

City of Ashtabula, Ohio



Comprehensive Annual Financial Report

For The Year Ended
December 31, 2015

Prepared by the Finance Department

INTRODUCTORY SECTION

City of Ashtabula, Ohio

Comprehensive Annual Financial Report

For The Year Ended December 31, 2015

Prepared by:
The Finance Department

City of Ashtabula, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2015
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CITY OF ASHTABULA
FINANCE DEPARTMENT

MUNICIPAL BUILDING
4717 MAIN AVENUE
ASHTABULA, OHIO 44004

DANA PINKERT
FINANCE DIRECTOR



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August 18, 2016

Members of Ashtabula City Council,
City Manager, James M Timonere and
The Citizens of Ashtabula, Ohio

The City of Ashtabula's (the City) Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2015 is hereby submitted for review. This report, prepared by the Finance Department, enables the City to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38, which requires the cities reporting on a GAAP basis to file an annual report with the Auditor of State within 150 days of fiscal year end. This report represents the City of Ashtabula's operations and provides a clear, comprehensive, and materially accurate overview of the City's financial position at December 31, 2015.

While there is no legal requirement for the preparation of a CAFR, doing so reflects the ongoing commitment of the City of Ashtabula to follow nationally recognized standards of excellence in financial reporting, a commitment shared by a growing number of governmental entities in Ohio. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures contained within, rests with the City, specifically the Finance Department. To the best of our knowledge and belief, the enclosed data, as presented, is accurate in all material respects, is presented in a manner designed to fairly set forth the financial position and results of operations of the City, and includes all disclosures necessary to enable the reader to gain an understanding of the City's financial activity.

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

- 1.) The cost of a control should not exceed the benefits likely to be derived; and
- 2.) The valuation of costs and benefits requires estimates and judgements by management.

In accordance with Ohio law, regular audits are required to be performed on all financial related operations of the City. These audits may be done by either the State Auditor's Office or, if the State Auditor permits, an independent public accounting firm. Charles E. Harris and Associates has issued an unqualified ("clean") opinion on the City of Ashtabula's financial statements for the year ended December 31, 2015. Charles E. Harris and Associates accountant's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the report of the independent auditor, and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A compliments this letter of transmittal and should be read in conjunction with it.

Profile of the City

The City of Ashtabula is located on the south shore of Lake Erie, fifty-six miles east of Cleveland, Ohio. On April 6, 1891, the village of Ashtabula was incorporated into a City under the laws of the State of Ohio. Ashtabula was named by the Indians. The word was originally pronounced "Hash - Ta La," and its name, meaning "River of Many Fish," was first applied to what is now the Ashtabula River. Those who decided to settle on the west bank of the Ashtabula River Gulf in the early 1800's faced the challenge of clearing forest land with crude tools, raising and storing food, and building shelters to protect themselves from the elements. Although the task was formidable, a small number of settlers responded to the challenge and helped the area become a borough, a village, and eventually, a city.

The City's area is 7.6 square miles with other areas considering annexation into the City corporation limits. The City of Ashtabula is five hundred ninety feet above sea level. According to the 2010 census, the City's population was 19,680. The Ashtabula County area population is now estimated at approximately 99,811 with the City of Ashtabula population estimated at 18,371.

Form of Government

The City of Ashtabula is a home rule municipal corporation established under the laws of the State of Ohio and operated under its own charter. The current charter, which provides for a City Manager - City Council form of government, was adopted on January 1, 1916. The City Manager and the City Solicitor are elected by a vote of the people and serve for four-year terms. To provide necessary services to its citizens, the City of Ashtabula is divided into departments and financial management and control systems. Services provided include police and fire protection, trash disposal, street maintenance, construction and repair, cultural, parks and recreational facilities, wastewater treatment and a staff to provide support (i.e., payroll processing and accounts payable) to facilitate the objectives the service providers. The City also partners with the Municipal Court and City Health Department to provide such services through legislative, administrative and finance support. The operation and control of City activities are provided by the City Council through the budgetary process and administration of the finance activities of the City and the City Manager through administrative and managerial requirements and procedures. All are responsible to the citizens of Ashtabula and are included as part of the reporting entity.

Legislative authority is vested in a seven-member Council consisting of five ward and two at-large representatives, and is elected to serve for four-year terms. The at-large candidate receiving the most votes becomes the council president, and the other at-large candidate becomes the vice president. City Council holds its regular bi-monthly council meetings on the first and third Mondays of each month. The Council appoints the Clerk of Council and Finance Director.

The Division of Police enforces local, state, and federal laws in addition to protecting citizens and their property. Service to the community through an aggressive, proactive updated law enforcement approach is the main concern of the division. The department, which is headed by the Chief of Police, consists of jail operations, auxiliary police, as well as a staff of lieutenants, patrol officers, and K-9 units. Administrative services consist of the chief's secretary and a records officer. The police department is located at 110 West 44th Street.

The Division of Fire provides fire protection and emergency medical services to City of Ashtabula citizens, as well as placing strong emphasis on community involvement and education. Staff training, planning and equipment maintenance activities remain high priorities. A Chief leads the department which is composed of firefighters, an engineer, a lieutenant and captain personnel. The fire station is located at 4326 Main Avenue.

The Service Department is comprised of several divisions/departments administered by the Superintendent of Public Services; the division of Public Works, division of Sanitation, and Motor Maintenance.

The division of Public Works is responsible for the non-contractual maintenance of the City's roadways, leaf collection, and snow removal in the winter. The Service Department also maintains the parks and playgrounds and traffic signalization within the City.

The Sanitation department is responsible for the City-wide collection and removal of trash, both residential and commercial. They have a state-of-the-art recycling center which handles all types of recyclables.

Motor Maintenance performs routine maintenance and repairs to City vehicles; major repairs are outsourced as needed.

The Division of Wastewater Treatment is headed by the Superintendent who holds a Class IV certification. The plant is running twenty-four hours a day, seven days a week with three shifts. They treat the City's sanitary sewage and that of some of the surrounding townships. The plant is located at 303 Woodland Avenue.

The Health Department personnel provide essential public health services and information. They issue birth and death certificates. The nursing staff administers immunization and vaccinations to children and adults. The Environment Officer protects the public against environmental hazards.

The Planning and Community Development Department is responsible for the City's housing, engineering, zoning, code enforcement, grant administration and revolving loan administration functions. The department issues permits and conducts site inspections. Code Enforcement oversees the residential rental stock in the City. These homes are inspected and landlords pay a rental fee, to ensure their rentals are in compliance with the City's building codes. In addition, the Department is responsible for writing grants for major projects and the City's CDBG programs. The department works with qualifying residents to improve their housing through CDBG housing grant programs. These programs provide funding for the purchase of homes and repairs to owner occupied homes.

Building Maintenance personnel keep all City buildings clean and safe for employees and visitors.

The Manager's Department is the administrative arm of the City. The Manager is the elected official responsible for the Police, Fire, Service, Sanitation, Wastewater Treatment, Planning and Community Development and Building Maintenance Departments. The administrative offices are located at 4717 Main Avenue, 2nd floor.

The Solicitor's Department advises the City Council, the City Manager and all departments on legal matters concerning the City. The City Solicitor is also the City's Prosecutor and administers the Law Enforcement Trust Fund. The department which includes an assistant solicitor, an administrative assistant and one clerical employee prepares and/or approves all contracts, legislation and legal documents. Their offices are located in the Annex Building at 110 West 44th Street.

The Municipal Court is the judicial branch of the City and is headed by the Honorable Municipal Judge elected by the citizens. Civil and criminal cases, including traffic, are handled by the Court. Probation obligations are handled in co-operation with the court.

The City Council is the legislative branch of the City. All legislative matters of the City are brought to the Council for their approval. The Council is the appointing authority for the Clerk of Council and the Finance Director which are located at 4717 Main Ave, 2nd floor.

The Clerk keeps a permanent record of all proceedings and legislation passed by Council.

The Finance Director is appointed by Council. The Finance Director is the head of and administers the City of Ashtabula Finance Division.

The Finance Department is responsible for income tax, human resources and payroll, service billing and financial reporting and other finance functions as specified in the City Charter. In addition, the Finance Department assists all City departments in facilitating their objectives by providing administrative support.

The Income Tax Department is responsible for the collection of municipal income tax with over 4,000 resident returns, 1,100 business net profits returns and the collection from 912 withholding accounts from businesses within the City. The department offers free preparation in house service for the municipal income tax returns. The department is under the general direction of the City Finance Director.

Accounting Systems and Budgetary Control

Development of the City's accounting system includes consideration of internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived from its implementation and (2) the valuation of costs and benefits requires estimates and judgments by management.

Under State law, all funds, with the exception of agency funds, are legally required to be budgeted and appropriated. The legal level of control has been established by Council at the personal services and other object level within each fund. Modifications or amendments to control levels in the Appropriation Ordinance require Council approval; internal City financial policies permit intra-fund transfers within control levels with approval by the Manager and Finance Director.

Budgetary control is maintained by an encumbrance of purchase amounts and certification of available funds of prior to creating the expense liability. Purchase orders are not issued when an insufficient unencumbered appropriation balance is available. The Finance Department is responsible for ensuring availability of funds prior to processing purchase orders.

The Finance Director certifies the availability of the funds. Upon such certification, the City Manager, who is also the Purchasing Agent by City Charter, approves and issues the purchase order. Copies of all approved purchase orders are returned to the department head pending receipt of the goods and invoice. Once the goods or services and the invoice are received, department head must sign a request for payment as verification that all goods or services were received and are in acceptable condition prior to payment for such is issued. Each department head is furnished a monthly report showing the status of the budget accounts for which he/she is responsible. The reports detail monthly transactions and summarize the available balances.

Economic Conditions and Outlook

The City of Ashtabula is committed to the revitalization of existing resources and the search for new ways to improve the economic outlook of the community. The City has Joint Economic Development District agreements in place with Ashtabula Township and Saybrook Township both of which were expanded in 2015. In addition, the City has four (4) Community Reinvestment Agreements in place. City Council executed such agreements with eligible businesses for the purpose of establishing, expanding, renovating or occupying facilities, hiring new employees and preserving jobs within the enterprise zone, in exchange for specified local tax incentives granted by the City. The Ashtabula City Port Authority's enterprise zone; fifty acres of land at the end of State Route 11, within the City boundaries added Aqua Ohio in 2015 with the construction of a one million dollar project; a 14,000 square foot operations center.

The City's revolving loan program provides direct, low-interest construction loans to small businesses and industries to encourage their success and future growth as well as to create and retain permanent jobs for low and moderate income City residents.

The City Department of Planning and Community Development and a five-member Loan Review Committee serve as an independent administrative board and are responsible for administering the revolving loan fund. Since the program's inception over twenty years ago, twenty-four viable inquiries have been made, thirteen full applications have been received and eight applicants were approved for funding.

The City of Ashtabula also has one of the finest harbors on the Great Lakes. In terms of tonnage shipped in and out, Ashtabula is one of the largest coal and iron ore ports on the Great Lakes. The facility uses a coal loader, which is the newest and best of its kind on the Lakes. The Port of Ashtabula generally receives more iron ore and rubber than any other lake port and ships out tremendous quantities of coal. The entire harbor is dredged and canalized to the highest Great Lakes' standards, enabling the docks to serve vessels of any size.

The Port of Ashtabula is one of the area's most valuable assets. With the growth of recreational boating on the river and on Lake Erie, the number of boats docked at marinas on the river has grown to over 400 annually with most marinas' dock space filled to capacity.

The Ashtabula Harbor area hosted the Beach Glass Festival, The Arts on Bridge Street and the Wine and Walleye Festival in June, July and August respectively. The Ashtabula Lift Bridge Community Association was a finalist for the 2015 Growth Partnership Best of County Community Vitality award. The award honors those involved in community development projects who have an effect with place-making, promote public/private partnerships and have shown results.

The City maintains ten public parks; two are located on the lakefront and are popular bathing and amusement resorts during the summer season. Lake Shore Park offers a picnic pavilion, a swimming area, new boat launching ramps, and new beach facilities. Walnut Beach Bathhouse, a brick structure that houses spacious dressing rooms equipped with showers, is free to the public. Food and soft drinks are served at a modern lunch counter and are available during the summer. The extensive facilities with sandy beaches make this resort one of the most attractive swimming and recreation areas on Lake Erie.

The Walnut Beach area comprises approximately twenty-two acres with one thousand feet of Lake Erie frontage. This area is important to the City as a prime site for recreation, accommodating over a thousand boats yearly from the Ashtabula River and adjacent marinas. A roped-off swimming area, with anchor docking, does make Walnut Beach attractive to the fast growing boating population. Improvements to the existing bathhouse, the building of more pavilions, the construction of a public docking facility, repairs to the boardwalk and additional lighting continue to be implemented.

Private donations are accepted to help accelerate the planned improvements. These improvements will result in extended boating and swimming hours and a longer season for tourists and the citizens of Ashtabula to enjoy Walnut Beach, a beautiful natural resource. Bands on the Beach events draw many residents and visitors to the beach during the summer.

The largest employer in the City is the Ashtabula County Medical Center (ACMC), an affiliate of Cleveland Clinic. With over 1,000 employees it is by far the largest medical facility in the county and surrounding area. ACMC has been recognized as a Top Performer on Key Quality Measures by the Joint Commission; the leading accreditor of healthcare organizations in the United States

The chief industries of the City and surrounding territory are manufacturing, agriculture, dairying, coal, iron ore, rubber and transportation, including shipping. Industries such as Molded Fiberglass, which began in 1948, today produce compression molded parts with 633 employees at two Ashtabula plants. The "sandwich" of plastic, resin, glass, resin and plastic is about 30 times stronger than normal plastic. MFG Body Company was the original molder of the Corvette (in 1953), but today automotive is only one part of its business. In addition, Chromaflo Technologies Corporation, the largest independent global colorant provider to the Coatings and Thermoset Plastics markets and Community Care Ambulance house headquarters in the City.

City residents purchase water service from the Aqua Ohio Water Company. The daily average water pumpage is more than 6,500,000 gallons. The FirstEnergy/Illuminating Company provides electricity. The newest electrical generating facility available to FirstEnergy is the Perry Nuclear Power Plant, which is located approximately twenty-five miles from Ashtabula. Natural gas is supplied by the Dominion East Ohio Gas Company, which has over eight hundred miles of gas lines in the City. Windstream Western Reserve and Greatwave Communications provide local telephone service, and residents can choose between Time Warner, Direct TV and/or Dish Network for cable or satellite television services.

Major Initiatives

The City completed the 2015 street paving program; a comprehensive street repair and resurfacing project; an investment in excess of 4 million dollars in the City's infrastructure. The project was funded through the State Infrastructure Bank loan / bond program with over 12 miles of street improvements completed in 2015.

Improvements at the City's wastewater treatment plant started with a final settling tank rehabilitation project. The cost for the project was and is the first project in the wastewater treatment plant improvements. The City will fund the 8 million dollars in improvements which include an ultra violet light system, electrical improvements, primary tanks rehabilitation and digester improvements with loans through the Ohio Water Development Authority. The West Harbor tributary project phase II complete at a cost of \$335,000. The Ohio Public Works Commission funded 50 percent of the project through grants and interest free loans with the City having an initial local match of 50 percent or \$167,500.

With the use of Community Development Block Grant (CDBG) funds, the Division of Planning and Community Development continued its efforts to rehabilitate the existing housing inventory in the City. Through the comprehensive neighborhood revitalization program, houses are demolished after each structure is determined to be functionally deteriorated to the degree that rehabilitation was not financially feasible; the houses are dangerous to the public and produce an extreme blight to the community. These activities contribute to the health and safety of the community through rehabilitation and code enforcement efforts. The City also used CDBG monies to fund downtown revitalization projects on Bridge Street; including increasing available public parking. The programs offered and administered by the Division of Planning and Community Development demonstrates the City's commitment to safe, decent and sanitary housing within the community as well as a commitment to economic development through downtown revitalization.

The fire department answered 1,003 fire alarms in 2015, a decrease of 88 from 2014. The department performed 32 fire investigations provided mutual aid to surrounding communities. The fire division is full partner in the City's EMS system, responding to 1,019 ambulance calls, transporting 732 patients and collecting over \$193,000.

The sanitation department services approximately 7,000 households and 160 commercial accounts per week. Pick-up is mandatory for all residents, and businesses have the option of City pick-up or private hauler. The City contracted with waste management and expended \$495,000 in landfill fees for the rubbish collected by our trucks and the rubbish collected at our transfer station. In addition to landfill fees, the City expended over \$54,000 for recyclable material pick-ups.

The City has a state-of-the-art-recycling center that receives all types of recyclables. The goal for the recycling center is to reduce the tonnage that is hauled to the landfill, and reduce the amount of landfill and pickup fees paid during the year. The City has received \$173,115 in grant funds over two years to implement a curbside recycling program. In 2015, the City matched funds and spent \$313,080 for cart tippers for the department trucks recycling totes as the first step in the implementation of curbside recycling.

Awards and Acknowledgements

The City received the Auditor of State Award (AOS) with Distinction, the highest award the AOS can give for Fiscal Year ended December 31, 2014. To be eligible for the award;

- The entity must file timely financial reports with the Auditor of State's office in the form of a CAFR (Comprehensive Annual Financial Report);
- The audit report does not contain any findings for recovery, material citations, material weaknesses, significant deficiencies, Single Audit findings or questioned costs;
- The entity's management letter contains no comments related to:
 - Ethics referrals
 - Questioned costs less than \$10,000
 - Lack of timely report submission
 - Reconciliation
 - Failure to obtain a timely Single Audit
 - Findings for recovery less than \$100
 - Public meetings or public records

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Ashtabula, Ohio, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2014. This was the City of Ashtabula's twenty-eighth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report depends on the contributions of many dedicated employees. Our gratitude of those primarily responsible for its completion is extended to all contributors, especially the employees in the Finance Department who have spent their time and energy on various parts of the project and to the Local Government Services section of the Auditor of State's office for their assistance in the organization and final review of our 2015 Comprehensive Annual Financial Report.

On behalf of the Finance Department, our sincere thanks and appreciation is offered to the members of City Council and the Administration whose continued support is necessary for the City of Ashtabula to conform to reporting requirements established for municipal governments. We would also like to thank the residents and taxpayers of the City of Ashtabula for entrusting us with the administration and preservation of their public assets.

Respectfully submitted,



Dana D. Pinkert
Finance Director

City of Ashtabula, Ohio
List of Principal Officials

Elected City Officials

City Council

J P Ducro IV President
Christopher J. McClure..... Vice President
John Rosckovics Ward I
August A. Pugliese Ward II
Alice T. Cook..... Ward III
Josephine Misener..... Ward IV
Kris E. Hamrick Ward V

City Manager

James M Timonere

City Solicitor

Michael Franklin

Municipal Court Judge

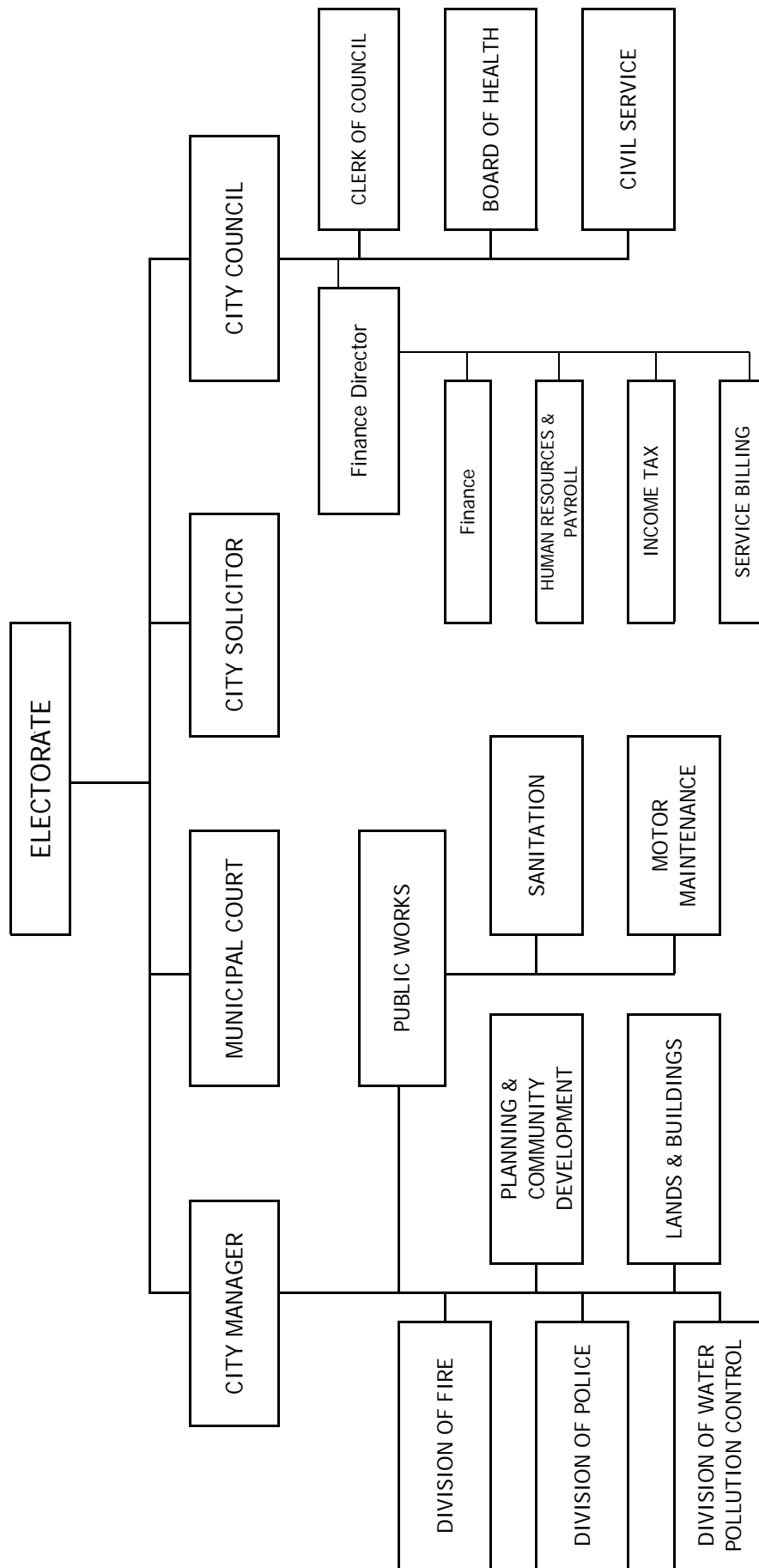
Laura Digiacomo

Appointed City Officials

LaVette E. Hennigan..... Clerk of Council
Dana D. Pinkert..... Finance Director
Shawn Gruber Acting Chief of Fire
Robert D. Stell Chief of Police
Christine L. Hill Health Commissioner
Vacant Director of Planning & Community Development
Lawrence Meaney.....Superintendent of Public Works and Sanitation
Craig Pierce.....Superintendent of Wastewater Treatment Plant

CITY OF ASHTABULA, OHIO ORGANIZATIONAL CHART

December 31, 2015





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Ashtabula
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

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FINANCIAL SECTION

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614 W Superior Ave Ste 1242
Cleveland OH 44113-1306
Office phone - (216) 575-1630
Fax - (216) 436-2411

Charles E. Harris & Associates, Inc.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

City of Ashtabula
Ashtabula County
4717 Main Avenue
Ashtabula, OH 44004

To the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Ashtabula, Ashtabula County, Ohio (the City), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the remaining aggregate fund information of the City of Ashtabula, Ashtabula County, Ohio, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Community Development Block Grant, Street Maintenance and Repair and Police Levy funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. We did not modify our opinion regarding these matters.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 18, 2016, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Charles E. Harris & Associates

Charles E. Harris & Associates, Inc.

August 18, 2016

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City of Ashtabula, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

The discussion and analysis of The City of Ashtabula's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2015. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, and the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

- ◆ Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources for governmental and business-type activities by \$22,176,601 and \$12,793,417 respectively.
- ◆ During 2015, the City completed their street paving program with over 12 miles of City streets repaired and resurfaced. The City took advantage of low interest rates and financed the street improvements through the Ohio Department of Transportation's State Infrastructure Bank Federal Loan and Bond programs.
- ◆ The City began an \$8 million improvement plan on the City wastewater treatment plant. During 2015, the City received \$1,532,852 in Ohio Water Development Authority loans to begin final settling tank rehabilitation and other improvements.
- ◆ The City is committed to providing the Citizens of Ashtabula with the highest quality of services while maintaining efficiency and cost effectiveness. The City continues to work diligently to operate within the limitations of the annual budget.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City of Ashtabula as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial conditions.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major 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 dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

Reporting the City of Ashtabula as a Whole

Statement of Net Position and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and ask the question, "Is the City as a whole better off or worse off as a result of the year's activities during 2015?" The Statement of Net Position and the Statement of Activities answers this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by the private sector companies; taking into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

City of Ashtabula, Ohio
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These two statements report the City's net position and the changes in that position. This change in net position is important because it tells the reader whether the City as a whole and its financial position has improved or diminished. However, in evaluating the overall net position of the City, non financial information such as changes in the City's tax base and the condition of City capital assets will also need to be evaluated.

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

- ◆ **Governmental Activities** - Most of the City's services are reported here including police, fire, administration, and all other departments with the exception of water pollution control/wastewater and sanitation.
- ◆ **Business-Type Activities** - The City's business-type activities are water pollution control (wastewater treatment) and sanitation. The City charges fees to recoup the cost of the entire operations of business-type activities as well as all capital expenses associated with water pollution control.
- ◆ **Component Unit** - The City includes the Ashtabula Port Authority in its report. Although legally separate, this component unit is important because it is fiscally dependent on the City.

Reporting the City of Ashtabula's Most Significant Funds

Fund Financial Statements

The analysis of the City's major funds begins on page 12. Fund financial reports provide detailed information about the City's major funds. Based on restrictions on the use of monies, the City has established many funds which account for the multitude of services provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Ashtabula, our major funds are the general, community development block grant, street maintenance and repair, police levy, and permanent improvement funds.

Governmental Funds Most of the City's activities are reported in the 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 the 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 on services provided to our residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match. Internal service funds are used to report activities that provide services to the City's other funds and departments.

City of Ashtabula, Ohio
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The City of Ashtabula as a Whole

Recall that the Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2015 compared to 2014.

(Table 1)
 Net Position

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Assets						
Current and Other Assets	\$9,801,597	\$11,182,542	\$2,987,095	\$3,313,090	\$12,788,692	\$14,495,632
Capital Assets	32,364,481	31,147,950	15,306,527	13,845,175	47,671,008	44,993,125
<i>Total Assets</i>	<u>42,166,078</u>	<u>42,330,492</u>	<u>18,293,622</u>	<u>17,158,265</u>	<u>60,459,700</u>	<u>59,488,757</u>
Deferred Outflows of Resources						
Pension	1,513,789	988,778	291,944	199,884	1,805,733	1,188,662
Liabilities						
Current and Other Liabilities	1,194,330	2,717,976	1,142,230	531,414	2,336,560	3,249,390
Long-Term Liabilities:						
Due Within One Year	948,927	1,096,932	635,052	673,298	1,583,979	1,770,230
Due In More Than One Year:						
Net Pension Liability	11,085,870	10,506,613	1,638,695	1,601,681	12,724,565	12,108,294
Other Amounts Due In More Than One Year	6,352,804	2,897,965	2,347,384	1,287,743	8,700,188	4,185,708
<i>Total Liabilities</i>	<u>19,581,931</u>	<u>17,219,486</u>	<u>5,763,361</u>	<u>4,094,136</u>	<u>25,345,292</u>	<u>21,313,622</u>
Deferred Inflows of Resources						
Property Taxes	1,881,579	2,115,932	0	0	1,881,579	2,115,932
Pension	39,756	0	28,788	0	68,544	0
<i>Total Deferred Inflows of Resources</i>	<u>1,921,335</u>	<u>2,115,932</u>	<u>28,788</u>	<u>0</u>	<u>1,950,123</u>	<u>2,115,932</u>
Net Position						
Net Investment in Capital Assets	26,968,966	29,432,989	11,965,565	11,929,668	38,934,531	41,362,657
Restricted for:						
Capital Projects	2,093,617	651,142	0	0	2,093,617	651,142
Debt Service	48,482	115,047	0	0	48,482	115,047
Community Development	153,062	1,017,387	0	0	153,062	1,017,387
Street Maintenance and Repair	635,571	438,034	0	0	635,571	438,034
Public Safety	653,281	356,913	0	0	653,281	356,913
Municipal Court	96,620	96,474	0	0	96,620	96,474
Other Purposes	120,536	137,960	0	0	120,536	137,960
Unrestricted (Deficit)	(8,593,534)	(8,262,094)	827,852	1,334,345	(7,765,682)	(6,927,749)
<i>Total Net Position</i>	<u>\$22,176,601</u>	<u>\$23,983,852</u>	<u>\$12,793,417</u>	<u>\$13,264,013</u>	<u>\$34,970,018</u>	<u>\$37,247,865</u>

City of Ashtabula, Ohio
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During 2015, the City adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed that follow, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

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

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

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

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

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

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As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014, from \$33,501,687 to \$23,983,852 for governmental activities and from \$14,665,810 to \$13,264,013 for business-type activities.

The net position for governmental activities saw a decrease in 2015. The decrease in assets is mainly due to a decrease in the intergovernmental receivables for CDBG grants. Property taxes receivable also saw a decrease as a result of a decrease in assessed values. The City's capital assets in the governmental activities increased during 2015. These capital assets reflect major street improvements completed during 2015, as well as the purchase of police vehicles and public works equipment and various facility improvements. Current liabilities decreased primarily due to the City paying obligations prior to year end. Long-term liabilities increased as the result of the State Infrastructure Bank bonds and loans issued in 2015.

The net position of the City's business type activities decreased as well in 2015. Assets increased due to capital assets increasing with construction starting on the major wastewater treatment plant improvements project. Current liabilities also increased primarily due to additional contracts payable due on the wastewater treatment plant improvements and long-term liabilities increasing with the additional debt issued to cover the project costs. With the usage rates generating revenue which reasonably matches operating expenses and most capital expenditures annually, the financial condition of the business type activities is relatively constant.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further detail regarding the results of activities for the current year.

(Table 2)
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues						
Charges for Services	\$1,867,252	\$1,824,909	\$5,363,789	\$4,885,421	\$7,231,041	\$6,710,330
Operating Grants, Contributions and Interest	1,113,802	2,367,984	0	0	1,113,802	2,367,984
Capital Grants and Contributions	686,611	983,641	25,690	666,820	712,301	1,650,461
Total Program Revenues	3,667,665	5,176,534	5,389,479	5,552,241	9,057,144	10,728,775
General Revenues						
Property Taxes	1,980,203	2,100,775	0	0	1,980,203	2,100,775
Income Taxes	6,443,716	6,508,905	0	0	6,443,716	6,508,905
Grants and Entitlements	877,128	780,305	0	0	877,128	780,305
Investment Earnings	175	112	0	0	175	112
Franchise Fees	244,176	235,233	0	0	244,176	235,233
Other	167,832	119,304	10,589	2,880	178,421	122,184
Total General Revenues	9,713,230	9,744,634	10,589	2,880	9,723,819	9,747,514
Total Revenues	\$13,380,895	\$14,921,168	\$5,400,068	\$5,555,121	\$18,780,963	\$20,476,289

(continued)

City of Ashtabula, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

(Table 2)

Change in Net Position (continued)

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Program Expenses						
General Government						
Legislative and Executive	\$2,258,619	\$2,634,808	\$0	\$0	\$2,258,619	\$2,634,808
Judicial System	1,006,688	1,126,553	0	0	1,006,688	1,126,553
Security of Persons and Property						
Police	4,244,476	3,645,947	0	0	4,244,476	3,645,947
Fire	2,845,390	2,519,128	0	0	2,845,390	2,519,128
Public Health Services	388,432	329,426	0	0	388,432	329,426
Street Maintenance and Repairs	2,599,586	1,121,229	0	0	2,599,586	1,121,229
Housing and Community						
Development	1,288,296	792,050	0	0	1,288,296	792,050
Sanitation Services	334,856	1,730	0	0	334,856	1,730
Leisure Time Activities	95,965	39,713	0	0	95,965	39,713
Interest and Fiscal Charges	70,338	17,330	0	0	70,338	17,330
Sanitation			1,672,859	1,900,604	1,672,859	1,900,604
Wastewater Treatment	0	0	4,253,305	3,453,195	4,253,305	3,453,195
<i>Total Expenses</i>	15,132,646	12,227,914	5,926,164	5,353,799	21,058,810	17,581,713
<i>Increase (Decrease) in Net Position Before Transfers</i>	(1,751,751)	2,693,254	(526,096)	201,322	(2,277,847)	2,894,576
Transfers	(55,500)	(29,473)	55,500	29,473	0	0
<i>Change in Net Position</i>	(1,807,251)	2,663,781	(470,596)	230,795	(2,277,847)	2,894,576
<i>Net Position Beginning of Year - Restated (See Note 3)</i>	23,983,852	N/A	13,264,013	N/A	37,247,865	N/A
<i>Net Position End of Year</i>	\$22,176,601	\$23,983,852	\$12,793,417	\$13,264,013	\$34,970,018	\$37,247,865

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$1,188,662 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$1,285,037. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

City of Ashtabula, Ohio
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	Governmental Activities	Business-Type Activities	Total
Total 2015 program expense under GASB 68	\$15,132,646	\$5,926,164	\$21,058,810
Pension expense under GASB 68	(1,106,788)	(178,249)	(1,285,037)
2015 contractually required contribution	1,012,786	204,508	1,217,294
Adjusted 2015 program expenses	15,038,644	5,952,423	20,991,067
Total 2014 program expenses under GASB 27	12,227,914	5,353,799	17,581,713
Increase in program expenses not related to pension	\$2,810,730	\$598,624	\$3,409,354

Governmental Activities

Several revenue sources fund our governmental activities with the City income tax being the biggest contributor at 48 percent of program and general revenues. The income tax rate of 1.8 percent was renewed by a vote of our citizens in May of 2013 and will be in effect through December 31, 2016. This is significant as the City income tax funds approximately 43 percent of all expenses in the governmental activities.

Income taxes received during the year decreased primarily due to an atypical net profit tax refund as the result of a taxpayer appeal. Property taxes received increased by \$120,572 due to the City's valuation being decreased by the Ashtabula County Auditor during 2015. Operating grants decreased due to prior year CDBG grants that were not applied for during 2015. Capital grants decreased due to less funding for capital projects in 2015. Charges for services remained fairly consistent with the prior year.

Business-Type Activities

The City's business-type activities include the wastewater treatment and sanitation. The wastewater program receives no support from tax revenues. The wastewater treatment plant treats sewage from the City of Ashtabula and surrounding townships. The facility generated revenues of \$3,527,467 and had expenses of \$4,200,731 during 2015. Expenses increased in 2015 due to the City starting major capital improvements for the wastewater treatment plant improvement project. The City continues looking at ways to improve cash flow by reducing costs of operation. The City doesn't have the option of discontinuing sewer service for nonpayment; the water is provided by a privately owned company. Delinquent sewer bills are certified to the County Auditor for assessment as part of the property tax bill. The City has been able to keep sewer rates low and does not foresee a rate increase to fund the improvements, however, the City may have to extend an existing debt service charge.

The Sanitation Department receives charges for services revenue from residential rubbish pickup, commercial containers and from individuals dumping at the transfer station. In 2015, revenues from such services were \$1,846,883 while department expenses were \$1,668,482. The cost of landfill and pick-up fees was in excess of \$549,000 for 2015; recycling is encouraged as an effort to keep such landfill costs low. Delinquent trash bills are certified to the County Auditor for assessment on the property tax bill. Build up of trash creates a health hazard and blight to the neighborhoods therefore the residential trash collection service is not discontinued for lack of payment.

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The City's Funds

As of December 31, 2015, the City's governmental funds reported a combined fund balance of \$2,898,752. Of that amount, (\$133,818) represents unassigned fund deficit, and \$180,276 is nonspendable because it has already been allocated to materials and supplies, prepaids and unclaimed monies. The remaining \$2,852,294 fund balance is reported as restricted, committed or assigned to indicate that it is not available for new spending because it has already been restricted, committed or assigned to a specified purpose or it cannot be used to liquidate future liabilities because it will not be in a spendable form in the next year. Information about the City's major governmental funds begins on page 20. These funds are accounted for using the modified accrual basis of accounting.

The City's major governmental funds are the general fund, three special revenue funds - community development block grant, street maintenance and repair and police levy, as well as the permanent improvement capital projects fund. The general fund realized an increase in fund balance during the year with revenues exceeding expenditures by \$103,137 in 2015. This is due to a decrease in expenditures reported in 2015 compared to that in 2014 as a result of paying off the Ohio Community Development judgment, a reduction in retirement pay-outs and less expense for personal services in the Finance Department due to re- allocation and reorganization.

The community development block grant saw a decrease in fund balance of \$52,275 in 2015, primarily due to expending Revolving Loan Funds to supplement grant projects. Grant money was used to demolish 26 homes throughout the City. The street maintenance and repair fund saw a slight increase in fund balance during the year due to decreased need for road salt and, therefore, less expense. The policy levy fund increased as the City began collections on a 2.5 mill policy levy that was passed in May 2014. The permanent improvement capital projects fund increased by \$1,580,196 due to an increase in grant funds for capital improvements and bonds and loans issued.

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 2015, the City amended its general fund budget several times, none significant.

All recommendations for a budget change come from the City Finance Director to the Finance and Ordinance committee of Council for review before going to the whole council for ordinance enactment on the change. The City does allow intra-fund budget changes that modify line items within the legislated level of appropriations. With the general fund supporting many of our major activities such as our police and fire departments as well as most legislative and executive activities, the general fund is monitored closely looking for possible revenue shortfalls or over spending by individual departments.

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Capital Assets and Debt Administration

Capital Assets

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

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$1,977,331	\$1,977,331	\$86,863	\$86,863	\$2,064,194	\$2,064,194
Construction in Progress	2,692,107	2,251,080	1,418,917	633,272	4,111,024	2,884,352
Buildings and Improvements	4,189,811	4,189,986	2,814,900	3,033,020	7,004,711	7,223,006
Furniture, Fixtures and Equipment	614,524	774,227	823,849	476,675	1,438,373	1,250,902
Vehicles	1,417,751	1,492,677	128,716	148,161	1,546,467	1,640,838
Infrastructure						
Bridges	13,017,187	13,169,400	0	0	13,017,187	13,169,400
Roads	6,762,207	5,569,143	0	0	6,762,207	5,569,143
Storm Sewers	1,236,426	1,261,414	0	0	1,236,426	1,261,414
Traffic Lights	457,137	462,692	0	0	457,137	462,692
Sanitary Sewers	0	0	10,033,282	9,467,184	10,033,282	9,467,184
Total	\$32,364,481	\$31,147,950	\$15,306,527	\$13,845,175	\$47,671,008	\$44,993,125

The primary increases in governmental capital assets occurred in construction in progress and infrastructure. The increase in construction in progress in the governmental activities capital assets can be attributed to the traffic signalization and Point Park stairs projects. The increase for infrastructure was for roads; due to completing the 2014 - 2015 paving project and the resurfacing of Hulbert Hill. The City of Ashtabula aggressively seeks grant dollars and leverages dollars designated for permanent improvements for matching funds.

Projects for 2015 included Bridge Street Downtown Revitalization projects, Hulbert Hill resurfacing and the Bridge Street Parking Lot as well as another 12 miles of street improvements.

The increase in construction in process for capital assets in business-type activities was primarily due to the wastewater treatment plant improvement project. As part of the City's plan to renovate and upgrade the entire plant within ten years, monies were expended for improvements and equipment, as well as for sanitation equipment improvements. See Note 13 for additional information about the City's capital assets.

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Long-term Obligations

The City's long-term obligations are comprised of State infrastructure bank bonds and loans, OPWC loans, OWDA loans, equalization basin loan, capital leases payable, claims payable, compensated absences and net pension liability.

(Table 4)
 Outstanding Long-term Obligations at Year End

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
SIB Bonds	\$3,574,577	\$1,011,562	\$0	\$0	\$3,574,577	\$1,011,562
SIB Loan	906,274	49,583	0	0	906,274	49,583
OPWC Loans	88,307	53,803	665,628	657,573	753,935	711,376
OWDA Loans	0	0	1,611,877	232,064	1,611,877	232,064
EQ Basin Loan	0	0	298,757	585,471	298,757	585,471
Capital Leases Payable	491,812	600,013	59,920	73,690	551,732	673,703
Claims Payable	172,971	229,030	0	0	172,971	229,030
Compensated Absences	2,067,790	2,050,906	346,254	412,243	2,414,044	2,463,149
Net Pension Liability	11,085,870	10,506,613	1,638,695	1,601,681	12,724,565	12,108,294
Total	\$18,387,601	\$14,501,510	\$4,621,131	\$3,562,722	\$23,008,732	\$18,064,232

During 2015, the City issued State Infrastructure Bank (SIB) bonds and a loan at amounts of \$2,563,015 and \$856,691, respectively. The purpose of the SIB Loan is to provide the City's local funding necessary for the City's road improvement program. The SIB bond provides for a total of up to \$4,010,000 at an interest rate of 2.97 percent. The bonds will be repaid over a period of 13 years. The SIB Loan Agreement provides for a total loan amount up to \$938,000 at an interest rate of 3.00 percent. The loan will be repaid over a period of 13 years. The bonds and loan will be repaid from the debt service fund.

OPWC loans are secured by future collections of special assessments. Residents have agreed to be assessed on their property taxes for a 20 year period commencing January 1, 1999 and ending July 2018. In the event that the benefited property owner would fail to pay the assessment, payment would be made by the City.

The amount due to the Ohio Public Works Commission and the Ohio Water Development Authority as well as the EQ Basin Loan are paid by sewer revenues collected from the users as part of their normal sewer bill.

The City's overall legal debt margin was \$16,233,377 at December 31, 2015. See Notes 15 and 17 for additional information about the City's long-term debt.

City of Ashtabula, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

Current Related Financial Activities

The City of Ashtabula is committed to maintaining the highest standards of services to the Citizens of Ashtabula and is proactive when planning expenses in order to stay within the City's revenues.

As the preceding information shows, the City is heavily reliant on income and property taxpayers. The General Fund revenue is usually constant but it did have a decrease in property tax collections due to reduction in valuation and a commercial refund. While the Local Government Fund revenue sharing amounts received have become static and more projectable for budgeting purposes, the negative effect of the State's decision to make reductions is ongoing. The enterprise funds have generally experienced a positive cash flow as the result of consistent billing thereby creating a regular schedule of revenues.

The City continued a conservative spending pattern in 2015 however, overall expenditures increased due to capital spending. Only capital items that management and City Council determined necessary, or had off-setting grant revenues were appropriated. A close watch of current economic conditions is ongoing to determine if increased revenues, or further reductions in expenditures, are necessary in order to maintain fiscal stability.

The City of Ashtabula is in a period posing both significant challenges due to the passage of income tax reform by the State of Ohio as well as the ongoing challenge of trying to find revenue streams to make-up the loss of local government funds. The electorate did approve a City Police Levy effective in 2015 and the additional revenues will be used to increase police manpower. State funding issues are constantly monitored to determine the impact on the City and all of the City's financial abilities will be needed to meet the challenges of the future. Management is committed to working with all stakeholders to craft solutions that will most effectively use the available resources to continue to provide excellent services to the residents of the City.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, creditors, and investors 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 Dana Pinkert, Ashtabula City Finance Director, 4717 Main Avenue, Ashtabula, Ohio 44004, telephone 440-992-7107, or e-mail at dpinkert@ashtabulacity.com.

Basic Financial Statements

City Of Ashtabula, Ohio
Statement of Net Position
December 31, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Assets				
Equity in Pooled Cash and Cash Equivalents	\$3,101,530	\$377,580	\$3,479,110	\$0
Cash and Cash Equivalents in Segregated Accounts	50,218	0	50,218	248,827
Accounts Receivable	681,334	2,608,850	3,290,184	0
Accrued Interest	0	0	0	1,745
Intergovernmental Receivable	1,223,294	0	1,223,294	39,697
Materials and Supplies Inventory	100,904	665	101,569	0
Prepaid Items	59,244	0	59,244	0
Due from Component Unit	40,028	0	40,028	0
Property Taxes Receivable	2,749,619	0	2,749,619	0
Income Taxes Receivable	1,753,458	0	1,753,458	0
Special Assessments Receivable	41,968	0	41,968	0
Nondepreciable Capital Assets	4,669,438	1,505,780	6,175,218	1,749,505
Depreciable Capital Assets	27,695,043	13,800,747	41,495,790	174,134
<i>Total Assets</i>	<u>42,166,078</u>	<u>18,293,622</u>	<u>60,459,700</u>	<u>2,213,908</u>
Deferred Outflows of Resources				
Pension	1,513,789	291,944	1,805,733	0
Liabilities				
Accounts Payable	116,726	21,860	138,586	0
Contracts Payable	290,161	647,023	937,184	0
Accrued Wages	151,240	45,191	196,431	0
Intergovernmental Payable	140,365	28,371	168,736	110,000
Retainage Payable	44,384	78,581	122,965	0
Matured Compensated Absences Payable	33,063	0	33,063	0
Deposits Held and Due to Others	3,726	0	3,726	0
Accrued Interest Payable	50,478	27,295	77,773	0
Claims Payable	98,096	0	98,096	0
Notes Payable	266,091	293,909	560,000	0
Due to Primary Government	0	0	0	40,028
Long-Term Liabilities:				
Due Within One Year	948,927	635,052	1,583,979	68,693
Due In More Than One Year:				
Net Pension Liability	11,085,870	1,638,695	12,724,565	0
Other Amounts Due In More Than One Year	6,352,804	2,347,384	8,700,188	241,502
<i>Total Liabilities</i>	<u>19,581,931</u>	<u>5,763,361</u>	<u>25,345,292</u>	<u>460,223</u>
Deferred Inflows of Resources				
Property Taxes	1,881,579	0	1,881,579	0
Pension	39,756	28,788	68,544	0
<i>Total Deferred Inflows of Revenue</i>	<u>1,921,335</u>	<u>28,788</u>	<u>1,950,123</u>	<u>0</u>
Net Position				
Net Investment in Capital Assets	26,968,966	11,965,565	38,934,531	1,573,416
Restricted for:				
Capital Projects	2,093,617	0	2,093,617	0
Debt Service	48,482	0	48,482	0
Community Development	153,062	0	153,062	0
Street Maintenance and Repair	635,571	0	635,571	0
Public Safety	653,281	0	653,281	0
Municipal Court	96,620	0	96,620	0
Other Purposes	120,536	0	120,536	0
Unrestricted (Deficit)	(8,593,534)	827,852	(7,765,682)	180,269
<i>Total Net Position</i>	<u>\$22,176,601</u>	<u>\$12,793,417</u>	<u>\$34,970,018</u>	<u>\$1,753,685</u>

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio
Statement of Activities
For the Year Ended December 31, 2015

	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Contributions and Interest	Capital Grants and Contributions
Governmental Activities				
General Government:				
Legislative and Executive	\$2,258,619	\$236,366	\$0	\$0
Judicial System	1,006,688	200,982	0	0
Security of Persons and Property:				
Police	4,244,476	390,843	114,477	0
Fire	2,845,390	250,345	0	0
Public Health Services	388,432	73,122	25,606	0
Street Maintenance and Repairs	2,599,586	413,226	769,401	686,611
Housing and Community Development	1,288,296	302,075	131,203	0
Sanitation Services	334,856	293	73,115	0
Leisure Time Activities	95,965	0	0	0
Interest and Fiscal Charges	70,338	0	0	0
<i>Total Governmental Activities</i>	<u>15,132,646</u>	<u>1,867,252</u>	<u>1,113,802</u>	<u>686,611</u>
Business-Type Activities				
Sanitation	1,672,859	1,846,883	0	19,980
Wastewater Treatment	4,253,305	3,516,906	0	5,710
<i>Total Business-Type Activities</i>	<u>5,926,164</u>	<u>5,363,789</u>	<u>0</u>	<u>25,690</u>
<i>Total Primary Government</i>	<u>\$21,058,810</u>	<u>\$7,231,041</u>	<u>\$1,113,802</u>	<u>\$712,301</u>
Component Unit				
Ashtabula Port Authority	<u>\$246,782</u>	<u>\$31,872</u>	<u>\$44,695</u>	<u>\$0</u>

General Revenues

Property Taxes Levied for:

General Purposes

Capital Outlay

Other Purposes

Income Taxes Levied for:

General Purposes

Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Franchise Taxes

Gain on Sale of Capital Assets

Other

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year - Restated (See Note 3)

Net Position End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Unit
(\$2,022,253)	\$0	(\$2,022,253)	\$0
(805,706)	0	(805,706)	0
(3,739,156)	0	(3,739,156)	0
(2,595,045)	0	(2,595,045)	0
(289,704)	0	(289,704)	0
(730,348)	0	(730,348)	0
(855,018)	0	(855,018)	0
(261,448)	0	(261,448)	0
(95,965)	0	(95,965)	0
(70,338)	0	(70,338)	0
<u>(11,464,981)</u>	<u>0</u>	<u>(11,464,981)</u>	<u>0</u>
0	194,004	194,004	0
0	(730,689)	(730,689)	0
0	(536,685)	(536,685)	0
<u>(\$11,464,981)</u>	<u>(\$536,685)</u>	<u>(\$12,001,666)</u>	<u>\$0</u>
0	0	0	(170,215)
658,161	0	658,161	0
275,061	0	275,061	0
1,046,981	0	1,046,981	0
5,802,538	0	5,802,538	0
641,178	0	641,178	0
877,128	0	877,128	0
175	0	175	115
244,176	0	244,176	0
0	0	0	15
167,832	10,589	178,421	0
9,713,230	10,589	9,723,819	130
(55,500)	55,500	0	0
9,657,730	66,089	9,723,819	130
(1,807,251)	(470,596)	(2,277,847)	(170,085)
23,983,852	13,264,013	37,247,865	1,923,770
<u>\$22,176,601</u>	<u>\$12,793,417</u>	<u>\$34,970,018</u>	<u>\$1,753,685</u>

City of Ashtabula, Ohio

Balance Sheet

Governmental Funds

December 31, 2015

	General	Community Development Block Grant	Street Maintenance and Repair	Police Levy
Assets				
Equity in Pooled Cash and Cash Equivalents	\$256,198	\$107,005	\$74,136	\$242,315
Cash and Cash Equivalents In Segregated Accounts	40,572	0	0	0
Receivables:				
Property Taxes	1,083,769	0	0	605,514
Income Taxes	1,578,112	0	0	0
Accounts	229,470	0	102,012	0
Interfund	18,701	0	0	0
Special Assessments	0	0	0	0
Intergovernmental Receivable	449,969	15,675	330,102	15,789
Materials and Supplies Inventory	1,868	0	95,953	0
Prepaid Items	53,496	0	2,748	0
Due from Component Unit	0	40,028	0	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	20,128	0	0	0
Total Assets	\$3,732,283	\$162,708	\$604,951	\$863,618
Liabilities				
Accounts Payable	\$75,976	\$2,990	\$4,509	\$20,645
Contracts Payable	0	0	0	0
Retainage Payable	0	0	0	0
Accrued Wages	128,448	2,709	10,815	7,994
Intergovernmental Payable	20,512	515	2,001	535
Matured Compensated Absences Payable	33,063	0	0	0
Interfund Payable	150,000	0	0	0
Accrued Interest Payable	2,105	0	0	0
Notes Payable	266,091	0	0	0
Deposits Held and Due to Others	0	0	0	0
Total Liabilities	676,195	6,214	17,325	29,174
Deferred Inflows of Resources				
Property Tax	743,502	0	0	410,671
Unavailable Revenue	1,945,734	6,870	319,879	209,218
Total Deferred Inflows of Resources	2,689,236	6,870	319,879	619,889
Fund Balances				
Nonspendable	75,492	0	98,701	0
Restricted	266,091	149,624	169,046	214,555
Committed	0	0	0	0
Assigned	124,172	0	0	0
Unassigned (Deficit)	(98,903)	0	0	0
Total Fund Balances	366,852	149,624	267,747	214,555
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$3,732,283	\$162,708	\$604,951	\$863,618

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio
*Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2015*

Permanent Improvement	Other Governmental Funds	Total Governmental Funds		
			Total Governmental Funds Balances	\$2,898,752
			<i>Amounts reported for governmental activities in the statement of net position are different because</i>	
\$1,442,695	\$540,218	\$2,662,567	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	32,364,481
0	9,646	50,218	Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
461,016	599,320	2,749,619	Delinquent Property Taxes	868,040
175,346	0	1,753,458	Municipal Income Taxes	1,296,609
0	349,852	681,334	Intergovernmental	732,800
0	0	18,701	Special Assessments	41,968
0	41,968	41,968	Charges for Services	347,829
281,684	114,430	1,207,649	Fees, Licences and Permits	<u>201,438</u>
0	3,083	100,904		
0	3,000	59,244		
0	0	40,028		
0	0	20,128	Total	3,488,684
<u>0</u>	<u>0</u>	<u>20,128</u>	In the statement of activities, interest is accrued on outstanding debt, whereas in the governmental funds, an interest expenditure is reported when due.	(48,373)
<u>\$2,360,741</u>	<u>\$1,661,517</u>	<u>\$9,385,818</u>	Two internal service funds are used by management to charge the costs of insurance and workers' compensation to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position:	
\$7,405	\$4,347	\$115,872	Net Position	213,654
290,161	0	290,161	Claims Payable	<u>172,971</u>
44,384	0	44,384		
0	980	150,946	Total	386,625
0	18,191	41,754	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
0	0	33,063	SIB Bonds	(3,574,577)
0	18,701	168,701	SIB Loan	(906,274)
0	0	2,105	OPWC Loan	(88,307)
0	0	266,091	Claims Payable	(172,971)
0	0	3,726	Capital Lease	(491,812)
0	3,726	3,726	Compensated Absences	<u>(2,067,790)</u>
<u>341,950</u>	<u>45,945</u>	<u>1,116,803</u>	Total	(7,301,731)
316,264	411,142	1,881,579	The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the governmental funds:	
<u>387,779</u>	<u>619,204</u>	<u>3,488,684</u>	Deferred Outflows - Pension	1,513,789
704,043	1,030,346	5,370,263	Net Pension Liability	(11,085,870)
0	6,083	180,276	Deferred Inflows - Pension	<u>(39,756)</u>
1,314,748	379,566	2,493,630	Total	(9,611,837)
0	234,492	234,492		
0	0	124,172		
<u>0</u>	<u>(34,915)</u>	<u>(133,818)</u>		
<u>1,314,748</u>	<u>585,226</u>	<u>2,898,752</u>		
<u>\$2,360,741</u>	<u>\$1,661,517</u>	<u>\$9,385,818</u>	<i>Net Position of Governmental Activities</i>	<u>\$22,176,601</u>

City of Ashtabula, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	General	Community Development Block Grant	Street Maintenance and Repair	Police Levy
Revenues				
Property Taxes	\$831,325	\$0	\$0	\$485,874
Municipal Income Tax	5,855,730	0	0	0
Charges for Services	369,168	0	2,849	0
Licenses and Permits	26,717	0	0	0
Fines and Forfeitures	474,663	0	0	0
Intergovernmental	882,039	929,200	684,529	15,941
Special Assessments	0	0	0	0
Interest	149	0	26	0
Rentals	126,720	0	0	0
Franchise Taxes	219,307	0	0	0
Other	148,002	6,089	8,337	0
<i>Total Revenues</i>	<u>8,933,820</u>	<u>935,289</u>	<u>695,741</u>	<u>501,815</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	1,972,862	0	0	0
Judicial System	813,487	0	0	0
Security of Persons and Property:				
Police	3,014,588	0	0	287,260
Fire	2,128,964	0	0	0
Public Health Services	267,119	0	0	0
Street Maintenance and Repairs	85,848	0	735,363	0
Housing and Community Development	218	987,564	0	0
Sanitation Services	2,478	0	0	0
Leisure Time Activities	0	0	0	0
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	5,522	0	0	0
<i>Total Expenditures</i>	<u>8,291,086</u>	<u>987,564</u>	<u>735,363</u>	<u>287,260</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>642,734</u>	<u>(52,275)</u>	<u>(39,622)</u>	<u>214,555</u>
Other Financing Sources (Uses)				
State Infrastructure Bank Bonds Issued	0	0	0	0
State Infrastructure Bank Loan Issued	0	0	0	0
OPWC Loan Issued	0	0	0	0
Inception of Capital Lease	0	0	0	0
Transfers In	0	0	117,566	0
Transfers Out	(539,597)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(539,597)</u>	<u>0</u>	<u>117,566</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	103,137	(52,275)	77,944	214,555
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>263,715</u>	<u>201,899</u>	<u>189,803</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$366,852</u>	<u>\$149,624</u>	<u>\$267,747</u>	<u>\$214,555</u>

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio

*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2015*

Permanent Improvement	Other Governmental Funds	Total Governmental Funds		
			Net Change in Fund Balances - Total Governmental Funds	\$1,933,089
			<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
\$350,400	\$464,204	\$2,131,803	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 capital outlay exceeded depreciation in the current period:	
647,088	0	6,502,818	Capital Outlay	2,942,091
0	303,872	675,889	Depreciation	<u>(1,711,695)</u>
0	288,080	314,797	Total	1,230,396
0	134,872	609,535	Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of statement of activities, a gain or loss is reported for each disposal.	(13,865)
1,070,017	277,462	3,859,188	Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:	
0	12,369	12,369	Property Taxes	(151,600)
0	0	175	Municipal Income Tax	(59,102)
0	0	126,720	Intergovernmental	(1,181,647)
0	24,869	244,176	Special Assessments	(10,497)
250	5,154	167,832	Charges for Services	85,835
			Fees, Licenses and Permits	<u>52,604</u>
			Total	(1,264,407)
2,067,755	1,510,882	14,645,302	Repayment of bonds, OPWC loan and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	237,029
			Accrued interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the statement of net position.	(48,373)
			Compensated absences 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.	(16,884)
			Other financing sources in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues in the statement of activities:	
			SIB Bond Issued	(2,563,015)
			SIB Loan Issued	(856,691)
			OPWC Loan Issued	(44,286)
			Capital Lease Issued	<u>(119,046)</u>
			Total	(3,583,038)
			The internal service funds used by management to charge the costs of insurance and workers' compensation to individual funds are not reported in the city-wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities.	(187,196)
			Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.	1,012,786
			Except for amounts reported as deferred inflows/outflows, changes in net pension liability are reported as pension expense in the statement of activities.	<u>(1,106,788)</u>
			<i>Change in Net Position of Governmental Activities</i>	<u><u>(\$1,807,251)</u></u>

City of Ashtabula, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$1,014,343	\$854,345	\$831,325	(\$23,020)
Municipal Income Tax	5,626,846	5,809,692	5,728,340	(81,352)
Charges for Services	431,200	435,000	447,431	12,431
Licenses and Permits	53,475	51,905	61,187	9,282
Fines and Forfeitures	495,000	474,550	465,070	(9,480)
Intergovernmental	785,405	819,705	852,491	32,786
Interest	27	27	149	122
Rentals	137,240	137,240	126,720	(10,520)
Franchise Fees	230,000	230,000	217,313	(12,687)
Other	70,389	93,889	148,122	54,233
<i>Total Revenues</i>	<u>8,843,925</u>	<u>8,906,353</u>	<u>8,878,148</u>	<u>(28,205)</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	2,050,923	2,080,033	2,049,260	30,773
Judicial System	786,661	793,503	793,338	165
Security of Persons and Property:				
Police	2,918,373	3,049,326	3,025,079	24,247
Fire	2,184,515	2,133,185	2,126,144	7,041
Public Health Services	270,548	269,961	266,526	3,435
Street Maintenance and Repairs	98,635	85,790	85,760	30
Housing and Community Development	219	219	218	1
Sanitation Services	2,050	2,520	2,478	42
Debt Service:				
Principal Retirement	338,400	333,291	333,291	0
Interest and Fiscal Charges	4,800	6,054	6,054	0
<i>Total Expenditures</i>	<u>8,655,124</u>	<u>8,753,882</u>	<u>8,688,148</u>	<u>65,734</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>188,801</u>	<u>152,471</u>	<u>190,000</u>	<u>37,529</u>
Other Financing Sources (Uses)				
Proceeds of Notes	268,200	265,481	266,091	610
Advances Out	0	(43,701)	(43,701)	0
Transfers Out	(403,850)	(539,597)	(539,597)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(135,650)</u>	<u>(317,817)</u>	<u>(317,207)</u>	<u>610</u>
<i>Net Change in Fund Balance</i>	53,151	(165,346)	(127,207)	38,139
<i>Fund Balance Beginning of Year</i>	322,441	322,441	322,441	0
Prior Year Encumbrances Appropriated	2,507	2,507	2,507	0
<i>Fund Balance End of Year</i>	<u>\$378,099</u>	<u>\$159,602</u>	<u>\$197,741</u>	<u>\$38,139</u>

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio
Statement 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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$975,736	\$1,030,126	\$958,001	(\$72,125)
Other	0	0	6,089	6,089
<i>Total Revenues</i>	975,736	1,030,126	964,090	(66,036)
Expenditures				
Current:				
Housing and Community Development	546,160	1,129,323	1,017,594	111,729
<i>Net Change in Fund Balance</i>	429,576	(99,197)	(53,504)	45,693
<i>Fund Balance Beginning of Year</i>	31,995	31,995	31,995	0
Prior Year Encumbrances Appropriated	107,160	107,160	107,160	0
<i>Fund Balance End of Year</i>	<u>\$568,731</u>	<u>\$39,958</u>	<u>\$85,651</u>	<u>\$45,693</u>

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$2,200	\$4,500	\$2,849	(\$1,651)
Intergovernmental	720,900	721,900	684,805	(37,095)
Interest	0	0	26	26
Other	0	0	8,338	8,338
<i>Total Revenues</i>	<u>723,100</u>	<u>726,400</u>	<u>696,018</u>	<u>(30,382)</u>
Expenditures				
Current:				
Street Maintenance and Repairs:				
Public Works	<u>827,258</u>	<u>829,932</u>	<u>780,177</u>	<u>49,755</u>
<i>Excess of Revenues Under Expenditures</i>	(104,158)	(103,532)	(84,159)	19,373
Other Financing Sources				
Transfers In	<u>100,900</u>	<u>100,900</u>	<u>117,566</u>	<u>16,666</u>
<i>Net Change in Fund Balance</i>	(3,258)	(2,632)	33,407	36,039
<i>Fund Balance Beginning of Year</i>	19,905	19,905	19,905	0
Prior Year Encumbrances Appropriated	<u>2,724</u>	<u>2,724</u>	<u>2,724</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$19,371</u></u>	<u><u>\$19,997</u></u>	<u><u>\$56,036</u></u>	<u><u>\$36,039</u></u>

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Levy Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property and Other Taxes	\$543,663	\$500,663	\$485,874	(\$14,789)
Intergovernmental	0	0	14,527	14,527
<i>Total Revenues</i>	543,663	500,663	500,401	(262)
Expenditures				
Current:				
Security of Persons and Property:				
Police	449,693	371,444	279,218	92,226
<i>Net Change in Fund Balance</i>	93,970	129,219	221,183	91,964
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$93,970</u>	<u>\$129,219</u>	<u>\$221,183</u>	<u>\$91,964</u>

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2015

	Business-Type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Sanitation	Wastewater Treatment	Total	
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$187,221	\$190,359	\$377,580	\$418,835
Accounts Receivable	880,755	1,728,095	2,608,850	0
Interfund Receivable	0	0	0	150,000
Materials and Supplies Inventory	196	469	665	0
Intergovernmental Receivable	0	0	0	15,645
<i>Total Current Assets</i>	<u>1,068,172</u>	<u>1,918,923</u>	<u>2,987,095</u>	<u>584,480</u>
<i>Noncurrent Assets:</i>				
<i>Capital Assets:</i>				
Capital Assets, Nondepreciable	29,100	1,476,680	1,505,780	0
Capital Assets, Depreciable, Net	813,769	12,986,978	13,800,747	0
<i>Total Noncurrent Assets</i>	<u>842,869</u>	<u>14,463,658</u>	<u>15,306,527</u>	<u>0</u>
<i>Total Assets</i>	<u>1,911,041</u>	<u>16,382,581</u>	<u>18,293,622</u>	<u>584,480</u>
Deferred Outflows of Resources				
Pension	118,168	173,776	291,944	0
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	6,874	14,986	21,860	854
Contracts Payable	20,824	626,199	647,023	0
Accrued Wages	18,377	26,814	45,191	294
Intergovernmental Payable	3,436	24,935	28,371	98,611
Retainage Payable	0	78,581	78,581	0
Accrued Interest Payable	2,653	24,642	27,295	0
Notes Payable	66,335	227,574	293,909	0
Compensated Absences Payable	73,308	98,552	171,860	0
Claims Payable	0	0	0	221,067
Capital Leases Payable	37,626	5,867	43,493	0
Loans Payable	0	419,699	419,699	0
<i>Total Current Liabilities</i>	<u>229,433</u>	<u>1,547,849</u>	<u>1,777,282</u>	<u>320,826</u>
<i>Long-Term Liabilities (net of current portion):</i>				
Compensated Absences Payable	67,066	107,328	174,394	0
Claims Payable	0	0	0	50,000
Capital Leases Payable	0	16,427	16,427	0
Loans Payable	0	2,156,563	2,156,563	0
Net Pension Liability	663,282	975,413	1,638,695	0
<i>Total Long-Term Liabilities</i>	<u>730,348</u>	<u>3,255,731</u>	<u>3,986,079</u>	<u>50,000</u>
<i>Total Liabilities</i>	<u>959,781</u>	<u>4,803,580</u>	<u>5,763,361</u>	<u>370,826</u>
Deferred Inflows of Resources				
Pension	11,652	17,136	28,788	0
Net Position				
Net Investment in Capital Assets	805,243	11,160,322	11,965,565	0
Unrestricted	252,533	575,319	827,852	213,654
<i>Total Net Position</i>	<u>\$1,057,776</u>	<u>\$11,735,641</u>	<u>\$12,793,417</u>	<u>\$213,654</u>

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio
*Statement of Revenues, Expenses
and Changes in Fund Net Position*
Proprietary Funds
For the Year Ended December 31, 2015

	Business-Type Activities			Governmental Activities - Internal Service Funds
	Enterprise Funds			
	Sanitation	Wastewater Treatment	Total	
Operating Revenues				
Charges for Services	\$1,846,883	\$3,493,406	\$5,340,289	\$1,810,959
Tap-In Fees	0	23,500	23,500	0
Miscellaneous	28	10,561	10,589	0
<i>Total Revenues</i>	<u>1,846,911</u>	<u>3,527,467</u>	<u>5,374,378</u>	<u>1,810,959</u>
Operating Expenses				
Personal Services	1,083,448	1,626,218	2,709,666	15,278
Contractual Services	400,585	875,112	1,275,697	507,274
Materials and Supplies	88,709	1,240,706	1,329,415	0
Depreciation	95,740	458,695	554,435	0
Claims	0	0	0	1,475,603
<i>Total Operating Expenses</i>	<u>1,668,482</u>	<u>4,200,731</u>	<u>5,869,213</u>	<u>1,998,155</u>
<i>Operating Income (Loss)</i>	<u>178,429</u>	<u>(673,264)</u>	<u>(494,835)</u>	<u>(187,196)</u>
Non Operating Revenues (Expenses)				
Loss on Disposal of Capital Assets	0	(93)	(93)	0
Interest and Fiscal Charges	(4,377)	(52,481)	(56,858)	0
<i>Total Non Operating Revenue (Expenses)</i>	<u>(4,377)</u>	<u>(52,574)</u>	<u>(56,951)</u>	<u>0</u>
<i>Income (Loss) Before Capital Contributions and Transfers</i>	174,052	(725,838)	(551,786)	(187,196)
Capital Contributions	19,980	5,710	25,690	0
Transfers In	39,255	16,245	55,500	0
<i>Change in Net Position</i>	233,287	(703,883)	(470,596)	(187,196)
<i>Net Assets Beginning of Year - Restated (See Note 3)</i>	<u>824,489</u>	<u>12,439,524</u>	<u>13,264,013</u>	<u>400,850</u>
<i>Net Position End of Year</i>	<u><u>\$1,057,776</u></u>	<u><u>\$11,735,641</u></u>	<u><u>\$12,793,417</u></u>	<u><u>\$213,654</u></u>

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015

	Business-Type Activities			Governmental Activities - Internal Service Funds
	Enterprise Funds			
	Sanitation	Wastewater Treatment	Total	
Increase (Decrease) In Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Customers	\$1,900,881	\$3,508,286	\$5,409,167	\$0
Cash Received from Tap-In Fees	0	23,500	23,500	0
Cash Received from Other Funds	0	0	0	1,810,053
Cash Payments Received from Other Operating Sources	28	10,561	10,589	0
Cash Payments for Employee Services and Benefits	(1,098,528)	(1,708,539)	(2,807,067)	(15,329)
Cash Payments to Suppliers for Goods and Services	(463,904)	(1,430,343)	(1,894,247)	(467,567)
Cash Payments for Claims	0	0	0	(1,455,227)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>338,477</u>	<u>403,465</u>	<u>741,942</u>	<u>(128,070)</u>
Cash Flows from Noncapital Financing Activities				
Financing Activities:				
Advances In	0	0	0	25,000
Transfers In	39,255	16,245	55,500	0
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>39,255</u>	<u>16,245</u>	<u>55,500</u>	<u>25,000</u>
Cash Flows from Capital and Related Financing Activities				
Capital Grants	19,980	11,953	31,933	0
Proceeds of Notes	66,335	227,574	293,909	0
Proceeds of OPWC Loan	0	47,180	47,180	0
Proceeds of OWDA Loan	0	1,532,852	1,532,852	0
Proceeds of Capital Lease	0	28,557	28,557	0
Principal Paid on OWDA Loans	0	(153,039)	(153,039)	0
Principal Paid on EQ Basin Loan	0	(286,714)	(286,714)	0
Principal Paid OPWC Loans	0	(39,125)	(39,125)	0
Principal Paid on Notes	(83,135)	(283,574)	(366,709)	0
Principal Paid on Capital Lease	(36,064)	(6,263)	(42,327)	0
Interest Paid on OWDA Loan	0	(13,642)	(13,642)	0
Interest Paid on EQ Basin Loan	0	(24,590)	(24,590)	0
Interest Paid on Notes	(1,040)	(2,845)	(3,885)	0
Interest Paid on Capital Lease	(3,470)	(199)	(3,669)	0
Payments for Capital Acquisitions	(318,950)	(1,696,930)	(2,015,880)	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(356,344)</u>	<u>(658,805)</u>	<u>(1,015,149)</u>	<u>0</u>
<i>Net Increase (Decrease) In Cash and Cash Equivalents</i>	21,388	(239,095)	(217,707)	(103,070)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>165,833</u>	<u>429,454</u>	<u>595,287</u>	<u>521,905</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$187,221</u>	<u>\$190,359</u>	<u>\$377,580</u>	<u>\$418,835</u>

(continued)

City of Ashtabula, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2015

	Business-Type Activities			Governmental Activities - Internal Service Funds
	Enterprise Funds			
	Sanitation	Wastewater Treatment	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities				
<i>Operating Income (Loss)</i>	\$178,429	(\$673,264)	(\$494,835)	(\$187,196)
Adjustments:				
Depreciation	95,740	458,695	554,435	0
(Increase)/ Decrease in Assets:				
Accounts Receivable	53,998	14,880	68,878	0
Intergovernmental Receivable	0	0	0	(906)
Materials and Supplies Inventory	209	299	508	0
Prepaid Items	32,402	257	32,659	48,922
Decrease in Deferred Outflows of Resources - Pension	6,975	10,259	17,234	0
Increase/ (Decrease) in Liabilities:				
Accounts Payable	272	(38,155)	(37,883)	854
Contracts Payable	(7,493)	626,199	618,706	(4,238)
Accrued Wages	(880)	(3,554)	(4,434)	(43)
Compensated Absences Payable	(3,399)	(62,590)	(65,989)	0
Intergovernmental Payable	(173)	17,748	17,575	(5,839)
Retainage Payable	0	78,581	78,581	0
Claims Payable	0	0	0	20,376
Net Pension Liability	(12,226)	(17,983)	(30,209)	0
Decrease in Deferred Inflows of Resources - Pension	(5,377)	(7,907)	(13,284)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$338,477</u>	<u>\$403,465</u>	<u>\$741,942</u>	<u>(\$128,070)</u>

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2015

Assets	
Equity in Pooled Cash and Cash Equivalents	\$148,048
Cash and Cash Equivalents in Segregated Accounts	<u>81,414</u>
<i>Total Assets</i>	<u><u>\$229,462</u></u>
 Liabilities	
Intergovernmental Payable	\$61,122
Deposits Held and Due to Others	<u>168,340</u>
<i>Total Liabilities</i>	<u><u>\$229,462</u></u>

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2015

Note 1 - Description of the City and Reporting Entity

The City of Ashtabula (the “City”) is a home rule municipal corporation incorporated as a city in 1891 under the laws of the State of Ohio. The City operates under its own charter approved by the voters on November 3, 1914. The charter provides for an elected City Manager-Council form of government, which was adopted on January 1, 1950. Elected officials are the city manager, members of council, and the city solicitor. All serve four-year terms.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Ashtabula, this includes police and fire, street maintenance and repairs, parks and recreation, public improvements, community development (planning and zoning), health services, wastewater, sanitation, and general administrative and legislative services. The operation of each of these activities is directly controlled by Council through the budgetary process.

Component units are legally separate organizations for which the City is financially accountable (See Note 22). 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 organizations. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City.

The component unit column in the basic financial statements identifies the financial data of the discretely presented component unit, the Ashtabula Port Authority. It is reported separately to emphasize that it is legally separate from the City.

Ashtabula City Port Authority The Ashtabula City Port Authority is a legally separate entity, statutorily created under Section 4582.02 of the Ohio Revised Code, served by a seven-member board of directors appointed by the City Manager with the approval of City Council. Charged with the responsibility of industrial development and the improvement of Ashtabula’s interconnecting waterways, the Port Authority is empowered with the ability to carry out the actions they consider necessary to achieve these responsibilities. The Port Authority is fiscally dependent on the City and is therefore presented as a component unit of the City. On November 1, 1999, the Port Authority borrowed \$150,000 from the City’s Revolving Loan Fund to finance the construction of a new housing facility for the United States Coast Guard Station located within the City limits. The Coast Guard signed a twenty year lease with the Port Authority. The City of Ashtabula was the co-signer on a fifteen year, \$375,000 Rural Industrial Park loan, taken out by the Port Authority for the infrastructure installation in the new 38 acre Industrial Park located at the end of State Route 11. The loan was through the Ohio Department of Development. The Port Authority is planning on selling the lots to businesses and applying the proceeds on repayment of the loan. The loan has no interest, principal, or service fee payments for the first sixty months. Thereafter the Port Authority will pay interest at the rate of 3 percent plus a .25 percent service fee per annum. Financial statements can be obtained from J. A. Valentic & Company Inc., 517 West Prospect Road, Ashtabula, Ohio.

Information in the following notes to the basic financial statements is applicable to the primary government. Information relative to the Ashtabula City Port Authority is presented in Note 23.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2015

Note 2 - Summary of Significant Accounting Policies

The financial statements of the City of Ashtabula 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 principles. The more significant of the City's accounting policies are described below.

Basis of Presentation

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

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

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. 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. Non-major funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

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

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2015

The following are the City's major governmental funds:

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

Community Development Block Grant Special Revenue Fund The community development block grant special revenue fund is used to account for and report restricted monies received from the State under the federal Community Development Block Grant and Rental Rehabilitation programs and expended under the guidelines of those programs.

Street Maintenance and Repair Special Revenue Fund The street maintenance and repair special revenue fund accounts for and reports the portion of the gasoline tax and motor vehicle registration fees restricted for maintenance and repair of dedicated streets within the City.

Police Levy Fund The police levy fund is used to account for and report the restricted property and other taxes collected for police officer wages and benefits.

Permanent Improvement Capital Projects Fund The permanent improvement capital projects fund accounts for and reports restricted property and other taxes, municipal income tax and intergovernmental revenues to be used for the acquisition, construction, or improvement of major capital facilities other than those financed by proprietary funds.

The other governmental funds of the City account for grants and other resources whose use is restricted, committed or assigned to a particular purpose.

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

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

Sanitation Fund The sanitation fund accounts for and reports fees charged for residential and commercial trash services provided to City residents.

Wastewater Treatment Fund The wastewater treatment fund accounts for and reports fees charged for residential and commercial wastewater services provided to City residents.

Internal Service Funds 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 funds report on self-insurance programs for employee medical benefits and workers' compensation.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary funds are agency funds to account for assets held by the City for fire deposits, the law library, marina, Municipal Court, street deposits and to distribute income tax revenues to Ashtabula and Saybrook Townships.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2015

Measurement Focus

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

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

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

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; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows/inflows of resources and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, the resources must also be available before they can be recorded as revenue. 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 year-end.

Non-exchange 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 year for which the taxes are levied (See Note 10). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

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Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension. The deferred outflows of resources related to pension are explained in Note 20.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, unavailable revenue and pension. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance year 2016 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represent receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, municipal income taxes, special assessments, intergovernmental grants and ambulance charges. These amounts are deferred and recognized as an inflow of resources in the period the amounts became available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balance to net position of governmental activities on page 21. Deferred inflows of resources related to pension are reported on the government-wide statement of net position (See Note 20).

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

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.

Budgets

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 department and object level within each fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the City Auditor. 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 final amended certificate of estimated resources issued during 2015.

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The appropriation ordinance 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 ordinance 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.

Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through City records. Interest in the pool is presented as “equity in pooled cash and cash equivalents”.

The City has segregated bank accounts for monies held separate from the City's central bank account. These interest-bearing depository accounts are presented on the statement of net position as "Cash and Cash Equivalents in Segregated Accounts" since they are not required to be deposited into the City's treasury. The cash of the recreation department, Municipal Court and the Ashtabula Port Authority component unit are included in this line item.

The City of Ashtabula has invested in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2015. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's net asset value per share which is the price the investment could be sold at December 31, 2015.

Interest is distributed to the general fund and certain special revenue funds of the City. Interest revenue credited to the general fund during 2015 amounted to \$149, which includes \$133 assigned from other City funds.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Any increase or decrease in fair value is reported as a component of interest income. Nonparticipating investment contracts such as nonnegotiable certificates of deposit and repurchase agreements are reported at cost.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the City are presented on the financial statements as cash equivalents.

Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted net position in the general fund represents unclaimed monies and the City's early retirement pension buyout liability.

Inventory

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the enterprise fund are expensed when used.

City of Ashtabula, Ohio
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Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2015, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expenditure/expense in the year in which it was consumed.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair value as of the date received. The City maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

All reported capital assets are depreciated except for land and construction in progress. 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	5 - 50 years	5 - 50 years
Furniture, Fixtures and Equipment	3 - 25 years	3 - 25 years
Vehicles	3 - 7 years	3 - 7 years
Infrastructure	10 - 99 years	25 - 99 years

The City's infrastructure consists of bridges, roads, storm sewers, traffic lights and sanitary sewers and includes infrastructure acquired prior to December 31, 1980.

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. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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

On the governmental fund financial statements and business-type financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments came 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 employees who have resigned or retired will be paid.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences and net pension liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

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

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

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party-such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance or resolution, as both are equally binding) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or

City of Ashtabula, Ohio
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changes the specified use by taking the same type of action (ordinance or resolution, as both are equally binding) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute. State statute authorizes the Finance Director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. City Council assigned fund balance to cover a gap between estimated revenue and appropriations in 2016's appropriated budget.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit fund balance.

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

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for public health services.

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

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 sanitation, wastewater treatment and self-insurance for health and workers' compensation. Operating expenses are necessary costs incurred to provide the goods or service that is the primary activity of the fund. Revenues and expenses which do not meet these definitions are reported as non-operating.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
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Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Receivables and payables resulting from transactions between the primary government and the component unit for services provided or goods received are classified as "Due to Primary Government" or "Due from Component Unit" on the fund financial statements.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements. Internal events that are allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

Interfund payments for services provided and used are not eliminated. 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.

Estimates

The preparation of the 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.

Note 3 – Change in Accounting Principle and Restatement of Net Position

For 2015, the City implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68." GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported December 31, 2014:

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	Governmental Activities	Business -Type Activities	Total
Net position December 31, 2014	\$33,501,687	\$14,665,810	\$48,167,497
Adjustments:			
Net Pension Liability	(10,506,613)	(1,601,681)	(12,108,294)
Deferred Outflow - Payments Subsequent to Measurement Date	988,778	199,884	1,188,662
Restated Net Position December 31, 2014	<u>\$23,983,852</u>	<u>\$13,264,013</u>	<u>\$37,247,865</u>

	Sanitation	Wastewater Treatment	Total Enterprise
Net position December 31, 2014	\$1,391,883	\$13,273,927	\$14,665,810
Adjustments:			
Net Pension Liability	(648,299)	(953,382)	(1,601,681)
Deferred Outflow - Payments Subsequent to Measurement Date	80,905	118,979	199,884
Restated Net Position December 31, 2014	<u>\$824,489</u>	<u>\$12,439,524</u>	<u>\$13,264,013</u>

Other than employer contributions subsequent to the measurement date, the City made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

Note 4 – Fund Deficits

The fire pension, police pension and police grant special revenue funds and self-insurance internal service fund had deficit fund balances/net position as of December 31, 2015 in the amount of \$8,332, \$7,882, \$18,701 and \$75,112, respectively. The deficits in the special revenue funds are caused by revenues being insufficient to cover expenditures on a modified accrual basis of accounting. The general fund is liable for any deficits in the funds and provides transfers when cash is required, not when accruals occur. The City Finance Director currently monitors the self-insurance fund to ensure that expenses are covered each month. The City is also working with its employees to use health care programs to keep the cost of insurance down.

Note 5 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented as follows:

Fund Balances	General	Community Development Block Grant	Street Maintenance and Repair	Police Levy	Permanent Improvement	Nonmajor Governmental Funds	Total
<i>Nonspendable</i>							
Inventory	\$1,868	\$0	\$95,953	\$0	\$0	\$3,083	\$100,904
Prepays	53,496	0	2,748	0	0	3,000	59,244
Unclaimed Monies	20,128	0	0	0	0	0	20,128
<i>Total Nonspendable</i>	<u>\$75,492</u>	<u>\$0</u>	<u>\$98,701</u>	<u>\$0</u>	<u>\$0</u>	<u>\$6,083</u>	<u>\$180,276</u>

(continued)

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2015

Fund Balances	General	Community Development Block Grant	Street Maintenance and Repair	Police Levy	Permanent Improvement	Nonmajor Governmental Funds	Total
<i>Restricted for</i>							
Road Improvements	\$0	\$0	\$169,046	\$0	\$0	\$50,255	\$219,301
Street Lighting	0	0	0	0	0	27	27
Public Safety	0	0	0	214,555	0	64,197	278,752
Municipal Probation Services	0	0	0	0	0	96,620	96,620
Recycling Program	0	0	0	0	0	60,035	60,035
Economic Development	0	149,624	0	0	0	0	149,624
Debt Service Payments	0	0	0	0	0	54,887	54,887
Capital Improvement	0	0	0	0	1,314,748	3,311	1,318,059
Municipal Court Projects	0	0	0	0	0	50,234	50,234
Early Retirement Payments	266,091	0	0	0	0	0	266,091
<i>Total Restricted</i>	266,091	149,624	169,046	214,555	1,314,748	379,566	2,493,630
<i>Committed to</i>							
Recreation	0	0	0	0	0	30,063	30,063
Food Service	0	0	0	0	0	4,492	4,492
Code Enforcement	0	0	0	0	0	186,774	186,774
Public Health Nursing	0	0	0	0	0	13,163	13,163
<i>Total Committed</i>	0	0	0	0	0	234,492	234,492
<i>Assigned to</i>							
Purchases on Order:							
Supplies	9,418	0	0	0	0	0	9,418
Year 2016 Appropriations	114,754	0	0	0	0	0	114,754
<i>Total Assigned</i>	124,172	0	0	0	0	0	124,172
<i>Unassigned (Deficit)</i>	(98,903)	0	0	0	0	(34,915)	(133,818)
<i>Total Fund Balances (Deficit)</i>	\$366,852	\$149,624	\$267,747	\$214,555	\$1,314,748	\$585,226	\$2,898,752

Note 6 - Budgetary Basis of Accounting

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statement of revenues, expenditures and changes in fund balances - budget (non-GAAP basis) and actual presented for the general and each major special revenue fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as restricted, committed or assigned fund balance (GAAP).

City of Ashtabula, Ohio
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4. Proceeds from short-term notes are reported on the operating statement (budget) rather than on the balance sheet (GAAP).
5. Advances-out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and for the major special revenue funds.

	Net Change in Fund Balance			
	General	Community Development Block Grant	Street Maintenance And Repair	Police Levy
GAAP Basis	\$103,137	(\$52,275)	\$77,944	\$214,555
Net Adjustment for Revenue Accruals	(55,672)	28,801	277	(1,414)
Proceeds of Notes	266,091	0	0	0
Net Adjustment for Expenditure Accruals	(318,477)	(8,676)	(26,714)	29,174
Advances	(43,701)	0	0	0
Encumbrances	(78,585)	(21,354)	(18,100)	(21,132)
Budget Basis	<u>(\$127,207)</u>	<u>(\$53,504)</u>	<u>\$33,407</u>	<u>\$221,183</u>

Note 7 – Interfund Transfers and Balances

Interfund Transfers

Interfund transfers for the year ended December 31, 2015, consisted of the following:

Transfers To	Transfers From			Totals
	General	Permanent Improvement	Other Governmental Funds	
Major Funds:				
Street Maintenance and Repair	\$117,566	\$0	\$0	\$117,566
Other Governmental Funds	422,031	200,000	0	622,031
Sanitation	0	39,255	0	39,255
Wastewater Treatment	0	6,463	9,782	16,245
Totals	<u>\$539,597</u>	<u>\$245,718</u>	<u>\$9,782</u>	<u>\$795,097</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to provide additional resources for current operations; to segregate money for anticipated capital projects; to make debt payments and to return money to the fund from which it was originally provided once a project is completed.

City of Ashtabula, Ohio
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Interfund Balances

Interfund balances consisted of a \$225,000 advance made in 2010 from the workers' compensation fund to the general fund due to an overall decrease in revenues in the general fund. The general fund began repaying the advance back to the workers' compensation fund in \$25,000 increments over 10 years in 2012. As of December 31, 2015, the balance was \$150,000. The general fund advanced \$18,701 to the police grant special revenue fund to support programs pending the receipt of grant money. The advance is payable to the general fund and is expected to be repaid in 2016.

Note 8 - Deposits and Investments

The City has chosen to follow State statutes and classify monies held by the City into three categories.

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies 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 held by the City can be deposited or invested in the following securities:

1. United States Treasury bills, bonds notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and 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, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and with certain limitations bonds and other obligations of political subdivisions of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio);

City of Ashtabula, Ohio
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7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided 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 the market daily, and the term of the agreement must not exceed thirty days.

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

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

The City has passed an ordinance allowing the City to invest monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and
3. Obligations of the City.

The City has segregated bank accounts for monies held separate from the City's central bank account. These interest bearing depository accounts are reported as "Cash and Cash Equivalents in Segregated Accounts" since they are not required to be deposited into the City Treasury.

Deposits

Custodial Credit Risk Custodial credit risk for deposits is the risk that, in the event of the failure of the counterparty, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$3,749,425 of the City's bank balance of \$4,249,425 was uninsured. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the uninsured deposits being secured.

City of Ashtabula, Ohio
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Investments

At December 31, 2015, the City had \$100,452 invested in STAR Ohio with an average maturity of 49.4 days.

Interest Rate Risk As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. To date, no investments have been purchased with a life greater than five years.

Credit Risk Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City has no investment policy that addresses credit risk.

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

Note 9 - Contingent Liabilities

Litigation

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

Federal and State Grants

The City participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantor or their representatives. Any liability for reimbursement, which may arise as the result of these audits, is not believed to be material.

Note 10 - Receivables

Receivables at December 31, 2015, consisted primarily of taxes, accounts (billings for utility service), special assessments, accrued interest on investments, amounts due from other governments and loans receivable. Loans receivable represent low interest loans for development projects and home improvements granted to eligible City residents and businesses under the Federal Community Development Block Grant program. The loans bear interest at annual rates ranging between three and seven percent. The loans are to be repaid over periods ranging from five to fifteen years. The City has also loaned money to the Ashtabula Port Authority (component unit). The loan has an interest rate of 4.5 percent and is to be repaid over twenty years. No allowances for doubtful accounts have been recorded. All receivables, except property taxes and special assessments are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

City of Ashtabula, Ohio
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Special assessments expected to be collected in more than one year amount to \$31,668 in the debt service fund. At December 31, 2015, the amount of delinquent special assessments was \$768. Collections expected in 2016 amount to \$10,300.

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2015 for real and public utility property taxes represents collections of 2014 taxes.

2015 real property taxes are levied after October 1, 2015 on the assessed value as of January 1, 2015 the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2015 real property taxes are collected in and intended to finance 2016.

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

Public utility personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2015 public utility property taxes which became a lien December 31, 2014, are levied after October 1, 2015, and are collected in 2016 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2015, was \$11.76 per \$1,000 of assessed value. The assessed values of real property and public utility property upon which 2015 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	
Residential/Agricultural	\$117,166,590
Other Real Estate	53,523,250
Public Utility Property	26,588,520
Total Assessed Values	<u><u>\$197,278,360</u></u>

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which are measurable as of December 31, 2015 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2015 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collective delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Income Taxes

An income tax of 1.8 percent is levied on substantially all income earned within the City. In addition, the residents of the City are required to pay City income taxes on income earned outside the City; however, credit is allowed for income taxes paid to other municipalities up to fifty percent of the City's current tax rate.

The City's income tax ordinance requires ten percent of the income tax revenues to be used to finance capital projects or acquire capital assets. As a result, this portion of the revenue is placed in the permanent improvement capital projects fund. The remaining ninety percent is unrestricted and is credited to the City's general fund.

City of Ashtabula, Ohio
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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.

In accordance with the City Charter, any income tax ordinance must be approved by a majority vote at a City election prior to the ordinance becoming effective.

Intergovernmental Receivables

A summary of intergovernmental receivables follows:

	Amounts
Governmental Activities	
Local Government	\$342,182
Gasoline and Excise Tax	260,352
Homestead and Rollback Taxes	134,970
Grants	347,751
Auto License Tax	59,130
Permissive Tax	51,876
Health Insurance Reimbursement	15,645
Estate and Lodging Taxes	1,336
Liquor Licenses	3,379
Miscellaneous	6,673
Total	\$1,223,294

Note 11 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2015, the City contracted with Argonaut Insurance Company for various types of insurance as follows:

Type of Coverage	Coverage Amounts	Deductible
General Liability	\$3,000,000	\$10,000
Law Enforcement Liability	1,000,000	25,000
Business Auto - Comprehensive	1,000,000	1,000
Business Auto - Collision	1,000,000	1,000
Public Officials' Liability	1,000,000	25,000
Employment Practices Liability	1,000,000	25,000

There were no significant reductions from prior years and claims have not exceeded insurance coverage in any of the last three years.

The City provides hospital/medical, dental, drug and vision benefits for its employees through a self-insured program. A third party administrator processes and the City pays the claims. The City is paying self-insurance claims and administrative costs from its insurance internal service fund. An excess coverage insurance (stop loss)

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policy covers claims in excess of \$50,000 per member. During 2015, a total of \$1,805,947 was expensed in benefits and administrative costs. The liability for unpaid claims cost of \$98,096 reported in the self-insurance internal service fund at December 31, 2015, is based on the requirements of Governmental Accounting Standards Board Statement 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims be reported. Incurred but not reported claims of \$98,096 have been accrued as a liability based on a review of January through February 2016 billings provided by the City Finance Director. Management's expectation is the claims liability will be paid within one year.

The City participates in the State Workers' Compensation retrospective rating and payment system. This plan involves the payment of a minimum premium for administrative services and stop-loss coverage plus the actual claim costs for employees injured. Incurred but not reported claims of \$172,971 have been accrued as a liability in the workers' compensation internal service fund at December 31, 2015 based on an estimate by the City Finance Director.

The estimates for the internal services funds were not affected by incremental claim adjustment expenses and do not include other allocated claim adjustment expenses.

Changes in the internal services funds' claims liability amounts in the last two years is as follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2014	\$318,498	\$1,569,065	(\$1,636,872)	\$250,691
2015	250,691	1,475,603	(1,455,227)	271,067

Note 12 - Compensated Absences

All full-time employees of the City earn vacation and sick leave at varying rates depending on length of service. Two-weeks of vacation is awarded on the one-year anniversary date. Vacation is then awarded January 1 of each succeeding year. Vacation is paid as used by employees or paid upon separation from the City.

Sick leave is accrued at the rate of 10 hours per month for employees working an 8-hour work shift. Police employees working a 12-hour work day receive 12 hours of sick leave per month. Fire employees working a 24-hour work shift earn 14 hours of sick leave per month.

Part-time employees earn prorated sick and vacation time proportional to hours worked. A snapshot is taken the first 90-days of employment to determine the first year's accruals. The previous year is used as the snapshot for the succeeding year.

Beginning in 2012 a sick time buyout option was offered to AFSCME employee members. Employees with ten or more years of service and at least 960 hours of accumulated sick time are eligible for a cash payment or contribution to Deferred Compensation of up to 160 hours of their accumulated sick time. Effective for 2015, notice of participation must be given by September 1 of the prior year to be paid by March 1 of the subsequent year. The hours converted to cash are deducted from the amount of termination benefit due upon retirement.

Upon retirement employees may receive payment for unused sick leave according to years of service. Existing employees having at least 19 years of service as of May 1, 2012, are entitled to receive 100 percent payment of up to 960 hours and 50 percent of hours in excess of 960. Existing employees having at least 14 years of service with the

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City as of May 1, 2012, are entitled to receive up to 90 percent of 960 hours and 40 percent of hours in excess of 960. Existing employees with at least 9 years of service as of May 1, 2012 are entitled to receive payment of up to 60 percent of up to 960 hours and 40 percent of hours in excess of 960. Employees hired after May 1, 2012 are entitled to be paid 25 percent of up to 960 hours of their accumulated sick leave as of the effective retirement date.

Employees declaring their pending retirement by September 1 for the following year are entitled to receive an additional five percent sick leave payment, known as a Commitment Incentive Program (CIP). The five percent is based on the lump sum dollar amount of prorated sick leave payment upon retirement.

Note 13 - Capital Assets

Capital asset activity for the year ended December 31, 2015, was as follows:

	Balance <u>12/31/2014</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>12/31/2015</u>
Business-Type Activities:				
<i>Capital Assets not being Depreciated:</i>				
Land	\$86,863	\$0	\$0	\$86,863
Construction in Progress	<u>633,272</u>	<u>1,511,952</u>	<u>(726,307)</u>	<u>1,418,917</u>
<i>Total Capital Assets not being Depreciated:</i>	<u>720,135</u>	<u>1,511,952</u>	<u>(726,307)</u>	<u>1,505,780</u>
<i>Capital Assets being Depreciated:</i>				
Buildings and Improvements	8,123,471	18,779	0	8,142,250
Furniture, Fixtures and Equipment	2,561,275	433,713	(5,816)	2,989,172
Vehicles	1,314,125	34,124	0	1,348,249
Infrastructure:				
Sanitary Sewer System	<u>14,715,199</u>	<u>743,619</u>	<u>0</u>	<u>15,458,818</u>
<i>Total Capital Assets being Depreciated:</i>	<u>26,714,070</u>	<u>1,230,235</u>	<u>(5,816)</u>	<u>27,938,489</u>
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(5,090,451)	(236,899)	0	(5,327,350)
Furniture, Fixtures and Equipment	(2,084,600)	(86,446)	5,723	(2,165,323)
Vehicles	(1,165,964)	(53,569)	0	(1,219,533)
Infrastructure:				
Sanitary Sewer System	<u>(5,248,015)</u>	<u>(177,521)</u>	<u>0</u>	<u>(5,425,536)</u>
<i>Total Accumulated Depreciation</i>	<u>(13,589,030)</u>	<u>(554,435)</u>	<u>5,723</u>	<u>(14,137,742)</u>
Total Capital Assets being Depreciated, Net	<u>13,125,040</u>	<u>675,800</u>	<u>(93)</u>	<u>13,800,747</u>
Business-type Activities Capital Assets, Net	<u><u>\$13,845,175</u></u>	<u><u>\$2,187,752</u></u>	<u><u>(\$726,400)</u></u>	<u><u>\$15,306,527</u></u>

City of Ashtabula, Ohio
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For the Year Ended December 31, 2015

	Balance 12/31/2014	Additions	Deductions	Balance 12/31/2015
Governmental Activities:				
<i>Capital Assets not being Depreciated</i>				
Land	\$1,977,331	\$0	\$0	\$1,977,331
Construction in Progress	2,251,080	771,919	(330,892)	2,692,107
<i>Total Capital Assets not being Depreciated</i>	<u>4,228,411</u>	<u>771,919</u>	<u>(330,892)</u>	<u>4,669,438</u>
<i>Capital Assets being Depreciated</i>				
Buildings and Improvements	11,029,079	287,139	0	11,316,218
Furniture, Fixtures and Equipment	3,126,531	60,030	(62,810)	3,123,751
Vehicles	4,139,452	139,270	(25,997)	4,252,725
Infrastructure:				
Bridges	15,069,086	0	0	15,069,086
Roads	13,941,007	2,014,625	(564,309)	15,391,323
Storm Sewers	2,543,996	0	0	2,543,996
Traffic Lights	572,958	0	0	572,958
<i>Total Capital Assets being Depreciated</i>	<u>50,422,109</u>	<u>2,501,064</u>	<u>(653,116)</u>	<u>52,270,057</u>
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(6,839,093)	(287,314)	0	(7,126,407)
Furniture, Fixtures and Equipment	(2,352,304)	(219,733)	62,810	(2,509,227)
Vehicles	(2,646,775)	(200,331)	12,132	(2,834,974)
Infrastructure:				
Bridges	(1,899,686)	(152,213)	0	(2,051,899)
Roads	(8,371,864)	(821,561)	564,309	(8,629,116)
Storm Sewers	(1,282,582)	(24,988)	0	(1,307,570)
Traffic Lights	(110,266)	(5,555)	0	(115,821)
<i>Total Accumulated Depreciation</i>	<u>(23,502,570)</u>	<u>(1,711,695)</u>	<u>639,251</u>	<u>(24,575,014)</u>
Total Capital Assets being Depreciated, Net	<u>26,919,539</u>	<u>789,369</u>	<u>(13,865)</u>	<u>27,695,043</u>
Governmental Activities Capital Assets, Net	<u><u>\$31,147,950</u></u>	<u><u>\$1,561,288</u></u>	<u><u>(\$344,757)</u></u>	<u><u>\$32,364,481</u></u>

Depreciation expense was charged to governmental functions as follows:

General Government	
Legislative and Executive	\$158,829
Judicial	66,531
Security of Persons and Property	
Police	204,837
Fire	109,636
Public Health Services	2,113
Street Maintenance and Repair	1,130,291
Housing and Community Development	1,746
Leisure Time Activities	37,712
Total Depreciation Expense	<u><u>\$1,711,695</u></u>

City of Ashtabula, Ohio
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For the Year Ended December 31, 2015

Note 14 - Related Party Transactions

The Ashtabula Port Authority, a discretely presented component unit of the City of Ashtabula, receives contributions from the City for salaries for the administration, implementation and supervision of its projects. During 2015, the City did not making any contributions to the Port Authority. The City of Ashtabula cosigns for debt that the Ashtabula Port Authority issues and also appoints the board of the Ashtabula Port Authority.

Note 15 – Short-Term Debt

A summary of note transactions for the year ended December 31, 2015, follows:

	Outstanding 12/31/2014	Additions	(Reductions)	Outstanding 12/31/2015
<i>Governmental Activities</i>				
<i>General Fund</i>				
Early Retirement Incentive 2014	\$333,291	\$0	(\$333,291)	\$0
Early Retirement Incentive 2015	0	266,091	0	266,091
<i>Total Governmental Activities</i>	333,291	266,091	(333,291)	266,091
<i>Business-Type Activities</i>				
<i>Sanitation</i>				
Early Retirement Incentive 2014	83,135	0	(83,135)	0
Early Retirement Incentive 2015	0	66,335	0	66,335
<i>Total Sanitation</i>	83,135	66,335	(83,135)	66,335
<i>Wastewater Treatment</i>				
Early Retirement Incentive 2014	283,574	0	(283,574)	0
Early Retirement Incentive 2015	0	227,574	0	227,574
<i>Total Wastewater Treatment</i>	283,574	227,574	(283,574)	227,574
<i>Total Business-Type Activities</i>	366,709	293,909	(366,709)	293,909
<i>Total Notes Payable</i>	\$700,000	\$560,000	(\$700,000)	\$560,000

In 2015, the City issued \$560,000 in early retirement incentive notes at a rate of 1.25 percent to help finance early retirement pension buyouts. The notes mature on May 12, 2016.

The notes are backed by the full faith and credit of the City and mature within one year. The note liabilities are reflected in the funds which received the proceeds.

Note 16 – Subsequent Event

On May 12, 2016, the City retired \$560,000 in early retirement incentive notes and issued \$410,000 in new notes. The new notes have a maturity date of May 11, 2017 and an interest rate of 1.25 percent.

City of Ashtabula, Ohio
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For the Year Ended December 31, 2015

Note 17 - Long-Term Debt

The original issue date, interest rate and original issuance amount for each of the City's debt issues follows:

Debt Issue	Original Issue Date	Interest Rate	Original Issue	Year of Maturity
Governmental Activities				
<i>State Infrastructure Bank</i>				
Bonds	2014	6.25 %	\$3,574,577	2030
Loan	2014	3.00	906,274	2030
<i>Special Assessment Loans:</i>				
OPWC Loan - Harbor Heights	2000	0.00	195,647	2020
<i>Ohio Public Works Commission:</i>				
West Avenue Bridge	2015	0.00	44,286	2035
Business-Type Activities				
<i>Ohio Water Development Authority:</i>				
Wastewater Plant Renovation	1999	4.35	1,964,178	2015
Final Settling Tanks Upgrade	2015	3.18	765,214	2045
Wastewater Plant Improvements	2015	1.50	767,638	2037
<i>Loans Payable:</i>				
Equalization Basin	2007	4.20	2,500,000	2015
<i>Ohio Public Works Commission:</i>				
Morton Drive Siphon Improvement	2008	0.00	183,659	2029
Michigan Avenue - EQ Basin	2008	0.00	500,000	2029
Chemical Feed Building	2012	0.00	42,961	2033
West Harbor Sewer Phase I	2014	0.00	111,724	2035
West Harbor Sewer Phase II	2015	0.00	47,180	2035

A schedule of changes in bonds and other long-term obligations of the City during 2015 follows:

	Principal Outstanding 12/31/2014	Additions	Deletions	Principal Outstanding 12/31/2015	Amounts Due in One Year
Governmental Activities					
<i>State Infrastructure Bank:</i>					
Bonds	\$1,011,562	\$2,563,015	\$0	\$3,574,577	\$0
Loan	49,583	856,691	0	906,274	0
Total State Infrastructure Bank	1,061,145	3,419,706	0	4,480,851	0
<i>Special Assessment OPWC Loan:</i>					
Harbor Heights	53,803	0	9,782	44,021	9,782
<i>OPWC Loan:</i>					
West Avenue Bridge	0	44,286	0	44,286	0
<i>Other Long-term Obligations:</i>					
Claims Payable	229,030	24,356	80,415	172,971	122,971
Capital Leases	600,013	119,046	227,247	491,812	235,731
Compensated Absences	2,050,906	821,234	804,350	2,067,790	580,443
Total Other Long-term Obligations:	2,879,949	964,636	1,112,012	2,732,573	939,145
<i>Net Pension Liability:</i>					
OPERS	2,211,845	51,112	0	2,262,957	0
OPF	8,294,768	528,145	0	8,822,913	0
Total Net Pension Liability:	10,506,613	579,257	0	11,085,870	0
Total Governmental Activities	\$14,501,510	\$5,007,885	\$1,121,794	\$18,387,601	\$948,927

City of Ashtabula, Ohio
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For the Year Ended December 31, 2015

	Principal Outstanding 12/31/2014	Additions	Deletions	Principal Outstanding 12/31/2015	Amounts Due in One Year
Business-type Activities					
<i>OWDA Loans:</i>					
Wastewater Plant Renovation	\$232,064	\$0	\$153,039	\$79,025	\$79,025
Final Settling Tanks Upgrade	0	765,214	0	765,214	0
Wastewater Plant Improvements	0	767,638	0	767,638	0
<i>Total OWDA Loans</i>	<u>232,064</u>	<u>1,532,852</u>	<u>153,039</u>	<u>1,611,877</u>	<u>79,025</u>
<i>Loans Payable:</i>					
Equalization Basin	585,471	0	286,714	298,757	298,757
<i>OPWC Loans:</i>					
Morton Drive Siphon Improvement	156,110	0	9,183	146,927	9,183
Michigan Avenue - EQ Basin	350,000	0	25,000	325,000	25,000
Chemical Feed Building	39,739	0	2,148	37,591	2,148
West Harbor Sewer - Phase I	111,724	0	2,794	108,930	5,586
West Harbor Sewer - Phase II	0	47,180	0	47,180	0
<i>Total OPWC Loans</i>	<u>657,573</u>	<u>47,180</u>	<u>39,125</u>	<u>665,628</u>	<u>41,917</u>
<i>Other Long-term Obligations:</i>					
Capital Leases	73,690	28,557	42,327	59,920	43,493
Compensated Absences	412,243	95,160	161,149	346,254	171,860
<i>Total Other Long-term Obligations</i>	<u>485,933</u>	<u>123,717</u>	<u>203,476</u>	<u>406,174</u>	<u>215,353</u>
<i>Net Pension Liability:</i>					
OPERS	1,601,681	37,014	0	1,638,695	0
<i>Total Business-type Activities</i>	<u>\$3,562,722</u>	<u>\$1,740,763</u>	<u>\$682,354</u>	<u>\$4,621,131</u>	<u>\$635,052</u>

The bonds and loan from the State Infrastructure Bank are financed through the Department of Transportation. A line of credit has been established in the amount of \$4,982,817 for various street projects. Since the repayment schedules have not yet been finalized, a repayment schedule is not included in the schedule of debt service requirements. Until a final repayment schedule is available, the City is paying based on estimates. The bonds and loan will be repaid from the debt service fund. The balance of the bonds and loan at December 31, 2015 is \$4,480,851.

The City has entered into contractual agreements for construction loans from the Ohio Public Works Commission (OPWC). Under the terms of these agreements, the OPWC will reimburse, advance or directly pay the construction costs of approved projects.

Lines of credit have been established with the Ohio Public Works Commission in the amount of \$217,500 for various projects. Since the loan repayment schedules have not yet been finalized, a repayment schedule is not included in the schedule of debt service requirements. Until a final repayment schedule is available, the City is paying based on estimates. The balance of these loans is as follows:

	<u>December 31, 2015</u>	<u>Lines of Credit</u>
Governmental Activities		
West Avenue Bridge	\$44,286	\$150,000
Business-type Activities		
West Harbor Sewer - Phase II	47,180	67,500
Total	<u>\$91,466</u>	<u>\$217,500</u>

City of Ashtabula, Ohio
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For the Year Ended December 31, 2015

The City has entered into contractual agreements for construction loans from the Ohio Water Development Authority (OWDA). Under the terms of these agreements, the OWDA will reimburse, advance or directly pay the construction costs of approved projects. The OWDA will capitalize administrative costs and construction interest and then add them to the total amount of the final loan.

A line of credit has been established with the Ohio Water Development Authority in the amount of \$2,802,394 for the wastewater treatment plant improvement project in the wastewater enterprise fund. Since the loan repayment schedule has not yet been finalized, a repayment schedule is not included in the schedule of debt service requirements. Until a final repayment schedule is available, the City is paying based on estimates. The balance of this loan at December 31, 2015 is \$767,638.

The Harbor Heights OPWC loan is secured by the future collection of special assessments. In the event that the benefited property owner would fail to pay the assessment, payment would be made by the City. The West Avenue bridge Ohio Public Works Commission loan will be paid from the permanent improvement capital projects fund. The amounts due to the Ohio Water Development Authority, Ohio Public Works Commission loans and the EQ Basin loan are payable solely from sewer revenues.

The City has pledged future wastewater treatment revenues to repay the OWDA, EQ Basin and OPWC loans. The loans are payable solely from net revenues and are payable through 2037. Annual principal and interest payments on the loans are expected to require less than one percent of net revenues in future years; however, in 2015, the principal payments exceeded net revenues. The total principal and interest remaining to be paid on the loans is \$1,825,315. Principal and interest paid for the current year and total net revenues were \$517,110 and (\$214,569) respectively.

Compensated absences will be paid from the general fund, the code enforcement, community development block grant, food service, sanitation, street maintenance and repair, special revenue funds and wastewater treatment fund. Claims payable will be paid from the workers' compensation internal service fund (See Note 11). The City pays obligations related to employee compensation from the fund benefitting from their service. See Note 20 for additional information related to the net pension liability.

The City's overall legal debt margin was \$16,233,377 at December 31, 2015. Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2015, are as follows:

Governmental Activities

	Special Assessment OPWC Loan Harbor Heights
2016	\$9,782
2017	9,783
2018	9,783
2019	9,783
2020	4,890
Total	<u><u>\$44,021</u></u>

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Business-type Activities

	OWDA Loan		Equalization Basin Loan		OPWC
	Principal	Interest	Principal	Interest	Loans
2016	\$79,025	\$1,719	\$298,757	\$12,548	\$41,917
2017	0	0	0	0	41,917
2018	0	0	0	0	41,917
2019	0	0	0	0	41,917
2020	0	0	0	0	41,917
2021-2025	0	0	0	0	209,585
2026-2030	0	0	0	0	159,585
2031-2035	0	0	0	0	39,693
Total	<u>\$79,025</u>	<u>\$1,719</u>	<u>\$298,757</u>	<u>\$12,548</u>	<u>\$618,448</u>

Note 18 - Leases

Capital Leases

During 2015, the City entered into capitalized leases for police cruisers, as well as having leases for an ambulance, public works equipment and a sanitation truck. These leases meet the criteria for a capital lease and have been recorded on the governmental-wide and business-type statements. The original amount capitalized for the capital lease and the book value as of December 31, 2015 for governmental and business-type activities follows:

	Governmental Activities	Business-Type Activities
Vehicles	\$1,305,433	\$202,221
Less: Accumulated Depreciation	(272,642)	(107,901)
Leased property, net of depreciation	<u>\$1,032,791</u>	<u>\$94,320</u>

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2015.

	Governmental Activities	Business-Type Activities
2016	\$246,328	\$45,718
2017	160,260	6,464
2018	51,508	6,464
2019	53,562	4,412
Total minimum lease payments	511,658	63,058
Less: amount representing interest	(19,846)	(3,138)
Present value of minimum lease payments	<u>\$491,812</u>	<u>\$59,920</u>

Operating Leases

The City, as a lessor, has entered into an agreement to assume the former Dairy Queen Inc. lease by Czup Fowler Limited, dba Hoffman's Pharmacy. The building, owned by the City was razed. The land is being leased to Czup Fowler Ltd for 30 years with five 10-year options to extend the lease. The City is also a lessor of twelve percent of a

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building to Keybank National Corporation. The current lease with Keybank is for seven years with a two five-year extensions at Keybank's option. The following schedule provides an analysis of the leased property at December 31, 2015:

	Czup Fowler Limited, dba Hoffman's Pharmacy	Keybank National Corporation
Land	\$3,415	\$0
Buildings	0	88,179
Leased property, total value	3,415	88,179
Less: Accumulated Depreciation	0	(32,536)
Leased property, net of depreciation	\$3,415	\$55,643

The following is a schedule by years of minimum future rentals on the operating leases as of December 31, 2015:

	Hoffman's Pharmacy	Keybank National
2016	\$8,400	\$120,000
2017	9,400	120,000
2018	9,600	120,000
2019	9,600	120,000
2020	9,600	40,000
2021-2025	52,600	0
2026-2030	58,600	0
2031-2035	64,600	0
2036-2037	15,400	0
Total minimum lease payments	\$237,800	\$520,000

Note 19 – Construction and Other Significant Commitments

Contractual Commitments

At December 31, 2015, the City's significant contractual commitments consisted of:

Project	Contract Amount	Amount Paid	Remaining Contract
EQ Water Basin	\$3,000,000	\$2,376,244	\$623,756
Wastewater Treatment Plant	3,764,325	1,514,398	2,249,927
2014-2016 Street Paving Program	1,465,957	1,306,110	159,847
Traffic Signalization	922,873	820,028	102,845
Point Park	281,958	103,592	178,366
Total	\$9,435,113	\$6,120,372	\$3,314,741

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Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

Governmental Funds		Proprietary Funds	
General Fund	\$78,585	Sanitation	\$37,119
Community Development Block Grant	21,354	Wastewater Treatment	<u>37,898</u>
Street Maintenance and Repair Fund	18,100		
Police Levy Fund	21,132	Total Proprietary Funds	<u><u>\$75,017</u></u>
Permanent Improvement	498,569		
Other Governmental Funds	<u>10,936</u>		
Total Governmental Funds	<u><u>\$648,676</u></u>		

Note 20 - Defined Benefit Pension Plans

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

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

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

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

	State and Local
2015 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
 2015 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$486,925 for 2015. Of this amount, \$20,451 is reported as an intergovernmental payable.

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

Plan Description – City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

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

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

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

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

	Police	Firefighters
2015 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2015 through July 1, 2015	11.50	11.50
July 2, 2015 through December 31, 2015	12.25	12.25
2015 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	19.50 %	24.00 %
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$730,369 for 2015. Of this amount \$17,588 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2014, and was determined by rolling forward the total pension liability as of January 1, 2014, to December 31, 2014. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

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	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$3,901,652	\$8,822,913	\$12,724,565
Proportion of the Net Pension Liability	0.03234900%	0.17031280%	
Pension Expense	\$424,403	\$860,634	\$1,285,037

At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$208,180	\$380,259	\$588,439
City contributions subsequent to the measurement date	<u>486,925</u>	<u>730,369</u>	<u>1,217,294</u>
Total Deferred Outflows of Resources	<u><u>\$695,105</u></u>	<u><u>\$1,110,628</u></u>	<u><u>\$1,805,733</u></u>
Deferred Inflows of Resources			
Differences between expected and actual experience	<u><u>\$68,544</u></u>	<u><u>\$0</u></u>	<u><u>\$68,544</u></u>

\$1,217,294 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
2016	\$20,418	\$95,065	\$115,483
2017	20,419	95,065	115,484
2018	46,754	95,065	141,819
2019	<u>52,045</u>	<u>95,064</u>	<u>147,109</u>
Total	<u><u>\$139,636</u></u>	<u><u>\$380,259</u></u>	<u><u>\$519,895</u></u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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Wage Inflation	3.75 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	4.25 to 10.05 percent including wage inflation 3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

Mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2010.

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

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 6.95 percent for 2014.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table that follows displays the Board-approved asset allocation policy for 2014 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other investments	18.00	4.59
Total	<u>100.00 %</u>	<u>5.28 %</u>

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Discount Rate The discount rate used to measure the total pension liability was 8 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 8 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (7 percent) or one-percentage-point higher (9 percent) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$7,177,920	\$3,901,652	\$1,142,243

Actuarial Assumptions – OPF

OPF's total pension liability as of December 31, 2014 is based on the results of an actuarial valuation date of January 1, 2014, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2014, are presented as follows:

Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

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

The most recent experience study was completed January 1, 2012.

City of Ashtabula, Ohio
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The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2014 are summarized as follows:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	(0.25) %
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income *	20.00	1.62
Global Inflation Protected *	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
Total	120.00 %	

* levered 2x

OPF's Board of Trustees has incorporated the "risk parity" concept into OPF's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

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

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

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$12,203,424	\$8,822,913	\$5,960,649

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Note 21 - Postemployment Benefits

Ohio Public Employees Retirement System

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains two cost-sharing, multiple-employer defined benefit postemployment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a health reimbursement arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. See OPERS' CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml> 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 the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of postemployment health care.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

OPERS maintains three health care trusts. The two cost-sharing, multiple employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0 percent during calendar year 2015. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.0 percent for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2015 was 4.5 percent.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2015

Substantially all of the City's contribution allocated to fund postemployment health care benefits relates to the cost-sharing, multiple employer trusts. The corresponding contribution for the years ended December 31, 2015, 2014, and 2013 was \$81,154, \$80,657 and \$40,120, respectively. For 2015, 95.80 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2014 and 2013.

Ohio Police and Fire Pension Fund

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

OPF provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OPF meets the definition of an Other Postemployment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 45.

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

OPF issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OPF defined benefit pension plan. Participating employers are required by the Ohio Revised Code to contribute to the pension plan at rates expressed as a percentage of payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and firefighters, respectively. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contribution made to the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2015, the employer contribution allocated to the health care plan was .5 percent of covered payroll. The amount of employer contribution allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OPF which was allocated to fund postemployment health care benefits for police and firefighters was \$10,033 and \$7,428 for the year ended December 31, 2015, \$9,346 and \$7,558 for the year ended December 31, 2014, and \$69,302 and \$52,974 for the year ended December 31, 2013. For 2015, 97.78 percent for police and 97.39 percent for firefighters has been contributed with the balance for both police and firefighters being report as an intergovernmental payable. The full amount has been contributed for 2014 and 2013.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2015

Note 22 – Joint Economic Development Districts

Ashtabula Township

The Ashtabula Township-Ashtabula Joint Economic Development District (JEDD) was formed in 2013. It is entirely located in Ashtabula Township, and its primary purpose is to promote regional growth and economic development. In March 2013, the JEDD Board levied a municipal income tax of 1.8 percent in the JEDD effective May 1, 2014. The JEDD Board also contracted with the City of Ashtabula to administer this income tax. The JEDD has been amended twice to add properties; the second amendment occurring in 2015.

The JEDD agreement requires the City of Ashtabula and Ashtabula Township share the income tax receipts 50/50 after income tax administration costs, a five percent deduction for the JEDD's Operating Expenditure Fund for long-term maintenance and twenty percent to the City's wastewater treatment fund for long-term capital improvements.

Saybrook Township

The City has two Joint Economic Development Districts (JEDD) with neighboring Saybrook Township. The Saybrook Township-Ashtabula JEDD I was formed in 2013 and the Saybrook Township-Ashtabula City JEDD II was formed in 2015. The JEDDs are entirely located in Ashtabula Township, and their primary purpose is to promote regional growth and economic development. In March, 2013 the JEDD Board levied a municipal income tax of 1.8 percent in the JEDD I effective May 1, 2014. The JEDD Board also contracted with the City of Ashtabula to administer this income tax.

The JEDD agreement requires the City of Ashtabula and Saybrook Township share the income tax receipts 50/50 after income tax administration costs, a five percent deduction for the JEDD's Operating Expenditure Fund for long-term maintenance and twenty percent to the City's wastewater treatment fund for long-term capital improvements.

Note 23 - Ashtabula City Port Authority

Description of Reporting Entity

The Ashtabula City Port Authority is a legally separate entity, statutorily created under Section 4582.02 of the Ohio Revised Code, served by a seven-member board of directors appointed by the City Manager with the approval of City Council. Charged with the responsibility of industrial development and the improvement of Ashtabula's interconnecting waterways, the Port Authority is empowered with the ability to carry out the actions they consider necessary to achieve these responsibilities. The Ashtabula City Port Authority is fiscally dependent on the City and is therefore presented as a component unit of the City (See Note 1).

Summary of Significant Accounting Policies

The Ashtabula Port Authority's financial information is presented on the statement of net position and statement of activities using the full accrual basis of accounting and the economic resources measurement focus.

Due to Primary Government

Payables resulting from transactions between the Ashtabula Port Authority and the primary government are classified as "due to primary government" on the financial statements.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2015

Property, Plant, Equipment and Depreciation

Capital assets at the Ashtabula Port Authority are capitalized. All capital assets are capitalized at cost (or estimated historical cost) and updated for the cost of additions and retirements during the year.

Donated capital assets are recorded at their fair market values as of the date donated. The Ashtabula Port Authority has established a capitalization threshold for capital assets at \$1,000 with the exception of land, as all land is listed regardless of cost.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. Depreciation for the Ashtabula Port Authority is computed over either ten or thirty nine years.

Deposits and Investments

The Ashtabula Port Authority follows the same statutory requirements for deposits and investments as the primary government (See Note 8).

At year-end, the carrying amount of the Ashtabula Port Authority's deposits was \$248,827. The entire balance was covered by federal depository insurance.

During 2015, investments for the Ashtabula Port Authority were limited to \$101,848 held in non-negotiable certificates of deposit at year-end, which is included in the carrying amount above.

Capital Assets

A summary of the Ashtabula City Port Authority's capital assets at December 31, 2015 follows:

	<u>Balance</u> <u>12/31/2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>12/31/2015</u>
Governmental Activities				
Capital Assets, Non-depreciable				
Land	\$1,890,222	\$34,514	(\$175,231)	\$1,749,505
Capital Assets, Depreciable				
Improvements	591,151	0	0	591,151
Less Accumulated Depreciation				
Improvements	(388,742)	(28,275)	0	(417,017)
Total Assets, Depreciable, Net	<u>202,409</u>	<u>(28,275)</u>	<u>0</u>	<u>174,134</u>
Governmental Activities				
Capital Assets, Net	<u>\$2,092,631</u>	<u>\$6,239</u>	<u>(\$175,231)</u>	<u>\$1,923,639</u>

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2015

Long-term Debt

On August 30, 2008, the Ohio Water Development Authority approved a loan that will enable the Ashtabula City Port Authority to install the waterlines at the City's Industrial Park. The loan is for \$284,000 with an interest rate of 3 percent and semi-annual payments of \$16,542 for ten years. In 2006 the Ashtabula City Port Authority received a State of Ohio Rural Industrial Park loan from the Ohio Department of Development for the City's Industrial Park, in the amount of \$375,000. This loan bears no interest for years one through five with no payments due. Years six through fifteen bear interest at three percent. The City has loaned the Ashtabula City Port Authority money in the amount of \$150,000. As of December 31, 2015, \$109,973 of the City's loan has been repaid leaving a balance of \$40,028.

A schedule of changes in long-term obligations of the Port Authority during 2015 follows:

	Principal Outstanding 12/31/2014	Additions	Deletions	Principal Outstanding 12/31/2015	Amounts Due in One Year
Due to Primary Government:					
City of Ashtabula - Loan	\$49,384	\$0	\$9,356	\$40,028	\$9,787
Other Long-Term Debt:					
Industrial Park Loan	250,350	0	36,440	213,910	37,549
OWDA Rural Industrial Park	126,515	0	30,230	96,285	31,144
<i>Total Other Long-Term Debt</i>	<u>376,865</u>	<u>0</u>	<u>66,670</u>	<u>310,195</u>	<u>68,693</u>
<i>Total Component Unit Debt</i>	<u>\$426,249</u>	<u>\$0</u>	<u>\$76,026</u>	<u>\$350,223</u>	<u>\$78,480</u>

Principal and interest requirements to retire City of Ashtabula loan, Industrial Park loan and OWDA loan are as follows:

	City of Ashtabula - Loan		Industrial Park Loan		Ohio Water Development Authority Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$9,787	\$1,601	\$37,549	\$5,904	\$31,144	\$2,657
2017	10,236	1,152	38,691	4,762	32,086	1,715
2018	10,706	681	39,867	3,585	33,055	746
2019	9,299	193	41,080	2,372	0	0
2020	0	0	56,723	1,213	0	0
Total	<u>\$40,028</u>	<u>\$3,627</u>	<u>\$213,910</u>	<u>\$17,836</u>	<u>\$96,285</u>	<u>\$5,118</u>

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Required Supplementary Information

City of Ashtabula, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
Last Two Years (1)

	2014	2013
City's Proportion of the Net Pension Liability	0.03234900%	0.03234900%
City's Proportionate Share of the Net Pension Liability	\$3,901,652	\$3,813,526
City's Covered-Employee Payroll	\$3,965,950	\$3,952,112
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	98.38%	96.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date which is the prior year end.

City of Ashtabula, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Police and Fire Pension Fund
Last Two Years (1)

	2014	2013
City's Proportion of the Net Pension Liability	0.17031280%	0.17031280%
City's Proportionate Share of the Net Pension Liability	\$8,822,913	\$8,294,768
City's Covered-Employee Payroll	\$3,394,120	\$3,377,143
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	259.95%	245.61%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date which is the prior year end.

City of Ashtabula, Ohio
Required Supplementary Information
Schedule of City Contributions
Ohio Public Employees Retirement System - Traditional Plan
Last Three Years (1)

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$486,925	\$475,914	\$513,775
Contributions in Relation to the Contractually Required Contribution	<u>(486,925)</u>	<u>(475,914)</u>	<u>(513,775)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered-Employee Payroll	\$4,057,708	\$3,965,950	\$3,952,112
Contributions as a Percentage of Covered-Employee Payroll	12.00%	12.00%	13.00%

(1) Information prior to 2013 is not available.

City of Ashtabula, Ohio
Required Supplementary Information
Schedule of City Contributions
Ohio Police and Fire Pension Fund
Last Ten Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Required Contribution	\$730,369	\$712,748	\$602,246	\$429,316
Contributions in Relation to the Contractually Required Contribution	<u>(730,369)</u>	<u>(712,748)</u>	<u>(602,246)</u>	<u>(429,316)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered-Employee Payroll	\$3,492,208	\$3,394,120	\$3,377,143	\$2,915,647
Contributions as a Percentage of Covered-Employee Payroll:	20.91%	21.00%	17.83%	14.72%

2011	2010	2009	2008	2007	2006
\$491,755	\$482,102	\$751,227	\$748,345	\$733,666	\$710,867
(491,755)	(482,102)	(751,227)	(748,345)	(733,666)	(710,867)
\$0	\$0	\$0	\$0	\$0	\$0
\$3,335,715	\$3,270,716	\$5,117,409	\$5,094,563	\$4,989,290	\$5,213,162
14.74%	14.74%	14.68%	14.69%	14.70%	13.64%

Combining and Individual Fund Statements and Schedules

Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Following is a description of the City's nonmajor special revenue funds:

Code Enforcement Fund - To account for and report rental unit inspection fees collected, committed to ensuring each unit meets minimum standards for health and safety.

Fire Pension Fund - To account for and report restricted property taxes levied for the payment of the current and accrued liability for fire disability and pension benefits.

Food Service Fund - To account for and report committed food service establishment inspection and license and permit fees collected by the City.

Indigent Alcohol Fund - To account for and report restricted fees collected by the municipal court from persons' whose driver's license or permit was suspended for driving under the influence of alcohol.

Law Enforcement Trust Fund - To account for and report the custody of restricted proceeds and property subject to seizure/receipt/expenditure from court ordered forfeiture of criminal assets and mandatory drug fines.

Motor Vehicle License Tax Fund - To account for and report restricted resources received as a result of the County's levied motor vehicle license tax.

Municipal Probation Services Fund - To account for and report restricted fines received from municipal probation.

Police Pension Fund - To account for and report restricted property tax levies for the payment of the current and accrued liability for police disability and pension benefits.

Public Health Nursing Fund - To account for and report committed fees received from residents who utilize the services of the home nursing program sponsored by the Department of Health of the City.

State Highway Fund - To account for and report the portion of the State gasoline tax and motor vehicle registration fees restricted for maintenance of State highways within the City.

Recycling Grant Fund – To account for and report restricted State monies to implement a curbside recycling program.

Police Grant Fund – To account for and report restricted Federal monies from the Department of Homeland Security to be used for drug use prevention.

Walnut Beach Fund - To account for and report committed franchise fees received from concession stand operations.

Street Lighting Fund – To account for and report restricted service assessment revenue to provide street lighting within the City.

(continued)

Fund Descriptions – Nonmajor Governmental Funds
(continued)

Nonmajor Debt Service Fund

Debt service funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal interest.

Debt Service Fund – The debt service fund is used to account for and report the restricted property and other taxes collected and special assessments for, and the payment of, general long-term debt principal, interest and related costs. There is only one debt service fund so no combining statements are provided.

Nonmajor Capital Projects Funds

Capital Projects Funds are used to account and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds or for assets that will be held in trust.

Municipal Court Special Projects Fund - To account for and report restricted fines and forfeitures to be used for capital upgrades to the courts.

Construction Fund - To account for and report restricted bond proceeds used for the acquisition and construction of the new Municipal building.

City of Ashtabula, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2015

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Fund	Total Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$434,139	\$54,887	\$51,192	\$540,218
Cash and Cash Equivalents:				
In Segregated Accounts	7,293	0	2,353	9,646
Receivables:				
Property Taxes	599,320	0	0	599,320
Accounts	349,852	0	0	349,852
Special Assessments	0	41,968	0	41,968
Intergovernmental Receivable	114,430	0	0	114,430
Materials and Supplies Inventory	3,083	0	0	3,083
Prepaid Items	0	0	3,000	3,000
<i>Total Assets</i>	<u>\$1,508,117</u>	<u>\$96,855</u>	<u>\$56,545</u>	<u>\$1,661,517</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$4,347	\$0	\$0	\$4,347
Accrued Wages	980	0	0	980
Intergovernmental Payable	18,191	0	0	18,191
Interfund Payable	18,701	0	0	18,701
Deposits Held and Due to Others	3,726	0	0	3,726
<i>Total Liabilities</i>	<u>45,945</u>	<u>0</u>	<u>0</u>	<u>45,945</u>
Deferred Inflows of Resources				
Property Tax	411,142	0	0	411,142
Unavailable Revenue	577,236	41,968	0	619,204
<i>Total Deferred Inflows of Resources</i>	<u>988,378</u>	<u>41,968</u>	<u>0</u>	<u>1,030,346</u>
Fund Balances				
Nonspendable	3,083	0	3,000	6,083
Restricted	271,134	54,887	53,545	379,566
Committed	234,492	0	0	234,492
Unassigned (Deficit)	(34,915)	0	0	(34,915)
<i>Total Fund Balances</i>	<u>473,794</u>	<u>54,887</u>	<u>56,545</u>	<u>585,226</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$1,508,117</u>	<u>\$96,855</u>	<u>\$56,545</u>	<u>\$1,661,517</u>

City of Ashtabula, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2015

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$464,204	\$0	\$0	\$464,204
Charges for Services	303,872	0	0	303,872
Licenses and Permits	288,080	0	0	288,080
Fines and Forfeitures	105,834	0	29,038	134,872
Intergovernmental	277,462	0	0	277,462
Special Assessments	0	12,369	0	12,369
Franchise Fees	24,869	0	0	24,869
Other	5,154	0	0	5,154
<i>Total Revenues</i>	<u>1,469,475</u>	<u>12,369</u>	<u>29,038</u>	<u>1,510,882</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	500	0	500
Judicial System	57,348	0	36,649	93,997
Security of Persons and Property:				
Police	452,096	0	0	452,096
Fire	357,795	0	0	357,795
Public Health Services	85,651	0	0	85,651
Street Maintenance and Repairs	559,358	0	0	559,358
Housing and Community Development	186,766	0	0	186,766
Sanitation Services	313,080	0	0	313,080
Leisure Time Activities	54,574	0	0	54,574
Debt Service:				
Principal Retirement	0	9,782	0	9,782
<i>Total Expenditures</i>	<u>2,066,668</u>	<u>10,282</u>	<u>36,649</u>	<u>2,113,599</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(597,193)</u>	<u>2,087</u>	<u>(7,611)</u>	<u>(602,717)</u>
Other Financing Sources (Uses)				
Transfers In	622,031	0	0	622,031
Transfers Out	0	(9,782)	0	(9,782)
<i>Total Other Financing Sources and Uses</i>	<u>622,031</u>	<u>(9,782)</u>	<u>0</u>	<u>612,249</u>
<i>Net Change in Fund Balances</i>	24,838	(7,695)	(7,611)	9,532
<i>Fund Balances Beginning of Year</i>	<u>448,956</u>	<u>62,582</u>	<u>64,156</u>	<u>575,694</u>
<i>Fund Balances End of Year</i>	<u><u>\$473,794</u></u>	<u><u>\$54,887</u></u>	<u><u>\$56,545</u></u>	<u><u>\$585,226</u></u>

City of Ashtabula, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2015

	Code Enforcement	Fire Pension	Food Service	Indigent Alcohol
Assets				
Equity in Pooled Cash and Cash Equivalents	\$149,375	\$237	\$5,658	\$39,794
Cash and Cash Equivalents:				
In Segregated Accounts	0	0	0	579
Receivables:				
Property Taxes	0	299,660	0	0
Accounts	234,853	0	0	0
Intergovernmental Receivable	3,984	17,595	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$388,212</u>	<u>\$317,492</u>	<u>\$5,658</u>	<u>\$40,373</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$0
Accrued Wages	0	0	980	0
Intergovernmental Payable	0	9,304	186	0
Interfund Payable	0	0	0	0
Deposits Held and Due to Others	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>9,304</u>	<u>1,166</u>	<u>0</u>
Deferred Inflows of Resources				
Property Tax	0	205,571	0	0
Unavailable Revenue	201,438	110,949	0	0
<i>Total Deferred Inflows of Resources</i>	<u>201,438</u>	<u>316,520</u>	<u>0</u>	<u>0</u>
Fund Balances				
Nonspendable	0	0	0	0
Restricted	0	0	0	40,373
Committed	186,774	0	4,492	0
Unassigned (Deficit)	0	(8,332)	0	0
<i>Total Fund Balances (Deficit)</i>	<u>186,774</u>	<u>(8,332)</u>	<u>4,492</u>	<u>40,373</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$388,212</u>	<u>\$317,492</u>	<u>\$5,658</u>	<u>\$40,373</u>

Law Enforcement Trust	Motor Vehicle License Tax	Municipal Probation Services	Police Pension	Public Health Nursing
\$27,544	\$16,930	\$93,707	\$84	\$9,603
75	0	6,639	0	0
0	0	0	299,660	0
0	0	0	0	0
0	17,292	0	17,595	15,299
0	0	0	0	3,083
<u>\$27,619</u>	<u>\$34,222</u>	<u>\$100,346</u>	<u>\$317,339</u>	<u>\$27,985</u>
\$3,795	\$0	\$0	\$0	\$125
0	0	0	0	0
0	0	0	8,701	0
0	0	0	0	0
0	0	3,726	0	0
<u>3,795</u>	<u>0</u>	<u>3,726</u>	<u>8,701</u>	<u>125</u>
0	0	0	205,571	0
0	11,413	0	110,949	11,614
<u>0</u>	<u>11,413</u>	<u>0</u>	<u>316,520</u>	<u>11,614</u>
0	0	0	0	3,083
23,824	22,809	96,620	0	0
0	0	0	0	13,163
0	0	0	(7,882)	0
<u>23,824</u>	<u>22,809</u>	<u>96,620</u>	<u>(7,882)</u>	<u>16,246</u>
<u>\$27,619</u>	<u>\$34,222</u>	<u>\$100,346</u>	<u>\$317,339</u>	<u>\$27,985</u>

(continued)

City of Ashtabula, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2015

	State Highway	Recycling Grant	Police Grant	Walnut Beach
Assets				
Equity in Pooled Cash and Cash Equivalents	\$19,725	\$60,035	\$0	\$11,420
Cash and Cash Equivalents:				
In Segregated Accounts	0	0	0	0
Receivables:				
Property Taxes	0	0	0	0
Accounts	0	0	0	18,643
Intergovernmental Receivable	23,964	0	18,701	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$43,689</u>	<u>\$60,035</u>	<u>\$18,701</u>	<u>\$30,063</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$427	\$0	\$0	\$0
Accrued Wages	0	0	0	0
Intergovernmental Payable	0	0	0	0
Interfund Payable	0	0	18,701	0
Deposits Held and Due to Others	0	0	0	0
<i>Total Liabilities</i>	<u>427</u>	<u>0</u>	<u>18,701</u>	<u>0</u>
Deferred Inflows of Resources				
Property Tax	0	0	0	0
Unavailable Revenue	15,816	0	18,701	0
<i>Total Deferred Inflows of Resources</i>	<u>15,816</u>	<u>0</u>	<u>18,701</u>	<u>0</u>
Fund Balances				
Nonspendable	0	0	0	0
Restricted	27,446	60,035	0	0
Committed	0	0	0	30,063
Unassigned (Deficit)	0	0	(18,701)	0
<i>Total Fund Balances (Deficit)</i>	<u>27,446</u>	<u>60,035</u>	<u>(18,701)</u>	<u>30,063</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$43,689</u>	<u>\$60,035</u>	<u>\$18,701</u>	<u>\$30,063</u>

Street Lighting	Total Nonmajor Special Revenue Funds
\$27	\$434,139
0	7,293
0	599,320
96,356	349,852
0	114,430
0	3,083
<u>\$96,383</u>	<u>\$1,508,117</u>
\$0	\$4,347
0	980
0	18,191
0	18,701
0	3,726
<u>0</u>	<u>45,945</u>
0	411,142
<u>96,356</u>	<u>577,236</u>
<u>96,356</u>	<u>988,378</u>
0	3,083
27	271,134
0	234,492
0	(34,915)
<u>27</u>	<u>473,794</u>
<u>\$96,383</u>	<u>\$1,508,117</u>

City of Ashtabula, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2015

	Code Enforcement	Fire Pension	Food Service	Indigent Alcohol	Law Enforcement Trust
Revenues					
Property Taxes	\$0	\$232,102	\$0	\$0	\$0
Charges for Services	0	0	0	0	0
Licenses and Permits	247,280	0	40,800	0	0
Fines and Forfeitures	1,702	0	0	15,504	31,134
Intergovernmental	13,576	35,277	0	0	0
Franchise Fees	0	0	0	0	0
Other	216	0	0	0	0
<i>Total Revenues</i>	<u>262,774</u>	<u>267,379</u>	<u>40,800</u>	<u>15,504</u>	<u>31,134</u>
Expenditures					
Current:					
General Government:					
Judicial System	0	0	0	0	0
Security of Persons and Property:					
Police	0	0	0	0	30,666
Fire	0	357,795	0	0	0
Public Health Services	0	0	55,085	0	0
Street Maintenance and Repairs	0	0	0	0	0
Housing and Community Development	186,766	0	0	0	0
Sanitation Services	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0
<i>Total Expenditures</i>	<u>186,766</u>	<u>357,795</u>	<u>55,085</u>	<u>0</u>	<u>30,666</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>76,008</u>	<u>(90,416)</u>	<u>(14,285)</u>	<u>15,504</u>	<u>468</u>
Other Financing Sources (Uses)					
Transfers In	0	86,641	15,000	0	0
<i>Net Change in Fund Balances</i>	76,008	(3,775)	715	15,504	468
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>110,766</u>	<u>(4,557)</u>	<u>3,777</u>	<u>24,869</u>	<u>23,356</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$186,774</u></u>	<u><u>(\$8,332)</u></u>	<u><u>\$4,492</u></u>	<u><u>\$40,373</u></u>	<u><u>\$23,824</u></u>

Motor Vehicle License Tax	Municipal Probation Services	Police Pension	Public Health Nursing	State Highway	Recycling Grant
\$0	\$0	\$232,102	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
0	57,494	0	0	0	0
37,632	0	35,277	19,353	46,468	73,115
0	0	0	0	0	0
0	0	0	0	0	0
<u>37,632</u>	<u>57,494</u>	<u>267,379</u>	<u>19,353</u>	<u>46,468</u>	<u>73,115</u>
0	57,348	0	0	0	0
0	0	385,965	0	0	0
0	0	0	0	0	0
0	0	0	30,566	0	0
25,788	0	0	0	36,179	0
0	0	0	0	0	0
0	0	0	0	0	313,080
0	0	0	0	0	0
<u>25,788</u>	<u>57,348</u>	<u>385,965</u>	<u>30,566</u>	<u>36,179</u>	<u>313,080</u>
<u>11,844</u>	<u>146</u>	<u>(118,586)</u>	<u>(11,213)</u>	<u>10,289</u>	<u>(239,965)</u>
<u>0</u>	<u>0</u>	<u>119,155</u>	<u>7,689</u>	<u>0</u>	<u>200,000</u>
<u>11,844</u>	<u>146</u>	<u>569</u>	<u>(3,524)</u>	<u>10,289</u>	<u>(39,965)</u>
<u>10,965</u>	<u>96,474</u>	<u>(8,451)</u>	<u>19,770</u>	<u>17,157</u>	<u>100,000</u>
<u>\$22,809</u>	<u>\$96,620</u>	<u>(\$7,882)</u>	<u>\$16,246</u>	<u>\$27,446</u>	<u>\$60,035</u>

(continued)

City of Ashtabula, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2015

	Police Grant	Walnut Beach	Street Lighting	Total Nonmajor Special Revenue Funds
Revenues				
Property Taxes	\$0	\$0	\$0	\$464,204
Charges for Services	0	0	303,872	303,872
Licenses and Permits	0	0	0	288,080
Fines and Forfeitures	0	0	0	105,834
Intergovernmental	16,764	0	0	277,462
Franchise Fees	0	24,869	0	24,869
Other	0	4,938	0	5,154
<i>Total Revenues</i>	<u>16,764</u>	<u>29,807</u>	<u>303,872</u>	<u>1,469,475</u>
Expenditures				
Current:				
General Government:				
Judicial System	0	0	0	57,348
Security of Persons and Property:				
Police	35,465	0	0	452,096
Fire	0	0	0	357,795
Public Health Services	0	0	0	85,651
Street Maintenance and Repairs	0	0	497,391	559,358
Housing and Community Development	0	0	0	186,766
Sanitation Services	0	0	0	313,080
Leisure Time Activities	0	54,574	0	54,574
<i>Total Expenditures</i>	<u>35,465</u>	<u>54,574</u>	<u>497,391</u>	<u>2,066,668</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(18,701)</u>	<u>(24,767)</u>	<u>(193,519)</u>	<u>(597,193)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	193,546	622,031
<i>Net Change in Fund Balances</i>	(18,701)	(24,767)	27	24,838
<i>Fund Balances (Deficit) Beginning of Year</i>	0	54,830	0	448,956
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$18,701)</u>	<u>\$30,063</u>	<u>\$27</u>	<u>\$473,794</u>

City of Ashtabula, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2015

	Municipal Court Special Projects	Construction Fund	Total Nonmajor Capital Projects Fund
Assets			
Equity in Pooled Cash and Cash Equivalents	\$47,881	\$3,311	\$51,192
Cash and Cash Equivalents In Segregated Accounts	2,353	0	2,353
Prepaid Items	3,000	0	3,000
<i>Total Assets</i>	<u>\$53,234</u>	<u>\$3,311</u>	<u>\$56,545</u>
Fund Balances			
Nonspendable	\$3,000	\$0	\$3,000
Restricted	50,234	3,311	53,545
<i>Total Fund Balances</i>	<u>53,234</u>	<u>3,311</u>	<u>56,545</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$53,234</u>	<u>\$3,311</u>	<u>\$56,545</u>

City of Ashtabula, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2015

	Municipal Court Special Projects	Construction Fund	Total Nonmajor Capital Projects Funds
Revenues			
Fines and Forfeitures	\$29,038	\$0	\$29,038
Expenditures			
Current:			
General Government:			
Judicial System	36,649	0	36,649
<i>Net Change in Fund Balances</i>	(7,611)	0	(7,611)
<i>Fund Balances Beginning of Year</i>	60,845	3,311	64,156
<i>Fund Balances End of Year</i>	\$53,234	\$3,311	\$56,545

Combining Statements – Internal Service Funds

Internal service funds are established to 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.

Self Insurance Fund - To account for a medical benefit self insurance program for employees of the City. Monthly fees are paid and any balance on hand is held until used.

Workers' Compensation Fund - To account for the revenues used for the purpose of providing workers' compensation benefits to employees.

City of Ashtabula, Ohio
Combining Statement of Fund Net Position
Internal Service Funds
December 31, 2015

	Self Insurance	Workers' Compensation	Total
Assets			
<i>Current Assets:</i>			
Equity in Pooled Cash and Cash Equivalents	\$7,339	\$411,496	\$418,835
Interfund Receivable	0	150,000	150,000
Intergovernmental Receivable	15,645	0	15,645
<i>Total Assets</i>	<u>22,984</u>	<u>561,496</u>	<u>584,480</u>
Liabilities			
<i>Current Liabilities</i>			
Accounts Payable	0	854	854
Accrued Wages	0	294	294
Intergovernmental Payable	0	98,611	98,611
Claims Payable	98,096	122,971	221,067
<i>Total Current Liabilities</i>	98,096	222,730	320,826
<i>Long-Term Liabilities (net of current portion)</i>			
Claims Payable	0	50,000	50,000
<i>Total Liabilities</i>	<u>98,096</u>	<u>272,730</u>	<u>370,826</u>
Net Position			
Unrestricted (Deficit)	<u>(\$75,112)</u>	<u>\$288,766</u>	<u>\$213,654</u>

City of Ashtabula, Ohio
*Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Internal Service Funds
For the Year Ended December 31, 2015*

	Self Insurance	Workers' Compensation	Total
Revenues			
Charges for Services	\$1,810,959	\$0	\$1,810,959
Operating Expenses			
Personal Services	0	15,278	15,278
Contractual Services	479,432	27,842	507,274
Claims	1,451,247	24,356	1,475,603
<i>Total Operating Expenses</i>	1,930,679	67,476	1,998,155
<i>Change in Net Position</i>	(119,720)	(67,476)	(187,196)
<i>Net Position Beginning of Year</i>	44,608	356,242	400,850
<i>Net Position (Deficit) End of Year</i>	(\$75,112)	\$288,766	\$213,654

City of Ashtabula, Ohio
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2015

	Self Insurance	Workers' Compensation	Total
<i>Increase (Decrease) In Cash and Cash Equivalents</i>			
Cash Flows from Operating Activities			
Cash Received from Other Funds	\$1,810,053	\$0	\$1,810,053
Cash Payments for Employee Services and Benefits	0	(15,329)	(15,329)
Cash Payments to Suppliers for Goods and Services	(431,135)	(36,432)	(467,567)
Cash Payments for Claims	(1,374,812)	(80,415)	(1,455,227)
<i>Net Cash Provided by (Used for) Operating Activities</i>	4,106	(132,176)	(128,070)
Cash Flows from Noncapital Financing Activities			
Advances In	0	25,000	25,000
<i>Net Increase (Decrease) In Cash and Cash Equivalents</i>	4,106	(107,176)	(103,070)
<i>Cash and Cash Equivalents Beginning of Year</i>	3,233	518,672	521,905
<i>Cash and Cash Equivalents End of Year</i>	\$7,339	\$411,496	\$418,835
Reconciliation of Operating Loss to Net Cash Provided by (Used for) Operating Activities			
<i>Operating Loss</i>	(\$119,720)	(\$67,476)	(\$187,196)
Increase in Assets:			
Intergovernmental Receivable	(906)	0	(906)
Prepaid Items	48,922		48,922
Increase (Decrease) in Liabilities:			
Accounts Payable	0	854	854
Contracts Payable	(625)	(3,613)	(4,238)
Accrued Wages	0	(43)	(43)
Intergovernmental Payable	0	(5,839)	(5,839)
Claims Payable	76,435	(56,059)	20,376
<i>Net Cash Provided by (Used for) Operating Activities</i>	\$4,106	(\$132,176)	(\$128,070)

Combining Statements – Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City does not have any trust funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Fire Deposits Fund - To account for deposits made by property owners or insurance companies to ensure that fire damaged buildings are restored or razed in compliance with the City building code.

Law Library - To accumulate monies collected from State patrol fines that are then distributed to the County law library.

Marina Fund – To account for monies received from permits and licenses issued in connection with the operation of marinas that are then distributed to the City Port Authority.

Street Deposits Fund - To account for deposits from contractors or vendors held by the City to ensure compliance with various City ordinances regarding development within the City.

Joint Economic Development – Ashtabula Township Fund - To account for income tax revenue collected by the City to be distributed to Ashtabula Township and the City of Ashtabula.

Joint Economic Development – Saybrook Township Fund - To account for income tax revenue collected by the City to be distributed to Saybrook Township and the City of Ashtabula.

Ashtabula Municipal Court Fund - To account for assets received and disbursed by the Ashtabula Municipal Court to the participating cities pursuant to the laws of the State of Ohio.

City of Ashtabula, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2015

	Balance 12/31/2014	Additions	Reductions	Balance 12/31/2015
<i>Fire Deposits</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$40,142	\$104,356	\$56,001	\$88,497
Liabilities				
Deposits Held and Due to Others	\$40,142	\$104,356	\$56,001	\$88,497
<i>Law Library</i>				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$1,979	\$32,701	\$32,554	\$2,126
Liabilities				
Intergovernmental Payable	\$1,979	\$32,701	\$32,554	\$2,126
<i>Marina</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$6,429	\$12,350	\$12,350	\$6,429
Liabilities				
Intergovernmental Payable	\$6,429	\$12,350	\$12,350	\$6,429
<i>Street Deposits</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$555	\$0	\$0	\$555
Liabilities				
Deposits Held and Due to Others	\$555	\$0	\$0	\$555
<i>Joint Economic Development - Ashtabula Township</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$15,089	\$21,471	\$13,320	\$23,240
Liabilities				
Intergovernmental Payable	\$15,089	\$21,471	\$13,320	\$23,240
<i>Joint Economic Development - Saybrook Township</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$14,301	\$28,569	\$13,543	\$29,327
Liabilities				
Intergovernmental Payable	\$14,301	\$28,569	\$13,543	\$29,327

(continued)

City of Ashtabula, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds (continued)
For the Year Ended December 31, 2015

	Balance 12/31/2014	Additions	Reductions	Balance 12/31/2015
<i>Ashtabula Municipal Court</i>				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$65,262	\$1,331,872	\$1,317,846	\$79,288
Liabilities				
Deposits Held and Due to Others	\$65,262	\$1,331,872	\$1,317,846	\$79,288
 <i>Total Agency</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$76,516	\$166,746	\$95,214	\$148,048
Cash and Cash Equivalents in Segregated Accounts	67,241	1,364,573	1,350,400	81,414
Total Assets	\$143,757	\$1,531,319	\$1,445,614	\$229,462
Liabilities				
Intergovernmental Payable	\$37,798	\$95,091	\$71,767	\$61,122
Deposits Held and Due to Others	105,959	1,436,228	1,373,847	168,340
Total Liabilities	\$143,757	\$1,531,319	\$1,445,614	\$229,462

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

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$1,014,343	\$854,345	\$831,325	(\$23,020)
Municipal Income Tax	5,626,846	5,809,692	5,728,340	(81,352)
Charges for Services	431,200	435,000	447,431	12,431
Licenses and Permits	53,475	51,905	61,187	9,282
Fines and Forfeitures	495,000	474,550	465,070	(9,480)
Intergovernmental	785,405	819,705	852,491	32,786
Interest	27	27	149	122
Rentals	137,240	137,240	126,720	(10,520)
Franchise Fees	230,000	230,000	217,313	(12,687)
Other	70,389	93,889	148,122	54,233
<i>Total Revenues</i>	<u>8,843,925</u>	<u>8,906,353</u>	<u>8,878,148</u>	<u>(28,205)</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Council:				
Personal Services	125,280	117,909	116,362	1,547
Materials and Supplies	4,000	397	397	0
Contractual Services	1,300	1,953	1,714	239
Total Council	<u>130,580</u>	<u>120,259</u>	<u>118,473</u>	<u>1,786</u>
Administration:				
Personal Services	124,207	131,119	129,480	1,639
Materials and Supplies	1,000	200	0	200
Contractual Services	1,000	1,800	1,209	591
Total Administration	<u>126,207</u>	<u>133,119</u>	<u>130,689</u>	<u>2,430</u>
Auditor:				
Personal Services	269,930	247,198	245,081	2,117
Materials and Supplies	3,037	3,498	3,427	71
Contractual Services	18,125	22,216	21,680	536
Total Auditor	<u>291,092</u>	<u>272,912</u>	<u>270,188</u>	<u>2,724</u>
City Income Tax:				
Personal Services	124,278	117,236	115,811	1,425
Materials and Supplies	1,500	1,500	1,401	99
Contractual Services	12,000	13,000	12,484	516
Total City Income Tax	<u>\$137,778</u>	<u>\$131,736</u>	<u>\$129,696</u>	<u>\$2,040</u>

(continued)

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Solicitor:				
Personal Services	\$225,648	\$227,535	\$226,698	\$837
Materials and Supplies	3,500	3,500	3,209	291
Contractual Services	1,500	1,500	1,034	466
Total Solicitor	\$230,648	\$232,535	\$230,941	\$1,594
Motor Maintenance:				
Personal Services	138,142	135,131	133,939	1,192
Materials and Supplies	3,000	3,000	2,498	502
Contractual Services	750	750	361	389
Total Motor Maintenance	141,892	138,881	136,798	2,083
Engineering & PCD:				
Personal Services	125,636	107,492	105,110	2,382
Materials and Supplies	1,000	1,000	757	243
Contractual Services	3,500	3,655	2,951	704
Total Engineering & PCD	130,136	112,147	108,818	3,329
County Auditor Deductions:				
Contractual Services	147,192	170,959	167,840	3,119
General Services:				
Occupancy Health and Unemployment	8,524	8,524	8,247	277
Life Insurance	15,500	15,500	15,411	89
Street and Viaduct Lighting	1,000	1,000	760	240
Legal Advertising	14,823	14,823	14,726	97
Professional Services	500	500	495	5
Equipment Maintenance	4,990	4,990	4,547	443
Bus Subsidy	31,000	25,540	23,500	2,040
Indigent Burials	3,970	3,970	3,675	295
Settlement of Claims	74,857	110,035	110,035	0
Dues and Fees	10,050	10,050	9,807	243
Bank Fees	23,502	23,502	20,978	2,524
Total General Services	188,716	218,434	212,181	6,253
Civil Service:				
Personal Services	1,566	647	633	14
Materials and Supplies	8,500	4,950	4,900	50
Contractual Services	0	21,050	21,024	26
Total Civil Service	\$10,066	\$26,647	\$26,557	\$90

(continued)

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Lands and Buildings:				
Personal Services	\$135,817	\$132,768	\$129,997	\$2,771
Materials and Supplies	23,050	23,545	23,494	51
Contractual Services	<u>317,079</u>	<u>327,584</u>	<u>325,296</u>	<u>2,288</u>
Total Lands and Buildings	<u>475,946</u>	<u>483,897</u>	<u>478,787</u>	<u>5,110</u>
Systems Analyst:				
Materials and Supplies	\$3,000	\$1,250	\$1,080	\$170
Contractual Services	<u>35,000</u>	<u>34,140</u>	<u>34,139</u>	<u>1</u>
Total Systems Analyst	<u>38,000</u>	<u>35,390</u>	<u>35,219</u>	<u>171</u>
Water Pollution				
Personal Services	<u>2,670</u>	<u>3,117</u>	<u>3,073</u>	<u>44</u>
Total Legislative and Executive	<u>2,050,923</u>	<u>2,080,033</u>	<u>2,049,260</u>	<u>30,773</u>
Judicial System:				
Municipal Court/Probation:				
Personal Services	719,268	731,760	731,658	102
Materials and Supplies	19,800	14,650	14,592	58
Contractual Services	<u>47,593</u>	<u>47,093</u>	<u>47,088</u>	<u>5</u>
Total Judicial System	<u>786,661</u>	<u>793,503</u>	<u>793,338</u>	<u>165</u>
Total General Government	<u>2,837,584</u>	<u>2,873,536</u>	<u>2,842,598</u>	<u>30,938</u>
Security of Persons and Property:				
Police:				
Law Enforcement:				
Personal Services	2,588,290	2,770,843	2,752,981	17,862
Materials and Supplies	220,826	166,326	161,427	4,899
Contractual Services	<u>109,257</u>	<u>112,157</u>	<u>110,671</u>	<u>1,486</u>
Total Police	<u>2,918,373</u>	<u>3,049,326</u>	<u>3,025,079</u>	<u>24,247</u>
Fire:				
Fire Prevention:				
Personal Services	2,064,965	2,002,135	1,999,442	2,693
Materials and Supplies	55,500	51,250	48,976	2,274
Contractual Services	<u>64,050</u>	<u>79,800</u>	<u>77,726</u>	<u>2,074</u>
Total Fire	<u>2,184,515</u>	<u>2,133,185</u>	<u>2,126,144</u>	<u>7,041</u>
Total Security of Persons and Property	<u>\$5,102,888</u>	<u>\$5,182,511</u>	<u>\$5,151,223</u>	<u>\$31,288</u>

(continued)

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Public Health Services:				
Health:				
Personal Services	\$212,460	\$209,173	\$207,193	\$1,980
Materials and Supplies	10,088	4,588	4,395	193
Contractual Services	48,000	56,200	54,938	1,262
Total Public Health Services	<u>270,548</u>	<u>269,961</u>	<u>266,526</u>	<u>3,435</u>
Street Maintenance and Repairs:				
Street:				
Personal Services	98,635	85,790	85,760	30
Housing and Community Development:				
Housing Inspection:				
Personal Services	219	219	218	1
Sanitation Services:				
Sanitation:				
Personal Services	2,050	2,520	2,478	42
Debt Service:				
Principal Retirement	338,400	333,291	333,291	0
Interest and Fiscal Charges	4,800	6,054	6,054	0
<i>Total Expenditures</i>	<u>8,655,124</u>	<u>8,753,882</u>	<u>8,688,148</u>	<u>65,734</u>
<i>Excess of Revenues Over Expenditures</i>	<u>188,801</u>	<u>152,471</u>	<u>190,000</u>	<u>37,529</u>
Other Financing Sources (Uses)				
Proceeds of Notes	268,200	265,481	266,091	610
Advances Out	0	(43,701)	(43,701)	0
Transfers Out	(403,850)	(539,597)	(539,597)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(135,650)</u>	<u>(317,817)</u>	<u>(317,207)</u>	<u>610</u>
<i>Net Change in Fund Balance</i>	53,151	(165,346)	(127,207)	38,139
<i>Fund Balance Beginning of Year</i>	322,441	322,441	322,441	0
Prior Year Encumbrances Appropriated	2,507	2,507	2,507	0
<i>Fund Balance End of Year</i>	<u>\$378,099</u>	<u>\$159,602</u>	<u>\$197,741</u>	<u>\$38,139</u>

City of Ashtabula, Ohio
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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$975,736	\$1,030,126	\$958,001	(\$72,125)
Other	0	0	6,089	6,089
<i>Total Revenues</i>	975,736	1,030,126	964,090	(66,036)
Expenditures				
Current:				
Housing and Community Development:				
Community Development Block Grant:				
Personal Services	25,000	25,000	23,792	1,208
Contractual Services	234,522	496,945	467,063	29,882
Capital Outlay	286,638	607,378	526,739	80,639
<i>Total Expenditures</i>	546,160	1,129,323	1,017,594	111,729
<i>Net Change in Fund Balance</i>	429,576	(99,197)	(53,504)	45,693
<i>Fund Balance Beginning of Year</i>	31,995	31,995	31,995	0
Prior Year Encumbrances Appropriated	107,160	107,160	107,160	0
<i>Fund Balance End of Year</i>	\$568,731	\$39,958	\$85,651	\$45,693

City of Ashtabula, Ohio
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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$2,200	\$4,500	\$2,849	(\$1,651)
Intergovernmental	720,900	721,900	684,805	(37,095)
Interest	0	0	26	26
Other	0	0	8,338	8,338
<i>Total Revenues</i>	<u>723,100</u>	<u>726,400</u>	<u>696,018</u>	<u>(30,382)</u>
Expenditures				
Current:				
Street Maintenance and Repairs:				
Public Works:				
Personal Services	523,758	533,808	529,827	3,981
Materials and Supplies	240,000	224,950	179,592	45,358
Contractual Services	63,500	71,174	70,758	416
<i>Total Expenditures</i>	<u>827,258</u>	<u>829,932</u>	<u>780,177</u>	<u>49,755</u>
<i>Excess of Revenues Under Expenditures</i>	(104,158)	(103,532)	(84,159)	19,373
Other Financing Sources				
Transfers In	100,900	100,900	117,566	16,666
<i>Net Change in Fund Balance</i>	(3,258)	(2,632)	33,407	36,039
<i>Fund Balance Beginning of Year</i>	19,905	19,905	19,905	0
Prior Year Encumbrances Appropriated	2,724	2,724	2,724	0
<i>Fund Balance End of Year</i>	<u>\$19,371</u>	<u>\$19,997</u>	<u>\$56,036</u>	<u>\$36,039</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Levy Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property and Other Taxes	\$543,663	\$500,663	\$485,874	(\$14,789)
Intergovernmental	0	0	14,527	14,527
<i>Total Revenues</i>	543,663	500,663	500,401	(262)
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Personal Services	449,693	359,694	269,153	90,541
Contractual Services	0	11,750	10,065	1,685
<i>Total Expenditures</i>	449,693	371,444	279,218	92,226
<i>Net Change in Fund Balance</i>	93,970	129,219	221,183	91,964
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$93,970	\$129,219	\$221,183	\$91,964

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$415,000	\$415,000	\$350,400	(\$64,600)
Municipal Income Tax	610,500	606,410	632,933	26,523
Intergovernmental	408,080	1,194,205	1,116,375	(77,830)
Other	0	0	250	250
<i>Total Revenues</i>	<u>1,433,580</u>	<u>2,215,615</u>	<u>2,099,958</u>	<u>(115,657)</u>
Expenditures				
Capital Outlay:				
Contractual Services	44,000	39,700	39,700	0
Capital Outlay	1,585,080	5,953,776	5,651,101	302,675
Total Capital Outlay	<u>1,629,080</u>	<u>5,993,476</u>	<u>5,690,801</u>	<u>302,675</u>
Debt Service:				
Principal Retirement	274,000	274,000	269,574	4,426
Interest and Fiscal Charges	25,573	25,573	19,834	5,739
Total Debt Service	<u>299,573</u>	<u>299,573</u>	<u>289,408</u>	<u>10,165</u>
<i>Total Expenditures</i>	<u>1,928,653</u>	<u>6,293,049</u>	<u>5,980,209</u>	<u>312,840</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(495,073)</u>	<u>(4,077,434)</u>	<u>(3,880,251)</u>	<u>197,183</u>
Other Financing Sources (Uses)				
Proceeds of OPWC	0	0	44,286	44,286
Proceeds of State Infrastructure Bank Bonds	0	2,563,015	2,563,015	0
Proceeds of State Infrastructure Bank Loans	1,089,104	1,161,095	856,691	(304,404)
Inception of Capital Lease	0	0	119,046	119,046
Transfers Out	(200,000)	(200,000)	(200,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>889,104</u>	<u>3,524,110</u>	<u>3,383,038</u>	<u>(141,072)</u>
<i>Net Change in Fund Balance</i>	394,031	(553,324)	(497,213)	56,111
<i>Fund Balance Beginning of Year</i>	1,010,338	1,010,338	1,010,338	0
Prior Year Encumbrances Appropriated	<u>431,001</u>	<u>431,001</u>	<u>431,001</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,835,370</u>	<u>\$888,015</u>	<u>\$944,126</u>	<u>\$56,111</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Sanitation Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$1,838,000	\$1,902,000	\$1,900,881	(\$1,119)
Intergovernmental	12,000	12,000	19,980	7,980
Other Operating Revenues	0	0	27	27
Proceeds of Notes	64,300	64,120	66,335	2,215
<i>Total Revenues</i>	<u>1,914,300</u>	<u>1,978,120</u>	<u>1,987,223</u>	<u>9,103</u>
Expenses				
Personal Services	1,072,884	1,099,383	1,098,528	855
Contractual Services	700,836	720,196	720,105	91
Materials and Supplies	154,725	126,266	88,228	38,038
Capital Outlay	0	12,600	11,430	1,170
Debt Service:				
Principal Retirement	83,135	83,135	83,135	0
Interest and Fiscal Charges	2,665	1,319	1,319	0
<i>Total Expenditures</i>	<u>2,014,245</u>	<u>2,042,899</u>	<u>2,002,745</u>	<u>40,154</u>
<i>Net Change in Fund Balance</i>	(99,945)	(64,779)	(15,522)	49,257
<i>Fund Balance Beginning of Year</i>	122,473	122,473	122,473	0
Prior Year Encumbrances Appropriated	<u>43,361</u>	<u>43,361</u>	<u>43,361</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$65,889</u></u>	<u><u>\$101,055</u></u>	<u><u>\$150,312</u></u>	<u><u>\$49,257</u></u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Wastewater Treatment Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Charges for Services	\$3,615,000	\$3,596,200	\$3,508,286	(\$87,914)
Tap-In Fees	5,000	5,000	23,500	18,500
Intergovernmental	0	0	11,953	11,953
OWDA Loan Proceeds	0	1,698,459	1,532,852	(165,607)
OPWC Loan Proceeds	55,000	55,000	47,180	(7,820)
Proceeds of Capital Lease	0	0	28,557	28,557
Proceeds of Notes	227,574	227,574	227,574	0
Other	0	0	10,561	10,561
<i>Total Revenues</i>	<u>3,902,574</u>	<u>5,582,233</u>	<u>5,390,463</u>	<u>(191,770)</u>
Expenses				
Personal Services	1,749,709	1,749,834	1,708,539	41,295
Contractual Services	689,726	875,891	874,504	1,387
Materials and Supplies	255,982	325,432	325,432	0
Capital Outlay	174,326	2,236,462	1,965,234	271,228
Debt Service:				
Principal Retirement	860,031	762,461	762,452	9
Interest and Fiscal Charges	82,525	41,424	41,077	347
<i>Total Expenses</i>	<u>3,812,299</u>	<u>5,991,504</u>	<u>5,677,238</u>	<u>314,266</u>
<i>Excess of Revenues Under Expenses</i>	<u>90,275</u>	<u>(409,271)</u>	<u>(286,775)</u>	<u>122,496</u>
Other Financing Sources (Uses)				
Transfers In	83,426	143,251	9,782	(133,469)
Transfers Out	(80,000)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>3,426</u>	<u>143,251</u>	<u>9,782</u>	<u>(133,469)</u>
<i>Net Change in Fund Balance</i>	93,701	(266,020)	(276,993)	122,496
<i>Fund Balance Beginning of Year</i>	367,919	367,919	367,919	0
Prior Year Encumbrances Appropriated	61,535	61,535	61,535	0
<i>Fund Balance End of Year</i>	<u>\$523,155</u>	<u>\$163,434</u>	<u>\$152,461</u>	<u>\$122,496</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Code Enforcement Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses and Permits	\$200,000	\$215,000	\$213,895	(\$1,105)
Fines and Forfeitures	0	0	1,702	1,702
Intergovernmental	0	0	9,592	9,592
Other	0	0	216	216
<i>Total Revenues</i>	<u>200,000</u>	<u>215,000</u>	<u>225,405</u>	<u>10,405</u>
Expenditures				
Current:				
Housing and Community Development:				
Code Enforcement:				
Personal Services	176,592	191,745	175,731	16,014
Materials and Supplies	13,500	13,500	7,859	5,641
Contractual Services	20,300	25,147	4,266	20,881
<i>Total Expenditures</i>	<u>210,392</u>	<u>230,392</u>	<u>187,856</u>	<u>42,536</u>
<i>Net Change in Fund Balance</i>	(10,392)	(15,392)	37,549	52,941
<i>Fund Balance Beginning of Year</i>	<u>111,579</u>	<u>111,579</u>	<u>111,579</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$101,187</u>	<u>\$96,187</u>	<u>\$149,128</u>	<u>\$52,941</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Pension Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$268,500	\$268,500	\$232,102	(\$36,398)
Intergovernmental	35,580	35,580	34,542	(1,038)
<i>Total Revenues</i>	<u>304,080</u>	<u>304,080</u>	<u>266,644</u>	<u>(37,436)</u>
Expenditures				
Current:				
Security of Persons and Property:				
Fire:				
Fire Prevention:				
Personal Services	355,164	357,664	354,253	3,411
Contractual Services	6,000	6,000	5,569	431
<i>Total Expenditures</i>	<u>361,164</u>	<u>363,664</u>	<u>359,822</u>	<u>3,842</u>
<i>Excess of Revenues Under Expenditures</i>	(57,084)	(59,584)	(93,178)	(33,594)
Other Financing Sources				
Transfers In	73,625	56,700	86,641	29,941
<i>Net Change in Fund Balance</i>	16,541	(2,884)	(6,537)	(3,653)
<i>Fund Balance Beginning of Year</i>	<u>6,774</u>	<u>6,774</u>	<u>6,774</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$23,315</u></u>	<u><u>\$3,890</u></u>	<u><u>\$237</u></u>	<u><u>(\$3,653)</u></u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses and Permits	\$40,000	\$40,400	\$40,800	\$400
Expenditures				
Current:				
Public Health Services:				
Board of Health:				
Personal Services	48,791	48,791	48,292	499
Materials and Supplies	3,000	3,000	2,855	145
Contractual Services	5,000	5,000	4,122	878
<i>Total Expenditures</i>	<u>56,791</u>	<u>56,791</u>	<u>55,269</u>	<u>1,522</u>
<i>Excess of Revenues Under Expenditures</i>	(16,791)	(16,391)	(14,469)	1,922
Other Financing Sources				
Transfers In	18,000	18,000	15,000	(3,000)
<i>Net Change in Fund Balance</i>	1,209	1,609	531	(1,078)
<i>Fund Balance Beginning of Year</i>	<u>5,127</u>	<u>5,127</u>	<u>5,127</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6,336</u></u>	<u><u>\$6,736</u></u>	<u><u>\$5,658</u></u>	<u><u>(\$1,078)</u></u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Alcohol Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$15,000	\$15,000	\$15,426	\$426
Expenditures				
Current:				
General Government:				
Judicial System:				
Indigent Alcohol:				
Materials and Supplies	<u>15,000</u>	<u>15,000</u>	<u>0</u>	<u>15,000</u>
<i>Net Change in Fund Balance</i>	0	0	15,426	15,426
<i>Fund Balance Beginning of Year</i>	<u>24,368</u>	<u>24,368</u>	<u>24,368</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$24,368</u></u>	<u><u>\$24,368</u></u>	<u><u>\$39,794</u></u>	<u><u>\$15,426</u></u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Trust Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$10,000	\$31,145	\$31,239	\$94
Expenditures				
Current:				
Security of Persons and Property				
Police:				
Law Enforcement Trust:				
Materials and Supplies	<u>12,000</u>	<u>37,000</u>	<u>35,229</u>	<u>1,771</u>
<i>Net Change in Fund Balance</i>	(2,000)	(5,855)	(3,990)	1,865
<i>Fund Balance Beginning of Year</i>	<u>23,176</u>	<u>23,176</u>	<u>23,176</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$21,176</u></u>	<u><u>\$17,321</u></u>	<u><u>\$19,186</u></u>	<u><u>\$1,865</u></u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Motor Vehicle License Tax Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$40,000	\$37,500	\$36,803	(\$697)
Expenditures				
Current:				
Street Maintenance and Repairs				
Materials and Supplies	35,000	35,000	25,788	9,212
<i>Net Change in Fund Balance</i>	5,000	2,500	11,015	8,515
<i>Fund Balance Beginning of Year</i>	5,915	5,915	5,915	0
<i>Fund Balance End of Year</i>	<u>\$10,915</u>	<u>\$8,415</u>	<u>\$16,930</u>	<u>\$8,515</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Probation Services Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$60,000	\$63,000	\$59,591	(\$3,409)
Expenditures				
Current:				
General Government:				
Judicial System:				
Municipal Probation Services:				
Materials and Supplies	<u>55,400</u>	<u>58,400</u>	<u>57,348</u>	<u>1,052</u>
<i>Net Change in Fund Balance</i>	4,600	4,600	2,243	(2,357)
<i>Fund Balance Beginning of Year</i>	<u>91,464</u>	<u>91,464</u>	<u>91,464</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$96,064</u></u>	<u><u>\$96,064</u></u>	<u><u>\$93,707</u></u>	<u><u>(\$2,357)</u></u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$368,500	\$268,500	\$232,102	(\$36,398)
Intergovernmental	35,580	35,580	34,542	(1,038)
<i>Total Revenues</i>	<u>404,080</u>	<u>304,080</u>	<u>266,644</u>	<u>(37,436)</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Law Enforcement:				
Personal Services	395,143	395,143	381,420	13,723
Contractual Services	6,000	6,000	5,569	431
<i>Total Expenditures</i>	<u>401,143</u>	<u>401,143</u>	<u>386,989</u>	<u>14,154</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	2,937	(97,063)	(120,345)	(23,282)
Other Financing Sources				
Transfers In	102,625	121,699	119,155	(2,544)
<i>Net Change in Fund Balance</i>	105,562	24,636	(1,190)	(25,826)
<i>Fund Balance Beginning of Year</i>	<u>1,274</u>	<u>1,274</u>	<u>1,274</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$106,836</u></u>	<u><u>\$25,910</u></u>	<u><u>\$84</u></u>	<u><u>(\$25,826)</u></u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Health Nursing Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$17,400	\$17,400	\$20,137	\$2,737
Expenditures				
Current:				
Public Health Services:				
Public Health Nursing:				
Personal Services	9,111	9,201	4,431	4,770
Materials and Supplies	14,889	30,450	24,023	6,427
Contractual Services	8,000	8,000	2,292	5,708
<i>Total Expenditures</i>	<u>32,000</u>	<u>47,651</u>	<u>30,746</u>	<u>16,905</u>
<i>Excess of Revenues Under Expenditures</i>	(14,600)	(30,251)	(10,609)	19,642
Other Financing Sources				
Transfers In	30,250	30,250	7,689	(22,561)
<i>Net Change in Fund Balance</i>	15,650	(1)	(2,920)	(2,919)
<i>Fund Balance Beginning of Year</i>	12,462	12,462	12,462	0
Prior Year Encumbrances Appropriated	40	40	40	0
<i>Fund Balance End of Year</i>	<u>\$28,152</u>	<u>\$12,501</u>	<u>\$9,582</u>	<u>(\$2,919)</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	<u>\$52,000</u>	<u>\$52,541</u>	<u>\$46,623</u>	<u>(\$5,918)</u>
Expenditures				
Current:				
Street Maintenance and Repairs:				
Public Works:				
Materials and Supplies	50,000	48,250	35,800	12,450
Contractual Services	<u>0</u>	<u>1,750</u>	<u>1,705</u>	<u>45</u>
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>37,505</u>	<u>12,495</u>
<i>Net Change in Fund Balance</i>	2,000	2,541	9,118	6,577
<i>Fund Balance Beginning of Year</i>	<u>8,854</u>	<u>8,854</u>	<u>8,854</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$10,854</u></u>	<u><u>\$11,395</u></u>	<u><u>\$17,972</u></u>	<u><u>\$6,577</u></u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Recycling Grant Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$100,000	\$100,000	\$73,115	(\$26,885)
Expenditures				
Current:				
Sanitation Services				
Capital Outlay	100,000	313,100	313,080	20
<i>Excess of Revenues Under Expenditures</i>	0	(213,100)	(239,965)	(26,865)
Other Financing Sources				
Transfers In	200,000	200,000	200,000	0
<i>Net Change in Fund Balance</i>	200,000	(13,100)	(39,965)	(26,865)
<i>Fund Balance Beginning of Year</i>	100,000	100,000	100,000	0
<i>Fund Balance End of Year</i>	<u>\$300,000</u>	<u>\$86,900</u>	<u>\$60,035</u>	<u>(\$26,865)</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Grant Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$50,000	\$50,000	\$16,764	(\$33,236)
Expenditures				
Current:				
Security of Persons and Property				
Police				
Personal Services	38,500	38,500	24,073	14,427
Materials and Supplies	11,500	11,500	11,392	108
<i>Total Expenditures</i>	50,000	50,000	35,465	14,535
<i>Excess of Revenues Under Expenditures</i>	0	0	(18,701)	(18,701)
Other Financing Sources				
Advances - In	0	0	18,701	18,701
<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>	\$0	\$0	\$0	\$0

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Walnut Beach Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Franchise Fees	\$25,000	\$25,000	\$24,596	(\$404)
Other	5,000	3,500	4,938	1,438
<i>Total Revenues</i>	<u>30,000</u>	<u>28,500</u>	<u>29,534</u>	<u>1,034</u>
Expenditures				
Current:				
Leisure Time Activities:				
Walnut Beach:				
Contractual Services	22,000	27,200	26,959	241
Capital Outlay	14,195	28,695	27,615	1,080
<i>Total Expenditures</i>	<u>36,195</u>	<u>55,895</u>	<u>54,574</u>	<u>1,321</u>
<i>Net Change in Fund Balance</i>	(6,195)	(27,395)	(25,040)	2,355
<i>Fund Balance Beginning of Year</i>	21,565	21,565	21,565	0
Prior Year Encumbrances Appropriated	14,895	14,895	14,895	0
<i>Fund Balance End of Year</i>	<u>\$30,265</u>	<u>\$9,065</u>	<u>\$11,420</u>	<u>\$2,355</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Lighting Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$300,000	\$300,000	\$303,872	\$3,872
Expenditures				
Current:				
Street Maintenance and Repairs				
Street Lighting				
Contractual Services	440,000	502,000	497,391	4,609
<i>Excess of Revenues Under Expenditures</i>	(140,000)	(202,000)	(193,519)	8,481
Other Financing Sources				
Transfers In	140,000	202,500	193,546	(8,954)
<i>Net Change in Fund Balance</i>	0	500	27	(473)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$500	\$27	(\$473)

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Debt Service Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Special Assessments	\$10,000	\$10,200	\$12,369	\$2,169
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Bond Retirement:				
Contractual Services	500	500	500	0
Debt Service:				
Principal Retirement	10,200	10,200	9,782	418
<i>Total Expenditures</i>	<u>10,700</u>	<u>10,700</u>	<u>10,282</u>	<u>418</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(700)</u>	<u>(500)</u>	<u>2,087</u>	<u>2,587</u>
Other Financing Sources (Uses)				
Proceeds of Notes	200,000	0	0	0
Transfers Out	0	(10,000)	(9,782)	218
<i>Total Other Financing Sources (Uses)</i>	<u>200,000</u>	<u>(10,000)</u>	<u>(9,782)</u>	<u>218</u>
<i>Net Change in Fund Balance</i>	199,300	(10,500)	(7,695)	2,805
<i>Fund Balance Beginning of Year</i>	<u>62,582</u>	<u>62,582</u>	<u>62,582</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$261,882</u></u>	<u><u>\$52,082</u></u>	<u><u>\$54,887</u></u>	<u><u>\$2,805</u></u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Special Projects Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$40,000	\$40,000	\$28,449	(\$11,551)
Expenditures				
Capital Outlay:				
Capital Outlay	40,000	40,000	39,189	811
<i>Net Change in Fund Balance</i>	0	0	(10,740)	(10,740)
<i>Fund Balance Beginning of Year</i>	58,621	58,621	58,621	0
<i>Fund Balance End of Year</i>	<u>\$58,621</u>	<u>\$58,621</u>	<u>\$47,881</u>	<u>(\$10,740)</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Construction Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	3,311	3,311	3,311	0
<i>Fund Balance End of Year</i>	<u>\$3,311</u>	<u>\$3,311</u>	<u>\$3,311</u>	<u>\$0</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Self Insurance Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$1,882,408	\$1,831,181	\$1,810,053	(\$21,128)
Expenses				
Contractual Services	431,135	431,135	431,135	0
Claims	986,415	1,403,138	1,374,812	28,326
<i>Total Expenses</i>	<u>1,417,550</u>	<u>1,834,273</u>	<u>1,805,947</u>	<u>28,326</u>
<i>Excess of Revenues Over (Under) Expenses</i>	464,858	(3,092)	4,106	7,198
Other Financing Uses				
Operating Transfers - Out	<u>0</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	464,858	(28,092)	(20,894)	7,198
<i>Fund Equity Beginning of Year</i>	<u>28,233</u>	<u>28,233</u>	<u>28,233</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$493,091</u>	<u>\$141</u>	<u>\$7,339</u>	<u>\$7,198</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Workers' Compensation Fund
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenses				
Current:				
Personal Services	15,458	15,458	15,329	129
Contractual Services	36,432	36,432	36,432	0
Claims	<u>162,777</u>	<u>96,813</u>	<u>80,972</u>	<u>15,841</u>
<i>Total Expenses</i>	<u>214,667</u>	<u>148,703</u>	<u>132,733</u>	<u>15,970</u>
<i>Excess of Revenues Under Expenses</i>	<u>(214,667)</u>	<u>(148,703)</u>	<u>(132,733)</u>	<u>15,970</u>
Other Financing Sources				
Advances In	0	0	25,000	25,000
Transfers In	<u>299,209</u>	<u>33,468</u>	<u>25,000</u>	<u>(8,468)</u>
<i>Total Other Financing Sources</i>	<u>299,209</u>	<u>33,468</u>	<u>50,000</u>	<u>16,532</u>
<i>Net Change in Fund Equity</i>	84,542	(115,235)	(82,733)	32,502
<i>Fund Equity Beginning of Year</i>	489,636	489,636	489,636	0
Prior Year Encumbrances Appropriated	<u>4,036</u>	<u>4,036</u>	<u>4,036</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$578,214</u>	<u>\$378,437</u>	<u>\$410,939</u>	<u>\$32,502</u>

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STATISTICAL SECTION

Statistical Section

This part of the City of Ashtabula, 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.

Contents	Pages(s)
<i>Financial Trends</i>	<i>S2 – S13</i>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	<i>S14 – S21</i>
These schedules contain information to help the reader assess the City's most significant local revenue, the property tax and the municipal income tax.	
<i>Debt Capacity</i>	<i>S22 – S29</i>
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.	
<i>Economic and Demographic Information</i>	<i>S30 – S32</i>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	
<i>Operating Information</i>	<i>S34 – S45</i>
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

City of Ashtabula, Ohio
Net Position By Component
Last Ten Years
(Accrual Basis of Accounting)

	<u>2015 (1)</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Governmental Activities				
Net Investment in Capital Assets	\$26,968,966	\$29,432,989	\$26,927,369	\$26,144,204
Restricted:				
Capital Projects	2,093,617	651,142	1,578,684	1,038,535
Debt Service	48,482	115,047	114,585	103,521
Community Development	153,062	1,017,387	280,633	768,002
Sanitation	0	0	0	0
Street Maintenance and Repair	635,571	438,034	442,393	180,727
Public Safety	653,281	356,913	289,776	230,784
Municipal Court	96,620	96,474	112,153	84,473
Other Purposes	120,536	137,960	22,458	19,915
Unrestricted	<u>(8,593,534)</u>	<u>(8,262,094)</u>	<u>1,069,855</u>	<u>391,808</u>
<i>Total Governmental Activities Net Position</i>	<u>22,176,601</u>	<u>23,983,852</u>	<u>30,837,906</u>	<u>28,961,969</u>
Business Type - Activities				
Net Investment in Capital Assets	11,965,565	11,929,668	11,960,613	11,545,705
Unrestricted	<u>827,852</u>	<u>1,334,345</u>	<u>2,474,402</u>	<u>2,530,937</u>
<i>Total Business-Type Activities Net Position</i>	<u>12,793,417</u>	<u>13,264,013</u>	<u>14,435,015</u>	<u>14,076,642</u>
Primary Government				
Net Investment in Capital Assets	38,934,531	41,362,657	38,887,982	37,689,909
Restricted	3,801,169	2,812,957	2,840,682	2,425,957
Unrestricted	<u>(7,765,682)</u>	<u>(6,927,749)</u>	<u>3,544,257</u>	<u>2,922,745</u>
<i>Total Primary Government Net Position</i>	<u>\$34,970,018</u>	<u>\$37,247,865</u>	<u>\$45,272,921</u>	<u>\$43,038,611</u>

(1) The City reported the impact of GASB Statement No. 68 in 2015 and 2014.

2011	2010	2009	2008	2007	2006
\$27,040,775	\$18,695,971	\$19,304,462	\$19,022,629	\$17,985,793	\$17,179,586
996,559	519,091	616,317	917,675	992,414	1,257,245
108,509	125,280	212,116	141,267	927,528	842,539
546,108	1,330,094	2,266,481	1,073,682	1,466,762	755,325
0	0	883,394	719,258	648,455	743,242
154,647	151,130	140,771	97,528	138,087	293,245
389,697	436,726	N/A	N/A	N/A	N/A
102,650	134,952	N/A	N/A	N/A	N/A
102,874	369,503	791,656	797,701	880,874	912,937
962,152	160,862	841,775	1,312,330	1,871,948	2,283,621
<u>30,403,971</u>	<u>21,923,609</u>	<u>25,056,972</u>	<u>24,082,070</u>	<u>24,911,861</u>	<u>24,267,740</u>
11,224,236	10,615,079	10,339,668	10,343,268	8,637,769	9,968,685
2,084,496	3,249,898	1,701,294	2,143,693	3,632,203	1,340,098
<u>13,308,732</u>	<u>13,864,977</u>	<u>12,040,962</u>	<u>12,486,961</u>	<u>12,269,972</u>	<u>11,308,783</u>
38,265,011	29,311,050	29,644,130	29,365,897	26,623,562	27,148,271
2,401,044	3,066,776	4,910,735	3,747,111	5,054,120	4,804,533
3,046,648	3,410,760	2,543,069	3,456,023	5,504,151	3,623,719
<u>\$43,712,703</u>	<u>\$35,788,586</u>	<u>\$37,097,934</u>	<u>\$36,569,031</u>	<u>\$37,181,833</u>	<u>\$35,576,523</u>

City of Ashtabula, Ohio
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2015 (2)	2014	2013	2012
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government:				
Legislative and Executive	\$236,366	\$388,450	\$411,518	\$414,538
Judicial System	200,982	267,805	265,461	258,606
Security of Persons and Property:				
Police	390,843	507,597	552,112	468,505
Fire	250,345	323,428	339,718	358,161
Public Health Services	73,122	77,984	118,555	102,777
Street Maintenance and Repairs	413,226	259	63,763	27,539
Housing and Community Development	302,075	259,122	295,579	243,585
Sanitation Services	293	264	0	0
Leisure Time Activities	0	0	0	1,562
Subtotal - Charges for Services	<u>1,867,252</u>	<u>1,824,909</u>	<u>2,046,706</u>	<u>1,875,273</u>
Operating Grants and Contributions:				
General Government:				
Legislative and Executive	0	100,000	0	0
Judicial System	0	0	0	0
Security of Persons and Property:				
Police	114,477	83,866	35,112	206,181
Fire	0	68,835	35,112	30,367
Public Health Services	25,606	14,403	11,073	12,508
Street Maintenance and Repairs	769,401	767,828	849,842	817,848
Housing and Community Development	131,203	1,333,052	219,343	962,920
Sanitation Services	73,115	0	0	0
Subtotal - Operating Grants and Contributions	<u>1,113,802</u>	<u>2,367,984</u>	<u>1,150,482</u>	<u>2,029,824</u>
Capital Grants and Contributions:				
General Government:				
Legislative and Executive	0	0	0	13,250
Judicial System	0	0	0	0
Security of Persons and Property:				
Police	0	0	0	0
Fire	0	0	0	0
Street Maintenance and Repairs	686,611	983,641	1,668,993	0
Housing and Community Development	0	0	0	0
Subtotal - Capital Grants and Contributions	<u>686,611</u>	<u>983,641</u>	<u>1,668,993</u>	<u>13,250</u>
<i>Total Governmental Activities Program Revenues</i>	<u>\$3,667,665</u>	<u>\$5,176,534</u>	<u>\$4,866,181</u>	<u>\$3,918,347</u>

2011	2010	2009	2008	2007	2006
\$236,006	\$299,400	\$265,773	\$175,970	\$209,086	\$197,913
645,600	210,280	759,859	804,117	773,601	676,782
387,791	404,073	44,108	88,807	60,398	23,140
76,175	277,242	51,658	55,518	53,790	47,862
168,489	117,408	174,062	187,267	201,688	196,130
12,176	59,080	40,554	15,694	25,485	42,047
137,636	280,833	295,469	221,622	252,889	133,221
28,372	2,734	1,801,553	1,799,928	1,656,815	1,353,756
3,005	15,794	13,830	14,280	14,455	15,392
<u>1,695,250</u>	<u>1,666,844</u>	<u>3,446,866</u>	<u>3,363,203</u>	<u>3,248,207</u>	<u>2,686,243</u>
0	0	0	15,251	0	0
15,708	15,708	87,818	15,687	15,189	0
187,228	100,718	381,438	49,140	4,110	14,963
42,961	77,269	36,438	35,966	0	1,000
9,522	111,983	207,053	25,483	34,604	17,677
868,021	779,720	94,120	317,571	97,960	99,012
0	108,985	233,330	59,900	86,300	25,946
0	0	40,000	46,536	43,513	39,000
<u>1,123,440</u>	<u>1,194,383</u>	<u>1,080,197</u>	<u>565,534</u>	<u>281,676</u>	<u>197,598</u>
1,956,961	184,138	97,318	139,058	0	633,000
0	0	0	34,295	36,140	30,632
0	0	0	0	0	664
0	0	0	0	0	28,368
1,802,011	0	407,687	0	875,500	402,400
0	0	173,444	453,831	840,080	113,343
<u>3,758,972</u>	<u>184,138</u>	<u>678,449</u>	<u>627,184</u>	<u>1,751,720</u>	<u>1,208,407</u>
<u>\$6,577,662</u>	<u>\$3,045,365</u>	<u>\$5,205,512</u>	<u>\$4,555,921</u>	<u>\$5,281,603</u>	<u>\$4,092,248</u>

(continued)

City of Ashtabula, Ohio
Changes in Net Position (continued)
Last Ten Years
(Accrual Basis of Accounting)

	2015 (2)	2014	2013	2012
Business-Type Activities:				
Charges for Services:				
Sanitation	\$1,846,883	\$1,799,424	\$1,833,371	\$1,950,321
Wastewater Treatment	3,516,906	3,085,997	3,089,877	3,142,336
Capital Grants and Contributions				
Sanitation	19,980	31,280	3,945	5,000
Wastewater Treatment	5,710	635,540	455,232	625,308
<i>Total Business-Type Activities Program Revenues</i>	<u>5,389,479</u>	<u>5,552,241</u>	<u>5,382,425</u>	<u>5,722,965</u>
<i>Total Primary Government Program Revenues</i>	<u>9,057,144</u>	<u>10,728,775</u>	<u>10,248,606</u>	<u>9,641,312</u>
Expenses				
Governmental Activities:				
General Government:				
Legislative and Executive	2,258,619	2,634,808	2,503,864	2,821,885
Judicial System	1,006,688	1,126,553	977,180	995,974
Security of Persons and Property:				
Police	4,244,476	3,645,947	3,799,246	3,372,417
Fire	2,845,390	2,519,128	2,515,373	2,687,460
Public Health Services	388,432	329,426	338,346	334,693
Street Maintenance and Repairs	2,599,586	1,121,229	1,678,580	2,529,822
Housing and Community Development	1,288,296	792,050	902,972	1,012,690
Sanitation Services	334,856	1,730	1,853	38,831
Leisure Time Activities	95,965	39,713	75,701	68,873
Interest and Fiscal Charges	70,338	17,330	3,118	5,972
<i>Total Governmental Activities Expenses</i>	<u>15,132,646</u>	<u>12,227,914</u>	<u>12,796,233</u>	<u>13,868,617</u>
Business-Type Activities				
Sanitation	1,672,859	1,900,604	2,001,720	1,943,508
Wastewater Treatment	4,253,305	3,453,195	3,068,420	3,060,797
<i>Total Primary Government Program Expenses</i>	<u>21,058,810</u>	<u>17,581,713</u>	<u>17,866,373</u>	<u>18,872,922</u>
Net (Expense)/Revenue				
Governmental Activities	(11,464,981)	(7,051,380)	(7,930,052)	(9,950,270)
Business-Type Activities	<u>(536,685)</u>	<u>198,442</u>	<u>312,285</u>	<u>718,660</u>
<i>Total Primary Government Net Expense</i>	<u>(\$12,001,666)</u>	<u>(\$6,852,938)</u>	<u>(\$7,617,767)</u>	<u>(\$9,231,610)</u>

2011	2010	2009	2008	2007	2006
\$1,576,051	\$1,863,359	\$0	\$0	\$0	\$0
3,280,585	3,645,979	3,601,213	3,871,973	3,770,834	3,092,660
40,000	40,000	0	0	0	0
0	147,860	231,298	950,371	470,322	276,649
4,896,636	5,697,198	3,832,511	4,822,344	4,241,156	3,369,309
11,474,298	8,742,563	9,038,023	9,378,265	9,522,759	7,461,557
2,792,923	2,721,988	3,227,472	3,586,747	4,135,051	3,174,447
1,084,083	1,149,058	1,183,400	1,151,790	1,090,892	1,030,659
3,548,942	3,704,992	3,686,839	3,887,527	3,882,495	3,677,304
2,874,864	2,776,175	3,021,851	3,047,444	2,987,810	2,936,033
328,577	404,670	365,246	370,326	357,245	331,826
4,237,406	1,612,921	1,922,571	2,231,818	1,986,728	2,015,378
1,002,021	1,312,203	601,846	983,231	486,457	376,820
116,525	160,453	1,928,179	2,004,214	1,839,276	1,861,734
24,655	75,811	79,793	106,271	86,083	110,002
23,355	14,669	31,026	39,292	56,083	54,634
16,033,351	13,932,940	16,048,223	17,408,660	16,908,120	15,568,837
1,788,036	1,776,030	0	0	0	0
3,664,845	3,641,968	4,230,206	4,596,123	3,160,731	3,130,536
21,486,232	17,574,908	20,278,429	22,004,783	20,068,851	18,699,373
(9,455,689)	(10,887,575)	(10,842,711)	(12,852,739)	(11,626,517)	(11,476,589)
(556,245)	2,055,230	(397,695)	226,221	1,080,425	238,773
(\$10,011,934)	(\$8,832,345)	(\$11,240,406)	(\$12,626,518)	(\$10,546,092)	(\$11,237,816)

(continued)

City of Ashtabula, Ohio
Changes in Net Position (continued)
Last Ten Years
(Accrual Basis of Accounting)

	2015 (2)	2014	2013	2012
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$658,161	\$1,052,932	\$964,733	\$825,015
Debt Service	0	0	0	0
Capital Outlay	275,061	448,033	411,018	350,201
Other Purposes	1,046,981	599,810	551,687	489,993
Income Taxes Levied for:				
General Purposes	5,802,538	5,861,891	6,006,298	5,137,126
Capital Outlay	641,178	647,014	663,396	566,893
Grants and Entitlements not Restricted to				
Specific Programs	877,128	780,305	863,451	811,927
Investment Earnings	175	112	60	190
Franchise Taxes	244,176	235,233	221,520	252,342
Gain on Sale of Capital Assets	0	0	0	0
Other	167,832	119,304	164,581	113,856
Special Item - Capital Contribution (1)	0	0	0	0
Transfers	(55,500)	(29,473)	(40,755)	(39,275)
<i>Total Governmental Activities</i>	<u>9,657,730</u>	<u>9,715,161</u>	<u>9,805,989</u>	<u>8,508,268</u>
Business-Type Activities				
Investment Earnings	0	0	0	0
Other	10,589	2,880	5,333	9,975
Transfers	55,500	29,473	40,755	39,275
<i>Total Business-Type Activities</i>	<u>66,089</u>	<u>32,353</u>	<u>46,088</u>	<u>49,250</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>9,723,819</u>	<u>9,747,514</u>	<u>9,852,077</u>	<u>8,557,518</u>
Change in Net Position				
Governmental Activities	(1,807,251)	2,663,781	1,875,937	(1,442,002)
Business-Type Activities	(470,596)	230,795	358,373	767,910
<i>Total Primary Government Change in Net Position</i>	<u>(\$2,277,847)</u>	<u>\$2,894,576</u>	<u>\$2,234,310</u>	<u>(\$674,092)</u>

(1) During 2011, the Ohio Department of Transportation completed construction of the City's West Avenue bridge.

(2) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.

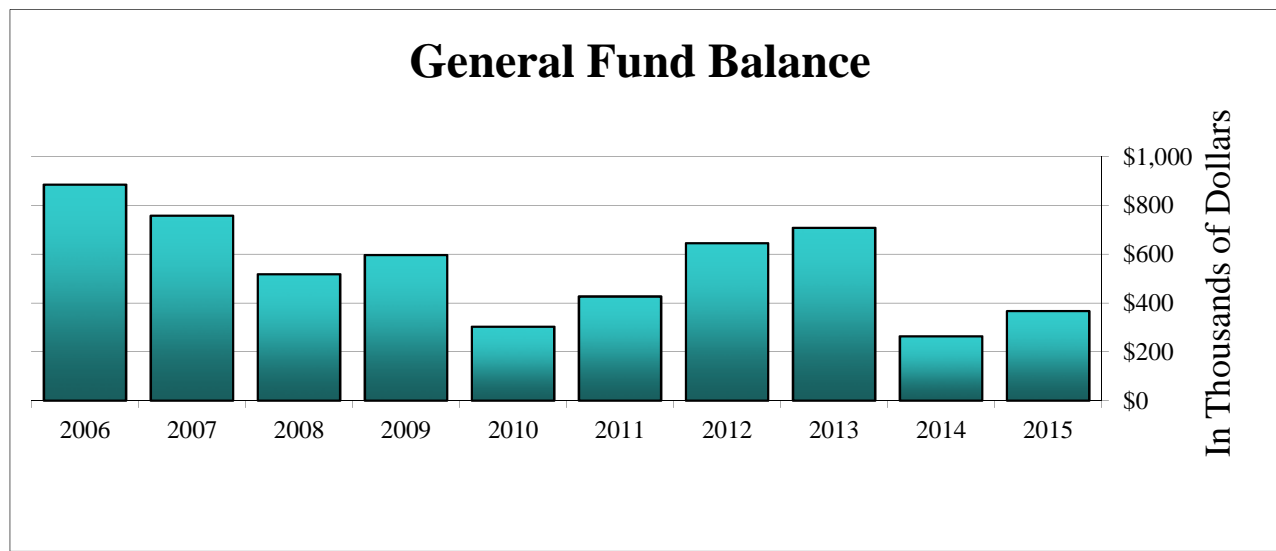
2011	2010	2009	2008	2007	2006
\$967,282	\$1,020,451	\$1,116,701	\$1,064,331	\$1,062,359	\$1,109,720
0	0	0	1,421	346,265	409,341
412,653	438,820	476,191	452,535	486,482	473,334
579,508	571,202	618,918	588,302	631,644	616,830
5,902,284	4,814,382	5,508,718	6,105,678	6,191,921	5,662,945
665,177	548,618	622,236	667,685	684,045	622,457
1,127,596	1,628,612	3,135,994	2,217,714	2,484,064	2,660,157
144	5,450	11,572	152,306	325,184	339,503
273,773	242,362	0	0	0	0
22,500	15,415	0	0	0	0
62,855	7,345	250,783	404,117	214,713	268,753
7,922,279	0	0	0	0	0
0	0	76,500	162,820	50,000	50,000
<u>17,936,051</u>	<u>9,292,657</u>	<u>11,817,613</u>	<u>11,816,909</u>	<u>12,476,677</u>	<u>12,213,040</u>
0	0	0	0	84,352	0
0	12,600	28,196	0	0	0
0	0	(76,500)	(162,820)	(50,000)	(50,000)
0	12,600	(48,304)	(162,820)	34,352	(50,000)
<u>17,936,051</u>	<u>9,305,257</u>	<u>11,769,309</u>	<u>11,654,089</u>	<u>12,511,029</u>	<u>12,163,040</u>
8,480,362	(1,594,918)	974,902	(1,035,830)	850,160	736,451
(556,245)	2,067,830	(445,999)	63,401	1,114,777	188,773
<u>\$7,924,117</u>	<u>\$472,912</u>	<u>\$528,903</u>	<u>(\$972,429)</u>	<u>\$1,964,937</u>	<u>\$925,224</u>

City of Ashtabula, Ohio
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2015	2014	2013	2012
General Fund				
Nonspendable	\$75,492	\$66,706	\$42,245	\$82,872
Restricted	266,091	333,291	357,291	0
Committed	0	0	0	0
Assigned	124,172	0	74,561	70,852
Unassigned (Deficit)	(98,903)	(136,282)	234,067	491,066
Reserved	N/A	N/A	N/A	N/A
Unreserved	N/A	N/A	N/A	N/A
Total General Fund	366,852	263,715	708,164	644,790
All Other Governmental Funds				
Nonspendable	\$104,784	\$74,489	\$52,438	\$43,985
Restricted	2,227,539	719,855	2,287,051	1,475,482
Committed	234,492	186,060	220,690	188,096
Unassigned (Deficit)	(34,915)	(278,456)	(9,363)	(282)
Reserved	N/A	N/A	N/A	N/A
Unreserved, Designated	N/A	N/A	N/A	N/A
Unreserved, Undesignated, Reported in:				
Special Revenue funds	N/A	N/A	N/A	N/A
Debt Service funds	N/A	N/A	N/A	N/A
Capital Projects funds	N/A	N/A	N/A	N/A
Total All Other Governmental Funds	2,531,900	701,948	2,550,816	1,707,281
Total Governmental Funds	\$2,898,752	\$965,663	\$3,258,980	\$2,352,071

Note: This City implemented GASB 54 during 2011.

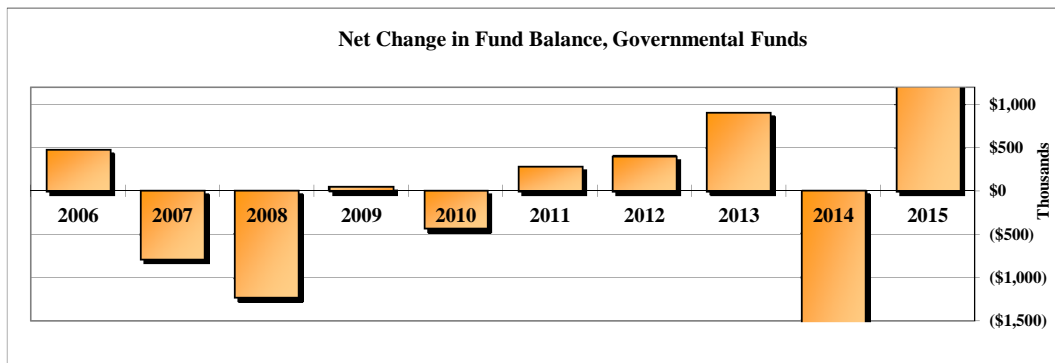
N/A - Information not available.



2011	2010	2009	2008	2007	2006
\$107,285	\$106,906	N/A	N/A	N/A	N/A
0	0	N/A	N/A	N/A	N/A
0	0	N/A	N/A	N/A	N/A
40,815	31,608	N/A	N/A	N/A	N/A
278,805	164,368	N/A	N/A	N/A	N/A
N/A	N/A	25,373	55,255	66,842	73,709
N/A	N/A	571,410	462,844	690,776	811,664
426,905	302,882	596,783	518,099	757,618	885,373
\$44,391	\$55,179	N/A	N/A	N/A	N/A
1,233,854	1,075,408	N/A	N/A	N/A	N/A
238,162	224,464	N/A	N/A	N/A	N/A
(77)	(962)	N/A	N/A	N/A	N/A
N/A	N/A	978,996	1,015,236	615,157	721,549
N/A	N/A	136,120	251,888	412,000	212,000
N/A	N/A	592,875	537,689	681,268	1,069,536
N/A	N/A	122,947	36,696	785,817	571,960
N/A	N/A	3,311	3,311	345,375	943,790
1,516,330	1,354,089	1,834,249	1,844,820	2,839,617	3,518,835
\$1,943,235	\$1,656,971	\$2,431,032	\$2,362,919	\$3,597,235	\$4,404,208

City of Ashtabula, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2015	2014	2013	2012
Revenues				
Property Taxes	\$2,131,803	\$1,724,033	\$1,788,847	\$1,747,271
Municipal Income Tax	6,502,818	6,188,837	6,603,322	6,050,045
Charges for Services	675,889	680,609	750,560	631,480
Licenses and Permits	314,797	316,089	291,403	274,644
Fines and Forfeitures	609,535	579,395	642,937	738,446
Intergovernmental	3,859,188	2,983,575	3,992,017	3,403,671
Special Assessments	12,369	9,652	10,901	9,843
Interest	175	112	60	190
Rentals	126,720	137,740	164,069	169,002
Franchise Taxes	244,176	235,233	221,520	302,884
Other	167,832	119,304	164,581	109,492
<i>Total Revenues</i>	<u>14,645,302</u>	<u>12,974,579</u>	<u>14,630,217</u>	<u>13,436,968</u>
Expenditures				
Current:				
General Government				
Legislative and Executive	1,973,362	2,613,649	2,538,405	2,576,120
Judicial System	907,484	1,061,785	972,965	961,805
Security of Persons and Property:				
Police	3,753,944	3,503,212	3,729,018	3,301,408
Fire	2,486,759	2,634,535	2,446,715	2,572,934
Public Health Services	352,770	331,273	332,026	323,401
Street Maintenance and Repairs	1,380,569	876,214	1,040,537	1,266,996
Housing and Community Development	1,174,548	817,751	910,001	1,013,371
Sanitation Services	315,558	1,728	0	12,000
Leisure Time Activities	54,574	28,040	35,057	28,895
Capital Outlay	3,581,189	4,346,012	2,069,647	735,005
Debt Service:				
Principal Retirement	237,029	188,758	299,785	187,772
Interest and Fiscal Charges	21,965	17,941	9,421	9,150
<i>Total Expenditures</i>	<u>16,239,751</u>	<u>16,420,898</u>	<u>14,383,577</u>	<u>12,988,857</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,594,449)</u>	<u>(3,446,319)</u>	<u>246,640</u>	<u>448,111</u>
Other Financing Sources (Uses)				
State Infrastructure Bank Bonds Issued	2,563,015	1,011,562	0	0
State Infrastructure Bank Loan Issued	856,691	49,583	0	0
OPWC Loan Issued	44,286	0	0	0
General Obligation Bonds Issued	0	0	0	0
Inception of Capital Lease	119,046	121,330	699,524	0
Sale of Capital Assets	0	0	0	0
Proceeds of Loan	0	0	0	0
Transfers In	739,597	411,624	587,421	601,000
Transfers Out	(795,097)	(441,097)	(626,676)	(640,275)
<i>Total Other Financing Sources (Uses)</i>	<u>3,527,538</u>	<u>1,153,002</u>	<u>660,269</u>	<u>(39,275)</u>
<i>Net Change in Fund Balances</i>	<u>\$1,933,089</u>	<u>(\$2,293,317)</u>	<u>\$906,909</u>	<u>\$408,836</u>
Debt Service as a Percentage of Noncapital Expenditures	1.9%	1.9%	2.5%	1.6%



2011	2010	2009	2008	2007	2006
\$1,934,311	\$1,819,144	\$2,151,450	\$2,109,613	\$2,480,053	\$2,577,355
6,029,632	5,640,581	6,254,545	6,757,873	6,775,495	6,445,095
264,357	2,153,776	2,013,439	1,886,125	1,810,849	1,568,521
251,638	316,038	295,278	328,673	282,135	228,358
1,063,308	765,130	838,037	883,633	818,035	726,855
4,988,304	4,119,247	3,344,447	3,870,165	3,684,953	4,155,912
10,151	10,334	35,975	37,417	36,476	35,490
144	5,450	11,572	152,306	325,184	339,503
161,372	161,196	152,434	130,090	139,462	136,002
271,836	245,454	0	0	0	0
60,690	6,888	245,540	459,464	239,657	268,753
<u>15,035,743</u>	<u>15,243,238</u>	<u>15,342,717</u>	<u>16,615,359</u>	<u>16,592,299</u>	<u>16,481,844</u>
2,516,841	2,401,156	2,610,914	3,015,334	3,047,990	2,914,379
1,111,726	1,105,350	1,021,185	1,036,477	967,152	919,440
3,357,299	3,482,742	3,338,973	3,628,559	3,622,601	3,448,319
2,844,417	2,750,100	2,626,619	2,823,288	2,739,876	2,807,075
312,972	401,284	347,872	383,486	369,150	324,010
1,034,253	1,067,277	1,172,826	1,553,013	1,424,511	1,920,884
1,002,686	1,318,340	556,125	1,179,875	483,606	436,879
21,122	1,740,323	1,690,724	1,846,737	1,638,743	1,582,296
24,655	36,108	38,838	44,637	36,076	40,385
2,474,089	1,482,536	1,953,177	1,557,584	2,547,869	2,398,576
165,525	210,308	234,736	861,691	503,837	435,167
13,263	14,669	27,440	78,797	43,237	38,842
<u>14,878,848</u>	<u>16,010,193</u>	<u>15,619,429</u>	<u>18,009,478</u>	<u>17,424,648</u>	<u>17,266,252</u>
156,895	(766,955)	(276,712)	(1,394,119)	(832,349)	(784,408)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	325,000	250,000	0	0	0
106,869	0	0	0	0	0
22,500	15,415	3,975	5,400	4,500	6,800
0	0	699	0	0	1,200,000
487,400	430,800	724,200	1,706,720	720,829	813,500
(487,400)	(430,800)	(647,700)	(1,543,900)	(670,829)	(763,500)
<u>129,369</u>	<u>340,415</u>	<u>331,174</u>	<u>168,220</u>	<u>54,500</u>	<u>1,256,800</u>
<u>\$286,264</u>	<u>(\$426,540)</u>	<u>\$54,462</u>	<u>(\$1,225,899)</u>	<u>(\$777,849)</u>	<u>\$472,392</u>
1.4%	1.9%	5.8%	5.8%	3.4%	3.2%

City of Ashtabula, Ohio
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial		Assessed Value	Estimated Actual Value
2015	\$117,166,590	\$53,523,250	\$487,685,257	\$26,588,520	\$30,214,227
2014	117,928,540	53,687,520	490,331,600	26,936,300	30,609,432
2013	132,014,600	67,840,860	571,015,600	23,144,090	26,300,102
2012	132,789,880	66,360,130	569,000,029	22,006,640	25,007,545
2011	131,582,310	61,439,920	551,492,086	18,236,510	20,723,307
2010	147,859,010	60,686,260	595,843,629	18,910,200	21,488,864
2009	147,855,920	60,329,050	594,814,200	18,409,090	20,919,420
2008	145,229,490	57,272,280	578,576,486	19,626,430	22,302,761
2007	145,005,660	55,991,290	574,277,000	20,032,840	22,764,591
2006	143,492,870	54,692,450	566,243,771	20,029,930	22,761,284

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

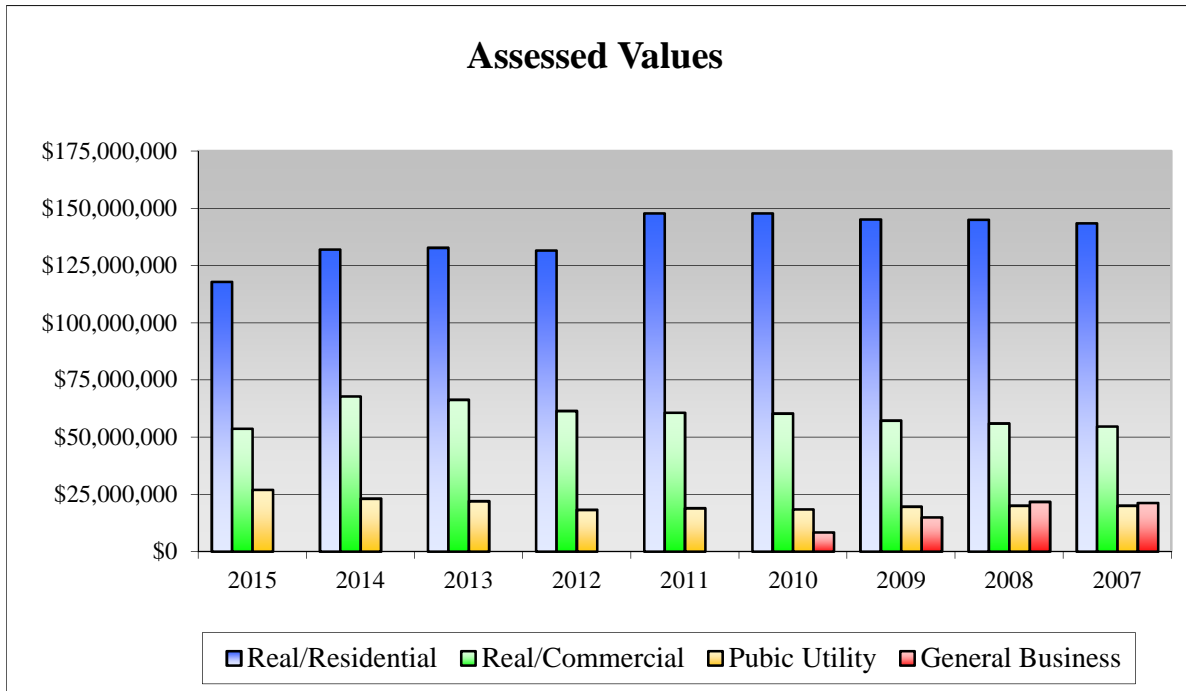
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed. The 10 percent rollback for commercial/industrial property has been eliminated.

Source: Ashtabula County, Ohio; County Auditor

Tangible Personal Property

General Business		Total			Ratio	Total Direct Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value			
\$0	\$0	\$197,278,360	\$517,899,484	38.09 %	\$11.76	
0	0	198,552,360	520,941,032	38.11	9.27	
0	0	222,999,550	597,315,702	37.33	9.31	
0	0	221,156,650	594,007,574	37.23	9.31	
0	0	211,258,740	572,215,393	36.92	9.31	
0	0	227,455,470	617,332,492	36.84	9.31	
8,407,070	67,256,560	235,001,130	682,990,180	34.41	9.31	
14,967,220	119,737,760	237,095,420	720,617,007	32.90	9.31	
21,710,950	173,687,600	242,740,740	770,729,191	31.49	9.31	
21,268,940	113,434,347	239,484,190	702,439,402	34.09	11.11	



City of Ashtabula, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

	2015	2014	2013	2012
Unvoted Millage				
Operating	\$0.2700	\$0.2700	\$0.2700	\$0.2700
Fire Pension	1.3000	1.3000	1.3000	1.3000
Police Pension	1.3000	1.3000	1.3000	1.3000
<i>Total Unvoted Millage</i>	<u>2.8700</u>	<u>2.8700</u>	<u>2.8700</u>	<u>2.8700</u>
Charter Millage				
General Fund	4.1400	4.1400	4.1400	4.1400
Permanent Improvement Fund	2.0000	2.0000	2.0000	2.0000
Justice Center (Debt Service)	0.0000	0.0000	0.0000	0.0000
Senior Citizens	0.2566	0.2566	0.3000	0.3000
Police Levy	2.5000	0.0000	0.0000	0.0000
<i>Total Charter Millage</i>	<u>8.8966</u>	<u>6.3966</u>	<u>6.4400</u>	<u>6.4400</u>
Total Millage	<u>\$11.7666</u>	<u>\$9.2666</u>	<u>\$9.3100</u>	<u>\$9.3100</u>
Overlapping Rates by Taxing District				
Ashtabula Area City Schools				
Residential/Agricultural Real	\$33.7287	\$32.2700	\$32.2706	\$32.2056
Commerical/Industrial and Public Utility Real	40.1112	35.9439	35.9439	35.8310
General Business and Public Utility Personal	50.8500	50.8500	50.8500	50.8500
Ashtabula County Distric Library				
Residential/Agricultural Real	1.2500	1.2500	1.2500	0.0000
Harbor Topky Library				
Residential/Agricultural Real	3.3737	3.4762	3.4762	3.4762
Ashtabula County Commissioner				
Residential/Agricultural Real	10.0135	10.8876	9.0012	8.9962
Commerical/Industrial and Public Utility Real	11.1687	9.4306	9.9622	9.9304
General Business and Public Utility Personal	11.5200	11.0200	11.0200	11.0200
Ashtabula Township Park				
Residential/Agricultural Real	1.1800	1.1800	1.1800	1.1800
Commerical/Industrial and Public Utility Real	1.1800	1.1800	1.1730	1.1704
General Business and Public Utility Personal	1.1800	1.1800	1.1800	1.1800
Ashtabula County Metroparks				
Residential/Agricultural Real	0.5000	0.0000	0.0000	0.0000
Commerical/Industrial and Public Utility Real	0.5000	0.0000	0.0000	0.0000
General Business and Public Utility Personal	0.5000	0.0000	0.0000	0.0000

Source: Ashtabula County, Ohio; County Auditor

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Charter millage is consistently applied to all types of property as opposed to the voted levies of the overlapping taxing districts.

Overlapping rates are those of local and county governments that apply to property owners within the City.

2011	2010	2009	2008	2007	2006
\$0.2700	\$0.2700	\$0.2700	\$0.2700	\$0.2700	\$0.2700
1.3000	1.3000	1.3000	1.3000	1.3000	1.3000
1.3000	1.3000	1.3000	1.3000	1.3000	1.3000
2.8700	2.8700	2.8700	2.8700	2.8700	2.8700
4.1400	4.1400	4.1400	4.1400	4.1400	4.1400
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
0.0000	0.0000	0.0000	0.0000	0.0000	1.8000
0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
6.4400	6.4400	6.4400	6.4400	6.4400	8.2400
\$9.3100	\$9.3100	\$9.3100	\$9.3100	\$9.3100	\$11.1100
\$33.3330	\$31.1325	\$31.4467	\$31.4015	\$32.4762	\$32.5174
37.7939	36.8580	37.0858	36.9317	37.8697	37.7254
52.0000	52.0000	52.5000	52.5000	52.5000	52.5000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
3.4762	3.4762	3.4762	1.1720	1.1720	1.1720
8.9922	8.5409	8.5336	8.5375	8.9779	8.4057
9.9223	9.4041	9.2995	9.2656	9.0000	9.4487
11.0200	11.0200	11.0200	11.0300	11.0300	11.0300
1.1800	1.1697	1.1073	1.1063	1.0790	1.0769
1.1800	1.1799	1.1151	1.1126	1.1229	1.1307
1.1800	1.1800	1.1800	1.1800	1.1800	1.1800
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

City of Ashtabula, Ohio
Property Tax Levies And Collections
Last Ten Years

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)
2015	\$2,414,738	\$1,966,527	81.44 %	\$117,106	\$2,083,633
2014	2,117,275	1,662,044	78.50	85,294	1,747,338
2013	2,095,080	1,637,734	78.17	380,713	2,018,447
2012	1,860,753	1,659,952	89.21	118,655	1,778,607
2011	2,144,612	1,823,971	85.05	107,520	1,931,491
2010	2,182,331	1,974,489	90.48	100,370	2,074,859
2009	2,122,541	1,998,790	94.17	123,751	2,122,541
2008	2,081,658	1,962,658	94.28	118,999	2,081,657
2007	2,479,512	2,340,288	94.38	131,671	2,471,959
2006	2,457,892	2,312,705	94.09	131,820	2,444,525

Source: Ashtabula County, Ohio; County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

Note: The County does not identify delinquent collections by the year for which the tax was levied.

Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs.

The County's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

<u>Percent of Total Tax Collections To Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Percentage of Delinquent Taxes to Total Tax Levy</u>
86.29 %	\$536,936	22.24 %
82.53	564,410	26.66
96.34	166,031	7.92
95.59	303,506	16.31
90.06	265,728	12.39
95.08	415,173	19.02
100.00	164,557	7.75
100.00	132,806	6.38
99.69	270,956	10.92
99.46	245,861	10.00

City of Ashtabula, Ohio
Principal Real Property Taxpayers
2015 and 2006

<i>2015</i>		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Assessed Valuation
Aqua Ohio Water	\$18,716,380	9.49 %
First Energy	8,153,470	4.13
Norfolk Southern Combined	5,690,920	2.88
Pinney Dock	4,180,750	2.12
Chromaflo Technologies	1,371,560	0.70
Ashtabula Care Center	1,136,840	0.58
Molded Fiber Glass	1,055,840	0.54
Ashtabula Towers	965,590	0.49
Country Club Center III	880,920	0.45
Glenwood Village Investments, LP	817,220	0.41
Total	\$42,969,490	21.78 %
Total Assessed Valuation	\$197,278,360	
<i>2006</i>		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Assessed Valuation
Ohio American Water	\$8,515,340	3.56 %
Western Reserve Telephone	4,676,310	1.95
Cleveland Electric Illuminating	4,566,570	1.91
Norfolk Southern Combined	3,637,873	1.52
Pinney Dock	2,708,920	1.13
Molded Fiber Glass	1,667,010	0.70
Ashtabula Care Center	1,332,100	0.56
Ashtabula Realty Associates	1,172,270	0.49
Ashtabula Towers	1,092,840	0.46
Reliance Business Park	848,130	0.35
Total	\$30,217,363	12.62 %
Total Assessed Valuation	\$239,484,190	

Source: Ashtabula County Auditor

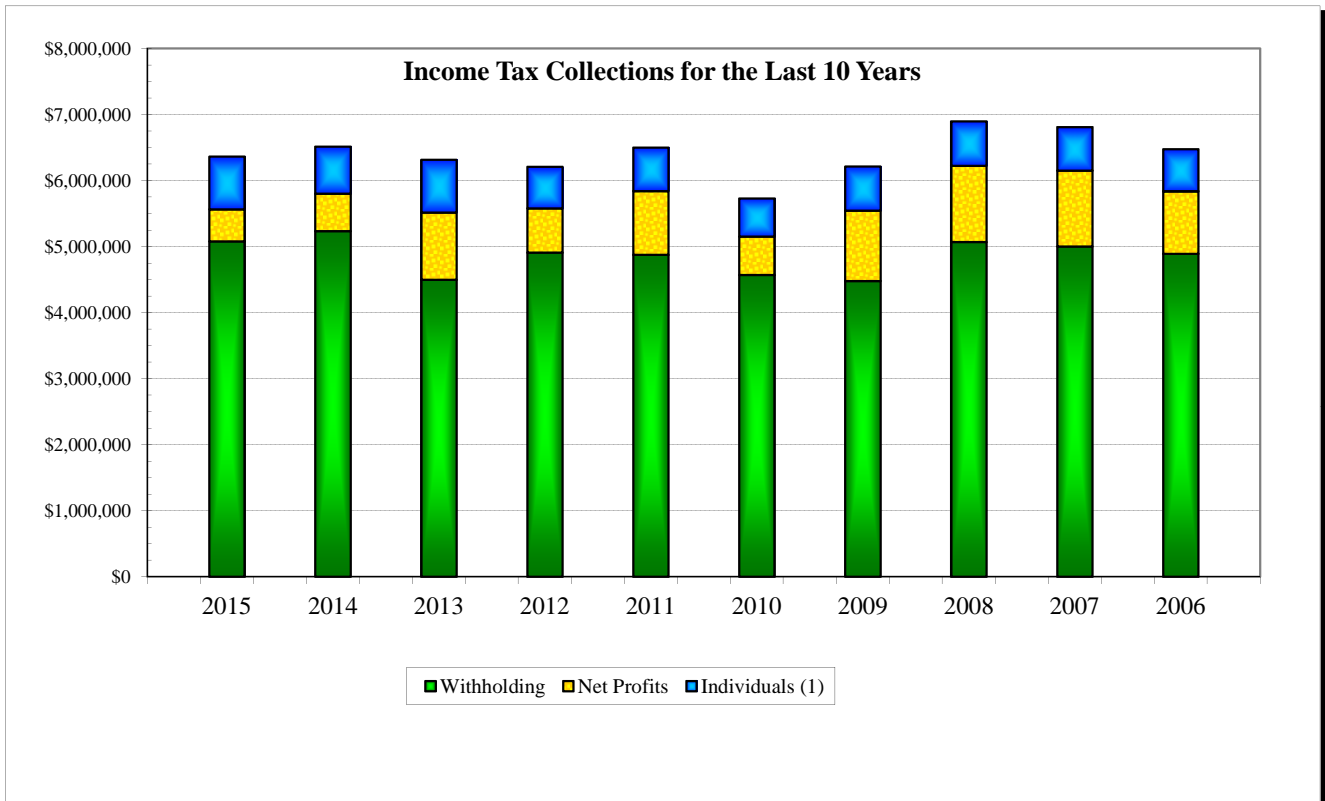
(1) Amounts represent assessed values upon which 2015 and 2006 collections were based.

City of Ashtabula, Ohio
Income Tax Revenue Base and Collections
Last Ten Years (cash basis)

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 (1)	Percentage of Taxes from Individuals
2015	1.80 %	\$6,361,273	\$5,077,129	79.81%	\$488,607	7.68%	\$795,537	12.51%
2014	1.80	6,513,601	5,234,169	80.36	565,194	0.09	714,238	0.11
2013	1.80	6,314,037	4,496,535	71.21	1,020,147	16.16	797,355	12.63
2012	1.80	6,206,237	4,909,193	79.10	669,093	10.78	627,951	10.12
2011	1.80	6,498,912	4,873,631	74.99	968,156	14.90	657,125	10.11
2010	1.80	5,729,893	4,570,158	79.76	580,899	10.14	578,836	10.10
2009	1.80	6,211,306	4,478,610	72.10	1,065,081	17.15	667,615	10.75
2008	1.80	6,896,798	5,068,292	73.49	1,155,334	16.75	673,172	9.76
2007	1.80	6,809,681	5,001,739	73.45	1,148,864	16.87	659,078	9.68
2006	1.80	6,472,417	4,891,466	75.57	946,007	14.62	634,944	9.81

Source: City of Ashtabula Income Tax Department

(1) The City is statutorily prohibited from presenting individual taxpayer information.



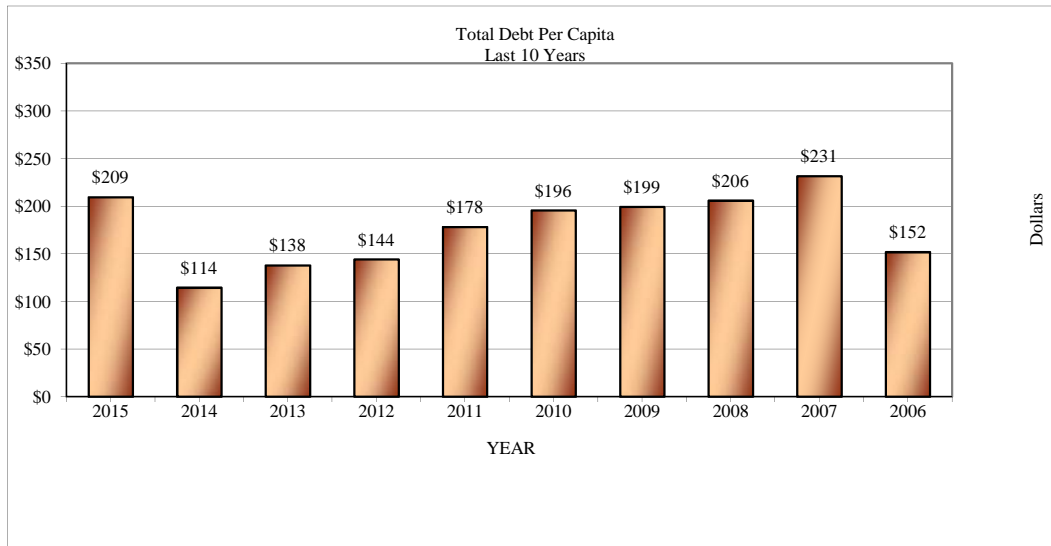
City of Ashtabula, Ohio
*Ratio of Outstanding Debt to
Total Personal Income and Debt Per Capita
Last Ten Years*

Year	Governmental Activities						
	State Infrastructure Bank Bonds	General Obligation Bonds	Special Assessment Bonds	State Infrastructure Bank Loan	OPWC Loans	Police & Fire Loan	Capital Leases
2015	\$3,574,577	\$0	\$0	\$906,274	\$88,307	\$0	\$491,812
2014	1,011,562	0	0	49,583	53,803	0	600,013
2013	0	0	0	63,586	63,586	0	657,658
2012	160,944	160,944	0	73,369	73,369	0	87,192
2011	319,257	319,257	0	83,151	83,151	0	106,869
2010	475,000	475,000	0	92,933	92,933	0	0
2009	349,827	349,827	0	103,414	103,414	0	0
2008	300,796	300,796	23,984	112,498	112,498	0	0
2007	1,027,399	1,027,399	47,061	122,281	122,281	102,228	0
2006	1,469,266	1,469,266	0	132,063	132,063	201,477	0

(1) Personal Income and Population Data are located on S30

Business Type Activities

<u>Equalization Basin Loan</u>	<u>OWDA Loans</u>	<u>OPWC Loans</u>	<u>KeyCorp Bonds</u>	<u>Capital Leases</u>	<u>Total Debt</u>	<u>Percentage of Personal Income(1)</u>	<u>Per Capita(1)</u>
\$298,757	\$1,611,877	\$665,628	\$0	\$59,920	\$4,122,575	1.25 %	\$209
585,471	232,064	657,573	0	73,690	2,252,197	0.68	114
860,628	378,657	582,180	0	108,258	2,714,553	0.82	138
1,124,695	519,076	605,304	50,000	141,391	2,835,340	0.86	144
1,378,117	653,580	608,659	100,000	173,149	3,505,933	1.06	178
1,621,325	782,419	633,659	150,000	0	3,848,269	1.31	196
1,854,730	905,831	658,659	200,000	0	4,175,875	1.42	199
2,078,727	1,024,045	661,989	0	0	4,314,537	1.47	206
2,293,696	1,137,279	0	0	0	4,852,225	1.65	231
0	1,245,743	0	0	0	3,180,612	1.08	152



City of Ashtabula, Ohio

Legal Debt Margin

Last Ten Years

	2015	2014	2013	2012
Total Assessed Property Value	<u>\$197,278,360</u>	<u>\$198,552,360</u>	<u>\$222,999,550</u>	<u>\$221,156,650</u>
General Bonded Debt Outstanding:				
General Obligation Bonds	\$0	\$0	\$0	\$160,944
State Infrastructure Bonds	3,574,577	1,011,562	0	0
State Infrastructure Loan	906,274	49,583	0	0
Equalization Basin Loan	298,757	585,471	860,628	1,124,695
OWDA Loans	1,611,877	232,064	378,657	519,076
OPWC Loans	753,935	711,376	582,180	678,673
KeyCorp Loan	0	0	0	50,000
Special Assessment Bonds	0	0	0	0
Total Gross Indebtedness	<u>7,145,420</u>	<u>2,590,056</u>	<u>1,821,465</u>	<u>2,533,388</u>
Less:				
State Infrastructure Bonds	0	(1,011,562)	0	0
State Infrastructure Loan	0	(49,583)	0	0
Equalization Basin Loan	(298,757)	(585,471)	(860,628)	(1,124,695)
OWDA Loans	(1,611,877)	(232,064)	(378,657)	(519,076)
OPWC Loans	(753,935)	(711,376)	(582,180)	(678,673)
KeyCorp Loan	0	0	0	(50,000)
Special Assessment Bonds	0	0	0	0
General Obligation Bond Retirement Fund Balance	0	0	0	(50,285)
Total Net Debt Applicable to Debt Limit	<u>4,480,851</u>	<u>0</u>	<u>0</u>	<u>110,659</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>20,714,228</u>	<u>20,847,998</u>	<u>23,414,953</u>	<u>23,221,448</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$16,233,377</u>	<u>\$20,847,998</u>	<u>\$23,414,953</u>	<u>\$23,110,789</u>
Legal Debt Margin as a Percentage of the Debt Limit	78.37%	100.00%	100.00%	99.52%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$10,850,310</u>	<u>\$10,920,380</u>	<u>\$12,264,975</u>	<u>\$12,163,616</u>
Total Gross Indebtedness	7,145,420	2,590,056	1,821,465	2,533,388
Less:				
State Infrastructure Bonds	0	(1,011,562)	0	0
State Infrastructure Loan	0	(49,583)	0	0
Equalization Basin Loan	(298,757)	(585,471)	(860,628)	(1,124,695)
OWDA Loans	(1,611,877)	(232,064)	(378,657)	(519,076)
OPWC Loans	(753,935)	(711,376)	(582,180)	(678,673)
KeyCorp Loan	0	0	0	(50,000)
Special Assessment Bonds	0	0	0	0
General Obligation Bond Retirement Fund Balance	0	0	0	(50,285)
Net Debt Within 5 ½ % Limitations	<u>4,480,851</u>	<u>0</u>	<u>0</u>	<u>110,659</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$6,369,459</u>	<u>\$10,920,380</u>	<u>\$12,264,975</u>	<u>\$12,052,957</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	58.70%	100.00%	100.00%	99.09%

Source: City Financial Records

* These numbers are based on the Net Debt. This reflects only debt that is supported through real estate value.

2011	2010	2009	2008	2007	2006
<u>\$211,258,740</u>	<u>\$227,455,470</u>	<u>\$235,001,130</u>	<u>\$237,095,420</u>	<u>\$242,740,740</u>	<u>\$239,484,190</u>
\$319,257	\$475,000	\$349,827	\$300,796	\$1,027,399	\$1,469,266
0	0	0	0	0	0
0	0	0	0	0	0
1,378,117	1,621,325	1,854,730	2,078,727	2,293,696	0
653,580	782,419	905,831	1,024,045	1,137,279	1,245,743
691,810	726,592	762,073	774,487	122,281	132,063
100,000	150,000	200,000	0	0	0
0	0	0	23,984	47,061	0
<u>3,142,764</u>	<u>3,755,336</u>	<u>4,072,461</u>	<u>4,202,039</u>	<u>4,627,716</u>	<u>2,847,072</u>
0	0	0	0	0	0
0	0	0	0	0	0
(1,378,117)	(1,621,325)	(1,854,730)	(2,078,727)	(2,293,696)	0
(653,580)	(782,419)	(905,831)	(1,024,045)	(1,137,279)	(1,245,743)
(691,810)	(726,592)	(762,073)	(774,487)	(122,281)	(132,063)
(100,000)	(150,000)	(200,000)	0	0	0
0	0	0	(23,984)	(47,061)	0
<u>(48,328)</u>	<u>(45,861)</u>	<u>(122,947)</u>	<u>(36,696)</u>	<u>(785,817)</u>	<u>(571,960)</u>
<u>270,929</u>	<u>429,139</u>	<u>226,880</u>	<u>264,100</u>	<u>241,582</u>	<u>897,306</u>
<u>22,182,168</u>	<u>23,882,824</u>	<u>24,675,119</u>	<u>24,895,019</u>	<u>25,487,778</u>	<u>25,145,840</u>
<u>\$21,911,239</u>	<u>\$23,453,685</u>	<u>\$24,448,239</u>	<u>\$24,630,919</u>	<u>\$25,246,196</u>	<u>\$24,248,534</u>
98.78%	98.20%	99.08%	98.94%	99.05%	96.43%
<u>\$11,619,231</u>	<u>\$12,510,051</u>	<u>\$12,925,062</u>	<u>\$13,040,248</u>	<u>\$13,350,741</u>	<u>\$13,171,630</u>
3,142,764	3,755,336	4,072,461	4,202,039	4,627,716	2,847,072
0	0	0	0	0	0
0	0	0	0	0	0
(1,378,117)	(1,621,325)	(1,854,730)	(2,078,727)	(2,293,696)	0
(653,580)	(782,419)	(905,831)	(1,024,045)	(1,137,279)	(1,245,743)
(691,810)	(726,592)	(762,073)	(774,487)	(122,281)	(132,063)
(100,000)	(150,000)	(200,000)	0	0	0
0	0	0	(23,984)	(47,061)	0
<u>(48,328)</u>	<u>(45,861)</u>	<u>(122,947)</u>	<u>(36,696)</u>	<u>(785,817)</u>	<u>(571,960)</u>
<u>270,929</u>	<u>429,139</u>	<u>226,880</u>	<u>264,100</u>	<u>241,582</u>	<u>897,306</u>
<u>\$11,348,302</u>	<u>\$12,080,912</u>	<u>\$12,698,182</u>	<u>\$12,776,148</u>	<u>\$13,109,159</u>	<u>\$12,274,324</u>
97.67%	96.57%	98.24%	97.97%	98.19%	93.19%

City of Ashtabula, Ohio
*Ratio of General Obligation Bonded Debt to Estimated Actual
Value of Taxable Property and Bonded Debt Per Capita
Last Ten Years*

Year	Population (1)		Estimated Actual Value of Taxable Property (2)	Gross Bonded Debt	Ratio of Bonded Debt to Estimated Actual Value of Taxable Property	Bonded Debt Per Capital
2015	18,371	a	\$517,899,484	\$0	0.00 %	\$0.00
2014	18,673	a	520,941,032	0	0.00	0.00
2013	19,680	b	597,315,702	0	0.00	0.00
2012	19,680	b	594,007,574	160,944	0.03	8.18
2011	19,680	b	572,215,393	319,257	0.06	16.22
2010	19,680	b	617,332,492	475,000	0.08	24.14
2009	20,962	c	682,990,180	349,827	0.05	16.69
2008	20,962	c	720,617,007	300,796	0.04	14.35
2007	20,962	c	770,729,191	1,027,399	0.13	49.01
2006	20,962	c	702,439,402	1,469,266	0.21	70.09

Sources:

- (1) U. S. Bureau of Census, Census of Population.
 - (a) Year 2014-2015 Federal Census Estimate
 - (b) Year 2010-2013 The 2010 Federal Census
 - (c) Years 2006-2009 The 2000 Federal Census
- (2) Ashtabula County, Ohio; County Auditor

City of Ashtabula, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2015

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Ashtabula
Direct - City of Ashtabula			
State Infrastructure Bonds	\$3,574,577	100.00 %	\$3,574,577
State Infrastructure Loan	906,274	100.00	906,274
OPWC Loans	88,307	100.00	88,307
Capital Leases	491,812	100.00	491,812
<i>Total Direct Debt</i>	5,060,970 *		5,060,970
Overlapping			
Ashtabula Area City School District			
General Obligation Bonds	30,128,154	45.53	13,717,349
Ashtabula County			
General Obligation Bonds	18,186,572	11.26	2,047,808
OPWC Loans	133,107	11.26	14,988
Capital Leases	163,010	11.26	18,355
<i>Total Overlapping Debt</i>	48,610,843		15,798,500
Total	\$53,671,813		\$20,859,470

Source: Ashtabula County, Ohio; County Auditor

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation. The debt outstanding includes general obligation bonds.

* All direct debt is backed by the 1.8 percent income tax and all real estate tax collected.

City of Ashtabula, Ohio
Pledged Revenue Coverage
Revenue Debt - Wastewater Treatment Fund
Last Ten Years

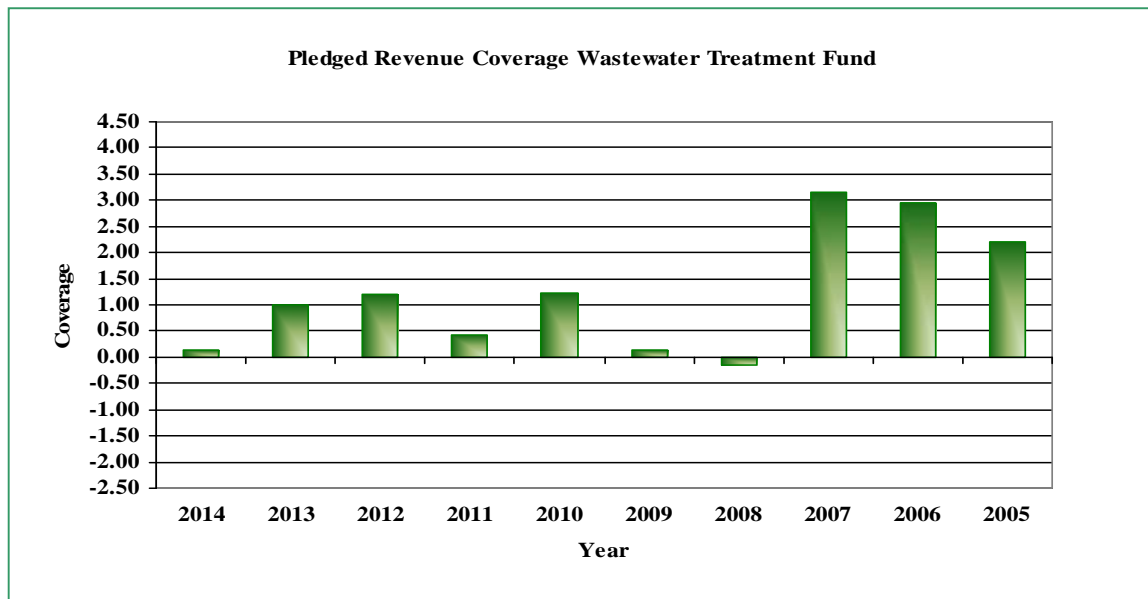
	2015	2014	2013	2012
Wastewater Treatment Fund				
Operating Revenues (1)	\$3,527,467	\$3,085,997	\$3,089,877	\$3,148,190
Less: Operating Expenses (2)	<u>3,742,036</u>	<u>2,964,547</u>	<u>2,527,194</u>	<u>2,479,050</u>
Net Available Revenue	<u>(214,569)</u>	<u>121,450</u>	<u>562,683</u>	<u>669,140</u>
Debt Service *				
Principal	478,878	458,081	489,743	472,109
Interest	<u>38,232</u>	<u>54,350</u>	<u>70,131</u>	<u>88,526</u>
Total Debt Service	<u>517,110</u>	<u>512,431</u>	<u>559,874</u>	<u>560,635</u>
Coverage	(0.41)	0.24	1.01	1.19

(1) Revenues include interest, in accordance with the debt agreements.

(2) Operating expenses do not include depreciation.

* Revenue debt includes OWDA, EQ Basin and OPWC loans payable solely from net revenues in the wastewater treatment enterprise fund.

Source: Ashtabula City Auditor's office



2011	2010	2009	2008	2007	2006
\$3,280,585	\$3,658,579	\$3,629,409	\$3,871,973	\$3,855,186	\$3,092,660
3,039,182	2,975,385	3,559,397	3,935,680	2,527,057	2,617,005
241,403	683,194	70,012	(63,707)	1,328,129	475,655
447,047	431,817	417,211	328,203	314,769	103,896
106,220	123,973	139,706	143,422	106,981	57,592
553,267	555,790	556,917	471,625	421,750	161,488
0.44	1.23	0.13	(0.14)	3.15	2.95

City of Ashtabula, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)		Total Personal Income (2)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)
2015	18,371	a	\$299,098,251	\$16,281	\$28,682	38.3
2014	18,673	a	330,801,120	16,356	27,876	37.5
2013	19,680	b	330,801,120	16,809	29,605	41.8
2012	19,680	b	330,801,120	16,809	29,605	41.8
2011	19,680	b	330,801,120	16,809	29,605	41.8
2010	19,680	b	330,801,120	16,809	29,545	37.3
2009	20,962	c	294,180,708	14,034	27,354	34.9
2008	20,962	c	294,180,708	14,034	27,354	34.9
2007	20,962	c	294,180,708	14,034	27,354	34.9
2006	20,962	c	294,180,708	14,034	27,354	34.9

(1) Source: U. S. Census

(a) Year 2014-2015 Federal Census Estimate

(b) Year 2010-2013 The 2010 Federal Census

(c) Years 2006-2009 The 2000 Federal Census

(2) Computation of per capita personal income multiplied by population

(3) The unemployment rate for the City is unavailable. County rate obtained from Ohio Labor Market information.

(4) Northeast Ohio Multiple Listing Service for Zipcode 44004 (which includes portions of surrounding townships).

(5) Source: Ashtabula County, Ohio; County Auditor



Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment	Ashtabula County Unemployment Rate (3)	Average Sales Price of Residential Property (4)	Total Assessed Property Value (5)
9.0	4,090	6.2%	\$50,000	\$197,278,360
8.9	4,625	5.9	64,080	198,552,360
10.4	4,300	9.0	42,720	222,999,550
10.4	4,373	9.0	38,185	221,156,650
10.4	4,375	11.9	30,657	211,258,740
10.4	4,277	11.9	46,920	227,455,470
10.4	4,463	14.2	35,630	235,001,130
10.4	4,701	10.4	40,484	237,095,420
10.4	4,662	6.4	54,772	242,740,740
10.4	4,686	6.6	85,300	239,484,190



City of Ashtabula, Ohio
Principal Employers
Current Year and Nine Years Ago

2015		
Employer	Nature of Activity	Employees
Ashtabula County Medical Center	Medical Center	1,136
Molded Fiberglass	Manufacturing - composites	633
Ashtabula Area City Schools	Public Education	527
Community Care Ambulance	EMS	295
Kent State University - Ashtabula Campus	Public Education/College	255
Iten Industries	Manufacturing - plastic parts	184
Ashtabula County	County Government	176
Chromoflo (formerly Plasticolors)	Manufacturing - pigments	173
City of Ashtabula	Municipal Government	157
Ashtabula Rubber Company	Manufacturing - rubber components	140
Total		<u>3,676</u>
Total Employment within the City		<u>n/a</u>

2006		
Employer	Nature of Activity	Employees
Ashtabula County Medical Center	Medical Center	966
Ashtabula Area City Schools	Public Education	900
Molded Fiber Glass	Manufacturing - composites	836
CHS - Lake Erie	Nursing Home	272
Kent State University - Ashtabula Campus	Public Education/College	249
Ashtabula Rubber Company	Manufacturing - rubber components	239
Continuum Home Care Inc	Home Health Care	210
Iten Industries	Manufacturing - plastic parts	195
Plasticolors	Manufacturing - pigments	193
Country Club Retirement Center	Nursing Home	178
Total		<u>4,238</u>
Total Employment within the City		<u>n/a</u>

Source: Number of employees obtained from the W2's filed with our Tax Department

n/a - Information not available

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City of Ashtabula, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years

Function/Program	2015	2014	2013	2012	2011
General Government					
Legislative and Executive					
Council	8	8	8	8	8
Administration	2	2	2	2	3
Auditor	6	6	6	6	5
Treasurer	0	0	1	1	1
Income Tax	2	2	2	2	2
Solicitor	4	4	4	3	3
Motor Maintenance	2	2	2	2	2
Engineering	0	0	0	0	1
Civil Service	0	1	1	1	1
Lands and Buildings	2	2	2	3	3
Systems Analyst	0	0	0	0	0
Judicial System					
Municipal Court	14	15	10	12	11
Probation	4	4	3	3	3
Security of Persons and Property					
Police	31	26	26	27	29
Police - Civilian	11	11	8	6	2
Fire	23	23	23	22	23
Fire - Civilian	0	0	0	0	0
Public Health Services					
Administration	1	1	1	1	1
Food Service	1	1	1	1	1
Nursing	3	2	3	3	3
Street Maintenance and Repair					
Public Works	11	11	13	19	17
Housing and Community Development					
Code Enforcement	4	4	3	1	2
CDBG	1	2	2	3	1
Leisure Time Activities					
Walnut Beach	0	0	0	0	0
Business Type Activity					
Sanitation	15	14	14	13	14
Wastewater Treatment	12	12	11	10	9
Totals:	<u>157</u>	<u>153</u>	<u>146</u>	<u>149</u>	<u>145</u>

Source: City of Ashtabula, Ohio Payroll

Method: Using 1.0 for each employee. All numbers are based on an average for the year, rounded to the nearest whole number.

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
8	8	8	8	8
2	2	4	3	3
6	6	7	7	7
1	1	1	1	1
2	2	3	3	3
4	4	4	4	4
2	2	3	3	3
2	2	3	3	3
1	1	1	1	1
2	2	3	3	3
1	1	1	1	1
12	14	13	13	14
4	5	4	4	4
31	29	32	32	31
4	5	9	9	9
25	25	26	27	25
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
3	5	6	4	4
17	20	22	22	23
2	2	2	2	2
2	2	1	2	1
0	0	0	0	0
15	15	16	15	16
12	13	14	14	13
<u>161</u>	<u>169</u>	<u>186</u>	<u>184</u>	<u>182</u>

City of Ashtabula, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2015	2014	2013	2012
General Government				
Legislative and Executive				
<i>Council & Clerk</i>				
Number of Ordinances Passed	152	175	166	182
Number of Resolutions Passed	45	18	29	28
<i>Finance</i>				
Number of checks/ vouchers issued	2,414	2,573	2,839	2,794
Number of Electronic Payments	881	824	na	na
Amount of checks and electronic payments	\$14,095,703	\$13,784,331	\$9,266,296	\$8,891,361
Number of Budget Adjustments issued	12	15	na	na
Agency Ratings - Standard & Poors	A/Stable	A/Stable	A/Stable	BBB+
Agency Ratings - Moody's Financial Services	WR	WR	WR	BBA
Health Insurance Costs vs General Fund Expenditures %	21.00%	20.00%	19.61%	24.10%
General Fund Receipts	\$9,171,140	\$9,487,225	\$9,490,337	\$9,436,569
General Fund Expenditures	\$9,223,573	\$9,557,487	\$9,374,066	\$9,528,679
General Fund Cash Balances	\$244,986	\$297,418	\$367,681	\$251,409
Number of Pay-Ins issued	1,943	1,819	1,763	1,719
Interest earnings for fiscal year (cash basis)	\$122	\$112	\$60	\$191
<i>Income Tax Department</i>				
Number of Individual Returns	4,002	4,153	4,369	4,785
Number of Business Returns	1,120	1,223	1,162	1,311
Number of business withholding accounts	912	873	848	680
Amount of Penalties and Interest Collected	\$31,695	\$30,043	\$34,443	\$42,189
Annual number of Corporate withholding forms processed	7,782	4,792	6,203	6,530
Annual number of balance due statements forms processed	707	771	867	713
Annual number of estimated payment forms processed	745	524	795	952
Annual number of reconciliations of withholdings processed	40	112	202	19
<i>Planning & Community Development (4)</i>				
Zoning Permits Issued	162	134	298	
Estimated Value of Construction	\$5,145,415	\$2,518,576	\$5,066,330	\$2,500,000
Number of Street Cut Permits Issued	449	486	25	
Number of Sewer Tap-In permits issued	3	2	5	656
Amount of Revenue generated from permits	\$61,926	\$327,919	\$60,423	\$202,704
Number of Planning Commission meetings	7	5	7	8
Number of Administrative/Zoning Board meetings	5	2	4	2
<i>Civil Service</i>				
Number of police entry tests administered	1	1	0	1
Number of fire entry tests administered	0	1	0	0
Number of police promotional tests administered	0	0	0	0
Number of fire promotional tests administered	4	0	0	0
Number of hires of Police Officers from certified lists	5	3	0	0
Number of hires of Fire/Medics from certified lists	2	2	0	2
Number of promotions from police certified lists	0	0	0	0
Number of promotions from fire certified lists	6	0	0	0
Judicial System				
<i>Municipal Court</i>				
Number of Civil Cases	841	835	966	1,172
Number of Criminal cases	6,316	5,692	6,512	6,867
<i>Probation</i>				
Community Diversion participants	56	47	147	215
Community Diversion service hours	1,499	1,255	3,520	5,645

2011	2010	2009	2008	2007	2006
184	161	153	150	161	192
27	32	29	47	18	16
2,640	2,861	2,998	3,445	5,248	4,312
na	na	na	na	na	na
\$8,497,466	\$9,401,527	\$9,167,900	\$12,843,481	\$15,497,472	\$20,919,912
na	na	na	na	269	248
BBB+	BBB+	A-	A-	A-	A-
BBA	BBA	BBA	BBA	BBA	BAA
24.10%	16.74%	11.40%	14.50%	13.60%	13.99%
\$10,014,548	\$9,471,911	\$9,564,894	\$10,304,586	\$10,239,837	\$10,028,364
\$9,726,456	\$9,439,112	\$9,350,341	\$10,057,413	\$10,015,243	\$9,536,404
\$343,520	\$55,428	\$251,607	\$373,660	\$627,580	\$657,980
1,768	1,767	1,733	1,679	1,441	1,574
\$144	\$5,450	\$10,888	\$146,010	\$394,355	\$339,503
5,083	5,356	5,830	6,663	7,528	6,432
1,202	1,217	1,214	1,414	1,352	1,531
604	861	876	900	926	950
\$44,378	\$30,326	\$33,760	\$44,068	\$35,513	\$30,913
6,581	6,390	6,819	9,120	9,371	9,440
779	655	795	676	749	777
927	788	848	844	905	856
37	36	51	19	57	41
239	214	263	291	385	374
\$2,789,923	\$2,429,018	\$3,150,828	\$14,004,261	\$3,372,076	\$11,444,149
966	964	968	702	817	727
\$298,506	\$298,863	\$298,149	\$144,385	\$325,886	\$341,215
8	9	7	7	2	8
2	2	2	3	1	1
0	0	0	0	1	0
1	0	1	1	1	1
0	1	0	0	2	0
0	3	0	0	0	0
0	0	2	0	7	2
0	1	0	0	1	2
0	2	9	0	2	7
8	0	2	0	0	6
1,225	1,215	1,336	1,502	1,588	1,519
6,004	6,826	7,410	9,265	10,062	9,564
188	285	263	402	143	676
3,486	6,937	4,447	5,732	5,815	4,205

(continued)

City of Ashtabula, Ohio
Operating Indicators by Function/Program (continued)
Last Ten Years

Function/Program	2015	2014	2013	2011
Security of Persons and Property				
<i>Police</i>				
Total Calls for Services	13,511	13,155	13,062	13,272
Number of traffic citations issued	1,027	854	989	1,330
Number of parking citations issued	141	79	69	71
Number of criminal arrests	1,348	1,236	681	1,268
Operating Motor Vehicle Under the Influence (OMVI) Arrests	89	55	50	102
Adult Driving Under Suspension (DUS) Arrests	255	218	229	285
Prisoners	751	505	472	563
Prisoner meal costs	\$27,557	\$23,446	\$23,010	\$14,317
Motor Vehicle Accidents	432	335	389	358
Fatalities from Motor Vehicle Accidents	2	0	0	1
Gasoline costs of fleet	\$54,329	\$98,326	\$87,728	\$84,150
<i>Fire</i>				
EMS/Medical Calls (Mutual Aid, Non Transport)	1,019	813	821	1,000
Fire Calls	1,003	1,091	881	744
Fire Fatalities	0	0	0	1
Fires with Loss	26	n/a	n/a	38
Fires with Losses exceeding \$10K	12	n/a	n/a	n/a
Fire Losses \$	951,750	n/a	n/a	n/a
Fire Investigations	32	27	28	40
Number of times Mutual Aid given to Fire and EMS	28	11	17	35
Ambulance Runs / Number of Transports	1019/732	797/645		
Departmental Training Hours (2)	2,527	n/a	n/a	n/a
Public Health & Welfare				
Health Department				
Certificates Filed				
Number of Births	377	397	426	428
Number of Deaths	290	251	281	284
Certificates Issued				
Number of Births	2,076	2,056	2,187	2,265
Number of Deaths	993	921	991	960
Burial Permits Issued	471	442	459	490
Receipts from Certificates Issued	\$76,725	\$74,425	\$79,450	\$80,625
Number of Health Inspections				
Food Service Operations, Licensed/Number of Inspections	88/212	77/208	80/224	80/235
Food Establishments, Licensed/Number of Inspections	43/69	38/51	38/60	39/65
Vending Operations, Licensed/Number of Inspections	19/18	16/16	15/11	16/16
Marinas, Licensed/Number of Inspections	11/13	11/12	11/11	11/12
Manufactured Home Parks, Licensed/Number of Inspections	3/3	3/3	3/3	3/6
Campgrounds, Licensed/Number of Inspections	4/9	4/9	4/5	4/5
Swimming Pools and Spas, Licensed/Number of Inspections	6/17	6/16	6/11	6/13

2010	2009	2008	2007	2006	2005
14,193	18,484	20,229	22,485	24,593	21,184
1,450	2,366	2,053	2,213	2,875	1,936
84	126	163	209	836	360
1,095	1,172	1,146	1,454	1,718	1,212
73	119	131	121	120	61
261	444	375	405	549	356
479	620	735	1,002	972	781
\$16,130	\$10,609	\$22,998	\$49,696	\$41,066	\$46,271
356	399	426	640	668	476
1	0	3	1	5	0
\$91,476	\$65,000	\$61,353	\$91,813	\$67,932	\$87,882
811	770	868	925	875	852
636	664	668	916	800	141
0	0	0	2	1	0
26	26	28	43	35	31
n/a	12	13	14	11	10
\$1,114,210	\$758,700	\$421,530	\$3,539,727	\$451,670	\$515,600
26	28	27	20	34	34
18	20	23	44	26	20
1,436	3,992	4,310	4,676	4,552	5,787
441	495	518	526	602	576
284	289	274	274	281	287
2,156	2,192	2,451	2,642	3,203	3,015
1,042	988	1,049	1,118	1,235	1,226
456	437	407	381	399	416
\$79,950	\$79,500	\$73,898	\$71,440	\$84,321	\$81,827
83/211	81/238	91/207	97/247	86/182	99/240
40/57	44/78	47/66	43/81	44/68	44/81
15/15	13/12	14/13	14/14	15/12	19/17
10/10	10/10	10/10	10/10	16/10	10/11
3/4	3/6	3/6	3/6	3/3	3/10
4/5	4/4	4/4	4/4	4/4	4/7
6/11	6/17	6/10	6/11	6/12	6/17

(continued)

City of Ashtabula, Ohio
Operating Indicators by Function/Program (continued)
Last Ten Years

Function/Program	2015	2014	2013	2011
Street Maintenance and Repair				
Guardrail Repair (hours)	192	106	16	58
Paint Striping (hours)	408	425	450	480
Street Sweeper (hours)	530	370	234	976
Cold Patch (hours)	1,838	2,689	1,748	2,225
Snow & Ice Removal regular hours	2,015	2,078	2,175	928
Snow & Ice Removal overtime hours	673	385	185	140
Sewer and Sanitary calls for service	820	998	802	730
After hours Sewer Calls (hours)	273	186	142	133
Sewer Crew (hours)	1,733	1,500	1,200	2,400
Sewer jet, Vac-all, other services (hours)	2,711	2,537	3,399	558
Landscaping Stump-Chipper service (hours)	108	18	8	546
Leaf collection (hours)	1,656	2,035	2,599	4,142
Holiday lights setup (hours)	80	80	80	80
Equipment repair/body shop (hours)	4,160	4,160	3,280	4,300
Sign department (hours)	800	800	800	1,200
Tons of snow melting salt purchased (Jan-Dec)	993	3,428	2,612	1,549
Cost of salt purchased	\$68,490	\$126,324	\$104,471	\$72,707
Planning & and Community Development (4)				
Community Development Block Grant				
Grant amounts received	\$1,019,168	\$606,988	\$468,397	\$979,295
Demolitions (5)	26	27	15	15
Code Enforcement				
Number of rental inspections performed	1,115	1,649	1,349	2,464
Number of inspections for code enforcement	504	351	422	513
Code Enforcement fees collected	\$217,047	\$221,765	\$212,190	\$160,712
Sanitation (3)				
Residential trash pickup rate (billed every 2 months)	\$15.00	\$15.00	\$15.00	\$15.00
Refuse disposal per year (in tons)	11,775	11,775	16,750	14,494
Refuse disposal costs per year	\$549,663	\$453,000	\$679,000	\$594,271
Annual recycling tonnage (excluding leaf, and compost items)	420	420	600	520
Percentage of waste recycled	5.00%	5.00%	4.00%	5.00%
Revenue generated from sale of recyclables	\$9,672	\$10,520	\$13,500	\$16,888
Wastewater Treatment				
Sewer Rates per unit of water used (1 unit equals 750 gallons)	\$2.73	\$2.67	\$2.62	\$2.30
Total flow of wastewater treatment plant (Billions of Gallons)	1.53	1.90	2.103	1.669
Average daily flow (Millions of gallons per day)	4.19	5.24	5.778	4.559
Tons of dry sludge removed	521.16	522.50	551.93	523.61

- (1) No response from department (N/S)
- (2) The way training recorded changed in 2010
- (3) Fuel charge added to rate in 2009
- (4) Engineering & Housing & Community Development combined to create Planning & Community Development in 2012
- (5) Information prior to 2013 is not available

Source: City Financial Records and Departments

2010	2009	2008	2007	2006	2005
25	36	53	68	129	123
476	505	513	508	510	493
80	447	2,047	2,018	2,313	2,240
2,750	2,781	4,026	4,208	4,085	4,160
8,650	8,194	12,231	12,562	11,768	11,520
350	471	703	987	823	880
687	772	1,151	1,063	949	963
125	254	387	433	413	416
1,891	1,808	2,695	2,800	2,908	2,880
513	695	1,437	1,700	1,483	1,440
416	245	359	480	410	413
4,657	4,413	4,227	4,833	4,819	4,800
80	80	80	80	80	40
4,300	4,300	4,300	5,200	5,200	5,200
1,200	1,200	1,200	1,400	1,500	1,036
1,457	1,875	1,112	3,549	3,792	2,490
\$80,755	\$105,768	\$70,960	\$125,698	\$134,588	\$84,069
\$916,000	\$987,000	\$1,154,000	N/S	\$45,834	\$536,000
6					
2,631	2,072	903	1,345	2,178	480
200	200	1,550	258	1,403	n/a
\$158,109	\$155,720	\$150,418	\$171,554	\$158,144	\$98,950
\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
13,802	12,475	13,060	13,610	13,937	12,565
\$546,376	\$500,000	\$546,000	\$516,000	\$540,000	\$435,814
530	524	482	480	480	476
3.80%	4.02%	3.60%	3.80%	3.80%	3.65%
\$10,586	\$8,350	\$5,874	\$9,000	\$15,595	\$5,233
\$2.95	\$2.66	\$2.61	\$2.61	\$2.45	\$2.45
2.463	1.552	1.644	1.977	1.713	1.998
6.750	4.254	4.530	5.420	4.693	5.550
505.99	489.10	504.84	493.95	510.56	558.24

City of Ashtabula, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2015	2014	2013	2012
General Government				
Square Footage Occupied	95,943	95,943	95,943	95,943
Administrative Vehicles	1	2	2	3
Inspection Vehicles	3	1	1	1
Municipal Court Vehicles	2	2	1	2
Lands & Buildings Vehicles	4	4	3	3
Police				
Stations	1	1	1	1
Square Footage of Building	14,491	14,491	14,491	14,491
Vehicles	37	36	33	33
Fire				
Stations	1	1	1	1
Square Footage of Building	11,560	11,560	11,560	11,560
Vehicles	11	10	9	11
Street Maintenance and Repairs				
Square Footage of Building	25,050	25,050	25,050	25,050
Streets (miles)	97	97	97	97
Bridges	7	7	7	7
Traffic Signals	54	54	52	53
Service Vehicles	31	31	26	29
Sanitation Services				
Square Footage of Building	9,100	9,100	9,100	9,100
Vehicles	9	9	9	9
Leisure Time Activities				
Number of Parks	8	8	8	8
Number of Tennis Courts	2	2	2	2
Number of Skateboarding Areas	1	1	1	1
Number of Baseball Diamonds	4	4	4	4
Number of Soccer Fields	1	1	1	1
Square Footage of Walnut Beach Building	6,420	6,420	6,420	6,420
Square Footage of Smith Field Building	336	336	336	336
Square Footage of Massucci Building	1,944	1,944	1,944	1,944
Wastewater Treatment				
Square Footage of Building	22,344	22,344	22,344	22,344
Sanitary Sewers (miles)	92	92	92	92
Storm Sewers (miles)	76	76	76	76
Vehicles	8	7	9	9

Source: City of Ashtabula Auditor's Office

2011	2010	2009	2008	2007	2006
95,943	95,943	95,943	95,943	95,943	95,943
3	3	3	2	4	8
1	0	0	2	6	4
2	2	2	2	2	3
4	3	3	4	4	4
1	1	1	1	1	1
14,491	14,491	14,491	14,491	14,491	14,491
29	34	32	40	33	35
1	1	1	1	1	1
11,560	11,560	11,560	11,560	11,560	11,560
10	9	10	8	8	8
25,050	25,050	25,050	25,050	25,050	25,050
97	97	97	97	97	97
7	6	6	6	6	6
53	53	53	54	54	54
30	29	29	29	28	30
9,100	9,100	9,100	9,100	9,100	9,100
10	9	9	10	10	10
8	8	8	8	8	8
2	2	2	2	2	2
1	1	1	1	1	1
4	4	4	4	4	4
1	1	1	1	1	1
6,420	6,420	6,420	6,420	6,420	6,420
336	336	336	336	336	336
1,944	1,944	1,944	1,944	1,944	1,944
22,344	22,344	22,344	22,344	22,344	22,344
92	92	92	92	92	92
76	76	76	76	76	76
5	6	5	5	6	11

City of Ashtabula, Ohio
Sewer and Trash Statistics
Last Ten Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Sewer Billings (1)	\$2,630,279	\$2,771,974	\$2,538,450	\$2,961,690	\$2,346,108
Residential Trash Billings	<u>1,218,982</u>	<u>1,254,840</u>	<u>1,326,562</u>	<u>1,363,150</u>	<u>1,244,580</u>
Total Utility Billing	<u>\$3,849,261</u>	<u>\$4,026,814</u>	<u>\$3,865,012</u>	<u>\$4,324,840</u>	<u>\$3,590,688</u>
Sewer Collections (1)(2)	\$2,255,805	\$2,352,662	\$1,902,077	\$2,178,292	\$1,734,485
Residential Trash Collections(2)	<u>1,035,812</u>	<u>1,062,116</u>	<u>1,131,789</u>	<u>1,190,305</u>	<u>968,297</u>
Total Utility Billing Collections	<u>\$3,291,617</u>	<u>\$3,414,778</u>	<u>\$3,033,866</u>	<u>\$3,368,597</u>	<u>\$2,702,782</u>
Percentage Collected from Billings Before Outstanding Balances are Certified to Property Taxes	85.51%	84.80%	78.50%	77.89%	75.27%
Delinquent Sewer Collections(2)	\$445,625	\$457,055	\$468,186	\$459,392	\$501,466
Delinquent Residential Trash Collections(2)	<u>272,883</u>	<u>280,141</u>	<u>290,326</u>	<u>264,266</u>	<u>290,460</u>
Total Delinquent Collections	<u>\$718,508</u>	<u>\$737,196</u>	<u>\$758,512</u>	<u>\$723,658</u>	<u>\$791,926</u>

Source: City of Ashtabula Auditor's Office

(1) Amount billed does not include \$2.45 per month service charge or any other special project fees assessed.

(2) Delinquent collections are one year behind, ie: delinquent amounts collected in 2015 were for the amounts certified in 2014.

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$2,499,499	\$2,480,146	\$2,556,295	\$2,668,957	\$2,669,897
<u>1,268,641</u>	<u>1,260,253</u>	<u>1,221,559</u>	<u>1,303,059</u>	<u>1,073,613</u>
<u>\$3,768,140</u>	<u>\$3,740,399</u>	<u>\$3,777,854</u>	<u>\$3,972,016</u>	<u>\$3,743,510</u>
\$1,931,758	\$1,929,394	\$2,215,775	\$2,119,014	\$1,989,073
<u>1,085,080</u>	<u>1,043,043</u>	<u>995,106</u>	<u>980,335</u>	<u>786,512</u>
<u>\$3,016,838</u>	<u>\$2,972,437</u>	<u>\$3,210,881</u>	<u>\$3,099,349</u>	<u>\$2,775,585</u>
80.06%	79.47%	84.99%	78.03%	74.14%
\$492,898	\$520,624	\$469,732	\$498,674	\$458,820
<u>306,864</u>	<u>314,738</u>	<u>261,030</u>	<u>257,230</u>	<u>239,361</u>
<u>\$799,762</u>	<u>\$835,362</u>	<u>\$730,762</u>	<u>\$755,904</u>	<u>\$698,181</u>

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