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2010

	<u>Agency Funds</u>
Assets	
Equity in Pooled Cash and Investments	\$ 21,037
Cash and Cash Equivalents in Segregated Accounts	<u>44,525</u>
<i>Total Assets</i>	<u><u>\$ 65,562</u></u>
Liabilities	
Undistributed Monies	<u><u>\$ 65,562</u></u>

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

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

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.

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The 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 FASB has codified its standards and the standards issued prior to November 30, 1989 are included in the codification. The most significant of the City’s accounting policies are described below.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

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 effect of interfund services provided and used between activities are not eliminated on the statement of activities. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

The statement of net 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.

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

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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

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

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

The other enterprise funds of the City account for the operations of the storm water, 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.

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.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Property taxes for which there is an enforceable legal claim as of December 31, 2010, but which were levied to finance fiscal year 2011 operations, have been recorded as unearned/deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

E. Cash and Investments

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

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

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

During 2010, investments were limited to certificates of deposit, interest in STAROhio, (the State Treasury Asset Reserve of Ohio), Federal Home Loan Bank notes and U.S. Treasury notes.

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, 2010.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2010 amounted to \$111,566, which includes \$96,076 assigned from other City funds.

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

F. Prepaid Items

Prepayments made to vendors for services that will benefit periods beyond December 31, 2010 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

G. Materials and Supplies Inventory

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

H. Capital Assets

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

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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	10-80 Years
Vehicles	3-20 Years	3-20 Years

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

I. 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".

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.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 and long-term loans are recognized as a liability on the government fund financial statements when due.

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, 2010, 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 and materials and supplies inventory.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

P. Extraordinary and Special Items

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

Q. Estimates

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

R. Budgetary Data

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

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

NOTE 3: IMPLEMENTATION OF NEW ACCOUNTING POLICIES

For the year ended December 31, 2010, the City has implemented GASB Statement No. 51, “*Accounting and Financial Reporting for Intangible Assets*,” GASB Statement No. 53, “*Accounting and Financial Reporting for Derivative Instruments*,” and GASB Statement No. 58, “*Accounting and Financial Reporting for Chapter 9 Bankruptcies*.”

GASB Statement No. 51 establishes standards of accounting and financial reporting for intangible assets for all state and local governments. Inconsistencies in the accounting and financial reporting for intangible assets, particularly in the areas of recognition, initial measurement, and amortization, have occurred in practice due to the absence of sufficiently specific authoritative guidance that addresses these questions. The objective of this Statement is to establish accounting and financial reporting requirements for intangible assets to reduce these inconsistencies, thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments.

GASB Statement No. 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments.

GASB Statement No. 58 provides accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code.

Implementation of these GASB Statements did not affect the presentation of the financial statements of the City.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

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	\$ 176,283	\$ (478,599)
Revenue accruals	73,485	(6,175)
Expenditure accruals	(7,329)	(46,916)
Encumbrances	(13,877)	(21,091)
Budget Basis	\$ 228,562	\$ (552,781)

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.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 5: DEPOSITS AND INVESTMENTS (Continued)

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
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.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 5: DEPOSITS AND INVESTMENTS (Continued)

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

According to State law, public depositories must give security for all uninsured public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by FDIC, or may pledge a pool of government securities valued at least 105 percent of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the City's name. During 2010, 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 \$5,215,282. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2010, \$4,129,217 of the City's bank balance of \$5,570,689 was exposed to custodial risk as discussed above, while \$1,441,472 was covered by Federal Deposit Insurance Corporation.

Investments

As of December 31, 2010, the City had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>6 Months or Less</u>	<u>7-12 Months</u>
FHLB Notes	\$ 2,755,605	\$ 1,000,803	\$ 1,754,802
U.S. Treasury Notes	501,970	0	501,970
STAROhio	472,822	472,822	0
Total	<u>\$ 3,730,397</u>	<u>\$ 1,473,625</u>	<u>\$ 2,256,772</u>

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

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 5: DEPOSITS AND INVESTMENTS (Continued)

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.

Credit Risk Standard & Poor's has assigned STAROhio, FHLB notes and the U.S. Treasury notes 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, 2010:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percent of Total</u>
FHLB Notes	\$ 2,755,605	73.87%
U.S. Treasury Notes	501,970	13.46%
STAROhio	472,822	12.67%
Total Investments	<u>\$ 3,730,397</u>	<u>100.00%</u>

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 2010 for real and public utility property taxes represents collections of the 2010 taxes. Property tax payments received during 2010 for tangible personal property (other than public utility property) are for 2010 taxes.

2010 real property taxes were levied after October 1, 2010 on the assessed value as of January 1, 2009, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2010 real property taxes are collected in and intended to finance 2011.

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. 2010 public utility property taxes which became a lien December 31, 2008, are levied after October 1, 2009, and are collected in 2010 with real property taxes.

Tangible personal property tax revenues received in calendar year 2010 (other than public utility property) represent the collection of calendar year 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2008 tangible personal property tax settlement was the last property tax settlement for general personal property taxes.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 6: PROPERTY TAXES (Continued)

Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009, on the value as of December 31, 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

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

The full tax rate for all City operations for the year ended December 31, 2010 was \$3.90 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2010 property tax receipts were based are as follows:

Real Property - 2009 Valuation:	
Residential/Agricultural	\$ 231,385,550
Other Real Property	95,823,450
Tangible Personal Property - 2010 Valuation:	
General	540,440
Public Utilities	7,968,850
Total	<u>\$ 335,718,290</u>

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

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, 2010 consisted of taxes, accounts (billed and unbilled user charged services) and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables are deemed collectible in full.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 8: INCOME TAX

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

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

Income tax revenues are distributed among the General Fund, Street Maintenance and Repair Special Revenue Fund and the Park and Recreation Fund Special Revenue Fund. The distribution was determined by Ordinance 4-10.

NOTE 9: CAPITAL ASSETS

A summary of changes in capital assets during 2010 follows:

	Balance 12/31/2009	Additions	Deletions	Transfers	Balance 12/31/2010
Governmental Activities:					
<i>Capital Assets Not Being Depreciated:</i>					
Land	\$ 6,406,494	\$ 196,037	\$ 0	\$ 0	\$ 6,602,531
Construction in Progress	28,692	337,363	(285,184)	0	80,871
<i>Total Capital Assets, Not Being Depreciated</i>	<u>6,435,186</u>	<u>533,400</u>	<u>(285,184)</u>	<u>0</u>	<u>6,683,402</u>
<i>Capital Assets, Being Depreciated:</i>					
Buildings and Improvements	8,898,441	259,985	(15,777)	0	9,142,649
Equipment	3,021,758	76,682	(31,196)	(67,524)	2,999,720
Vehicles	4,779,527	276,861	(69,199)	8,755	4,995,944
Streets	23,963,522	0	0	0	23,963,522
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>44,035,292</u>	<u>613,528</u>	<u>(116,172)</u>	<u>(58,769)</u>	<u>44,473,879</u>
<i>Less Accumulated Depreciation:</i>					
Buildings and Improvements	(3,970,443)	(183,853)	15,145	0	(4,139,151)
Equipment	(1,763,532)	(192,678)	24,055	1,416	(1,930,739)
Vehicles	(2,718,790)	(343,413)	69,199	(5,764)	(2,998,768)
Streets	(19,306,258)	(478,251)	0	0	(19,784,509)
Bridges	(1,628,185)	(86,623)	0	0	(1,714,808)
Street Lighting	(445,765)	(31,642)	0	0	(477,407)
<i>Total Accumulated Depreciation</i>	<u>(29,832,973)</u>	<u>(1,316,460) *</u>	<u>108,399</u>	<u>(4,348)</u>	<u>(31,045,382)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>14,202,319</u>	<u>(702,932)</u>	<u>(7,773)</u>	<u>(63,117)</u>	<u>13,428,497</u>
<i>Total Governmental Activity Capital Assets, Net</i>	<u>\$ 20,637,505</u>	<u>\$ (169,532)</u>	<u>\$ (292,957)</u>	<u>\$ (63,117)</u>	<u>\$ 20,111,899</u>

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 9: CAPITAL ASSETS (Continued)

*Depreciation expense was charged to governmental functions as follows:

General Government	\$	157,241
Leisure Time Services		111,795
Security of Persons and Property		277,480
Transportation		769,944
		769,944
 Total	 \$	 1,316,460
		1,316,460

	Balance 12/31/2009	Additions	Deletions	Transfers	Balance 12/31/2010
Business-Type Activities:					
<i>Capital Assets Not Being Depreciated:</i>					
Land	\$ 3,526,518	\$ 12,108	\$ 0	\$ 0	\$ 3,538,626
Construction in Progress	229,448	570,876	0	0	800,324
<i>Total Capital Assets, Not Being Depreciated</i>	3,755,966	582,984	0	0	4,338,950
 <i>Capital Assets, Being Depreciated:</i>					
Buildings and Improvements	13,517,486	21,257	0	0	13,538,743
Machinery and Equipment	3,576,299	52,582	(254,362)	88,821	3,463,340
Vehicles	1,767,281	86,678	(79,123)	(30,052)	1,744,784
Infrastructure	37,193,614	147,238	(18,300)	0	37,322,552
<i>Total Capital Assets, Being Depreciated</i>	56,054,680	307,755	(351,785)	58,769	56,069,419
 <i>Less Accumulated Depreciation:</i>					
Buildings and Improvements	(4,952,061)	(287,893)	0	0	(5,239,954)
Machinery and Equipment	(1,559,728)	(189,558)	231,941	(1,416)	(1,518,761)
Vehicles	(1,032,519)	(111,653)	100,420	5,764	(1,037,988)
Infrastructure	(14,536,875)	(618,142)	17,004	0	(15,138,013)
<i>Total Accumulated Depreciation</i>	(22,081,183)	(1,207,246)	349,365	4,348	(22,934,716)
 <i>Total Capital Assets Being Depreciated, Net</i>	33,973,497	(899,491)	(2,420)	63,117	33,134,703
 <i>Total Business-Type Capital Assets, Net</i>	\$ 37,729,463	\$ (316,507)	\$ (2,420)	\$ 63,117	\$ 37,473,653

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

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	8/30/10-8/30/11
St. Paul Travelers/Boales Insurance	Commercial General Liability	8/30/10-8/30/11
	Law Enforcement Liability	8/30/10-8/30/11
	Automobile Liability	8/30/10-8/30/11
	Umbrella Policy	8/30/10-8/30/11
	Basic Errors and Omissions	8/30/10-8/30/11
Public Entities Pool of Ohio	Commercial General Liability	2/28/10-2/28/11

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, 894 hours for members of The International Association of Fire Fighters Local 1386, AFL-CIO, 688 hours for all non-union City employees and 520 hours for AFSCME employees. As of December 31, 2010, the total liability for unpaid compensated absences was \$840,317.

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 \$501.03 single health care, \$1,042.32 employee and spouse health care, \$827.35 employee and child health care and \$1,368.63 family health care. Premiums and co-payments are paid from the same funds that pay the employee's salaries.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 12: SELF-INSURANCE

The City’s health insurance also includes a health reimbursement account (HRA), which is administered by Medical Mutual of Ohio. 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 a minimal claims liability at year-end.

At December 31, 2010, there is no claims liability reported in the Self-Insurance Fund based on the requirements of GASB Statement No. 10, “Accounting and Financial Reporting for Risk Financing and Related Insurance Issues,” which requires that a liability for claims be reported if information prior to issuance of the financial statements indicates that it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the City’s claims liability amount during 2009 and 2010 were as follows:

<u>Year</u>	<u>Beginning of Year Liability</u>	<u>Claims Expense</u>	<u>Claims Payments</u>	<u>Balance at Year End</u>
2010	\$ 2,207	\$ 7,890	\$ 10,097	\$ 0
2009	\$ 0	\$ 250,499	\$ 248,292	\$ 2,207

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.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 13: DEFINED BENEFIT PENSION PLANS (Continued)

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, 2010, members in State and local classifications contributed 10.0 percent of covered payroll and public safety members and law enforcement members contributed 10.5 percent and 11.1 percent respectively.

The City's contribution rate for 2010 was 14 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.87 percent of covered payroll. For 2010, a portion of the City's contribution of covered payroll was allocated to fund the post-employment health care plan. The portion of employer contributions allocated to health care for members in the Traditional Plan was 5.5 percent from January 1 through February 28, 2010 and 5.0 percent from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73 percent from January 1 through February 28, 2010 and 4.23 percent from March 1 through December 31, 2010.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2010, 2009 and 2008 were \$410,059, \$396,401 and \$468,564, respectively; 96 percent has been contributed for 2010 and 100 percent for 2009 and 2008. Contributions to the member-directed plan for 2010 were \$17,542 made by the City and \$12,530 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.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 13: DEFINED BENEFIT PENSION PLANS (Continued)

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 2010, 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 \$198,050, and \$316,647, \$72,359 and \$181,631, \$247,986 and \$325,508, for the years ended December 31, 2010, 2009 and 2008, respectively. The full amount has been contributed for 2009 and 2008. 96 percent has been contributed for police and 96 percent for firefighters for 2010.

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.

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 2010, local government employers contributed 14.0 percent of covered payroll (17.87 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 portion of the employer contributions which was allocated to fund post-employment healthcare for members in the Traditional Plan was 5.5 percent from January 1 through February 28, 2010 and 5.0 percent from March 1 through December 31, 2010. The portion of the employer contributions allocated to health care for members in the Combined Plan was 4.73 percent from January 1 through February 28, 2010, and 4.23 percent from March 1 through December 31, 2010.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 14: POSTEMPLOYMENT BENEFITS (Continued)

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, 2010, 2009, and 2008 were \$410,059, \$331,460 and \$468,564, respectively; 96 percent has been contributed for 2010 and 100 percent for 2009 and 2008.

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.

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.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 14: POSTEMPLOYMENT BENEFITS (Continued)

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, 2010, 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 \$104,850 and \$123,906, \$38,308 and \$71,073, \$131,287 and \$127,373 for the years ended December 31, 2010, 2009 and 2008, respectively. The full amount has been contributed for 2009 and 2008. 96 percent has been contributed for police and 96 percent for firefighters for 2010.

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City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 15: NOTES PAYABLE

Note activity for the year ended December 31, 2010, consisted of the following:

	Outstanding 12/31/2009	Issued	Retired	Outstanding 12/31/2010
Bond Anticipation Notes:				
Governmental Activities				
Nonmajor Funds				
1.75% Maturity - 10/7/10 Soccer Field	\$ 60,000	\$ 0	\$ (60,000)	\$ 0
1.75% Maturity - 10/7/10 Fire Engine	25,000	0	(25,000)	0
1.75% Maturity - 10/7/10 Fire Engine	240,000	0	(240,000)	0
1.75% Maturity - 10/7/10 Rescue Truck	30,000	0	(30,000)	0
1.75% Maturity - 10/7/10 Fire Pumper Truck	200,000	0	(200,000)	0
<i>Total Governmental Activities</i>	<u>\$ 555,000</u>	<u>\$ 0</u>	<u>\$ (555,000)</u>	<u>\$ 0</u>
Business-Type Activities				
Water Fund				
2.5% Maturity - 10/7/10 Land Acquisition	\$ 1,125,000	\$ 0	\$ (1,125,000)	\$ 0
Sewer Fund				
1.75% Maturity - 10/7/10 Sanitary Sewer	570,000	0	(570,000)	0
1.75% Maturity - 10/7/10 Equalization Basin	5,450,000	0	(5,450,000)	0
<i>Total Business-Type Activities</i>	<u>\$ 7,145,000</u>	<u>\$ 0</u>	<u>\$ (7,145,000)</u>	<u>\$ 0</u>

During 2010, the City issued bonds to pay off the bond anticipation notes.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 16: LONG-TERM OBLIGATIONS

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
Governmental Activities			
2005 ODOT Loan - US Route 250	3.00%	\$ 462,010	11/28/2015
2003 Justice Center Bond	Various	2,923,000	12/1/2023
2010 Soccer Bonds	2.00%	30,000	12/1/2011
2010 Fire Pumper Tanker Bonds	2.00 - 3.00%	280,000	12/1/2014
2010 Fire Equipment and Facility Improvement Bonds	2.00 - 3.00%	340,000	12/1/2014
2010 Squad Bonds	2.00 - 3.00%	185,000	12/1/2014
Business-Type Activities			
1990 OWDA Loan - Wastewater Treatment Plant Improvements	5.00%	4,190,216	1/01/2011
OPWC Loans:			
Water Treatment Plant Improvements	0.00%	92,361	7/1/2029
Mifflin Avenue Booster Station Renovation Project	0.00%	18,097	7/1/2019
General Obligation Bonds:			
2003 North Trunk Sewer Bond	Various	1,019,000	12/1/2023
2003 Sewer System Bond	Various	1,426,000	12/1/2023
2003 Jamison Creek Bond	Various	1,019,000	12/1/2023
2003 Water System Bond	Various	1,834,000	12/1/2023
2003 Water Treatment Bond	Various	3,360,000	12/1/2023
2003 Reservoir Bond	Various	1,324,000	12/1/2023
2010 Various Sewer Projects Bonds	2.00 - 3.00%	485,000	12/1/2015
2010 EQ Basin Bonds	2.00 - 5.00%	5,380,000	12/1/2035
2010 New Water Projects Bonds	2.00 - 4.25%	770,000	12/1/2020

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City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 16: LONG-TERM OBLIGATIONS (Continued)

Changes in the long-term obligations of the City during 2010 were as follows:

	Principal Balance 12/31/2009	Additions	(Reductions)	Principal Balance 12/31/2010	Due in One Year
Governmental Activities:					
2003 General Obligation Bonds	\$ 2,247,000	\$ 0	\$ (123,000)	\$ 2,124,000	\$ 127,000
2010 General Obligation Bonds	0	835,000	0	835,000	235,000
ODOT Loan	390,060	0	(60,269)	329,791	55,272
Compensated Absences	707,754	6,341	(42,549)	671,546	10,612
<i>Total Governmental Activities</i>	<u>\$ 3,344,814</u>	<u>\$ 841,341</u>	<u>\$ (225,818)</u>	<u>\$ 3,960,337</u>	<u>\$ 427,884</u>
Business-Type Activities:					
OWDA Loan	\$ 476,793	\$ 0	\$ (476,793)	\$ 0	\$ 0
OPWC Loans	107,244	0	(6,428)	100,816	6,428
2003 General Obligation Bonds	7,673,000	0	(422,000)	7,251,000	433,000
2010 General Obligation Bonds	0	6,635,000	0	6,635,000	270,000
Premium on 2010 General Obligation Bonds	0	185,957	0	185,957	0
Compensated Absences	169,346	7,252	(7,827)	168,771	1,721
<i>Total Business-Type Activities</i>	<u>\$ 8,426,383</u>	<u>\$ 6,828,209</u>	<u>\$ (913,048)</u>	<u>\$ 14,341,544</u>	<u>\$ 711,149</u>

The Ohio Public Works Commission (OPWC) loans, the Ohio Water Development Authority (OWDA) loan and the general obligation bonds in the business-type activities will be paid from user charges of the water and sewer funds. The general obligation bonds in the governmental activities will be repaid with property 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 \$93,261 for water treatment plant improvements. The City drew down \$35,988 in 2008 and the remaining \$56,373 in 2009.

In 2009, the Ohio Public Works Commission (OPWC) awarded the City a loan in the amount of \$18,097. The loan proceeds are being used for the renovation of the Mifflin Avenue booster station.

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

The City has pledged future water revenue, net of specified operating expenses to repay \$100,816 of Ohio Public Works Commission (OPWC) loans. Annual principal and interest payments, as a percentage of net customer revenues, on the loans are expected to be similar over the term of the loans as in the current year, which were 14.04 percent. The total principal and interest remaining to be paid on the loans is \$100,816. Principal and interest paid for the current year and total net revenues were \$6,428 and \$830,318, respectively.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 16: LONG-TERM OBLIGATIONS (Continued)

A summary of annual requirements to pay principal and interest on debt outstanding at December 31, 2010 is as follows:

	Business-Type Activities					
	OPWC Loans		2003 General Obligation Bonds		2010 General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 6,428	\$ 433,000	\$ 315,767	\$ 270,000	\$ 282,491	
2012	6,428	449,000	301,045	310,000	239,653	
2013	6,428	464,000	285,330	310,000	233,452	
2014	6,428	484,000	267,930	325,000	224,152	
2015	6,428	503,000	248,570	330,000	214,403	
2016-2020	29,423	2,856,000	883,897	1,285,000	924,111	
2021-2025	23,090	2,062,000	188,370	1,045,000	695,257	
2026-2029	16,163	0	0	1,245,000	495,965	
2030-2035	0	0	0	1,515,000	220,750	
Totals	<u>\$ 100,816</u>	<u>\$ 7,251,000</u>	<u>\$ 2,490,909</u>	<u>\$ 6,635,000</u>	<u>\$ 3,530,234</u>	

	Governmental Activities					
	2003 General Obligation Bonds		ODOT Loan		2010 General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 127,000	\$ 92,511	\$ 62,089	\$ 12,841	\$ 235,000	\$ 23,863
2012	131,000	88,192	63,965	11,067	200,000	16,000
2013	136,000	83,608	65,901	9,240	200,000	12,000
2014	141,000	78,508	67,892	7,357	200,000	6,000
2015	147,000	72,867	69,944	5,418	0	0
2016-2020	839,000	258,890	0	0	0	0
2021-2023	603,000	55,080	0	0	0	0
Totals	<u>\$ 2,124,000</u>	<u>\$ 729,656</u>	<u>\$ 329,791</u>	<u>\$ 45,923</u>	<u>\$ 835,000</u>	<u>\$ 57,863</u>

	Business Type Activities		Governmental Activities	
	Total		Total	
	Principal	Interest	Principal	Interest
2011	\$ 709,428	\$ 598,258	\$ 424,089	\$ 129,215
2012	765,428	540,698	394,965	115,259
2013	780,428	518,782	401,901	104,848
2014	815,428	492,082	408,892	91,865
2015	839,428	462,973	216,944	78,285
2016-2020	4,170,423	1,808,008	839,000	258,890
2021-2025	3,130,090	883,627	603,000	55,080
2026-2029	1,261,163	495,965	0	0
2030-2035	1,515,000	220,750	0	0
Totals	<u>\$ 13,986,816</u>	<u>\$ 5,800,393</u>	<u>\$ 3,288,791</u>	<u>\$ 833,442</u>

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

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.

2010 Various Purpose Improvement Bonds

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

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

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 16: LONG-TERM OBLIGATIONS (Continued)

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

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

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

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

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

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

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

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 17: INTERFUND TRANSFERS

Following is a summary of transfers in and out for all funds for 2010:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 0	\$ 650,906
Street	901	0
Sewer	32,264	0
Water	2,948	0
Non-Major Governmental Funds:		
Park and Recreation	210,524	0
Ashland Public Transportation	89,900	0
Capital Improvement	220,080	0
Byrne Memorial Grant	1,044	0
Emergency Grounds Maintenance	20,000	0
Total Non-Major Governmental Funds	<u>541,548</u>	<u>0</u>
Non-Major Enterprise Funds:		
Brookside Swimming Pool	12,845	0
Brookside Golf Course	60,400	0
Total Non-Major Enterprise Funds:	<u>73,245</u>	<u>0</u>
Total All Funds:	<u>\$ 650,906</u>	<u>\$ 650,906</u>

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

Net entity-wide transfers of \$171,574 amount to transfers of funds of \$108,457 from governmental activities to business-type activities, \$66,108 of capital assets for governmental activities to business-type activities and \$2,991 of capital assets transferred from business-type activities to governmental activities.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 18: CONTRACTUAL COMMITMENTS

As of December 31, 2010, the City had contractual commitments for the following projects:

	Contractual Commitment	Expended	Balance 12/31/2010
Arcadis - Water treatment plant disinfection improvements design	\$ 90,864	\$ (82,163)	\$ 8,701
Simonson Construction Services - Water treatment plant disinfection improvements design	297,932	(17,203)	280,729
Reynolds Inc - Production well drilling	195,600	(90,815)	104,785
North Bay Construction -Wastewater treatment plant electrical improvements	73,900	(66,711)	7,189
Kent's Excavating - Jamison Creek lift station replacement	418,675	(396,400)	22,275
Arcadis - Jamison Creek lift station replacement	53,900	(45,398)	8,502
Arcadis - Wil research lift station	52,800	(22,547)	30,253
RE Warner & Associates - Liberty/East Main Street intersection	41,000	(33,280)	7,720
Total Business-Type Activities	<u>\$ 1,224,671</u>	<u>\$ (754,517)</u>	<u>\$ 470,154</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, 2010.

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.

City of Ashland
Notes To The Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 20: JOINTLY GOVERNED ORGANIZATIONS

A. Ashland Community Improvement Corporation

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

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

B. Ashland Area Council for Economic Development

The Ashland Area Council for Economic Development (Council) is a jointly governed organization between the City and Ashland County. The Council was organized to undertake joint programs for economic development in the Ashland County area. The Council's board consists of a council member from the City of Ashland, a representative appointed by City Council, a member of the Board of County Commissioners, and a representative appointed by the Board of Commissioners. Each term is for three years. In 2010, the City contributed \$27,911 to the Council. Financial information can be obtained from the Ashland Area Council for Economic Development, 206 Claremont Avenue, Ashland, Ohio 44805.

Combining Statements for Nonmajor Governmental Funds

Ashland University's new Jack Miller football stadium opening for the 2010 season.



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.

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.

Byrne Memorial Grant - To account for the deposit, control and expenditure of monies relative to funds obtained through the Recovery Act Edward Byrne Memorial Justice Assistance Grant Program.

Assistance Grant - To account for the deposit, control and expenditure of monies from United States Department of Justice Grant Program.

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

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

Nonmajor Debt Service Funds

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

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

Nonmajor Capital Projects Funds

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

City of Ashland
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Investments	\$ 1,783,395	\$ 214,217	\$ 996,392	\$ 2,994,004
Receivables:				
Taxes	497,904	166,194	0	664,098
Accounts	30,544	0	0	30,544
Intergovernmental Receivable	528,789	12,399	0	541,188
Prepaid Items	13,865	0	0	13,865
<i>Total Assets</i>	<u>\$ 2,854,497</u>	<u>\$ 392,810</u>	<u>\$ 996,392</u>	<u>\$ 4,243,699</u>
Liabilities				
Accounts Payable	\$ 64,729	\$ 0	\$ 14,994	\$ 79,723
Accrued Wages	24,099	0	0	24,099
Intergovernmental Payable	23,815	0	0	23,815
Deferred Revenue	792,903	178,593	0	971,496
<i>Total Liabilities</i>	<u>905,546</u>	<u>178,593</u>	<u>14,994</u>	<u>1,099,133</u>
Fund Balances				
Reserved for Encumbrances	192,805	0	56,114	248,919
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,756,146	0	0	1,756,146
Debt Service Fund	0	214,217	0	214,217
Capital Projects Funds	0	0	925,284	925,284
<i>Total Fund Balances</i>	<u>1,948,951</u>	<u>214,217</u>	<u>981,398</u>	<u>3,144,566</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 2,854,497</u>	<u>\$ 392,810</u>	<u>\$ 996,392</u>	<u>\$ 4,243,699</u>

City of Ashland
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$ 317,965	\$ 236,940	\$ 0	\$ 554,905
Income Taxes	584,041	0	0	584,041
Special Assessments	0	0	23,527	23,527
Charges for Services	480,845	0	0	480,845
Fines and Forfeitures	441,455	0	0	441,455
Intergovernmental	1,552,464	59,353	0	1,611,817
Interest	24	0	0	24
Rental Income	43,480	0	0	43,480
Contributions and Donations	45,455	0	0	45,455
Other	16,981	2,185	10,444	29,610
<i>Total Revenues</i>	<u>3,482,710</u>	<u>298,478</u>	<u>33,971</u>	<u>3,815,159</u>
Expenditures				
Current:				
General Government	517,438	0	197,685	715,123
Security of Persons and Property	927,292	0	176,014	1,103,306
Public Health	3,065	0	0	3,065
Leisure Time Services	1,213,926	0	0	1,213,926
Community and Economic Development	318,874	0	0	318,874
Capital Outlay	508,597	0	163,288	671,885
Debt Service:				
Principal Retirement	60,269	123,000	0	183,269
Interest and Fiscal Charges	18,675	99,323	0	117,998
Issuance Costs	0	20,026	0	20,026
<i>Total Expenditures</i>	<u>3,568,136</u>	<u>242,349</u>	<u>536,987</u>	<u>4,347,472</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(85,426)</u>	<u>56,129</u>	<u>(503,016)</u>	<u>(532,313)</u>
Other Financing Sources (Uses)				
Transfers In	321,468	0	220,080	541,548
General Obligation Bonds Issued	618,000	40,000	177,000	835,000
Proceeds from Sales of Capital Assets	48,486	0	0	48,486
Premium on Debt Issued	0	30,629	0	30,629
<i>Total Other Financing Sources</i>	<u>987,954</u>	<u>70,629</u>	<u>397,080</u>	<u>1,455,663</u>
<i>Net Change in Fund Balances</i>	902,528	126,758	(105,936)	923,350
<i>Fund Balances Beginning of Year</i>	<u>1,046,423</u>	<u>87,459</u>	<u>1,087,334</u>	<u>2,221,216</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,948,951</u>	<u>\$ 214,217</u>	<u>\$ 981,398</u>	<u>\$ 3,144,566</u>

City of Ashland
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010

	State Highway	City Permissive	Bandshell Improvements	Park & Recreation
Assets				
Equity in Pooled Cash and Investments	\$ 41,453	\$ 59,203	\$ 38,711	\$ 98,679
Receivables:				
Taxes	0	0	0	298,602
Accounts	0	0	0	0
Intergovernmental Receivable	33,903	44,138	0	12,777
Prepaid Items	0	0	0	11,942
<i>Total Assets</i>	<u>\$ 75,356</u>	<u>\$ 103,341</u>	<u>\$ 38,711</u>	<u>\$ 422,000</u>
Liabilities				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages	0	0	0	15,217
Intergovernmental Payable	0	0	0	15,193
Deferred Revenue	22,430	29,963	0	233,714
<i>Total Liabilities</i>	<u>22,430</u>	<u>29,963</u>	<u>0</u>	<u>264,124</u>
Fund Balances				
Reserved for Encumbrances	0	0	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	52,926	73,378	38,711	157,876
<i>Total Fund Balances</i>	<u>52,926</u>	<u>73,378</u>	<u>38,711</u>	<u>157,876</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 75,356</u>	<u>\$ 103,341</u>	<u>\$ 38,711</u>	<u>\$ 422,000</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>
\$ 7,104	\$ 5,730	\$ 296,451	\$ 60,083	\$ 56,538	\$ 0	\$ 0
0	0	0	0	0	99,651	99,651
0	0	0	0	0	0	0
0	0	0	98,000	250,296	7,901	7,901
0	0	0	0	0	0	0
<u>\$ 7,104</u>	<u>\$ 5,730</u>	<u>\$ 296,451</u>	<u>\$ 158,083</u>	<u>\$ 306,834</u>	<u>\$ 107,552</u>	<u>\$ 107,552</u>
\$ 0	\$ 4,850.00	\$ 0	\$ 14,700.00	\$ 5,445	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	98,000	156,756	107,552	107,552
0	4,850	0	112,700	162,201	107,552	107,552
0	0	171,887	0	0	0	0
7,104	880	124,564	45,383	144,633	0	0
7,104	880	296,451	45,383	144,633	0	0
<u>\$ 7,104</u>	<u>\$ 5,730</u>	<u>\$ 296,451</u>	<u>\$ 158,083</u>	<u>\$ 306,834</u>	<u>\$ 107,552</u>	<u>\$ 107,552</u>

(Continued)

City of Ashland
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
December 31, 2010

	<u>Drug Law Enforcement</u>	<u>Enforcement & Education</u>	<u>Ashland Public Transportation</u>	<u>Municipal Court Computer</u>
Assets				
Equity in Pooled Cash and Investments	\$ 31,468	\$ 6,720	\$ 227,038	\$ 183,304
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	7,379
Intergovernmental Receivable	0	0	0	0
Prepaid Items	0	0	0	0
<i>Total Assets</i>	<u>\$ 31,468</u>	<u>\$ 6,720</u>	<u>\$ 227,038</u>	<u>\$ 190,683</u>
Liabilities				
Accounts Payable	\$ 0	\$ 0	\$ 36,132	\$ 2,476
Accrued Wages	0	0	0	0
Intergovernmental Payable	0	0	0	0
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>36,132</u>	<u>2,476</u>
Fund Balances				
Reserved for Encumbrances	0	0	0	0
Undesignated Reported In: Special Revenue Funds	31,468	6,720	190,906	188,207
<i>Total Fund Balances</i>	<u>31,468</u>	<u>6,720</u>	<u>190,906</u>	<u>188,207</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 31,468</u>	<u>\$ 6,720</u>	<u>\$ 227,038</u>	<u>\$ 190,683</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>
\$ 66,033	\$ 162,844	\$ 290	\$ 1,728	\$ 15,686	\$ 232,848	\$ 5,017
0	0	0	0	0	0	0
0	10,888	0	0	0	3,696	0
0	0	0	0	73,873	0	0
0	1,317	0	0	606	0	0
<u>\$ 66,033</u>	<u>\$ 175,049</u>	<u>\$ 290</u>	<u>\$ 1,728</u>	<u>\$ 90,165</u>	<u>\$ 236,544</u>	<u>\$ 5,017</u>
\$ 0	\$ 0	\$ 0	\$ 0	1,126	\$ 0	\$ 0
0	6,651	0	0	2,231	0	0
0	6,170	0	0	2,437	0	15
0	0	0	0	36,936	0	0
0	12,821	0	0	42,730	0	15
0	0	0	0	0	20,918	0
66,033	162,228	290	1,728	47,435	215,626	5,002
66,033	162,228	290	1,728	47,435	236,544	5,002
<u>\$ 66,033</u>	<u>\$ 175,049</u>	<u>\$ 290</u>	<u>\$ 1,728</u>	<u>\$ 90,165</u>	<u>\$ 236,544</u>	<u>\$ 5,017</u>

(Continued)

City of Ashland
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
December 31, 2010

	Revolving Loan	Mayor's Underprivileged Children	Indigent Driver's Interlock	Continuing Education	Assistance Grant
Assets					
Equity in Pooled Cash and Investments	\$ 41,182	\$ 184	\$ 24,265	\$ 1,715	\$ 7,957
Receivables:					
Taxes	0	0	0	0	0
Accounts	0	0	6,387	0	0
Intergovernmental Receivable	0	0	0	0	0
Prepaid Items	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 41,182</u>	<u>\$ 184</u>	<u>\$ 30,652</u>	<u>\$ 1,715</u>	<u>\$ 7,957</u>
Liabilities					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances					
Reserved for Encumbrances	0	0	0	0	0
Undesignated Reported In: Special Revenue Funds	41,182	184	30,652	1,715	7,957
<i>Total Fund Balances</i>	<u>41,182</u>	<u>184</u>	<u>30,652</u>	<u>1,715</u>	<u>7,957</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 41,182</u>	<u>\$ 184</u>	<u>\$ 30,652</u>	<u>\$ 1,715</u>	<u>\$ 7,957</u>

Industrial Park Fund	Emergency Grounds Maintenance	Totals
\$ 93,317	\$ 17,847	\$ 1,783,395
0	0	497,904
0	2,194	30,544
0	0	528,789
0	0	13,865
<u>\$ 93,317</u>	<u>\$ 20,041</u>	<u>\$ 2,854,497</u>
\$ 0	\$ 0	\$ 64,729
0	0	24,099
0	0	23,815
0	0	792,903
<u>0</u>	<u>0</u>	<u>905,546</u>
0	0	192,805
<u>93,317</u>	<u>20,041</u>	<u>1,756,146</u>
<u>93,317</u>	<u>20,041</u>	<u>1,948,951</u>
<u>\$ 93,317</u>	<u>\$ 20,041</u>	<u>\$ 2,854,497</u>

City of Ashland
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010

	State Highway	Permissive Tax	City Permissive	Bandshell Improvements	Park & Recreation
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 141,190
Income Taxes	0	0	0	0	584,041
Charges for Services	0	0	0	0	64,942
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	75,516	84,224	95,806	99,165	48,557
Rental Income	0	0	0	0	0
Contributions and Donations	0	0	0	21,048	17,200
Interest	0	0	0	0	0
Other	0	0	0	0	4,980
<i>Total Revenues</i>	<u>75,516</u>	<u>84,224</u>	<u>95,806</u>	<u>120,213</u>	<u>860,910</u>
Expenditures					
Current:					
General Government:	0	0	0	0	0
Security of Persons and Property	0	0	0	0	0
Public Health	0	0	0	0	0
Leisure Time Services	0	0	0	242,185	971,741
Community and Economic Development	0	0	0	0	0
Capital Outlay	57,251	84,224	68,673	0	59,079
Debt Service:					
Principal Retirement	60,269	0	0	0	0
Interest and Fiscal Charges	11,252	0	0	0	802
<i>Total Expenditures</i>	<u>128,772</u>	<u>84,224</u>	<u>68,673</u>	<u>242,185</u>	<u>1,031,622</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(53,256)</u>	<u>0</u>	<u>27,133</u>	<u>(121,972)</u>	<u>(170,712)</u>
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	210,524
General Obligation Bonds Issued	0	0	0	0	30,000
Proceeds from Sale of Capital Assets	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>240,524</u>
<i>Net Change in Fund Balances</i>	(53,256)	0	27,133	(121,972)	69,812
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>106,182</u>	<u>0</u>	<u>46,245</u>	<u>160,683</u>	<u>88,064</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 52,926</u>	<u>\$ 0</u>	<u>\$ 73,378</u>	<u>\$ 38,711</u>	<u>\$ 157,876</u>

(Continued)

Kate Myers Trust	Fire/Rescue Training	Fire/Rescue Equipment	Community Development Block Grant	Ohio Regional Development Housing	Firemens Pension	Policemens Pension
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 86,499	\$ 90,276
0	0	0	0	0	0	0
0	0	326,052	0	0	0	0
0	0	0	0	0	0	0
0	0	0	98,300	299,744	27,539	27,536
0	0	0	0	0	0	0
0	5,905	0	0	0	0	0
3	0	0	0	0	0	0
0	0	0	450	2,441	0	0
3	5,905	326,052	98,750	302,185	114,038	117,812
0	0	0	0	0	0	0
0	19,333	74,607	0	0	114,038	117,812
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	100,700	218,174	0	0
0	0	143,585	0	0	0	0
0	0	0	0	0	0	0
0	0	6,621	0	0	0	0
0	19,333	224,813	100,700	218,174	114,038	117,812
3	(13,428)	101,239	(1,950)	84,011	0	0
0	0	0	0	0	0	0
0	0	588,000	0	0	0	0
0	0	0	0	0	0	0
0	0	588,000	0	0	0	0
3	(13,428)	689,239	(1,950)	84,011	0	0
7,101	14,308	(392,788)	47,333	60,622	0	0
\$ 7,104	\$ 880	\$ 296,451	\$ 45,383	\$ 144,633	\$ 0	\$ 0

(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, 2010

	Drug Law Enforcement	Enforcement & Education	Ashland Public Transportation	Municipal Court Computer
Revenues				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	0	0
Charges for Services	0	0	85,809	0
Fines and Forfeitures	1,376	1,907	0	104,620
Intergovernmental	0	0	515,846	0
Rental Income	0	0	0	0
Contributions and Donations	0	0	0	0
Interest	0	0	0	0
Other	0	0	0	0
<i>Total Revenues</i>	<u>1,376</u>	<u>1,907</u>	<u>601,655</u>	<u>104,620</u>
Expenditures				
Current:				
General Government:	0	0	499,567	2,476
Security of Persons and Property	0	0	0	140,355
Security of Persons and Property	0	0	0	0
Leisure Time Services	0	0	0	0
Community and Economic Development	0	0	0	0
Capital Outlay	0	0	80,399	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>579,966</u>	<u>142,831</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>1,376</u>	<u>1,907</u>	<u>21,689</u>	<u>(38,211)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	89,900	0
Premium on Debt Issued	0	0	0	0
Proceeds from Sale of Capital Assets	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>89,900</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	1,376	1,907	111,589	(38,211)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>30,092</u>	<u>4,813</u>	<u>79,317</u>	<u>226,418</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 31,468</u>	<u>\$ 6,720</u>	<u>\$ 190,906</u>	<u>\$ 188,207</u>

(Continued)

Indigent Drivers	Municipal Probation	Police Donations	Home Arrest	Community Corrections	Municipal Court Special Program	CCA Monitoring
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
19,837	237,921	0	0	0	44,867	5,987
0	0	0	0	154,963	0	0
0	0	0	0	0	0	0
0	0	1,302	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>19,837</u>	<u>237,921</u>	<u>1,302</u>	<u>0</u>	<u>154,963</u>	<u>44,867</u>	<u>5,987</u>
0	0	0	0	0	0	0
15,650	226,569	10,373	0	113,726	78,721	5,447
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	15,386	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>15,650</u>	<u>241,955</u>	<u>10,373</u>	<u>0</u>	<u>113,726</u>	<u>78,721</u>	<u>5,447</u>
<u>4,187</u>	<u>(4,034)</u>	<u>(9,071)</u>	<u>0</u>	<u>41,237</u>	<u>(33,854)</u>	<u>540</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
4,187	(4,034)	(9,071)	0	41,237	(33,854)	540
<u>61,846</u>	<u>166,262</u>	<u>9,361</u>	<u>1,728</u>	<u>6,198</u>	<u>270,398</u>	<u>4,462</u>
<u>\$ 66,033</u>	<u>\$ 162,228</u>	<u>\$ 290</u>	<u>\$ 1,728</u>	<u>\$ 47,435</u>	<u>\$ 236,544</u>	<u>\$ 5,002</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, 2010

	Revolving Loan	Mayor's Underprivileged Children	Indigent Driver's Interlock	Continuing Education	Byrne Memorial Grant	Assistance Grant
Revenues						
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	0	0	0	0
Charges for Services	936	0	0	0	0	0
Fines and Forfeitures	0	0	24,940	0	0	0
Intergovernmental	0	0	0	480	9,398	7,957
Rental Income	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	0	0
Interest	21	0	0	0	0	0
Other	0	0	0	0	0	0
<i>Total Revenues</i>	<u>957</u>	<u>0</u>	<u>24,940</u>	<u>480</u>	<u>9,398</u>	<u>7,957</u>
Expenditures						
Current:						
General Government:	0	203	0	0	0	0
Security of Persons and Property	0	0	219	0	10,442	0
Security of Persons and Property	0	0	0	0	0	0
Leisure Time Services	0	0	0	0	0	0
Community and Economic Development	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>203</u>	<u>219</u>	<u>0</u>	<u>10,442</u>	<u>0</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>957</u>	<u>(203)</u>	<u>24,721</u>	<u>480</u>	<u>(1,044)</u>	<u>7,957</u>
Other Financing Sources (Uses)						
Transfers In	0	0	0	0	1,044	0
Premium on Debt Issued	0	0	0	0	0	0
Proceeds from Sale of Capital Assets	0	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,044</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	957	(203)	24,721	480	0	7,957
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>40,225</u>	<u>387</u>	<u>5,931</u>	<u>1,235</u>	<u>0</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 41,182</u>	<u>\$ 184</u>	<u>\$ 30,652</u>	<u>\$ 1,715</u>	<u>\$ 0</u>	<u>\$ 7,957</u>

Industrial Park Fund	Emergency Grounds Maintenance	Totals
\$ 0	\$ 0	\$ 317,965
0	0	584,041
0	3,106	480,845
0	0	441,455
7,433	0	1,552,464
43,830	0	43,830
0	0	45,455
0	0	24
8,760	0	16,631
<u>60,023</u>	<u>3,106</u>	<u>3,482,710</u>
15,192	0	517,438
0	0	927,292
0	3,065	3,065
0	0	1,213,926
0	0	318,874
0	0	508,597
0	0	60,269
0	0	18,675
<u>15,192</u>	<u>3,065</u>	<u>3,568,136</u>
<u>44,831</u>	<u>41</u>	<u>(85,426)</u>
0	20,000	321,468
0	0	618,000
48,486	0	48,486
<u>48,486</u>	<u>20,000</u>	<u>987,954</u>
93,317	20,041	902,528
0	0	1,046,423
<u>\$ 93,317</u>	<u>\$ 20,041</u>	<u>\$ 1,948,951</u>

City of Ashland
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2010

	General Obligation Bond Retirement	Note Retirement	Total
Assets			
Equity in Pooled Cash and Investments	\$ 190,480	\$ 23,737	\$ 214,217
Receivables:			
Taxes	166,194	0	166,194
Intergovernmental	<u>12,399</u>	<u>0</u>	<u>12,399</u>
<i>Total Assets</i>	<u>\$ 369,073</u>	<u>\$ 23,737</u>	<u>\$ 392,810</u>
Liabilities			
Deferred Revenue	<u>\$ 178,593</u>	<u>\$ 0</u>	<u>\$ 178,593</u>
Fund Balances			
Unreserved, Undesignated, Reported in:			
Debt Service Funds	<u>190,480</u>	<u>23,737</u>	<u>214,217</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 369,073</u>	<u>\$ 23,737</u>	<u>\$ 392,810</u>

City of Ashland
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2010

	General Obligation Bond Retirement	Note Retirement	Total
Revenues			
Property Taxes	\$ 236,940	\$ 0	\$ 236,940
Intergovernmental	59,353	0	59,353
Other	2,185	0	2,185
<i>Total Revenues</i>	<u>298,478</u>	<u>0</u>	<u>298,478</u>
Expenditures			
Debt Service:			
Principal Retirement	123,000	0	123,000
Interest and Fiscal Charges	96,323	3,000	99,323
Issuance Costs	20,026	0	20,026
<i>Total Expenditures</i>	<u>239,349</u>	<u>3,000</u>	<u>242,349</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>59,129</u>	<u>(3,000)</u>	<u>56,129</u>
Other Financing Sources			
General Obligation Bonds Issued	40,000	0	40,000
Premium on Debt Issued	30,629	0	30,629
<i>Total Other Financing Sources</i>	<u>70,629</u>	<u>0</u>	<u>70,629</u>
<i>Net Change in Fund Balances</i>	129,758	(3,000)	126,758
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>60,722</u>	<u>26,737</u>	<u>87,459</u>
<i>Fund Balances End of Year</i>	<u>\$ 190,480</u>	<u>\$ 23,737</u>	<u>\$ 214,217</u>

City of Ashland
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2010

	<u>Capital Improvements</u>
Assets	
Equity in Pooled Cash and Investments	<u>\$ 996,392</u>
Liabilities	
Accounts Payable	<u>\$ 14,994</u>
<i>Total Liabilities</i>	<u>14,994</u>
Fund Balances	
Reserved for Encumbrances	56,114
Unreserved, Undesignated, Reported in: Capital Projects Funds	<u>925,284</u>
<i>Total Fund Balances</i>	<u>981,398</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 996,392</u>

City of Ashland
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010

	Capital Improvements
Revenues	
Special Assessments	\$ 23,527
Other	10,444
<i>Total Revenues</i>	<i>33,971</i>
Expenditures	
Current:	
General Government	197,685
Security of Persons and Property	176,014
Capital Outlay	163,288
<i>Total Expenditures</i>	<i>536,987</i>
<i>Excess of Revenues Under Expenditures</i>	<i>(503,016)</i>
Other Financing Uses	
Transfers In	220,080
General Obligation Bonds Issued	177,000
<i>Total Other Financing (Uses)</i>	<i>397,080</i>
<i>Net Change in Fund Balances</i>	<i>(105,936)</i>
<i>Fund Balance Beginning of Year</i>	<i>1,087,334</i>
<i>Fund Balances End of Year</i>	<i>\$ 981,398</i>

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

Ashland home of Ashland Conveyor Products providing material handling solutions for major retailers, manufacturers, and distribution facilities through out the world. In 2009 the Company relocated to its new manufacturing facility in the City of Ashland Industrial Park.



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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$ 584,001	\$ 492,756	\$ 498,020	\$ 5,264
Income Taxes	6,921,974	6,956,974	7,013,283	56,309
Charges for Services	1,687,544	1,686,530	1,674,276	(12,254)
Licenses and Permits	33,000	33,000	27,785	(5,215)
Fines and Forfeitures	611,025	611,025	625,911	14,886
Intergovernmental	1,242,600	1,542,645	1,341,880	(200,765)
Interest	125,000	125,000	98,280	(26,720)
Rent	65,000	65,000	19,550	(45,450)
Contributions and Donations	1,000	1,000	2,213	1,213
Other	297,452	346,452	453,250	106,798
<i>Total Revenues</i>	<u>11,568,596</u>	<u>11,860,382</u>	<u>11,754,448</u>	<u>(105,934)</u>
Expenditures				
Current:				
General Government				
Mayor				
Personal Services	180,260	180,260	164,598	15,662
Other	11,780	14,780	13,023	1,757
Total Mayor	<u>192,040</u>	<u>195,040</u>	<u>177,621</u>	<u>17,419</u>
Director of Finance				
Personal Services	318,170	318,170	282,291	35,879
Other	100,900	100,900	80,823	20,077
Total Director of Finance	<u>419,070</u>	<u>419,070</u>	<u>363,114</u>	<u>55,956</u>
Income Tax				
Personal Services	201,875	201,875	200,737	1,138
Other	273,125	308,125	305,698	2,427
Total Income Tax	<u>475,000</u>	<u>510,000</u>	<u>506,435</u>	<u>3,565</u>
Director of Law				
Personal Services	232,446	232,446	210,502	21,944
Other	50,388	50,388	36,888	13,500
Total Director of Law	<u>282,834</u>	<u>282,834</u>	<u>247,390</u>	<u>35,444</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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Department of Human Services				
Personal Services	179,245	179,245	124,656	54,589
Other	19,100	33,300	29,821	3,479
Total Department of Human Services	198,345	212,545	154,477	58,068
Council				
Personal Services	86,596	86,596	74,038	12,558
Other	7,950	7,950	7,265	685
Total Council	94,546	94,546	81,303	13,243
Municipal Court Judge				
Personal Services	64,200	64,200	62,559	1,641
Other	5,000	7,600	6,494	1,106
Total Municipal Court Judge	69,200	71,800	69,053	2,747
Municipal Court Clerk				
Personal Services	987,228	987,228	970,880	16,348
Other	147,350	147,350	112,202	35,148
Total Municipal Court Clerk	1,134,578	1,134,578	1,083,082	51,496
Technical Services Department				
Personal Services	125,128	125,128	115,864	9,264
Other	7,815	7,815	5,771	2,044
Total Technical Services Department	132,943	132,943	121,635	11,308
Municipal Building Maintenance				
Personal Services	46,034	46,034	44,875	1,159
Other	56,100	56,100	48,870	7,230
Total Municipal Building Maintenance	102,134	102,134	93,745	8,389
Justice Center Maintenance				
Personal Services	84,396	84,396	77,349	7,047
Other	108,770	132,770	117,541	15,229
Total Justice Center Maintenance	193,166	217,166	194,890	22,276

(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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Engineer				
Personal Services	248,237	248,237	192,986	55,251
Other	51,290	51,290	26,808	24,482
Total Engineer	299,527	299,527	219,794	79,733
General Miscellaneous				
Personal Services	169,000	234,782	229,870	4,912
Other	1,162,616	1,102,334	1,050,723	51,611
Total General Miscellaneous	1,331,616	1,337,116	1,280,593	56,523
City Maintenance				
Personal Services	65,217	65,717	64,103	1,614
Other	16,078	15,578	7,188	8,390
Total City Maintenance	81,295	81,295	71,291	10,004
Section 125				
Other	197,981	198,071	184,642	13,429
Total General Government	5,204,275	5,288,665	4,849,065	439,600
Security of Persons and Property				
Police Department				
Personal Services	2,497,850	2,497,850	2,371,135	126,715
Other	313,395	338,395	269,918	68,477
Total Police Department	2,811,245	2,836,245	2,641,053	195,192
Fire Department				
Personal Services	2,861,018	2,861,018	2,508,243	352,775
Other	281,460	281,460	228,413	53,047
Total Fire Department	3,142,478	3,142,478	2,736,656	405,822
Street Lighting				
Other	154,500	154,500	141,745	12,755
Total Security of Persons and Property	6,108,223	6,133,223	5,519,454	613,769

(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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Public Health				
Health Department				
Personal Services	237,519	238,169	227,951	10,218
Other	83,574	91,924	91,714	210
Total Health Department	321,093	330,093	319,665	10,428
Community and Economic Development				
Building and Zoning				
Personal Services	125,792	140,792	131,006	9,786
Other	8,360	8,360	3,659	4,701
Total Building and Zoning	134,152	149,152	134,665	14,487
Planning Commission				
Other	1,950	1,149	1,021	128
Economic Development				
Personal Services	23,360	29,161	29,110	51
Total Economic Development	23,360	29,161	29,110	51
Total Community and Economic Development	159,462	179,462	164,796	14,666
Capital Outlay				
Capital Outlay	200,000	200,000	22,000	178,000
Total Capital Outlay	200,000	200,000	22,000	178,000
<i>Total Expenditures</i>	11,993,053	12,131,443	10,874,980	1,256,463
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(424,457)	(271,061)	879,468	1,150,529
Other Financing Use				
Transfers Out	(569,905)	(724,405)	(650,906)	73,499
<i>Net Change in Fund Balance</i>	(994,362)	(995,466)	228,562	1,224,028
<i>Fund Balance Beginning of Year</i>	1,060,588	1,060,588	1,060,588	0
Prior Year Encumbrances Appropriated	25,377	25,377	25,377	0
<i>Fund Balance End of Year</i>	\$ 91,603	\$ 90,499	\$ 1,314,527	\$ 1,224,028

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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Income Taxes	\$ 200,000	\$ 200,000	\$ 197,961	\$ (2,039)
Charges for Services	236,638	236,638	312,723	76,085
Fines and Forfeitures	5,400	5,400	7,005	1,605
Intergovernmental	1,225,000	1,225,000	971,763	(253,237)
Interest	650	650	12	(638)
Other	19,099	19,099	26,314	7,215
<i>Total Revenues</i>	<u>1,686,787</u>	<u>1,686,787</u>	<u>1,515,778</u>	<u>(171,009)</u>
Expenditures				
Current:				
Transportation				
Street Maintenance and Repair				
Personal Services	1,097,804	1,097,804	938,510	159,294
Other	1,340,334	1,340,334	963,092	377,242
Total Street Maintenance and Repair	<u>2,438,138</u>	<u>2,438,138</u>	<u>1,901,602</u>	<u>536,536</u>
Total Transportation	<u>2,438,138</u>	<u>2,438,138</u>	<u>1,901,602</u>	<u>536,536</u>
Capital Outlay				
Street Maintenance and Repair				
Other	445,160	445,160	167,858	277,302
Total Capital Outlay	<u>445,160</u>	<u>445,160</u>	<u>167,858</u>	<u>277,302</u>
<i>Total Expenditures</i>	<u>2,883,298</u>	<u>2,883,298</u>	<u>2,069,460</u>	<u>813,838</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,196,511)	(1,196,511)	(553,682)	642,829
Other Financing Sources				
Transfers In	901	901	901	0
<i>Net Change in Fund Balance</i>	(1,195,610)	(1,195,610)	(552,781)	642,829
<i>Fund Balance Beginning of Year</i>	1,123,079	1,123,079	1,123,079	0
Prior Year Encumbrances Appropriated	78,666	78,666	78,666	0
<i>Fund Balance End of Year</i>	<u>\$ 6,135</u>	<u>\$ 6,135</u>	<u>\$ 648,964</u>	<u>\$ 642,829</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 67,001	\$ 69,801	\$ 75,330	5,529
Expenditures				
Current:				
Capital Outlay				
Other	58,750	58,750	57,251	1,499
Debt Service				
Principal Retirements	54,000	60,109	60,269	(160)
Interest and Fiscal Charges	13,250	9,941	11,252	(1,311)
Total Debt Service	67,250	70,050	71,521	(1,471)
<i>Total Expenditures</i>	126,000	128,800	128,772	28
<i>Net Change in Fund Balance</i>	(58,999)	(58,999)	(53,442)	5,557
<i>Fund Balance Beginning of Year</i>	94,895	94,895	94,895	0
<i>Fund Balance End of Year</i>	\$ 35,896	\$ 35,896	\$ 41,453	\$ 5,557

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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 108,365	\$ 108,365	\$ 84,224	\$ (24,141)
<i>Total Revenues</i>	<u>108,365</u>	<u>108,365</u>	<u>84,224</u>	<u>(24,141)</u>
Expenditures				
Capital Outlay				
Other	<u>108,365</u>	<u>108,365</u>	<u>84,224</u>	<u>24,141</u>
Total Capital Outlay	<u>108,365</u>	<u>108,365</u>	<u>84,224</u>	<u>24,141</u>
<i>Net Change in Fund Balance</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<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>\$ 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
City Permissive Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 85,001	\$ 85,001	\$ 96,081	\$ 11,080
Expenditures				
Capital Outlay				
Other	116,794	116,794	68,673	48,121
<i>Net Change in Fund Balance</i>	(31,793)	(31,793)	27,408	59,201
<i>Fund Balance Beginning of Year</i>	31,795	31,795	31,795	0
<i>Fund Balance End of Year</i>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 59,203</u>	<u>\$ 59,201</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$ 99,993	\$ 99,993	\$ 99,165	\$ (828)
Contributions and Donations	21,500	21,500	21,048	(452)
<i>Total Revenues</i>	<u>121,493</u>	<u>121,493</u>	<u>120,213</u>	<u>(1,280)</u>
Expenditures				
Current:				
Leisure Time Services				
Other	<u>282,176</u>	<u>282,176</u>	<u>242,185</u>	<u>39,991</u>
<i>Net Change in Fund Balance</i>	(160,683)	(160,683)	(121,972)	38,711
<i>Fund Balance Beginning of Year</i>	144,234	144,234	144,234	0
Prior Year Encumbrances Appropriated	<u>16,449</u>	<u>16,449</u>	<u>16,449</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 38,711</u>	<u>\$ 38,711</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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$ 149,000	\$ 149,000	\$ 141,190	\$ (7,810)
Income Taxes	564,673	564,673	572,778	8,105
Charges for Services	80,343	80,343	75,138	(5,205)
Intergovernmental	34,900	548,300	48,557	(499,743)
Contributions and Donations	17,200	17,200	17,200	0
Other	3,500	3,500	5,330	1,830
<i>Total Revenues</i>	<u>849,616</u>	<u>1,363,016</u>	<u>860,193</u>	<u>(502,823)</u>
Expenditures				
Current:				
Leisure Time Services				
Park Levy				
Personal Services	134,831	134,831	131,223	3,608
Park and Recreation				
Personal Services	427,743	337,743	316,219	21,524
Other	286,303	376,303	372,870	3,433
Total Park and Recreation	<u>714,046</u>	<u>714,046</u>	<u>689,089</u>	<u>24,957</u>
Arborist				
Personal Services	137,310	137,310	131,065	6,245
Other	33,700	33,700	25,153	8,547
Total Arborist	<u>171,010</u>	<u>171,010</u>	<u>156,218</u>	<u>14,792</u>
Total Leisure Time Services	<u>1,019,887</u>	<u>1,019,887</u>	<u>976,530</u>	<u>43,357</u>
Capital Outlay				
Other	30,000	543,400	31,079	512,321
Debt Service				
Principal Retirement	88,000	88,000	88,000	0
Interest and Fiscal Charges	2,100	2,100	1,047	1,053
Total Debt Service	<u>90,100</u>	<u>90,100</u>	<u>89,047</u>	<u>1,053</u>
<i>Total Expenditures</i>	<u>1,139,987</u>	<u>1,653,387</u>	<u>1,096,656</u>	<u>556,731</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(290,371)	(290,371)	(236,463)	53,908
Other Financing Sources (Uses):				
Transfers In	281,970	172,400	210,524	38,124
General Obligation Bonds Issued	30,000	30,000	30,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>311,970</u>	<u>202,400</u>	<u>240,524</u>	<u>38,124</u>
<i>Net Change in Fund Balance</i>	21,599	(87,971)	4,061	92,032
<i>Fund Balance Beginning of Year</i>	94,618	94,618	94,618	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$ 116,217</u>	<u>\$ 6,647</u>	<u>\$ 98,679</u>	<u>\$ 92,032</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ 120	\$ 20	\$ 3	\$ (17)
Expenditures				
Current:				
General Government				
Other	120	120	0	120
<i>Net Change in Fund Balance</i>	0	(100)	3	103
<i>Fund Balance Beginning of Year</i>	7,101	7,101	7,101	0
<i>Fund Balance End of Year</i>	<u>\$ 7,101</u>	<u>\$ 7,001</u>	<u>\$ 7,104</u>	<u>\$ 103</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, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 0	\$ 0	\$ 6,500	\$ 6,500
Contributions and Donations	9,000	15,500	5,905	(9,595)
<i>Total Revenues</i>	<u>9,000</u>	<u>15,500</u>	<u>12,405</u>	<u>(3,095)</u>
Expenditures				
Current:				
Security of Persons and Property				
Other	16,808	23,308	19,333	3,975
<i>Net Change in Fund Balance</i>	(7,808)	(7,808)	(6,928)	880
<i>Fund Balance Beginning of Year</i>	<u>7,808</u>	<u>7,808</u>	<u>7,808</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 880</u>	<u>\$ 880</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$ 319,362	\$ 320,912	\$ 326,052	\$ 5,140
Expenditures				
Current:				
Security of Persons and Property				
Other	92,200	92,200	77,087	15,113
Capital Outlay				
Other	0	150,000	143,585	6,415
Debt Service				
Principal Retirement	750,750	750,750	666,887	83,863
Interest and Fiscal Charges	31,000	31,000	8,638	22,362
Total Debt Service	781,750	781,750	675,525	106,225
<i>Total Expenditures</i>	873,950	1,023,950	896,197	127,753
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(554,588)	(703,038)	(570,145)	132,893
Other Financing Sources (Uses)				
General Obligation Bonds Issued	450,000	600,000	588,000	(12,000)
<i>Total Other Financing Sources (Uses)</i>	450,000	600,000	588,000	(12,000)
<i>Net Change in Fund Balance</i>	(104,588)	(103,038)	17,855	120,893
<i>Fund Balance Beginning of Year</i>	106,709	106,709	106,709	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Fund Balance End of Year</i>	\$ 2,121	\$ 3,671	\$ 124,564	\$ 120,893

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, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 286,477	\$ 286,477	\$ 98,300	\$ (188,177)
Other	0	0	450	450
<i>Total Revenues</i>	<u>286,477</u>	<u>286,477</u>	<u>98,750</u>	<u>(187,727)</u>
Expenditures				
Current:				
Community and Economic Development				
Other	<u>333,810</u>	<u>333,810</u>	<u>86,000</u>	<u>247,810</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(47,333)	(47,333)	12,750	60,083
<i>Net Change in Fund Balance</i>	(47,333)	(47,333)	12,750	60,083
<i>Fund Balance Beginning of Year</i>	<u>47,333</u>	<u>47,333</u>	<u>47,333</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 60,083</u>	<u>\$ 60,083</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, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 655,059	\$ 655,059	\$ 221,204	\$ (433,855)
Other	<u>50,000</u>	<u>50,000</u>	<u>2,441</u>	<u>(47,559)</u>
<i>Total Revenues</i>	<u>705,059</u>	<u>705,059</u>	<u>223,645</u>	<u>(481,414)</u>
Expenditures				
Current:				
Community and Economic Development				
Other	<u>757,011</u>	<u>757,011</u>	<u>219,059</u>	<u>537,952</u>
<i>Net Change in Fund Balance</i>	(51,952)	(51,952)	4,586	56,538
<i>Fund Balance Beginning of Year</i>	<u>51,952</u>	<u>51,952</u>	<u>51,952</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 56,538</u>	<u>\$ 56,538</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$ 86,000	\$ 86,000	\$ 86,499	\$ 499
Intergovernmental	27,700	28,038	27,539	(499)
<i>Total Revenues</i>	<u>113,700</u>	<u>114,038</u>	<u>114,038</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property				
Personal Services	<u>113,700</u>	<u>114,038</u>	<u>114,038</u>	<u>0</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<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>\$ 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
Policemens Pension Fund
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$ 86,000	\$ 86,000	\$ 90,276	\$ 4,276
Intergovernmental	27,700	31,813	27,536	(4,277)
<i>Total Revenues</i>	<u>113,700</u>	<u>117,813</u>	<u>117,812</u>	<u>(1)</u>
Expenditures				
Current:				
Security of Person and Property				
Personal Services	<u>113,700</u>	<u>117,813</u>	<u>117,812</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<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>\$ 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
Drug Law Enforcement Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$ 5,000	\$ 5,000	\$ 1,376	\$ (3,624)
Expenditures				
Current:				
Security of Persons and Property				
Other	35,091	35,091	0	35,091
<i>Net Change in Fund Balance</i>	(30,091)	(30,091)	1,376	31,467
<i>Fund Balance Beginning of Year</i>	30,092	30,092	30,092	0
<i>Fund Balance End of Year</i>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 31,468</u>	<u>\$ 31,467</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$ 2,000	\$ 2,000	\$ 1,907	\$ (93)
Expenditures				
Current:				
Security of Persons and Property				
Personal Services	6,813	6,813	0	6,813
<i>Net Change in Fund Balance</i>	(4,813)	(4,813)	1,907	6,720
<i>Fund Balance Beginning of Year</i>	4,813	4,813	4,813	0
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,720</u>	<u>\$ 6,720</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$ 90,000	\$ 90,000	\$ 85,809	\$ (4,191)
Intergovernmental	441,797	441,797	515,846	74,049
Other	10,000	10,000	0	(10,000)
<i>Total Revenues</i>	<u>541,797</u>	<u>541,797</u>	<u>601,655</u>	<u>59,858</u>
Expenditures				
Current:				
General Government				
Public Transit				
Other	609,435	609,435	499,731	109,704
Capital Outlay	90,000	90,000	80,399	9,601
<i>Total Expenditures</i>	<u>699,435</u>	<u>699,435</u>	<u>580,130</u>	<u>119,305</u>
<i>Deficiency of Revenues Under Expenditures</i>	<u>(157,638)</u>	<u>(157,638)</u>	<u>21,525</u>	<u>179,163</u>
Other Financing Source				
Transfers In	94,200	94,200	89,900	(4,300)
<i>Net Change in Fund Balance</i>	(63,438)	(63,438)	111,425	174,863
<i>Fund Balance Beginning of Year</i>	<u>35,214</u>	<u>35,214</u>	<u>35,214</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>80,399</u>	<u>80,399</u>	<u>80,399</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 52,175</u>	<u>\$ 52,175</u>	<u>\$ 227,038</u>	<u>\$ 174,863</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$ 112,000	\$ 112,000	\$ 105,033	\$ (6,967)
Expenditures				
Current:				
Security of Persons and Property				
Other	343,531	343,531	153,260	190,271
<i>Net Change in Fund Balance</i>	(231,531)	(231,531)	(48,227)	183,304
<i>Fund Balance Beginning of Year</i>	201,791	201,791	201,791	0
Prior Year Encumbrances Appropriated	29,740	29,740	29,740	0
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 183,304</u>	<u>\$ 183,304</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$ 20,000	\$ 20,000	\$ 19,837	\$ (163)
Expenditures				
Current:				
Security of Persons and Property				
Other	81,846	81,846	15,650	66,196
<i>Net Change in Fund Balance</i>	(61,846)	(61,846)	4,187	66,033
<i>Fund Balance Beginning of Year</i>	61,846	61,846	61,846	0
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 66,033</u>	<u>\$ 66,033</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$ 245,000	\$ 261,500	\$ 245,149	\$ (16,351)
Expenditures				
Current:				
Security of Persons and Property				
Personal Services	298,270	298,270	223,206	75,064
Capital Outlay	19,000	35,500	15,386	20,114
Total Security of Persons and Property	<u>317,270</u>	<u>333,770</u>	<u>238,592</u>	<u>95,178</u>
<i>Net Change in Fund Balance</i>	(72,270)	(72,270)	6,557	78,827
<i>Fund Balance at Beginning of Year</i>	<u>156,287</u>	<u>156,287</u>	<u>156,287</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$ 84,017</u>	<u>\$ 84,017</u>	<u>\$ 162,844</u>	<u>\$ 78,827</u>

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Donations Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Contributions and Donations	\$ 7,500	\$ 7,500	\$ 1,302	\$ (6,198)
Expenditures				
Current:				
Security of Persons and Property				
Other	16,860	16,860	10,373	6,487
<i>Net Change in Fund Balance</i>	(9,360)	(9,360)	(9,071)	289
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	9,361	9,361	9,361	0
<i>Fund Balance End of Year</i>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 290</u>	<u>\$ 289</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Expenditures				
Current:				
Security of Persons and Property				
Other	\$ 1,728	\$ 1,728	\$ 0	\$ 1,728
<i>Net Change in Fund Balance</i>	(1,728)	(1,728)	0	1,728
<i>Fund Balance Beginning of Year</i>	1,728	1,728	1,728	0
<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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 110,500	\$ 117,500	\$ 118,026	\$ 526
Expenditures				
Current:				
Security of Persons and Property				
Community Corrections				
Personal Services	73,652	73,672	73,255	417
Other	46,159	53,139	38,396	14,743
<i>Total Expenditures</i>	<u>119,811</u>	<u>126,811</u>	<u>111,651</u>	<u>15,160</u>
<i>Net Change in Fund Balance</i>	(9,311)	(9,311)	6,375	15,686
<i>Fund Balance Beginning of Year</i>	8,728	8,728	8,728	0
Prior Year Encumbrances Appropriated	583	583	583	0
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 15,686</u>	<u>\$ 15,686</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, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$ 51,200	\$ 51,200	\$ 44,485	\$ (6,715)
Expenditures				
Current:				
Security of Persons and Property				
Other	318,283	318,283	99,639	218,644
<i>Net Change in Fund Balance</i>	(267,083)	(267,083)	(55,154)	211,929
<i>Fund Balance Beginning of Year</i>	267,084	267,084	267,084	0
<i>Fund Balance End of Year</i>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 211,930</u>	<u>\$ 211,929</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$ 5,400	\$ 5,400	\$ 6,279	\$ 879
Expenditures				
Current				
Security of Persons and Property				
Personal Services	4,615	4,615	2,521	2,094
Other	4,954	4,954	2,911	2,043
Total Security of Persons and Property	9,569	9,569	5,432	4,137
<i>Net Change in Fund Balance</i>	(4,169)	(4,169)	847	5,016
<i>Fund Balance Beginning of Year</i>	4,170	4,170	4,170	0
<i>Fund Balance End of Year</i>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 5,017</u>	<u>\$ 5,016</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, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$ 2,600	\$ 2,600	\$ 936	\$ (1,664)
Interest	50	50	21	(29)
<i>Total Revenues</i>	<u>2,650</u>	<u>2,650</u>	<u>957</u>	<u>(1,693)</u>
Expenditures				
Current:				
General Government				
Other	<u>42,875</u>	<u>42,875</u>	<u>0</u>	<u>42,875</u>
<i>Net Change in Fund Balance</i>	(40,225)	(40,225)	957	41,182
<i>Fund Balance Beginning of Year</i>	<u>40,225</u>	<u>40,225</u>	<u>40,225</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 41,182</u>	<u>\$ 41,182</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ 15	\$ 15	\$ 0	\$ (15)
Expenditures				
Current:				
General Government				
Other	402	402	203	199
<i>Net Change in Fund Balance</i>	(387)	(387)	(203)	184
<i>Fund Balance Beginning of Year</i>	387	387	387	0
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 184</u>	<u>\$ 184</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, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$ 5,800	\$ 5,800	\$ 18,553	\$ 12,753
Expenditures				
Current:				
Security of Persons and Property				
Other	11,730	11,730	219	11,511
<i>Net Change in Fund Balance</i>	(5,930)	(5,930)	18,334	24,264
<i>Fund Balance Beginning of Year</i>	5,931	5,931	5,931	0
<i>Fund Balance End of Year</i>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 24,265</u>	<u>\$ 24,264</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 1,200	\$ 1,200	\$ 480	\$ (720)
Expenditures				
Current:				
Security of Person and Property				
Other	2,435	2,435	0	2,435
<i>Net Change in Fund Balance</i>	(1,235)	(1,235)	480	1,715
<i>Fund Balance Beginning of Year</i>	1,235	1,235	1,235	0
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,715</u>	<u>\$ 1,715</u>

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Byrne Memorial Grant
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 9,090	\$ 9,399	\$ 9,398	\$ (1)
Expenditures				
Current:				
Security of Persons and Property				
Other	9,090	10,443	10,442	1
Total Security of Persons and Property	9,090	10,443	10,442	1
<i>Total Expenditures</i>	9,090	10,443	10,442	1
Other Financing Sources				
Transfers In	0	1,044	1,044	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<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>\$ 0</u>	<u>\$ 0</u>

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Assistance Grant
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 10,000	\$ 10,000	\$ 7,957	\$ (2,043)
Expenditures				
Current:				
Security of Persons and Property				
Other	10,000	10,000	0	10,000
<i>Net Change in Fund Balance</i>	0	0	7,957	7,957
<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>\$ 7,957</u>	<u>\$ 7,957</u>

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Industrial Park Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 0	\$ 0	\$ 7,433	\$ 7,433
Rent	50,000	50,000	43,830	(6,170)
Other	0	0	8,760	8,760
<i>Total Revenues</i>	<u>50,000</u>	<u>50,000</u>	<u>60,023</u>	<u>10,023</u>
Expenditures				
Current:				
General Government				
Other	<u>50,000</u>	<u>50,000</u>	<u>15,192</u>	<u>34,808</u>
Total Security of Persons and Property	<u>50,000</u>	<u>50,000</u>	<u>15,192</u>	<u>34,808</u>
<i>Total Expenditures</i>	<u>50,000</u>	<u>50,000</u>	<u>15,192</u>	<u>34,808</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	0	44,831	44,831
Other Financing Sources				
Proceeds from Sale of Capital Assets	<u>0</u>	<u>0</u>	<u>48,486</u>	<u>48,486</u>
<i>Net Change in Fund Balance</i>	0	0	93,317	93,317
<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>\$ 0</u>	<u>\$ 93,317</u>	<u>\$ 93,317</u>

City of Ashland
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Emergency Grounds Maintenance
For the Year Ended December 31, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 912</u>	<u>\$ 912</u>
Expenditures				
Current:				
Public Health				
Personal Services	<u>0</u>	<u>20,000</u>	<u>3,065</u>	<u>16,935</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(20,000)	(2,153)	17,847
Other Financing Sources				
Transfers In	<u>0</u>	<u>20,000</u>	<u>20,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	17,847	17,847
<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>\$ 0</u>	<u>\$ 17,847</u>	<u>\$ 17,847</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$ 237,766	\$ 237,766	\$ 236,940	\$ (826)
Intergovernmental	42,636	42,636	59,353	16,717
Other	0	0	2,185	2,185
<i>Total Revenues</i>	<u>280,402</u>	<u>280,402</u>	<u>298,478</u>	<u>18,076</u>
Expenditures				
Debt Service				
Principal Retirements	123,000	123,000	123,000	0
Interest and Fiscal Charges	97,000	97,000	96,323	677
Issuance Costs	(171,317)	20,026	20,026	0
<i>Total Expenditures</i>	<u>48,683</u>	<u>240,026</u>	<u>239,349</u>	<u>677</u>
<i>Excess of Revenues Over Expenditures</i>	<u>231,719</u>	<u>40,376</u>	<u>59,129</u>	<u>18,753</u>
Other Financing Sources (Uses)				
General Obligation Bonds Issued	0	0	40,000	40,000
Premium on Debt Issued	0	70,221	30,629	(39,592)
<i>Total Other Financing Sources (Uses)</i>	0	70,221	70,629	408
<i>Net Change in Fund Balance</i>	231,719	110,597	129,758	19,161
<i>Fund Balance Beginning of Year</i>	<u>60,722</u>	<u>60,722</u>	<u>60,722</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 292,441</u></u>	<u><u>\$ 171,319</u></u>	<u><u>\$ 190,480</u></u>	<u><u>\$ 19,161</u></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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Expenditures				
Debt Service				
Interest and Fiscal Charges	\$ (673,470)	\$ 3,000	\$ 3,000	\$ 0
<i>Deficiency of Revenues Under Expenditures</i>	<u>673,470</u>	<u>(3,000)</u>	<u>(3,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	673,470	(3,000)	(3,000)	0
<i>Fund Balance Beginning of Year</i>	<u>26,737</u>	<u>26,737</u>	<u>26,737</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 700,207</u>	<u>\$ 23,737</u>	<u>\$ 23,737</u>	<u>\$ 0</u>

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvement Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ 0	\$ 0	\$ 0	\$ 0
Special Assessments	0	0	23,527	23,527
Other	27,800	27,800	10,444	(17,356)
<i>Total Revenues</i>	<u>27,800</u>	<u>27,800</u>	<u>33,971</u>	<u>6,171</u>
Expenditures				
Current:				
General Government				
Personal Services	0	276,025	197,768	78,257
Security of Persons and Property				
Personal Services	0	180,000	167,213	12,787
Capital Outlay	490,146	279,146	234,396	44,750
<i>Total Expenditures</i>	<u>490,146</u>	<u>735,171</u>	<u>599,377</u>	<u>135,794</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(462,346)</u>	<u>(707,371)</u>	<u>(565,406)</u>	<u>141,965</u>
Other Financing Sources (Uses)				
Transfers In	0	0	220,080	220,080
General Obligation Bonds Issued	0	0	177,000	177,000
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>397,080</u>	<u>397,080</u>
<i>Net Change in Fund Balance</i>	(462,346)	(707,371)	(168,326)	539,045
<i>Fund Balance Beginning of Year</i>	1,077,765	1,077,765	1,077,765	0
Prior Year Encumbrances Appropriated	15,845	15,845	15,845	0
<i>Fund Balance End of Year</i>	<u>\$ 631,264</u>	<u>\$ 386,239</u>	<u>\$ 925,284</u>	<u>\$ 539,045</u>

Combining Statements for Nonmajor Enterprise Funds

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CITY OF ASHLAND, OHIO

Fund Descriptions – Nonmajor Enterprise Funds

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

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

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, 2010

	Stormwater Management Utility	Brookside Swimming Pool	Brookside Golf Course	Total
Assets				
<i>Current Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 644,341	\$ 10,588	\$ 16,027	\$ 670,956
Cash and Cash Equivalents in Segregated Accounts	0	0	575	575
Materials and Supplies Inventory	0	0	122,263	122,263
Accounts Receivable	5,842	0	0	5,842
<i>Total Current Assets</i>	<u>650,183</u>	<u>10,588</u>	<u>138,865</u>	<u>799,636</u>
<i>Noncurrent Assets</i>				
Non-Depreciable Capital Assets	2,050	37,120	799,931	839,101
Depreciable Capital Assets, net	1,772,713	90,367	295,360	2,158,440
<i>Total Noncurrent Assets</i>	<u>1,774,763</u>	<u>127,487</u>	<u>1,095,291</u>	<u>2,997,541</u>
<i>Total Assets</i>	<u>2,424,946</u>	<u>138,075</u>	<u>1,234,156</u>	<u>3,797,177</u>
Liabilities				
<i>Current Liabilities</i>				
Accounts Payable	0	0	443	443
Accrued Wages	3,021	0	3,145	6,166
Intergovernmental Payable	3,176	1,510	8,309	12,995
Compensated Absences Payable	0	0	1,721	1,721
<i>Total Current Liabilities</i>	<u>6,197</u>	<u>1,510</u>	<u>13,618</u>	<u>21,325</u>
<i>Noncurrent Liabilities</i>				
Compensated Absences Payable - net of current portion	0	0	14,908	14,908
<i>Total Liabilities</i>	<u>6,197</u>	<u>1,510</u>	<u>28,526</u>	<u>36,233</u>
Net Assets				
Invested in Capital Assets, Net of Related Debt	1,774,763	127,488	1,095,290	2,997,541
Unrestricted	643,986	9,077	110,340	763,403
<i>Total Net Assets</i>	<u>\$ 2,418,749</u>	<u>\$ 136,565</u>	<u>\$ 1,205,630</u>	<u>\$ 3,760,944</u>

City of Ashland
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Nonmajor Enterprise Funds
For the Year Ended December 31, 2010

	Stormwater Management Utility	Brookside Swimming Pool	Brookside Golf Course	Total
Operating Revenue				
Charges for Services	\$ 525,008	\$ 62,915	\$ 438,170	\$ 1,026,093
Other	0	0	5,757	5,757
<i>Total Operating Revenues</i>	<u>525,008</u>	<u>62,915</u>	<u>443,927</u>	<u>1,031,850</u>
Operating Expenses				
Personal Services	79,190	47,319	278,362	404,871
Contractual Services	42,179	0	65,119	107,298
Materials and Supplies	4,954	15,291	120,518	140,763
Utilities	0	4,846	20,201	25,047
Depreciation	27,199	2,979	35,695	65,873
Other	74,612	0	0	74,612
<i>Total Operating Expenses</i>	<u>228,134</u>	<u>70,435</u>	<u>519,895</u>	<u>818,464</u>
<i>Operating Loss</i>	<u>296,874</u>	<u>(7,520)</u>	<u>(75,968)</u>	<u>213,386</u>
Non-Operating Revenues				
Gain on Sale of Capital Assets	0	0	13,127	13,127
<i>Total Non-Operating Revenues (Expenses)</i>	<u>0</u>	<u>0</u>	<u>13,127</u>	<u>13,127</u>
<i>Loss Before Transfers and Contributions</i>	296,874	(7,520)	(62,841)	226,513
Transfers In	0	12,845	60,400	73,245
<i>Change in Net Assets</i>	296,874	5,325	(2,441)	299,758
<i>Net Assets at Beginning of Year</i>	<u>2,121,875</u>	<u>131,240</u>	<u>1,208,071</u>	<u>3,461,186</u>
<i>Net Assets at End of Year</i>	<u>\$ 2,418,749</u>	<u>\$ 136,565</u>	<u>\$ 1,205,630</u>	<u>\$ 3,760,944</u>

City of Ashland
Combining Statements of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2010

	Stormwater Management Utility	Brookside Swimming Pool	Brookside Golf Course	Totals
<i>Increase (Decrease) in Cash and Investments</i>				
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 525,915	\$ 62,915	\$ 438,170	\$ 1,027,000
Other Operating Receipts	0	0	5,757	5,757
Cash Payments to Suppliers for Goods and Services	(4,954)	(15,291)	(148,213)	(168,458)
Cash Payments to Employees	(83,959)	(46,918)	(278,147)	(409,024)
Cash Payments for Contractual Services	(42,179)	(4,846)	(65,119)	(112,144)
Other Cash Payments	(74,612)	0	(20,201)	(94,813)
<i>Net Cash Used for Operating Activities</i>	<u>320,211</u>	<u>(4,140)</u>	<u>(67,753)</u>	<u>248,318</u>
Cash Flows from Noncapital Financing Activities				
Other Non-Operating Receipts		0	13,127	13,127
Transfers In	0	12,845	60,400	73,245
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>0</u>	<u>12,845</u>	<u>73,527</u>	<u>86,372</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition of Capital Assets	(72,171)	0	0	(72,171)
<i>Net Increase (Decrease) in Cash and Investments</i>	248,040	8,705	5,774	262,519
<i>Cash and Investments Beginning of Year</i>	396,301	1,883	10,828	409,012
<i>Cash and Investments End of Year</i>	<u>\$ 644,341</u>	<u>\$ 10,588</u>	<u>\$ 16,602</u>	<u>\$ 671,531</u>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities				
<i>Operating Income (Loss)</i>	\$ 296,874	\$ (7,520)	\$ (75,968)	213,386
Adjustments:				
Depreciation	27,199	2,979	35,695	65,873
(Increase) Decrease in Assets:				
Accounts Receivable	907	0	0	907
Materials and Supplies Inventory	0	0	(27,885)	(27,885)
Increase (Decrease) in Liabilities:				
Accounts Payable	0	0	190	190
Accrued Wages	652	0	426	1,078
Accrued Vacation Leave Payable	(2,454)	0	0	(2,454)
Compensated Absences Payable	(5,682)	0	(767)	(6,449)
Intergovernmental Payable	2,715	401	556	3,672
<i>Net Cash Used for Operating Activities</i>	<u>\$ 320,211</u>	<u>\$ (4,140)</u>	<u>\$ (67,753)</u>	<u>\$ 248,318</u>

Combining Statements for Fiduciary Funds

Ashland home of WII Research Laboratories LLC
providing both metabolism, and bioanalytical services
to the pharmaceutical, biotechnology, chemical, agricultural,
veterinary, and food and consumer products industries
through out the world.



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.

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

City of Ashland
Combining Statement of Fiduciary Assets and Liabilities
 Agency Funds
 December 31, 2010

	<u>Municipal Court</u>	<u>Performance Bonds</u>	<u>Brookside Golf Course Gift Certificates</u>	<u>Employee Deductions</u>	<u>Total</u>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 1,387	\$ 9,337	\$ 10,313	\$ 21,037
Cash and Cash Equivalents in Segregated Accounts	<u>44,525</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>44,525</u>
<i>Total Assets</i>	<u>\$ 44,525</u>	<u>\$ 1,387</u>	<u>\$ 9,337</u>	<u>\$ 10,313</u>	<u>\$ 65,562</u>
Liabilities					
Undistributed Monies	<u>\$ 44,525</u>	<u>\$ 1,387</u>	<u>\$ 9,337</u>	<u>\$ 10,313</u>	<u>\$ 65,562</u>

City of Ashland
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2010

	Balance 12/31/2009	Additions	Reductions	Balance 12/31/2010
<i>Municipal Court</i>				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$ 41,914	\$ 2,611	\$ 0	\$ 44,525
Liabilities				
Undistributed Monies	\$ 41,914	\$ 2,611	\$ 0	\$ 44,525
<i>Performance Bonds</i>				
Assets				
Equity in Pooled Cash and Investments	\$ 3,300	\$ 0	\$ 1,913	\$ 1,387
Liabilities				
Undistributed Monies	\$ 3,300	\$ 0	\$ 1,913	\$ 1,387
<i>Brookside Golf Course Gift Certificates</i>				
Assets				
Equity in Pooled Cash and Investments	\$ 10,038	\$ 0	\$ 701	\$ 9,337
Liabilities				
Undistributed Monies	\$ 10,038	\$ 0	\$ 701	\$ 9,337
<i>Employee Deductions</i>				
Assets				
Equity in Pooled Cash and Investments	\$ -	\$ 10,313	\$ 0	\$ 10,313
Liabilities				
Undistributed Monies	\$ -	\$ 10,313	\$ 0	\$ 10,313
<i>All Agency Funds</i>				
Assets				
Equity in Pooled Cash and Investments	\$ 13,338	\$ 10,313	\$ 2,614	\$ 21,037
Cash and Cash Equivalents in Segregated Accounts	41,914	2,611	0	44,525
<i>Total Assets</i>	<u>\$ 55,252</u>	<u>\$ 12,924</u>	<u>\$ 2,614</u>	<u>\$ 65,562</u>
Liabilities				
Undistributed Monies	55,252	12,924	2,614	65,562
<i>Total Liabilities</i>	<u>\$ 55,252</u>	<u>\$ 12,924</u>	<u>\$ 2,614</u>	<u>\$ 65,562</u>

City of Ashland, Ohio

Statistical Section





Statistical Section

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

Contents

Tables

Revenue Capacity

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

S2-S7

Debt Capacity

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

S9-S12

Demographic and Economic Information

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

S13-S14

Financial Trends

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

S15-S21

Operating Information

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

S22-S25

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

CITY OF ASHLAND, OHIO

Revenue Capacity

Assessed Value and Estimated Actual Value of Taxable Property

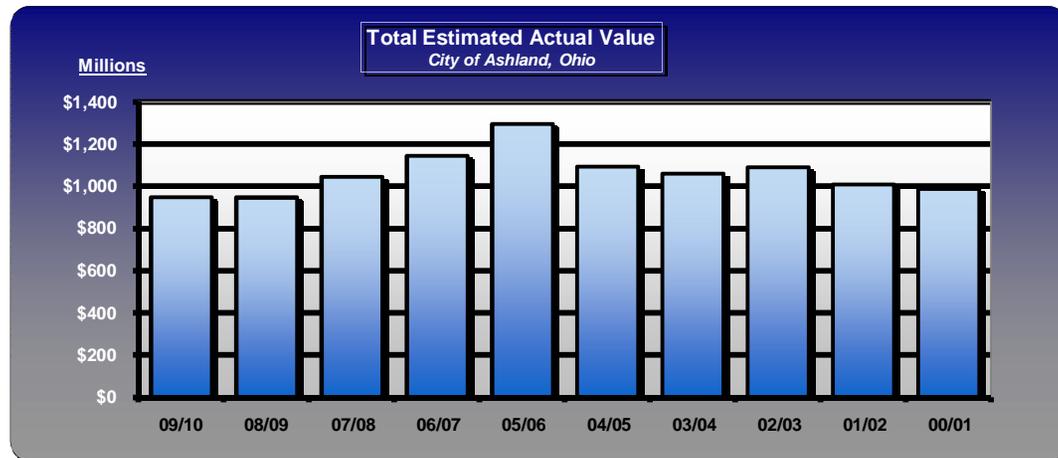
Last Ten Years

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

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

House Bill No.66 was signed into law on June 30,2005. House Bill No.66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property 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 to 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.

Source: Ashland County, Ohio: County Auditor



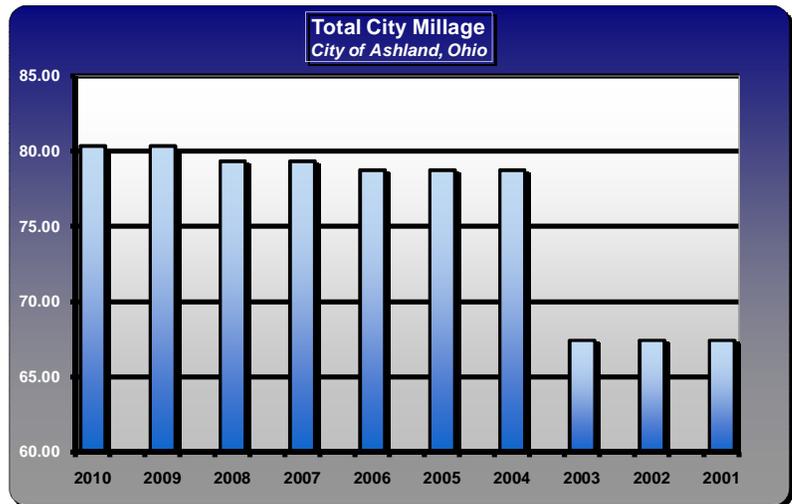
CITY OF ASHLAND, OHIO

Revenue Capacity

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

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Inside Millage										
Operating	2.30	2.00	2.10	2.43	2.43	2.43	2.43	2.68	2.80	2.80
Debt	0.50	0.80	0.70	0.37	0.37	0.37	0.37	0.12	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
Total Unvoted Millage	3.40									
Outside Millage										
Recreation	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Total Voted Millage	0.50									
Total Millage	3.90									
Overlapping Rates by Taxing District										
Ashland County	9.10	9.10	9.10	9.10	8.50	8.50	8.50	7.00	7.00	7.00
Ashland School District	62.25	62.25	62.25	62.25	62.25	62.25	62.25	52.35	52.35	52.35
Ashland County Vocational School	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
Ashland Public Library	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.10	0.10	0.10
City of Ashland	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Total	80.35	80.35	79.35	79.35	78.75	78.75	78.75	67.45	67.45	67.45

Source: Ashland County, Ohio: County Auditor



CITY OF ASHLAND, OHIO

Revenue Capacity

Principal Property Tax Payers
2009 & 2010

Taxpayer	January 1, 2009		January 1, 2008	
	Assessed Valuation	Total Assessed Valuation	Assessed Valuation	Total Assessed Valuation
Ohio Edison Company	\$4,712,080	1.40%	\$4,476,100	1.30%
Wal-Mart Real Estate	\$3,148,140	0.94%	\$3,148,140	0.91%
WIL Reasearch Laboratories	\$3,009,500	0.90%	\$1,921,960	0.56%
Samariton Regional Hospital	\$2,679,680	0.80%	\$1,435,390	0.42%
Myers Pump Company	\$2,387,300	0.71%	\$1,534,520	0.44%
American Transmission	\$2,310,900	0.69%	\$2,488,130	0.72%
Eagleview Realty LLC	\$2,220,400	0.66%	\$2,288,300	0.66%
HD Development of Maryland	\$1,916,580	0.57%	\$1,916,580	0.56%
Kingston of Ashland	\$1,562,180	0.47%	\$1,562,180	0.45%
Archway Bakeries LLC	\$1,329,920	0.40%	\$1,310,590	0.38%
	\$25,276,680	7.53%	\$22,081,890	6.40%
Total Assessed Valuation	\$335,718,290		\$345,194,668	

Note: Property is assessed at 35 percent of fair market value. Real property taxes paid in 2010 are based on January 1, 2009 values.

Source: Ashland County, Ohio: County Auditor

CITY OF ASHLAND, OHIO

Revenue Capacity

Property Tax Levies and Collections

Last Nine 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
2010	\$1,347,008	\$1,278,898	95%	\$68,110	\$263,637	\$188,354	71%	\$75,283	\$1,610,645	\$1,467,252	91.10%
2009	1,235,677	1,163,614	94%	72,063	232,359	189,211	81%	43,148	1,468,036	1,352,825	92.15%
2008	1,224,642	1,187,330	97%	37,312	135,293	133,408	99%	1,885	1,359,935	1,320,738	97.12%
2007	1,122,409	1,092,877	97%	29,532	264,854	197,855	75%	66,999	1,387,263	1,320,284	95.17%
2006	1,321,079	1,064,709	81%	24,930	119,459	53,918	45%	25,925	1,440,538	1,118,627	77.65%
2005	1,065,423	1,065,423	100%	N/A	213,643	191,938	90%	21,705	1,279,066	1,257,361	98.30%
2004	1,071,648	1,071,648	100%	N/A	283,212	224,760	79%	58,452	1,354,860	1,296,408	95.69%
2003	871,034	871,034	100%	N/A	303,130	244,658	81%	58,472	1,174,164	1,115,692	95.02%
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.

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

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

CITY OF ASHLAND, OHIO

Revenue Capacity

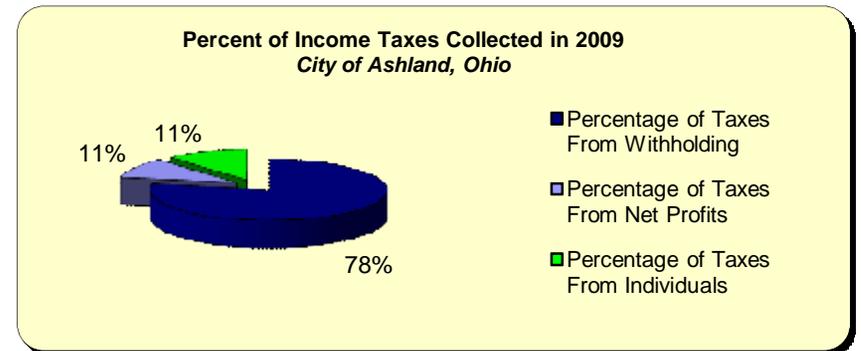
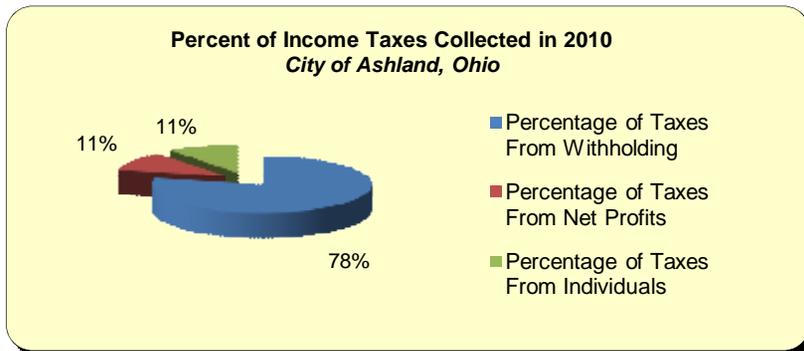
Income Tax Revenue Base and Collections

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
2010	1.50%	\$7,790,359	\$6,100,321	78.31%	\$859,000	11.03%	\$831,033	10.66%
2009	1.50%	7,839,674	6,104,518	77.87%	840,097	10.72%	895,059	11.42%
2008	1.50%	8,400,872	6,509,919	77.49%	1,014,856	12.08%	876,097	10.43%
2007	1.50%	8,554,563	6,434,318	75.22%	1,226,463	14.34%	893,782	10.45%
2006	1.50%	8,542,453	6,350,938	74.35%	1,277,454	14.95%	914,061	10.70%
2005	1.50%	7,890,443	5,993,886	75.96%	979,308	12.41%	917,249	11.62%
2004	1.50%	7,523,618	5,836,891	77.58%	811,456	10.79%	875,271	11.63%
2003	1.50%	7,760,498	5,967,838	76.90%	1,027,124	13.24%	765,536	9.86%
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%

% 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 2001-2010

Tax Year	Income Range (Dollars)	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
2010	0-24,999	5177	58%	\$ 38,033,159	14%
2010	25,000-49,999	1863	21%	67,485,742	26%
2010	50,000-74,999	952	11%	58,033,920	22%
2010	75,000-99,999	404	5%	34,869,996	13%
2010	Over 100,000	<u>534</u>	6%	<u>64,669,769</u>	25%
<i>Total</i>		8,930		\$ 263,092,586	
2009	0-24,999	3033	51%	\$ 31,583,688	15%
2009	25,000-49,999	1516	26%	54,889,979	26%
2009	50,000-74,999	722	12%	44,004,013	21%
2009	75,000-99,999	309	5%	26,633,712	13%
2009	Over 100,000	<u>332</u>	6%	<u>52,424,949</u>	25%
<i>Total</i>		5,912		\$ 209,536,341	
2008	0-24,999	3684	51%	\$ 31,671,250	15%
2008	25,000-49,999	1843	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	52%	\$ 41,693,849	16%
2007	25,000-49,999	1,986	26%	71,818,388	27%
2007	50,000-74,999	969	12%	58,940,634	22%
2007	75,000-99,999	394	5%	33,915,792	13%
2007	Over 100,000	<u>389</u>	5%	<u>60,649,201</u>	23%
<i>Total</i>		7,781		\$ 267,017,864	
2006	0-24,999	4,066	51%	\$ 42,049,256	15%
2006	25,000-49,999	2,086	26%	75,122,885	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	
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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	
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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	
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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	
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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	
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Source: Income Tax Department, City of Ashland, Ohio

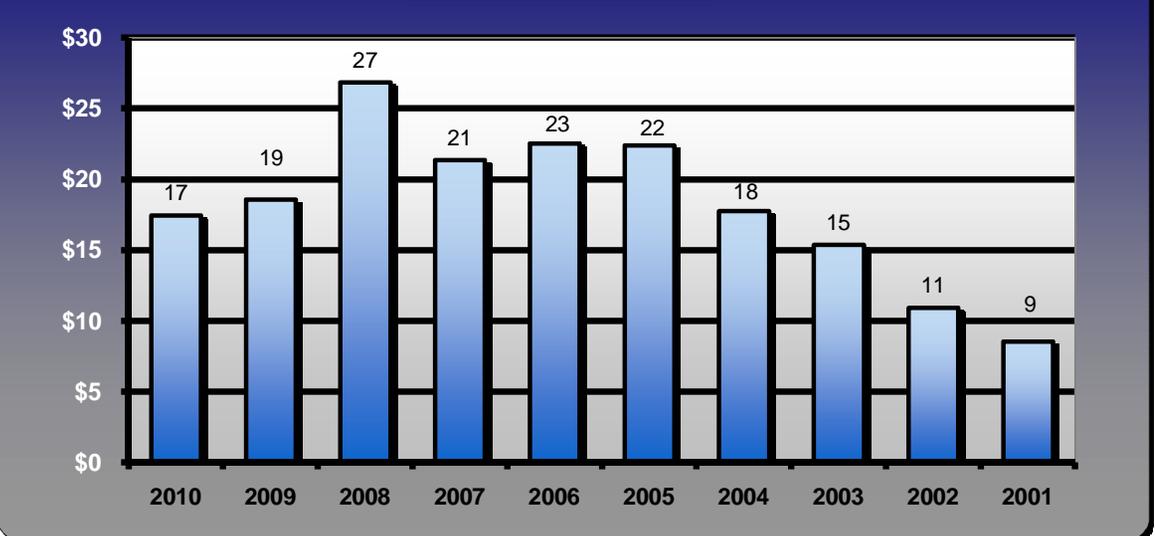
City of Ashland, Ohio

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			
2010	\$2,959,000	\$0	\$329,791	\$0	\$0	\$14,071,957	\$0	\$0	\$100,816	\$17,461,564	4.90%	858
2009	2,247,000	0	390,060	555,000	0	7,673,000	7,145,000	476,793	107,244	\$18,594,097	5.22%	875
2008	2,367,000	0	412,603	1,376,000	22,017	8,083,000	13,800,000	775,547	40,356	\$26,876,523	7.55%	1,265
2007	2,484,000	0	475,974	997,000	31,027	8,481,000	7,850,000	1,059,906	5,163	\$21,384,070	6.00%	1,006
2006	2,598,177	379,500	462,010	947,000	40,037	8,871,823	8,065,000	1,196,905	5,957	\$22,566,409	6.34%	1,062
2005	2,657,072	379,500	462,010	1,176,932	49,046	9,072,930	7,005,000	1,588,176	6,751	\$22,397,417	6.29%	1,054
2004	2,766,934	0	0	1,185,000	58,057	9,448,067	2,595,000	1,712,290	7,545	\$17,772,893	4.99%	836
2003	2,870,000	0	0	629,000	0	9,800,000	135,000	1,951,511	0	\$15,385,511	4.32%	724
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

Total Outstanding Debt
City of Ashland, Ohio



Source: Ashland City Finance Dept

Note: \$7,430,000 new General Obligation Bond 2010
 \$808,000 added to Government Activities
 \$6,622,000 Added to Business-Type Activities

Note: Personal income and Population based on 2000 Census

City of Ashland, Ohio

Debt Capacity

Ratios of Net General Bonded Debt Outstanding
Last Ten Years

Year	Population (1)	Estimated Actual Value of Taxable Property (2)	Gross Bonded Debt (3)	Less: Amounts Available in Debt Service Fund (4)	Net General Bonded Debt	Percentage of Estimated Actual Value of Taxable Property	Net General Bonded Debt Per Capita
2010	20,362	\$948,661,415	\$17,030,957	\$190,480	\$16,840,477	1.78%	\$827
2009	21,249	948,261,889	17,620,000	60,721	17,559,279	1.85%	826
2008	21,249	1,046,805,472	25,626,000	0	25,626,000	2.45%	1,206
2007	21,249	1,144,898,979	19,812,000	13,783	19,798,217	1.73%	932
2006	21,249	1,295,709,184	20,482,000	102,746	20,379,254	1.57%	959
2005	21,249	1,094,991,202	19,911,934	43,250	19,868,684	1.81%	935
2004	21,249	1,061,842,469	15,995,001	0	15,995,001	1.51%	753
2003	21,249	1,091,663,480	13,434,000	130,972	13,303,028	1.22%	626
2002	21,249	1,009,709,433	8,752,000	148,126	8,603,874	0.85%	405
2001	21,249	989,598,676	6,160,000	177,284	5,982,716	0.60%	282

(1) U.S. Census Bureau

(2) Ashland County, Ohio: County Auditor

(3) General Obligation Bonds supported by property taxes.

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

CITY OF ASHLAND, OHIO

Debt Capacity

Direct and Overlapping Governmental Activities Debt

As of December 31, 2010

Jurisdiction	Total Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Ashland
Direct - City of Ashland			
General Obligation Bonds	\$2,932,000	100.00%	\$2,932,000
Bond Anticipation Notes	300,000	100.00%	300,000
OPWC Loan		100.00%	
ODOT Loan	<u>329,791</u>	100.00%	<u>329,791</u>
<i>City of Ashland</i>	3,561,791		3,561,791
Overlapping			
Ashland City School District			
General Obligation Bonds	3,400,955	70.94%	2,412,637
<i>Total Overlapping Debt</i>	3,400,955		2,412,637
Total	\$6,962,746		\$5,974,428

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

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General Bonded Debt Outstanding:										
General Obligation Bonds	\$ 2,959,000	\$ 9,920,000	\$ 10,450,000	\$ 10,965,000	\$ 11,470,000	\$ 11,730,002	\$ 12,215,001	\$ 12,670,000	\$ 330,000	\$ 385,000
Bond Anticipation Notes	0	7,700,000	15,176,000	8,847,000	9,012,000	8,181,932	3,780,000	764,000	8,422,000	5,775,000
Total	\$2,959,000	\$17,620,000	\$25,626,000	\$19,812,000	\$20,482,000	\$19,911,934	\$15,995,001	\$13,434,000	\$8,752,000	\$6,160,000
Percentage of Estimated Actual Property Value Assessed Property Value	0.31%	1.86%	1.55%	1.73%	1.58%	1.82%	1.51%	1.23%	0.87%	0.62%
	\$336,466,870	\$335,718,290	\$345,194,668	\$347,822,461	\$360,378,697	\$341,643,809	\$345,840,464	\$352,507,279	\$319,747,197	\$314,938,121
Total Debt Per Capita	1,195	875	1,265	1,006	1,062	1,054	836	724	514	403
Less:										
General Obligation Bonds- Business-Type Funds	\$ 13,886,000	\$ 7,673,000	\$ 8,083,000	\$ 8,481,000	\$ 8,871,823	\$ 9,072,930	\$ 9,448,067	\$ 9,800,000	\$ 165,000	\$ 190,000
Bond Anticipation Notes - Business-Type Funds	0	7,145,000	13,800,000	7,850,000	8,065,000	7,005,000	2,595,000	135,000	4,650,000	1,250,000
General Obligation Bond Retirement Fund Balance	190,480	60,722	0	13,783	102,746	43,250	0	130,972	148,126	177,284
Total Net Debt Applicable to Limit	(\$11,117,480)	\$2,741,278	\$3,743,000	\$3,467,217	\$3,442,431	\$3,790,754	\$3,951,934	\$3,368,028	\$3,788,874	\$4,542,716
Overall Legal Debt Limit										
10 1/2% of Assessed Valuation	35,329,021	35,250,420	36,245,440	36,521,358	37,839,763	35,872,600	36,313,249	37,013,264	33,573,456	33,068,503
Legal Debt Margin Within 10 1/2% Limitations	46,446,501	32,509,142	32,502,440	33,054,141	34,397,332	32,081,846	32,361,315	33,645,236	29,784,582	28,525,787
Legal Debt Margin as a Percentage of the Debt Limit	131.47%	92.22%	89.67%	90.51%	90.90%	89.43%	89.12%	90.90%	88.71%	86.26%
Unvoted Debt Limitation										
5 1/2% of Assessed Valuation	18,505,678	18,464,506	18,985,707	19,130,235	19,820,828	18,790,409	19,021,226	19,387,900	17,586,096	17,321,597
Total Net Debt Applicable to Limit	(11,117,480)	2,741,278	3,743,000	3,467,217	3,442,431	3,790,754	3,951,934	3,368,028	3,788,874	4,542,716
Net Debt Within 5 1/2% Limitations	\$ 29,623,158	\$ 15,723,228	\$ 15,242,707	\$ 15,663,018	\$ 16,378,397	\$ 14,999,655	\$ 15,069,292	\$ 16,019,872	\$ 13,797,222	\$ 12,778,881
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	160.08%	85.15%	80.29%	81.88%	82.63%	79.83%	79.22%	82.63%	78.46%	73.77%

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)
2010	20,362 c	\$ 341,267,120	\$ 16,760 b	\$ 34,250 b	34.8 b	19.6 b	6104 b	5.6 b	\$ 336,466,870
2009	21,249 a	356,133,240	16,760 a	34,250 a	34.8 a	19.6 a	6,104 a	5.6 a	335,718,290
2008	21,249 a	356,133,240	16,760 a	34,250 a	34.8 a	19.6 a	6,104 a	5.6 a	345,123,298
2007	21,249 a	356,133,240	16,760 a	34,250 a	34.8 a	19.6 a	6,104 a	5.6 a	360,378,697
2006	21,249 a	356,133,240	16,760 a	34,250 a	34.8 a	19.6 a	6,104 a	5.6 a	345,123,298
2005	21,249 a	356,133,240	16,760 a	34,250 a	34.8 a	19.6 a	6,104 a	5.6 a	347,822,461
2004	21,249 a	356,133,240	16,760 a	34,250 a	34.8 a	19.6 a	6,104 a	5.6 a	360,378,697
2003	21,249 a	356,133,240	16,760 a	34,250 a	34.8 a	19.6 a	6,104 a	5.6 a	341,643,809
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

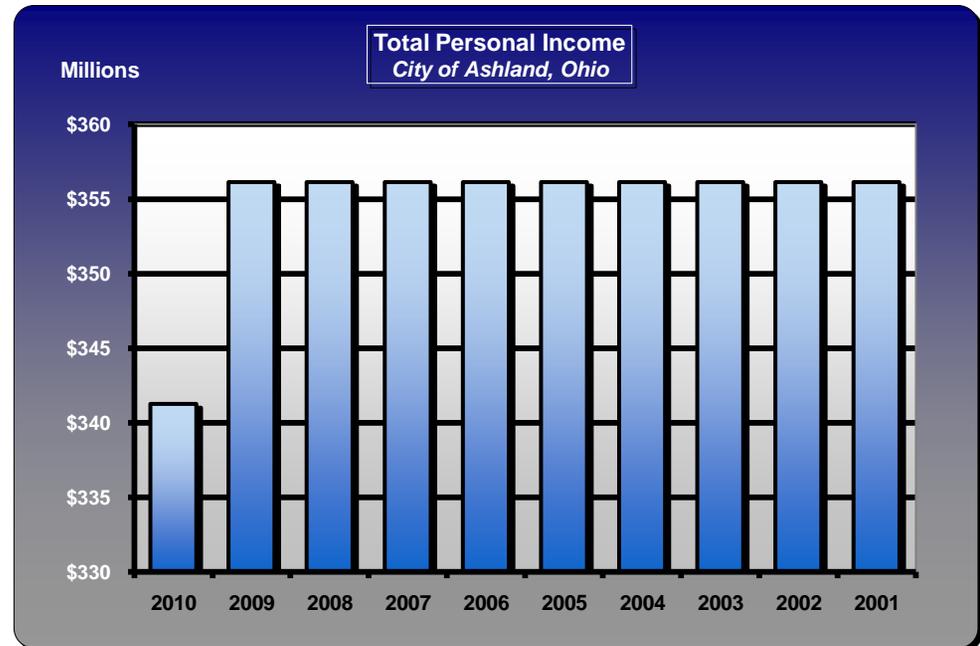
(1) Source: U.S. Census Bureau

(a) 2000 Federal Census Demographic Profile

(b) Note - Demographic Info Not Available from 2010 Census Yet used most recent available

(c) 2010 Federal Census Demographic Profile population was the only item available

(2) Ashland County, Ohio: County Auditor



City of Ashland, Ohio

Demographic and Economic Information

Principal Employers

Current Year and Nine Years Ago

2010			2001		
Employer*	Employees	Percentage of Total City Employment	Employer*	Employees	Percentage of Total City Employment
Ashland University	2,377	11.72%	Pentair Pump Group	868	3.36%
Samaritan Hospital	708	3.49%	Ashland University	2,528	9.78%
Wil Research Lab	620	3.06%	Abbott Lab	633	2.45%
Pentair Pump Group	363	1.79%	Samaritan Hospital	659	2.55%
Ashland City Schools	659	3.25%	Ashland City School Distr	812	3.14%
Ashland County Auditor	490	2.42%	Ashland County Auditor	549	2.12%
State of Ohio	298	1.47%	Caraustar Packaging Inc	311	1.20%
City of Ashland	336	1.66%	City of Ashland	291	1.13%
Lance/Vista Bakery	217	1.07%	Robert Bosch Corp.	285	1.10%
Wal Mart Associates	437	2.15%	Hedstorm Corp.	389	1.50%
Total	6,505	32.08%	Total	7,325	28.34%
Total City Employees	20,280		Total City Employees	25,850	

Source: Income Tax Department, City of Ashland, Ohio

* Employers are listed by gross wages paid.

City of Ashland, Ohio

Financial Trends Information

Net Assets by Component

Last Seven Years

(accrual basis of accounting)

Governmental Activities	2010	2009	2008	2007	2006	2005	2004
Invested in Capital Assets, Net of Related Debt	\$ 16,855,976	\$ 17,480,892	\$17,364,157	\$17,464,839	\$15,878,702	\$15,396,151	\$15,814,814
Restricted	4,697,276	5,041,024	5,354,993	5,917,701	4,546,053	4,897,655	4,486,273
Unrestricted	<u>2,865,621</u>	<u>2,541,609</u>	<u>1,405,084</u>	<u>2,943,854</u>	<u>2,718,074</u>	<u>2,541,807</u>	<u>1,397,126</u>
Total Governmental Activities Net Assets	24,418,873	25,063,525	24,124,234	26,326,394	23,142,829	22,835,613	21,698,213
Business-Type Activities							
Invested in Capital Assets, Net of Related Debt	23,585,113	22,448,977	19,848,064	19,156,906	17,836,938	14,082,876	11,785,629
Unrestricted	<u>4,551,881</u>	<u>4,134,822</u>	<u>6,181,991</u>	<u>6,250,563</u>	<u>6,838,306</u>	<u>10,655,019</u>	<u>11,676,466</u>
Total Business-Type Activities Net Assets	28,136,994	26,583,799	26,030,055	25,407,469	24,675,244	24,737,895	23,462,095
Primary Government							
Invested in Capital Assets, Net of Related Debt	40,441,089	39,929,869	37,212,221	36,621,745	33,715,640	29,479,027	27,600,443
Restricted	4,697,276	5,041,024	5,354,993	5,917,701	4,546,053	4,897,655	4,486,273
Unrestricted	<u>7,417,502</u>	<u>6,676,431</u>	<u>7,587,075</u>	<u>9,194,417</u>	<u>9,556,380</u>	<u>13,196,826</u>	<u>13,073,592</u>
Total Primary Government Net Assets	\$52,555,867	\$51,647,324	\$50,154,289	\$51,733,863	\$47,818,073	\$47,573,508	\$45,160,308

Note: Data for years prior to 2004 is unavailable

City of Ashland, Ohio

Financial Trends Information

Changes in Net Assets

Last Seven Fiscal Years

(accrual basis of accounting)

	2010	2009	2008	2007	2006	2005	2004
Program Revenues							
Governmental Activities:							
Charges for Services:							
General Government	\$ 1,487,776	\$ 1,331,320	\$1,324,950	\$1,621,076	\$686,995	\$708,133	\$601,356
Security of Persons and Property	1,512,569	1,461,705	1,435,562	1,381,724	1,132,691	1,225,866	951,365
Public Health	241,702	399,078	67,220	62,497	282,529	189,816	44,901
Leisure Time Services	64,942	91,685	90,603	56,366	64,548	75,141	0
Transportation	319,728	364,678	222,551	315,859	7,132	4,830	55,555
Community and Economic Development	23,527	0	0	0	2,059	34,492	107,400
Operating Grants, Contributions and Interest	2,361,638	2,678,173	2,057,660	2,978,931	1,735,281	2,283,613	2,568,467
Capital Grants, Contributions and Interest	42,698	0	0	41,447	383,763	1,073,487	223,583
Total Governmental Activities Program Revenues	6,054,580	6,326,639	5,198,546	6,457,900	4,294,998	5,595,378	4,552,627
Business-Type Activities:							
Charges for Services:							
Water	3,540,445	3,616,111	3,520,505	3,520,855	3,490,314	2,842,528	2,186,344
Sewer	3,307,884	3,023,932	2,964,354	3,077,761	2,875,886	2,436,514	2,596,382
Sanitation	1,830,742	1,776,691	1,769,983	1,766,002	1,653,907	1,614,162	1,528,742
Operating Grants, Contributions and Interest	0	2,128	371	258	233	1,098,702	419,646
Capital Grants, Contributions and Interest	453,322	317,918	708,451	702,950	0	0	0
Other	1,026,093	1,047,545	530,781	507,956	605,911	613,555	564,895
Total Business-Type Activities Program Revenues	10,158,486	9,784,325	9,494,445	9,575,782	8,626,251	8,605,461	7,296,009
Total Primary Government Program Revenues	16,213,066	16,110,964	14,692,991	16,033,682	12,921,249	14,200,839	11,848,636
Expenses							
Governmental Activities:							
General Government	5,618,313	4,901,152	5,605,535	4,968,816	4,263,566	4,317,791	4,113,766
Security of Persons and Property	6,965,365	7,171,283	7,237,405	6,784,358	6,724,134	6,094,828	6,639,085
Public Health	325,085	307,075	278,645	278,792	286,343	241,998	264,135
Leisure Time Services	1,323,969	1,197,605	1,181,681	1,155,718	1,080,716	1,112,301	1,121,287
Transportation	2,601,886	2,294,355	3,075,759	2,145,360	2,481,334	3,175,923	2,220,560
Community and Economic Development	465,674	363,379	607,586	280,071	729,787	814,799	460,434
Interest and Fiscal Charges	141,477	217,392	143,350	203,089	162,169	132,990	134,083
Issuance Costs	0	33,243	0	0	0	0	0
Total Governmental Activities Expenses	17,441,769	16,485,484	18,129,961	15,816,204	15,728,049	15,890,630	14,953,350
Business-Type Activities:							
Water	3,546,848	3,750,067	3,564,277	3,220,773	2,876,249	2,883,882	3,635,238
Sewer	2,797,203	2,524,962	3,087,637	3,403,143	3,457,361	2,294,196	2,554,326
Sanitation	1,640,119	1,676,694	1,777,164	1,733,145	1,742,641	1,605,048	1,459,791
Other	816,880	1,353,645	831,373	669,767	654,844	591,940	745,266
Total Business-Type Activities Expenses	8,801,050	9,305,368	9,260,451	9,026,828	8,731,095	7,375,066	8,394,621
Total Primary Government Expenses	26,242,819	25,790,852	27,390,412	24,843,032	24,459,144	23,265,696	23,347,971

(Continued)

Net (Expense)/Revenue

Governmental Activities	(11,387,189)	(10,158,845)	(\$12,931,415)	(\$9,358,304)	(\$11,433,051)	(\$10,295,252)	(\$10,400,723)
Business-Type Activities	<u>1,357,436</u>	<u>478,957</u>	<u>233,994</u>	<u>548,954</u>	<u>(104,844)</u>	<u>1,230,395</u>	<u>(1,098,612)</u>

Total Primary Government Net Expense	(\$10,029,753)	(\$9,679,888)	(\$12,697,421)	(\$8,809,350)	(\$11,537,895)	(\$9,064,857)	(\$11,499,335)
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General Revenues and Other Changes in Net Assets

Governmental Activities:

Property Taxes	1,081,107	1,164,661	1,298,913	1,243,168	1,418,737	1,199,079	1,131,037
Income Taxes	7,927,209	8,117,515	8,265,781	8,493,569	8,500,884	8,031,251	7,969,508
Grants and Entitlements	1,424,438	1,050,112	940,906	1,512,283	1,015,634	1,094,831	861,821
Investment Earnings	111,566	273,954	367,013	641,645	467,275	503,014	217,604
Miscellaneous	369,791	560,446	238,118	282,585	379,930	604,477	27,564
Transfers	<u>(171,574)</u>	<u>(68,552)</u>	<u>(381,476)</u>	<u>(179,214)</u>	<u>0</u>	<u>0</u>	<u>(205,564)</u>

Total Governmental Activities	10,742,537	11,098,136	10,729,255	11,994,036	11,782,460	11,432,652	10,001,970
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Business-Type Activities:

Investment Earnings	0	0	0	0	0	0	34,675
Miscellaneous	24,185	6,235	7,116	4,057	0	0	2,450
Transfers	<u>171,574</u>	<u>68,552</u>	<u>381,476</u>	<u>179,214</u>	<u>0</u>	<u>0</u>	<u>205,564</u>

Total Business-Type Activities	195,759	74,787	388,592	183,271	0	0	242,689
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Total Primary Government	11,172,923	11,117,847	12,177,307	11,782,460	11,432,652	10,244,659
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Change in Net Assets

Governmental Activities	(644,652)	939,291	(2,202,160)	2,635,732	349,409	1,137,400	(398,753)
Business-Type Activities	<u>1,553,195</u>	<u>553,744</u>	<u>622,586</u>	<u>732,225</u>	<u>(104,844)</u>	<u>1,230,395</u>	<u>(855,923)</u>

Primary Government Change in Net Assets	\$ 908,543	\$ 1,493,035	(\$1,579,574)	\$3,367,957	\$244,565	\$2,367,795	(\$1,254,676)
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Note: Data for years prior to 2004 is unavailable

City of Ashland, Ohio

Financial Trends Information

Program Revenues by Function/Program

Last Seven Fiscal Years

(accrual basis of accounting)

Function/Program	2010	2009	2008	2007	2006	2005	2004
Governmental Activities:							
General Government	\$ 2,016,535	\$ 1,741,248	\$ 1,718,322	\$ 2,100,217	\$1,085,928	\$855,143	\$1,213,481
Security of Persons and Property	1,778,552	1,644,348	1,670,050	1,560,439	1,307,901	1,423,492	1,261,035
Public Health	241,702	399,078	67,220	62,497	282,529	189,816	49,401
Leisure Time Services	250,486	537,183	137,803	110,129	128,967	119,688	55,885
Community and Economic Development	276,327	393,603	72,701	645,823	27,405	1,644,520	800,082
Transportation	1,490,978	1,611,179	1,532,450	1,978,795	1,462,268	1,362,719	1,172,743
Total Governmental Activities	6,054,580	6,326,639	5,198,546	6,457,900	4,294,998	5,595,378	4,552,627
Business-Type Activities:							
Water	3,607,516	3,618,546	4,208,372	3,652,078	3,490,547	3,941,230	2,553,195
Sewer	3,694,135	3,341,164	2,984,938	3,649,488	2,875,886	2,436,514	2,649,177
Sanitation	1,830,742	1,776,691	1,769,983	1,766,002	1,653,907	1,614,162	1,528,742
Other	1,026,093	1,047,924	531,152	508,214	605,911	613,555	564,895
Total Business-Type Activities	10,158,486	9,784,325	9,494,445	9,575,782	8,626,251	8,605,461	7,296,009
Total Primary Government	\$16,213,066	\$16,110,964	\$14,692,991	\$16,033,682	\$12,921,249	\$14,200,839	\$11,848,636

Note: Data for years prior to 2004 is unavailable

City of Ashland, Ohio

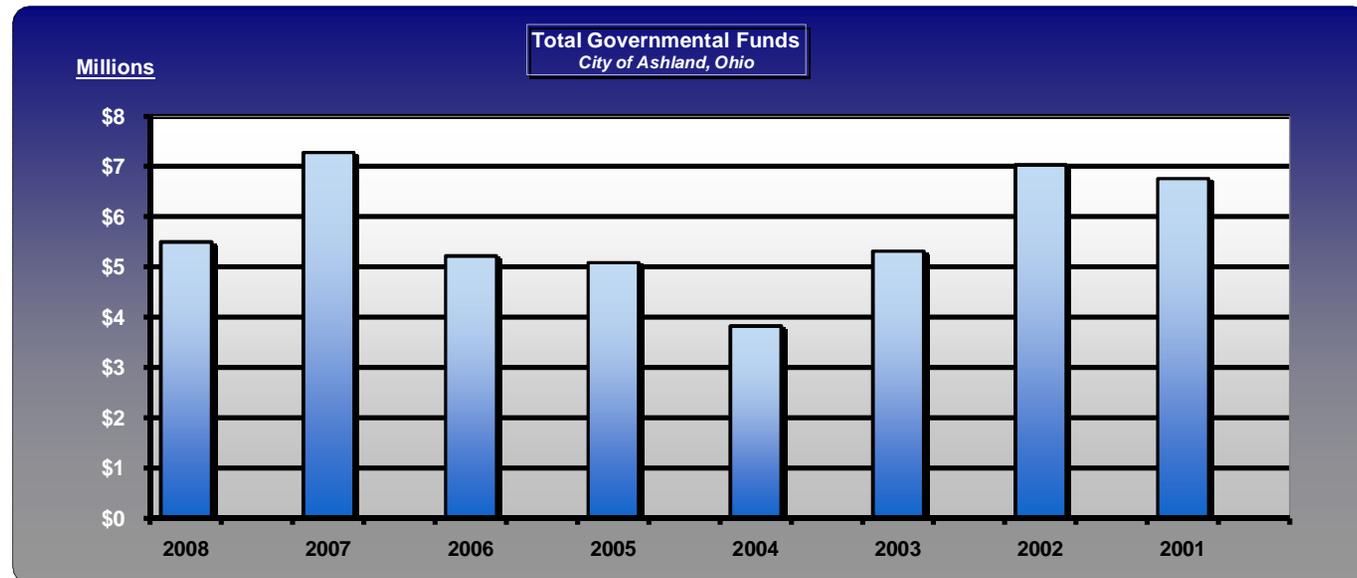
Financial Trends Information

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General Fund										
Reserved	\$ 10,419	\$ 19,913	\$ 36,406	\$111,382	\$3,292	\$22,342	\$26,564	\$23,440	\$89,495	\$85,534
Unreserved	2,014,052	1,828,275	1,225,356	2,696,509	2,608,077	2,625,459	1,306,344	2,173,978	2,376,890	1,220,909
Total General Fund	2,024,471	1,848,188	1,261,762	2,807,891	2,611,369	2,647,801	1,332,908	2,197,418	2,466,385	1,306,443
All Other Governmental Funds										
Reserved	399,249	207,892	258,666	231,726	469,464	260,159	393,122	282,618	332,310	1,051,372
Unreserved, Reported in:										
Special Revenue Funds	2,531,803	2,252,686	2,809,493	3,355,117	1,494,180	1,597,840	1,977,329	2,014,927	2,759,721	1,979,899
Debt Service Funds	214,217	87,459	14,542	88,472	95,318	13,038	(42,889)	0	41,240	19,816
Capital Projects Funds	925,284	1,077,765	1,158,387	798,838	556,031	573,523	170,022	827,941	1,437,680	2,406,397
Total All Other Governmental Funds	4,070,553	3,625,802	4,241,088	4,474,153	2,614,993	2,444,560	2,497,584	3,125,486	4,570,951	5,457,484
Total Governmental Funds	\$6,095,024	\$5,473,990	\$5,502,850	\$7,282,044	\$5,226,362	\$5,092,361	\$3,830,492	\$5,322,904	\$7,037,336	\$6,763,927



City of Ashland, Ohio

Financial Trends Information

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2010	2009	2008	2007	2006
Revenues					
Property Taxes	\$ 1,052,925	\$ 1,158,112	\$ 1,285,673	\$1,317,357	\$1,309,090
Income Taxes	7,927,130	7,840,484	8,231,759	8,578,034	8,510,633
Charges for Services	2,440,271	2,666,577	2,116,113	2,216,258	1,064,562
Licenses and Permits	27,785	53,418	34,102	40,911	23,127
Fines and Forfeitures	1,067,750	1,082,464	1,098,332	1,159,926	1,066,175
Intergovernmental	3,966,281	3,259,390	3,745,252	3,806,575	3,593,929
Special Assessments	23,527	0	0	0	0
Rental Income	63,380	52,643	367,013	641,645	467,275
Investment Income	111,602	274,215	51,934	0	0
Contributions and Donations	47,668	98,519	47,290	71,661	91,617
Other	289,756	503,340	228,172	157,148	311,482
Total Revenues	17,018,075	16,989,162	17,205,640	17,989,515	16,437,890
Expenditures					
Current:					
General Government	5,455,386	5,044,994	5,372,569	5,054,855	4,165,136
Security of Persons and Property	6,707,997	7,026,459	6,980,721	6,658,923	6,711,420
Public Health	325,085	307,075	304,456	278,792	283,364
Leisure Time Services	1,213,926	1,058,094	1,051,707	1,037,444	1,321,117
Community and Economic Development	483,674	364,060	606,201	280,593	742,619
Transportation	1,833,595	1,480,092	2,169,051	2,236,464	2,608,188
Capital Outlay	861,743	1,065,698	1,012,083	910,820	343,386
Debt Service:					
Principal Retirements	183,269	414,560	1,186,381	614,001	99,150
Interest and Fiscal Charges	117,998	213,663	169,428	166,864	196,205
Issuance Costs	20,026	33,243	0	0	0
Total Expenditures	17,202,699	17,007,938	18,852,597	17,238,756	16,470,585
Excess of Revenues Over (Under) Expenditures	(184,624)	(18,776)	(1,646,957)	750,759	(32,695)
Other Financing Sources (Uses)					
Bond and Note Proceeds	835,000	0	250,000	997,000	0
Proceeds from Loans	0	0	0	13,964	0
Premium on Debt Issued	30,629	57,106	9,944	16,117	66,728
Contributions and Donations	0	0	0	0	0
Proceeds from Sale of Capital Assets	48,486	0	0	367,716	0
Transfers In	542,449	725,959	846,829	142,340	1,001,162
Transfers Out	(650,906)	(793,149)	(1,239,010)	(232,214)	(1,043,355)
Other	0	0	0	0	142,560
Total Other Financing Sources (Uses)	805,658	(10,084)	(132,237)	1,304,923	167,095
Net Change in Fund Balances	\$621,034	(\$28,860)	(\$1,779,194)	\$2,055,682	\$134,400
Debt Service as a Percentage of Noncapital Expenditures	1.85%	3.95%	7.60%	5.13%	1.95%

2005	2004	2003	2002	2001
\$1,194,484	\$1,131,298	\$1,150,823	\$1,065,937	\$973,865
7,978,111	7,492,176	7,190,039	7,601,283	6,582,060
1,036,034	2,338,964	1,610,612	1,198,362	823,932
83,351	99,910	68,660	39,774	70,389
974,169	786,667	748,504	789,292	762,029
4,188,542	2,934,298	3,460,834	3,530,352	2,929,918
0	0	0	0	0
503,014	217,604	219,900	0	0
0	0	0	412,956	795,838
84,192	71,027	0	160,585	0
552,596	8,759	63,329	116,945	456,546
16,594,493	15,080,703	14,512,701	14,915,486	13,394,577
3,840,023	4,651,136	4,188,441	3,075,339	3,203,881
5,659,723	6,065,738	6,031,241	5,801,862	6,292,296
243,830	263,467	255,409	257,120	245,139
1,054,649	992,576	1,104,013	1,226,527	1,276,602
790,187	456,665	326,108	596,201	464,796
2,852,190	1,857,441	2,112,726	1,572,079	2,132,175
1,302,007	2,099,478	1,844,402	986,615	617,455
239,373	112,076	225,236	5,709,744	6,354,328
142,109	124,964	124,645	150,562	256,463
0	0	0	0	0
16,124,091	16,623,541	16,212,221	19,376,049	20,843,135
470,402	(1,542,838)	(1,699,520)	(4,460,563)	(7,448,558)
0	0	2,870,000	4,922,000	5,775,000
962,010	0	0	0	0
52,431	0	0	21,425	0
0	0	801,261	0	0
0	18,805	0	81,622	0
964,843	565,623	0	2,468,153	1,868,224
(964,843)	(750,151)	0	(2,813,562)	(2,153,278)
0	0	58,549	54,334	0
1,014,441	(165,723)	3,729,810	4,733,972	5,489,946
\$1,484,843	(\$1,708,561)	\$2,030,290	\$273,409	(\$1,958,612)
2.65%	1.63%	2.27%	32.65%	34.10%

(Continued)

City of Ashland, Ohio

Operating Information

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Function/Program										
General Government:										
Council	3.5	4.5	3.5	3.5	4	3.5	3.5	3.5	3.5	3
Mayor	3	3	4	3	3	3	4	3	3	2.5
Finance	9	7	7	7	8	9	5	5.5	6	5
Law	5	4	4	4	5	4.5	4	5	4	5
Engineering	7	6.5	5	6	6	5.5	5.5	5	5	4
Building and Zoning	2	3.5	3.5	3.5	3	3	3.5	4	2.5	2
Human Resources	3	3	3	3	3	3	3	3	2.5	2
Income Tax	6	5	5	5	5	4	4	4	3.5	4
Municipal Court	33	31	31	30	30.5	29	29	34.5	35.5	30
Municipal Court Community Correc	2	2	2	2	2	2	2	2	2	2
Municipal Court Probation	3	3	4	4	4	4	4	4	3	3
Security of Persons and Property:										
Police	53.5	49	49	48	42.5	42.5	42.5	44	38.5	40
Fire	62.5	55.5	50	51	47.5	38	40	39	37	35
Recreation:										
Golf Course	23.5	24	22.5	19.5	20	21	20.5	18	15	11
Park	37.5	36.5	35.5	34	31	33	31.5	26	23	16.5
Swimming Pool	10.5	13	10.5	11	9.5	9.5	8	8.5	10	10.5
Service:										
Building Maintenance	1	2	2	2	2	2	2	2	2	1
Economic Development	0	1	4.5	4	4	1	0	0	0	0
Justice Center Maintenance	2.5	2.5	2	2.5	2	1	1	1	1	1.5
Maintenance	2	2	2	2	2	1	1	1	1	1
Sanitation	25	26	26	22	24	24	20	18	14	18
Sewer	7	7	6	10.5	7	6	6	5	4	6
Street Maintenance	22.5	20.5	20.5	21.5	21	19	18	21	20	20
Technical Services	1.5	1.5	1.5	2	2	2	2	2	2	2
Water Distribution	15.5	15.5	14	15.5	13.5	14.5	14.5	15	12	13
Water Pollution	14	15	15	19	21	17	21	14	15	14
Water Treatment	11	11	11	11	11	10	10	13	13	14
Total Number of Employees	366	354.5	344	346.5	333.5	312	305.5	301	278	266

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	2010	2009	2008	2007	2006
General Government					
Construction Permits Issued (1)	9	10	56	95	85
Estimated Value of Construction (1)	\$1,213,300	\$22,987,925	\$6,634,485	\$21,240,687	\$17,154,880
Total Cases Filed (2)	11,265	11,866	9,612	11,807	11,903
Fines Collected (2)	\$3,076,082	\$2,933,817	\$923,245	\$2,838,741	\$746,640
Economic Development Projects (3)	46	45	42	40	40
Purchase Orders Issued (4)	735	473	582	656	708
Number of W-2 Forms Issued (4)	336	346	375	382	388
Police (5)					
Total Incidents	16,939	18,704	21,028	14,699	14,256
Total Arrests	1,319	1,208	518	1,515	1,279
Hours of Training	1,592	549	2,305	1,167	514
Total Citations	1,264	1,082	671	1,180	1,093
Parking Tickets	378	379	518	1,452	1,015
Parking Ticket Fines Collected	\$7,235	\$7,863	\$10,098	\$11,750	\$6,290
Fire (6)					
Fire Calls	543	538	595	592	553
EMS Calls	2,988	3,016	3,021	3,336	3,041
Total People Reached (Fire Safety Classes)	386	1,678	1,134	2,018	4,100
Hours of Training	3,792	4,931	7,317	7,396	6,902
Fire Loss	\$902,210	\$919,800	\$1,298,840	\$398,950	\$1,291,520
Public Service					
Tons of snow melting salt used (7)	4,041	4,800	8,996	3,537	1,547
Leaves picked up (cubic yards) (7)	6,240	8,818	5,558	7,957	6,361
Diesel Fuel Used (gal.) (7)*	35,942	30,245	1,112	11,181	6,522
Unleaded Fuel Used (gal.) (7)*	53,594	49,236	4,548	6,794	6,202
Total Water Customers (8)	7,820	7,218	7,248	7,924	7,924
Water Receipts (8)	\$3,109,373	\$3,214,130	\$3,230,076	\$2,937,860	\$2,937,860
Sewer Receipts (8)	\$3,179,785	\$2,854,567	\$2,389,225	\$2,446,003	\$2,446,003
Refuse Receipts (8)	\$1,684,341	\$1,706,628	\$1,702,745	\$1,719,232	\$1,719,232
Number of trees removed (9)	176	185	315	228	228
Number of trees planted (9)	275	219	183	245	245
Transports (10)	33,899	27,158	28,430	24,334	24,334
Miles Transported (10)	130,611	129,990	155,565	176,677	176,677
Recreation (11)					
Number of Brookside Pool Memberships	129	147	201	212	212
Number of Parks	15	14	13	13	13
Size of Parks (Acres)	443	418	388	388	388
Number of Golf Courses	1	1	1	1	1

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

City of Ashland, Ohio

Operating Information

Operating Indicators by Function/Program
Last Ten Years

<u>Function/Program</u>	2005	2004	2003	2002	2001
General Government					
Construction Permits Issued (1)	121	118	121	114	113
Estimated Value of Construction (1)	\$27,558,156	\$20,278,983	\$11,818,195	\$14,281,011	\$11,582,029
Total Cases Filed (2)	12,501	10,814	14,605	13,652	14,453
Fines Collected (2)	\$827,615	\$867,073	\$1,020,309	\$970,999	\$1,014,424
Economic Development Projects (3)	26	48	40	N/A	8
Purchase Orders Issued (4)	454	659	715	608	718
Number of W-2 Forms Issued (4)	409	443	441	459	484
Police (5)					
Total Incidents	13,500	14,887	14,009	15,796	16,681
Total Arrests	1,435	1,526	1,487	1,701	2,129
Hours of Training	633	1,490	1,065	1,295	2,475
Total Citations	851	1,251	1,234	1,762	1,567
Parking Tickets	760	1,576	1,300	1,398	1,437
Parking Ticket Fines Collected	\$4,830	\$9,530	\$8,110	\$8,405	\$8,950
Fire (6)					
Fire Calls	562	586	642	651	647
EMS Calls	3,049	3,020	2,919	3,238	3,597
Total People Reached (Fire Safety Classes)	3,838	4,000	3,917	2,754	4,497
Hours of Training	4,692	9,070	8,556	7,617	7,616
Fire Loss	\$420,200	\$581,795	\$474,050	\$3,510,275	\$473,550
Public Service					
Tons of snow melting salt used (7)	4,792	4,519	5,268	4,136	2,225
Leaves picked up (cubic yards) (7)	6,697	1,076	6,515	7,029	6,573
Diesel Fuel Used (gal.) (7)*	9,662	11,529	12,028	14,162	14,292
Unleaded Fuel Used (gal.) (7)*	7,079	6,854	8,110	10,565	9,627
Total Water Customers (8)	7,903	7,823	7,898	8,022	7,954
Water Receipts (8)	\$2,542,479	\$2,039,641	\$1,969,500	\$1,881,070	\$1,864,968
Sewer Receipts (8)	\$2,484,555	\$2,464,513	\$2,537,693	\$2,613,221	\$2,491,522
Refuse Receipts (8)	\$1,577,952	\$1,475,639	\$1,339,493	\$1,173,000	\$1,076,594
Number of trees removed (9)	107	116	91	87	63
Number of trees planted (9)	40	455	422	139	196
Transports (10)	25,700	29,838	13,995	N/A	N/A
Miles Transported (10)	138,105	156,548	61,861	N/A	N/A
Recreation (11)					
Number of Brookside Pool Memberships	179	254	354	368	389
Number of Parks	13	12	11	9	9
Size of Parks (Acres)	388	383	350	338	338
Number of Golf Courses	1	1	1	1	1

(Continued)

CITY OF ASHLAND, OHIO

Operating Information

Capital Asset Statistics by Function/Program

Last Seven Years

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

Source:

- (1) Ashland City Engineering Dept
- (2) Ashland City Park Dept
- (3) Ashland City Finance Dept - Asset Report
- (4) Street Dept (2010 -included flashing signals also)

* Streetlights are owned by the Electric Company

Note: Only last seven years available