

CITY OF ASHTABULA

ASHTABULA COUNTY

Single Audit

For the Year Ended December 31, 2021



OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPARepor@ohioauditor.gov
(800) 282-0370

Members of City Council
City of Ashtabula
4717 Main Avenue
Ashtabula, Ohio 44004

We have reviewed the *Independent Auditor's Report* of the City of Ashtabula, Ashtabula County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2021 through December 31, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

September 07, 2022

This page intentionally left blank.

CITY OF ASHTABULA
ASHTABULA COUNTY
Single Audit
For the Year Ended December 31, 2021

TABLE OF CONTENTS

<u>Title</u>	<u>Page</u>
Schedule of Expenditures of Federal Awards	1
Notes to the Schedule of Expenditure of Federal Awards	2
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	3
Independent Auditor's Report on Compliance with Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance and the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	5
Schedule of Findings	9

This page intentionally left blank.

CITY OF ASHTABULA
ASHTABULA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31,2021

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal ALN Number	Federal Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:			
<i>Passed Through Ohio Department of Development:</i>			
<i>CDBG -State Administered Small Cities Program Cluster:</i>			
Community Development Block Grant - Allocation Grant	A-F-20-2AD-1	14.228	\$ 122,008
Community Development Block Grant - Critical Infrastructure	A-X-18-2AD-1	14.228	<u>296,850</u>
Total - CDBG State Administered Small Cities Program Cluster			<u>418,858</u>
Total U.S. Department of Housing and Urban Development			418,858
U.S. DEPARTMENT OF HOMELAND SECURITY:			
<i>Federal Emergency Management Agency:</i>			
<i>Passed Through Ohio Department of Emergency Management/</i>			
<i>Passed Through Ashtabula County Sheriff</i>			
Homeland Security Grant Program - Operation Stonegarden	0000016623	97.067	<u>11,816</u>
Total U.S. Department of Homeland Security			11,816
U.S DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
<i>Passed Through the Ohio Department of Health</i>			
<i>Passed Through Ashtabula County General Health District:</i>			
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	00410012CO0120	93.354	<u>186,229</u>
Total U.S. Department of Health and Human Services			186,229
U.S. DEPARTMENT OF TREASURY:			
<i>Passed Through Ohio Office of Budget and Management</i>			
Coronavirus State and Local Fiscal Recovery Funds (SLFRF)		21.027	55,583
<i>Passed Through Ohio Office of Budget and Management</i>			
<i>Passed Through Ashtabula County Auditor</i>			
COVID-19 Coronavirus Relief	HB481-CRF-Local	21.019	1,130
<i>Passed Through the Ohio Department of Health</i>			
<i>Passed Through Ashtabula County General Health District:</i>			
COVID-19 Coronavirus Relief - Contact Tracing	00410012CT0120	21.019	56,850
COVID-19 Coronavirus Relief - Vaccine Needs Assessment	00410012VN0121	21.019	<u>20,000</u>
Total - Coronavirus Relief			<u>77,980</u>
Total U.S. Department of Treasury			<u>133,563</u>
Total Federal Awards Expenditures			<u>\$ 750,466</u>

**CITY OF ASHTABULA
ASHTABULA COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Ashtabula (the City) under programs of the federal government for the year ended December 31, 2021. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - MATCHING REQUIREMENTS

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

Charles E. Harris & Associates, Inc.

Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

City of Ashtabula
Ashtabula County
4717 Main Avenue
Ashtabula, OH 44004-9762

To the Members of Council:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, 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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated August 1, 2022, wherein we noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

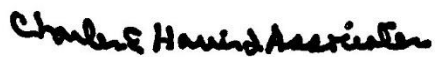
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charles E. Harris & Associates, Inc.
August 1, 2022

Charles E. Harris & Associates, Inc.

Certified Public Accountants

5510 Pearl Road Ste 102

Parma, OH 44129-2527

Phone - (216) 575-1630

Fax - (216) 436-2411

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

City of Ashtabula
Ashtabula County
4717 Main Avenue
Ashtabula, OH 44004-9762

To the Members of Council:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the City of Ashtabula, Ashtabula County, Ohio's (the City) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2021. The City's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2021.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The City's management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

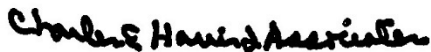
City of Ashtabula
Ashtabula County

Independent Auditor's Report on Compliance with Requirements
Applicable to the Major Federal Program and on Internal Control
Over Compliance and on the Schedule of Expenditures of Federal
Awards Required by the Uniform Guidance

Page 4

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely-presented component units, each major fund and the aggregate remaining fund information of the City of Ashtabula, Ashtabula County (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated August 1, 2022. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. The Schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this Schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this Schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule is fairly stated in all material respects in relation to the basic financial statements as a whole.



Charles E. Harris & Associates, Inc.

August 1, 2022

**CITY OF ASHTABULA
ASHTABULA COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
December 31, 2021**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Community Development Block Grant Small Cities Cluster – ALN# 14.228
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR §200.520?	No

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

City of Ashtabula, Ohio



Annual Comprehensive Financial Report

For The Year Ended
December 31, 2021

Prepared by the Finance Department

INTRODUCTORY SECTION

City of Ashtabula, Ohio

Annual Comprehensive Financial Report

For The Year Ended December 31, 2021

Prepared by:
The Finance Department

City of Ashtabula, Ohio
Annual Comprehensive Financial Report
For the Year Ended December 31, 2021
Table of Contents

	<i>Page</i>
I. Introductory Section	
Title Page.....	i
Table of Contents	ii
Letter of Transmittal.....	vi
Principal Officials.....	xii
Organizational Chart.....	xiii
GFOA Certificate of Achievement.....	xiv
 II. Financial Section	
Independent Auditor’s Report	1
Management’s Discussion and Analysis	5
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	15
Statement of Activities.....	16
Fund Financial Statements:	
Balance Sheet – Governmental Funds	18
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	19
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual: General Fund.....	22
Statement of Fund Net Position – Proprietary Funds	23
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds.....	24
Statement of Cash Flows – Proprietary Funds.....	25
Statement of Fiduciary Net Position – Custodial Funds	27

Statement of Changes in Fiduciary Net Position – Custodial Funds	28
Notes to the Basic Financial Statements.....	29
Required Supplementary Information:	
Schedule of the City’s Proportionate Share of the Net Pension Liability – OPERS – Traditional Plan – Last Eight Years	90
Schedule of the City’s Proportionate Share of the Net Pension Asset – OPERS – Combined Plan – Last Two Years	92
Schedule of the City’s Proportionate Share of the Net OPEB Liability/(Asset) – OPERS –Last Five Years	94
Schedule of the City’s Proportionate Share of the Net Pension Liability – OPF – Last Eight Years	96
Schedule of the City’s Proportionate Share of the Net OPEB Liability – OPF – Last Five Years	98
Schedule of City Contributions – OPERS – Traditional Plan – Last Nine Years	100
Schedule of City Contributions – OPF – Last Ten Years.....	102
Notes to the Required Supplementary Information	104
Combining and Individual Fund Statements and Schedules:	
Combining Statements – Nonmajor Governmental Funds:	
Fund Descriptions	108
Combining Balance Sheet – Nonmajor Governmental Funds	110
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	111
Combining Balance Sheet – Nonmajor Special Revenue Funds	112
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	116
Combining Statements – Internal Service Funds:	
Fund Descriptions	120
Combining Statement of Fund Net Position - Internal Service Funds.....	121
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds	122
Combining Statement of Cash Flows - Internal Service Funds	123

Combining Statements – Fiduciary Funds:

Fund Descriptions	124
Combining Statement of Fiduciary Net Position – Custodial Funds	125
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds	126

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

Major Funds	
General Fund	128
Permanent Improvement Fund	131
Sanitation Fund	132
Wastewater Treatment Fund	133
Nonmajor Funds	
Community Development Block Grant Fund	134
Code Enforcement Fund.....	135
Fire Pension Fund.....	136
Indigent Alcohol Fund	137
Law Enforcement Trust Fund.....	138
Street Maintenance and Repair Fund	139
Motor Vehicle License Tax Fund.....	140
Paving Levy Fund	141
Municipal Probation Services Fund	142
Municipal Court Security Fund.....	143
Indigent Drivers Interlock and Alcohol Monitoring Fund	144
Police Levy Fund	145
Police Pension Fund.....	146
State Highway Fund.....	147
Police Grant Fund.....	148
Fire Grant Fund	149
Parks and Recreation Fund.....	150
Street Lighting Fund.....	151
Coronavirus Relief Fund	152
Local Fiscal Recovery Fund.....	153
Fire Escrow Fund	154
Other Grants Fund.....	155
Municipal Court Computer Fund	156
Municipal Court Special Projects Fund.....	157
Debt Service Fund.....	158
Self Insurance Fund.....	159
Workers' Compensation Fund.....	160

III. Statistical Section

Statistical Section Description.....	S1
Net Position by Component – Last Ten Years	S2
Changes in Net Position – Last Ten Years	S4
Fund Balances, Governmental Funds – Last Ten Years.....	S10
Changes in Fund Balances, Governmental Funds – Last Ten Years.....	S12

Assessed Valuation and Estimated Actual Values of Taxable Property – Last Ten Years	S14
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years	S16
Property Tax Levies and Collections – Last Ten Years	S18
Principal Real Property Taxpayers – 2021 and 2012	S20
Income Tax Revenue Base and Collections – Last Ten Years	S21
Ratio of Outstanding Debt to Total Personal Income and Debt Per Capita – Last Ten Years	S22
Legal Debt Margin – Last Ten Years	S24
Ratio of General Obligation Bonded Debt to Estimated Actual Value of Taxable Property and Bonded Debt Per Capita – Last Ten Years	S26
Computation of Direct and Overlapping Governmental Activities Debt	S27
Pledged Revenue Coverage Revenue Debt - Wastewater Treatment Fund – Last Ten Years	S28
Demographic and Economic Statistics – Last Ten Years.....	S30
Principal Employers – Current Year and Nine Years Ago	S32
Full-Time Equivalent City Government Employees by Function/Program – Last Ten Years.....	S34
Operating Indicators by Function/Program – Last Ten Years.....	S36
Capital Assets Statistics by Function/Program – Last Ten Years	S42
Sewer and Trash Statistics – Last Ten Years.....	S44

CITY OF ASHTABULA
FINANCE DEPARTMENT

MUNICIPAL BUILDING
4717 MAIN AVENUE
ASHTABULA, OHIO 44004



TRACI WELCH
FINANCE DIRECTOR

PHONE: 440.992.7197
FAX: 440.992.7556
TWelch@ashtabulacity.com

August 1, 2022

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

The City of Ashtabula's (the City) Annual Comprehensive Financial Report for the year ended December 31, 2021 is hereby submitted for review. This report, prepared by the Finance Department, enables the City to comply with Ohio Administrative Code Section 117-02-03(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 year end. It 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, 2021.

While there is no legal requirement for the preparation of an Annual Comprehensive Financial Report, 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 judgments 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 unmodified ("clean") opinion on the City of Ashtabula's financial statements for the year ended December 31, 2021. The independent auditor'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 of Ashtabula encompasses 7.6 square miles is five hundred ninety feet above sea level. According to the 2020 census, the City's population was 17,975. The Ashtabula County area population is now estimated at approximately 97,337 with the City of Ashtabula estimated population remaining consistent.

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 carried out 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 policies 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; 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 a captain, lieutenants, patrol officers, and K-9 units. Administrative services consist of the chief's administrative assistant and a records clerk. 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, 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 as well as maintaining 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. The department has a transfer station and a state-of-the-art recycling center which handles all types of recyclables.

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. Beginning in January, 2019, the Health Department is reported as a discretely presented component unit. See Note 27 for additional information.

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 City Manager's Department is the administrative arm of the City. The City 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 DiGiacomo 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; offices 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 the head of and administers the City of Ashtabula Finance Division.

The Finance Department is responsible for local taxes, human resources and payroll, service billing, 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.

Within the Finance Department, there are two staff members dedicated to the collection of municipal income tax and includes processing approximately 3,900 resident returns, 900 business net profits returns and the collection from 1,800 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 custodial 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 City Manager, who is also the Purchasing Agent by City Charter, approves all purchase order requisitions and the Finance Director certifies the availability of the funds. Upon such approval and certification, the purchase order is issued and distributed. Once the goods or services and the invoice are received, the department head must approve a payment request as verification that all goods or services were received and are in acceptable condition prior to payment for such is issued. Monthly detail and summary reports are distributed to each department head in order to review the status of the budget accounts for which he/she is responsible.

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. In addition, the City has nine (9) commercial/industrial Community Reinvestment Agreements in place. The City executes 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. Aqua Ohio with a 14,000 square foot operations center, is the cornerstone tenant of the Ashtabula City Port Authority's enterprise zone; fifty acres of land at the end of State Route 11, within the City boundaries.

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 thirty 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 majority of the cargo handled in the Port of Ashtabula is made up of coal, iron ore, sand and gravel, stone, and limestone. 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 also served by road and rail.

The Port of Ashtabula is one of the area's most valuable assets. Visitors will find many opportunities for outdoor recreation. There is a long list of fishing charters available in the Port of Ashtabula, and there are eleven marinas and yacht clubs along the waterfront. The marinas provide seasonal and overnight dockage, boat launching ramps, winter storage, picnic facilities, and camping.

The Ashtabula Harbor area hosts the Beach Glass Festival, The Arts on Bridge Street and the Wine and Walleye Festival in June, July, and August respectively. Bridge Street has become a regional destination for tourism, recreation and entertainment with unique shops and places to dine and drink.

The City maintains thirteen public parks with one located on the lakefront. The City's parks are popular for recreation and amusement during the summer season. Walnut Beach provides a sandy beach with a concession area that serves food and soft drinks at a modern lunch counter available during the summer. Walnut Beach is 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 annually 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. The park also hosts Bands on the Beach, a summertime concert series that draws many residents and visitors to the beach during the summer.

Tourism continues to increase in the City however; the chief industries of the City and surrounding territory are still manufacturing, agriculture, dairying, coal, iron ore, rubber and transportation, including shipping. Industries such as Molded Fiber Glass, which began in 1948, today produce compression molded parts with 687 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. 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.

The largest employer in the City is the Ashtabula County Medical Center (ACMC), an affiliate of Cleveland Clinic. With over 950 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.

City residents purchase water service from the Aqua Ohio Water Company. The daily average water pumpage is more than 4,500,000 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 Spectrum, Direct TV and/or Dish Network for cable or satellite television services.

Major Initiatives

During the year, the City spent \$143,784 on a 2020 Case Loader for Public Works; \$55,750 on a 2021 RAM 2500 Truck for Water Pollution; and \$59,950 on a 2021 RAM 3500 Truck for Lands & Buildings. These vehicles and equipment were acquired to enhance the overall operational effectiveness and readiness of the City. Other noteworthy projects included \$44,600 to replace a portion of the Blower Building roof at Water Pollution and \$1,034,286.13 on road resurfacing and road improvements throughout the City. Road resurfacing was funded from multiple sources consisting of paving levy funds, a grant received from the Ohio Public Works Commission and a Community Development Block Grant.

The Digester Rehabilitation project was completed in 2021 and was funded by two separate funding sources, a 2.14 percent loan through Ohio Water Development Authority and a Community Development Block Grant.

The Fire Department answered 2,146 total incidents in 2021. Of those calls answered, 768 pertained to fires and 1,378 pertained to rescue and emergency medical service as a full partner in the City's EMS system. Revenue collected from EMS calls totaled \$175,110. The Fire Department also performed 30 fire investigations and provided mutual aid to surrounding communities.

The Sanitation Department services approximately 6,100 households and 215 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 \$459,603 in landfill fees for the rubbish collected by our trucks and the rubbish collected at our transfer station. This was an increase of over \$42,381 from the previous year due to the COVID-19 pandemic. Schools and businesses were forced to shut down causing children to attend school remotely and individuals to work from home increasing the amount of rubbish created.

Future Projects

During the year, the City encumbered the funds to purchase twelve (12) new Police Interceptors for the Police Department. The \$554,088 cost was transferred in from the general fund to the permanent improvement fund. This transfer was made possible due to reallocating general fund safety forces Covid related expenses to the Coronavirus Relief fund provided by Cares Act funding from the Federal Government. In 2022, Union Avenue (W. 19th – Walnut), W. 13th Street (Lake – Elk), and E. 23rd Street (Harbor – Columbus) are scheduled to be paved and funded by a paving levy. Other additional projects include Ohio Avenue Extension sanitary sewer project; Water Pollution mechanical bar screen; and the replacement of Water Pollution's administrative building roof. The evaluation should be complete on the Water Pollution plant and system to plan for future capital expenditures.

Awards and Acknowledgments

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 Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020. This was the City of Ashtabula's thirty-first 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 Annual Comprehensive 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 Annual Comprehensive 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 all City departments and 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; as well as, the Local Government Services section of Auditor of State's office for their assistance in the organization and final review of our 2021 Annual Comprehensive 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,



Traci R. Welch, Finance Director

City of Ashtabula, Ohio

List of Principal Officials

December 31, 2021

Elected City Officials

City Council

John Roskovics President
Michael Speelman..... Vice President
Kim Foglio Ward I
Calvin Crawford Ward II
RoLesia Holman Ward III
Jodi Mills Ward IV
Jane Haines Ward V

City Manager

James M Timonere

City Solicitor

Cecilia Cooper

Municipal Court Judge

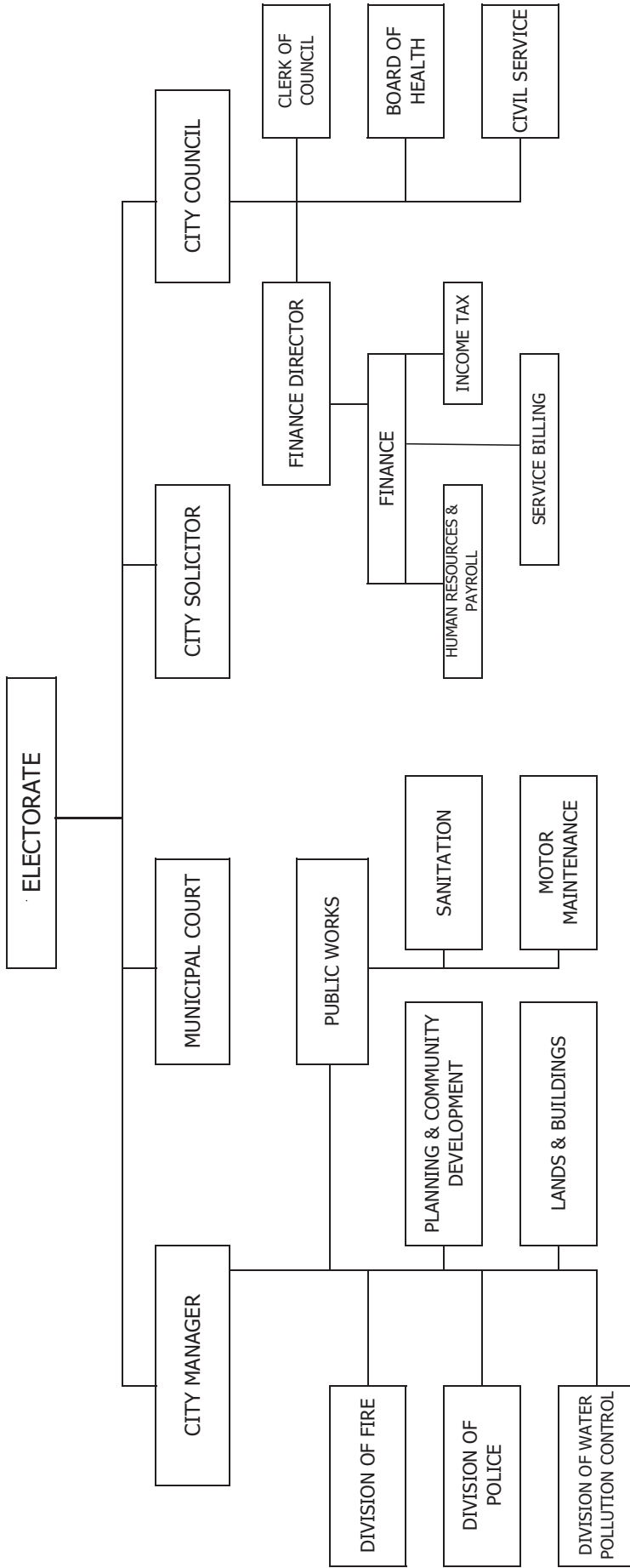
Laura Digiacomo

Appointed City Officials

Stacy Senskey Clerk of Council
Traci R. Welch..... Finance Director
Shawn Gruber Chief of Fire
Robert D. Stell Chief of Police
Christine L. Hill Health Commissioner
Vacant Director of Planning & Community Development
John Melnik Superintendent of Public Works and Sanitation
Craig Pierce..... Superintendent of Wastewater Treatment Plant

CITY OF ASHTABULA, OHIO
ORGANIZATIONAL CHART

December 31, 2021





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Ashtabula
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

Charles E. Harris & Associates, Inc.

Certified Public Accountants

5510 Pearl Road Ste 102

Parma, OH 44129-2527

Phone - (216) 575-1630

Fax - (216) 436-2411

INDEPENDENT AUDITOR'S REPORT

City of Ashtabula
Ashtabula County
4717 Main Avenue
Ashtabula, OH 44004-9762

To the Members of Council:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, 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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 units, each major fund, and the aggregate remaining fund information of the City of Ashtabula, Ashtabula County, Ohio as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 25 to the financial statements, the financial impact of COVID-19 and ensuing emergency measures will impact subsequent periods of the City. We did not modify our opinion regarding this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules of net pension and other post-employment benefit liabilities/assets and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 1, 2022, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's 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 Harris Associates

Charles E. Harris & Associates, Inc.
August 1, 2022

City of Ashtabula, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
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, 2021. 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

- The assets and deferred outflows of the City of Ashtabula, Ohio exceeded its liabilities and deferred inflows at December 31, 2021 by \$38,523,719 (net position). Of this amount, the unrestricted balance is a deficit of \$6,240,998.
- The City's total net position increased by \$5,631,917 during the year. Governmental activities total net position increased by \$3,872,698 and the business-type activities, total net position increased by \$1,759,219.
- As of the close of the fiscal year, the City of Ashtabula's governmental funds reported combined ending fund balances of \$7,607,806, an increase from the prior year which is attributed to revenues and other financing sources exceeding expenditures and other financing uses in the current year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$2,157,169 or 22.27 percent of total general fund expenditures.

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 2021?" 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
Management's Discussion and Analysis
For the Year Ended December 31, 2021
Unaudited

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 Board of Health and the Ashtabula Port Authority in its report. Although legally separate, these component units are important because they are 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 11. 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, major funds are the general, permanent improvement, sanitation and wastewater treatment 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.

Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resource of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City's fiduciary funds are custodial funds.

City of Ashtabula, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
Unaudited

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 2021 compared to 2020.

(Table 1)
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets						
Current and Other Assets	\$17,243,370	\$15,119,595	\$7,495,636	\$7,108,638	\$24,739,006	\$22,228,233
Net Pension Asset	15,368	3,968	11,754	2,716	27,122	6,684
Net OPEB Asset	270,828	0	207,106	0	477,934	0
Capital Assets	32,798,249	32,998,748	18,575,300	18,938,190	51,373,549	51,936,938
<i>Total Assets</i>	<u>50,327,815</u>	<u>48,122,311</u>	<u>26,289,796</u>	<u>26,049,544</u>	<u>76,617,611</u>	<u>74,171,855</u>
Deferred Outflows of Resources						
Asset Retirement Obligation	112,500	118,750	0	0	112,500	118,750
Pension	2,046,563	2,468,212	249,693	371,323	2,296,256	2,839,535
OPEB	1,361,662	1,737,187	103,267	259,369	1,464,929	1,996,556
<i>Total Deferred Outflows of Resources</i>	<u>3,520,725</u>	<u>4,324,149</u>	<u>352,960</u>	<u>630,692</u>	<u>3,873,685</u>	<u>4,954,841</u>
Liabilities						
Current and Other Liabilities	1,664,006	751,847	474,513	239,909	2,138,519	991,756
Long-Term Liabilities:						
Due Within One Year	1,305,690	1,241,820	505,997	360,354	1,811,687	1,602,174
Due In More Than One Year:						
Net Pension Liability	12,538,816	14,295,940	1,791,767	2,433,687	14,330,583	16,729,627
Net OPEB Liability	1,584,629	3,943,851	0	1,621,030	1,584,629	5,564,881
Other Amounts Due In More Than One Year	4,893,208	5,466,966	7,053,627	7,627,358	11,946,835	13,094,324
<i>Total Liabilities</i>	<u>21,986,349</u>	<u>25,700,424</u>	<u>9,825,904</u>	<u>12,282,338</u>	<u>31,812,253</u>	<u>37,982,762</u>
Deferred Inflows of Resources						
Property Taxes	3,257,523	3,230,192	0	0	3,257,523	3,230,192
Pension	3,350,786	2,720,974	821,435	557,501	4,172,221	3,278,475
OPEB	2,078,112	1,491,798	647,468	251,667	2,725,580	1,743,465
<i>Total Deferred Inflows of Resources</i>	<u>8,686,421</u>	<u>7,442,964</u>	<u>1,468,903</u>	<u>809,168</u>	<u>10,155,324</u>	<u>8,252,132</u>
Net Position						
Net Investment in Capital Assets	28,615,108	28,377,402	11,111,243	11,294,777	39,726,351	39,672,179
Restricted for:						
Capital Projects	1,629,711	1,236,925	0	0	1,629,711	1,236,925
Debt Service	38,409	33,655	0	0	38,409	33,655
Community Development	241,602	518,907	0	0	241,602	518,907
Street Maintenance and Repair	1,267,560	909,969	0	0	1,267,560	909,969
Public Safety	319,578	486,190	0	0	319,578	486,190
Parks and Recreation	325,246	272,359	0	0	325,246	272,359
Municipal Court	156,177	151,173	0	0	156,177	151,173
Other Purposes	1,060,083	923,692	0	0	1,060,083	923,692
Unrestricted (Deficit)	(10,477,704)	(13,607,200)	4,236,706	2,293,953	(6,240,998)	(11,313,247)
<i>Total Net Position</i>	<u>\$23,175,770</u>	<u>\$19,303,072</u>	<u>\$15,347,949</u>	<u>\$13,588,730</u>	<u>\$38,523,719</u>	<u>\$32,891,802</u>

City of Ashtabula, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
Unaudited

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2021. GASB notes that pension and OPEB 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 and other postemployment benefits. GASB noted that the unfunded portion of this 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 these liabilities. 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 Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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 or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, 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 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 and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

Over time, net position can serve as a useful indicator of a government’s financial position. At December 31, 2021, the net positions of the City’s governmental and business-type activities were \$23,175,770 and \$15,347,949, respectively.

Capital assets, reported on the government-wide statements, represent the largest portion of the City’s assets. At year-end, capital assets represented 65.17 percent of total City assets. Capital assets include land, construction in progress, buildings and improvements, furniture, fixtures and equipment, licensed vehicles and infrastructure.

The majority of the City’s net position is reflected by its investment in capital assets, less any related debt used to acquire those assets. These capital assets are utilized by the City to provide services to its citizens and are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

\$5,038,366 is the portion of the City’s total net position that represents resources that are subject to external restrictions for how they may be used. The remaining balance of unrestricted net position may be used to meet the government’s ongoing obligations to its citizens and creditors.

The unrestricted deficit results from having insufficient assets set aside for long-term obligations such as pension liability, OPEB liability and compensated absences liabilities. The City finances such obligations on a year-to-year basis as they come due and also has ongoing capital projects that are debt-financed.

Net position for governmental activities increased in 2021, which is attributed to a revenues exceeding expenditures as there were decreases in overall revenues and expenses, as well as a decrease in net pension and OPEB liabilities, offset by associated deferred outflows/inflows. Business-type activities saw an increase

City of Ashtabula, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
Unaudited

in net position from \$13,588,730 in 2020 to \$15,347,949 in 2021 due to a decrease in the net pension and net OPEB liabilities. Assets increased due to increases to current and other assets. Long term liabilities decreased due to principal pay down on OWDA and OPWC loans issued to pay for the continued wastewater treatment plant improvements. The following table gives readers further detail by comparing the changes in net position for 2021 and 2020.

(Table 2)
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program Revenues						
Charges for Services	\$1,699,370	\$1,727,946	\$6,766,393	\$6,565,087	\$8,465,763	\$8,293,033
Operating Grants, Contributions and Interest	1,861,703	3,641,677	0	0	1,861,703	3,641,677
Capital Grants and Contributions	557,042	509,171	20,534	286,901	577,576	796,072
Total Program Revenues	4,118,115	5,878,794	6,786,927	6,851,988	10,905,042	12,730,782
General Revenues						
Property Taxes	2,883,184	3,597,823	0	0	2,883,184	3,597,823
Income Taxes	8,075,605	7,170,045	0	0	8,075,605	7,170,045
Hotel Taxes	7,146	3,798	0	0	7,146	3,798
Grants and Entitlements	1,327,602	1,352,735	0	0	1,327,602	1,352,735
Investment Earnings	11,266	22,165	0	0	11,266	22,165
Unrestricted Contributions	33,186	1,500	0	0	33,186	1,500
Franchise Fees	262,461	262,292	0	0	262,461	262,292
Other	106,317	416,597	21,945	42,306	128,262	458,903
Total General Revenues	12,706,767	12,826,955	21,945	42,306	12,728,712	12,869,261
Total Revenues	16,824,882	18,705,749	6,808,872	6,894,294	23,633,754	25,600,043
Program Expenses						
General Government						
Legislative and Executive	1,385,998	1,902,308	0	0	1,385,998	1,902,308
Judicial System	477,042	1,283,972	0	0	477,042	1,283,972
Security of Persons and Property						
Police	3,975,825	4,304,015	0	0	3,975,825	4,304,015
Fire	2,924,151	3,106,837	0	0	2,924,151	3,106,837
Public Health Services	375,543	117,258	0	0	375,543	117,258
Street Maintenance and Repairs	2,830,927	3,089,404	0	0	2,830,927	3,089,404
Housing and Community						
Development	551,568	522,606	0	0	551,568	522,606
Leisure Time Activities	299,596	365,236	0	0	299,596	365,236
Interest and Fiscal Charges	138,662	155,964	0	0	138,662	155,964
Sanitation	0	0	1,516,320	1,902,911	1,516,320	1,902,911
Wastewater Treatment	0	0	3,526,205	4,538,442	3,526,205	4,538,442
Total Expenses	12,959,312	14,847,600	5,042,525	6,441,353	18,001,837	21,288,953
Increase (Decrease) in Net Position	3,865,570	3,858,149	1,766,347	452,941	5,631,917	4,311,090
Transfers	7,128	2,376	(7,128)	(2,376)	0	0
Change in Net Position	3,872,698	3,860,525	1,759,219	450,565	5,631,917	4,311,090
Net Position Beginning of Year	19,303,072	15,442,547	13,588,730	13,138,165	32,891,802	28,580,712
Net Position End of Year	\$23,175,770	\$19,303,072	\$15,347,949	\$13,588,730	\$38,523,719	\$32,891,802

City of Ashtabula, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
Unaudited

Governmental Activities

The City's dependence on general revenues is significant since program revenues are not sufficient to cover total governmental expenses.

General revenues totaled \$12,706,767, and amounted to 75.52 percent of total governmental revenues. These revenues primarily consist of property tax and income tax revenues of \$2,883,184, and \$8,075,605, respectively. City income tax is the biggest contributor at 63.55 percent of the general revenues, 48 percent of total revenues and approximately 62.32 percent of governmental expenses. Property taxes saw a decrease from the prior year. Income taxes revenues increased during 2021.

The county, state, and federal governments contributed \$1,861,703 of operating grants and contributions to the City. There was a decrease from 2020 of \$1,779,974 in operating grants and contributions due to a reduced amount of the coronavirus relief revenues received in 2021 compared to 2020. Capital grants and contributions saw an increase from 2020, due to reimbursements received for capital related expenses for capital projects completed during 2021. Of the total operating grants and contributions, \$151,599 subsidized security of persons and property; \$1,436,595 subsidized transportation programs; \$182,881 subsidized housing and community development programs and \$22,143 subsidized leisure time activities.

The largest program function for the City is normally security of persons and property, which includes expenses of the police and fire departments. In 2021, the City spent \$3,975,825 on police protection and \$2,924,151 on fire protection. This is a decrease from 2020's police and fire expenses of \$328,190 and \$182,686, respectively.

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 charges for services of \$4,704,512 and had expenses of \$3,526,205 during 2021. Expenses decreased in 2021 due to decreased expenses for the water treatment plant. The City continues looking at ways to improve cash flow by reducing costs of operation. The City is diligently working to ensure the collection of delinquent bills. 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 but the City is looking into a rate increase to fund future improvements.

The Sanitation Department receives charges for services revenue from residential rubbish pickup, commercial containers and from individuals dumping at the transfer station. In 2021, revenues from such services were \$2,061,881 while department expenses were \$1,516,320. The cost of landfill and pick -up fees was \$459,603 for 2021; 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.

City of Ashtabula, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
Unaudited

The City's Funds

As of December 31, 2021, the City's governmental funds reported a combined fund balance of \$7,607,806. Of that amount, \$2,132,296 represents unassigned fund balance, and \$121,022 is nonspendable because it has already been allocated to materials and supplies, prepaids and unclaimed monies. The remaining \$5,354,488 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 18. These funds are accounted for using the modified accrual basis of accounting.

The City's major governmental funds are the general fund and the permanent improvement capital projects fund. The general fund realized a decrease in fund balance during the year with expenditures exceeding revenues by \$108,015 in 2021. This is due to increases in expenses outpacing increases in revenues.

The permanent improvement capital projects fund increased by \$685,598 due to increases in collections of grant revenue.

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 2021, the City amended its general fund budget several times. There was an increase in actual revenues from the final budget due to an increased amount of municipal income taxes, charges for services, licenses and permits, intergovernmental and rental revenue received than expected. There was a decrease in actual expenditures made compared to the final budget due to the City closely monitoring their budget to avoid any unnecessary spending. 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.

City of Ashtabula, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
Unaudited

Capital Assets and Debt Administration

Capital Assets

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

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$1,977,331	\$1,977,331	\$86,863	\$86,863	\$2,064,194	\$2,064,194
Construction in Progress	741,198	846,045	278,809	1,932,489	1,020,007	2,778,534
Buildings and Improvements	4,460,542	4,634,203	6,195,326	6,939,206	10,655,868	11,573,409
Furniture, Fixtures and Equipment	675,318	548,878	488,262	528,328	1,163,580	1,077,206
Vehicles	1,704,634	1,843,965	268,941	253,473	1,973,575	2,097,438
Infrastructure						
Bridges	13,771,708	13,941,492	0	0	13,771,708	13,941,492
Roads	6,940,124	6,636,357	0	0	6,940,124	6,636,357
Storm Sewers	1,205,048	1,233,009	0	0	1,205,048	1,233,009
Traffic Lights	1,322,346	1,337,468	0	0	1,322,346	1,337,468
Sanitary Sewers	0	0	11,257,099	9,197,831	11,257,099	9,197,831
Total	\$32,798,249	\$32,998,748	\$18,575,300	\$18,938,190	\$51,373,549	\$51,936,938

The City of Ashtabula aggressively seeks grant dollars and leverages dollars designated for permanent improvements for matching funds.

Governmental activities included additions for 2021 included a Case Loader, a new 2021 RAM Truck 3500 and the paving of several City streets.

Business-type activities capital assets decreased from the prior year due to current year depreciation exceeding additions. As part of the City's plan to renovate and upgrade the entire plant within ten years, monies were expended for the wastewater treatment plant digester. The City also purchased a new 2021 RAM Truck 2500, replaced a portion of the Blower Building, and purchased various equipment used in the wastewater treatment plant. See Note 16 for additional information about the City's capital assets.

Long-term Obligations

The City's long-term obligations are comprised of State infrastructure bank bonds and loans, OPWC loans, OWDA loans, Capital loans, capital leases payable, asset retirement obligation, compensated absences, net pension liability and OPEB liability.

City of Ashtabula, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
Unaudited

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

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
SIB Bonds	\$2,695,000	\$2,965,000	\$0	\$0	\$2,695,000	\$2,965,000
SIB Loans	808,209	906,052	0	0	808,209	906,052
OPWC Loans	76,025	83,153	487,696	561,770	563,721	644,923
OWDA Loans	0	0	6,745,346	7,081,643	6,745,346	7,081,643
Capital Loans	29,708	59,416	0	0	29,708	59,416
Capital Leases Payable	481,278	607,466	0	0	481,278	607,466
Asset Retirement Obligation	250,000	250,000	0	0	250,000	250,000
Compensated Absences	1,858,678	1,837,699	326,582	344,299	2,185,260	2,181,998
Net Pension Liability	12,538,816	14,295,940	1,791,767	2,433,687	14,330,583	16,729,627
Net OPEB Liability	1,584,629	3,943,851	0	1,621,030	1,584,629	5,564,881
Total	\$20,322,343	\$24,948,577	\$9,351,391	\$12,042,429	\$29,673,734	\$36,991,006

The purpose of the SIB Bonds and Loans are to provide the funding necessary for the City's share for design engineering, right away acquisition and transactions costs for the US Route 20 improvement project. The bonds and loans will be repaid over a period of 10 years at an interest rate of 3 percent and will be repaid from the permanent improvement capital projects fund.

The West Avenue bridge Ohio Public Works Commission loan will be paid from the debt service fund.

During 2018, the City borrowed \$148,540 from ID Networks for the purpose of purchasing equipment for the police department.

During 2019, the City entered into a lease agreement in the amount of \$300,000 for the police vehicles and public works equipment.

The City borrowed an additional \$13,162 from OWDA to finance the WWTP improvements in 2021. When the projects are complete, the total debt will be \$8.4 million. The amount due to the Ohio Public Works Commission and the Ohio Water Development Authority for business-type activities are paid by sewer revenues collected from the users as part of their normal sewer bill.

The asset retirement obligation of \$250,000 associated with the City's underground storage tanks was estimated by the City engineer and will be paid from the general fund.

The City's overall legal debt margin was \$20,140,970 at December 31, 2021. See Notes 18 and 19 for additional information about the City's long-term debt.

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 the City did realize a major bounce back with increased income tax collections. This increase was due to a decrease in unemployment stemming from the COVID – 19 pandemic; as well as the increased pursuit to collect delinquent taxes from prior years by the City's Income Tax department. While the Local Government Fund revenue sharing amounts received have become static and more projectable

City of Ashtabula, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
Unaudited

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 2021 however; overall expenses increased due to capital spending and increased debt service payments. 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 expenses, are necessary in order to maintain fiscal stability.

While the City's general fund unencumbered balance at year end 2021 was substantial at more than \$2,411,305, is the residual effect of Cares Act funding received throughout 2020 and used primarily to reimburse payroll related expenses of safety and public health personnel that were deemed substantially dedicated to addressing the public health emergency. Prior to the Cares Act funding, the general fund carryovers had been decreasing due to an increase in capital expenditures, debt payments, health care, wages, and other personnel costs, while revenues remained relatively flat. As the City returns to relying on pre-Covid revenue, the challenge of trying to find new revenue sources while curtailing expenditure levels will again push to the forefront of priority for the City Manager and staff. State funding issues are also 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 Traci Welch, Ashtabula City Finance Director, 4717 Main Avenue, Ashtabula, Ohio 44004, telephone 440-992-7107, or e-mail at twelch@ashtabulacity.com.

City Of Ashtabula, Ohio
Statement of Net Position
December 31, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Ashtabula Board of Health	Ashtabula Port Authority
Assets					
Equity in Pooled Cash and Cash Equivalents	\$8,927,151	\$3,615,226	\$12,542,377	\$227,096	\$281,345
Cash and Cash Equivalents with Fiscal Agent	1,601,601	0	1,601,601	0	0
Cash and Cash Equivalents with Escrow	12,312	0	12,312	0	0
Accounts Receivable	325,125	3,833,979	4,159,104	0	0
Intergovernmental Receivable	1,258,790	3,840	1,262,630	0	0
Materials and Supplies Inventory	34,533	10,640	45,173	5,275	0
Prepaid Items	119,027	31,951	150,978	887	34,271
Property Taxes Receivable	3,556,300	0	3,556,300	0	0
Income Taxes Receivable	1,408,531	0	1,408,531	0	0
Net Pension Asset	15,368	11,754	27,122	3,015	0
Net OPEB Asset	270,828	207,106	477,934	53,101	0
Nondepreciable Capital Assets	2,718,529	365,672	3,084,201	0	1,667,963
Depreciable Capital Assets	30,079,720	18,209,628	48,289,348	31,455	101,673
<i>Total Assets</i>	<u>50,327,815</u>	<u>26,289,796</u>	<u>76,617,611</u>	<u>320,829</u>	<u>2,085,252</u>
Deferred Outflows of Resources					
Asset Retirement Obligation	112,500	0	112,500	0	0
Pension	2,046,563	249,693	2,296,256	317,347	0
OPEB	1,361,662	103,267	1,464,929	176,335	0
<i>Total Deferred Outflows of Resources</i>	<u>3,520,725</u>	<u>352,960</u>	<u>3,873,685</u>	<u>493,682</u>	<u>0</u>
Liabilities					
Accounts Payable	296,472	137,715	434,187	1,777	3,546
Contracts Payable	65,891	231,015	296,906	0	0
Accrued Wages	85,725	25,690	111,415	18,429	0
Intergovernmental Payable	157,273	38,995	196,268	8,328	110,000
Retainage Payable	5,824	0	5,824	0	0
Accrued Interest Payable	26,809	41,098	67,907	0	0
Unearned Revenue	888,067	0	888,067	0	0
Claims Payable	104,427	0	104,427	0	0
Capital Loan Payable	33,518	0	33,518	0	0
Long-Term Liabilities:					
Due Within One Year	1,305,690	505,997	1,811,687	23,766	0
Due In More Than One Year:					
Net Pension Liability (See Note 21)	12,538,816	1,791,767	14,330,583	459,427	0
Net OPEB Liability (See Note 22)	1,584,629	0	1,584,629	0	0
Other Amounts Due In More Than One Year	4,893,208	7,053,627	11,946,835	57,720	0
<i>Total Liabilities</i>	<u>21,986,349</u>	<u>9,825,904</u>	<u>31,812,253</u>	<u>569,447</u>	<u>113,546</u>
Deferred Inflows of Resources					
Property Taxes	3,257,523	0	3,257,523	0	0
Pension	3,350,786	821,435	4,172,221	201,685	0
OPEB	2,078,112	647,468	2,725,580	162,798	0
<i>Total Deferred Inflows of Revenue</i>	<u>8,686,421</u>	<u>1,468,903</u>	<u>10,155,324</u>	<u>364,483</u>	<u>0</u>
Net Position					
Net Investment in Capital Assets	28,615,108	11,111,243	39,726,351	31,455	1,769,636
Restricted for:					
Capital Projects	1,629,711	0	1,629,711	0	0
Debt Service	38,409	0	38,409	0	0
Community Development	241,602	0	241,602	0	0
Street Maintenance and Repair	1,267,560	0	1,267,560	0	0
Public Safety	319,578	0	319,578	0	0
Parks and Recreation	325,246	0	325,246	0	0
Municipal Court	156,177	0	156,177	0	0
Other Purposes	1,060,083	0	1,060,083	0	0
Unrestricted (Deficit)	(10,477,704)	4,236,706	(6,240,998)	(150,874)	202,070
<i>Total Net Position</i>	<u>\$23,175,770</u>	<u>\$15,347,949</u>	<u>\$38,523,719</u>	<u>(\$119,419)</u>	<u>\$1,971,706</u>

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio
Statement of Activities
For the Year Ended December 31, 2021

	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Contributions and Interest	Capital Grants and Contributions
Governmental Activities				
General Government:				
Legislative and Executive	\$1,385,998	\$231,650	\$56,713	\$0
Judicial System	477,042	359,064	11,772	0
Security of Persons and Property:				
Police	3,975,825	422,132	67,981	0
Fire	2,924,151	297,830	83,618	0
Public Health Services	375,543	0	0	0
Street Maintenance and Repairs	2,830,927	266,927	1,436,595	557,042
Housing and Community Development	551,568	121,767	182,881	0
Leisure Time Activities	299,596	0	22,143	0
Interest and Fiscal Charges	138,662	0	0	0
<i>Total Governmental Activities</i>	<u>12,959,312</u>	<u>1,699,370</u>	<u>1,861,703</u>	<u>557,042</u>
Business-Type Activities				
Sanitation	1,516,320	2,061,881	0	15,585
Wastewater Treatment	3,526,205	4,704,512	0	4,949
<i>Total Business-Type Activities</i>	<u>5,042,525</u>	<u>6,766,393</u>	<u>0</u>	<u>20,534</u>
<i>Total Primary Government</i>	<u>\$18,001,837</u>	<u>\$8,465,763</u>	<u>\$1,861,703</u>	<u>\$577,576</u>
Component Unit				
Ashtabula Board of Health	\$846,006	\$150,519	\$955,959	\$0
Ashtabula Port Authority	95,103	141,693	0	0
<i>Total Component Units</i>	<u>\$941,109</u>	<u>\$292,212</u>	<u>\$955,959</u>	<u>\$0</u>

General Revenues

Property Taxes Levied for:

General Purposes
Capital Outlay
Other Purposes

Income Taxes Levied for:

General Purposes
Capital Outlay

Hotel Taxes

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Unrestricted Contributions

Franchise Taxes

Other

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Ashtabula Board of Health	Ashtabula Port Authority
(\$1,097,635)	\$0	(\$1,097,635)	\$0	\$0
(106,206)	0	(106,206)	0	0
(3,485,712)	0	(3,485,712)	0	0
(2,542,703)	0	(2,542,703)	0	0
(375,543)	0	(375,543)	0	0
(570,363)	0	(570,363)	0	0
(246,920)	0	(246,920)	0	0
(277,453)	0	(277,453)	0	0
(138,662)	0	(138,662)	0	0
<u>(8,841,197)</u>	<u>0</u>	<u>(8,841,197)</u>	<u>0</u>	<u>0</u>
0	561,146	561,146	0	0
0	1,183,256	1,183,256	0	0
0	1,744,402	1,744,402	0	0
(8,841,197)	1,744,402	(7,096,795)	0	0
0	0	0	260,472	0
0	0	0	0	46,590
0	0	0	260,472	46,590
805,056	0	805,056	0	0
341,671	0	341,671	0	0
1,736,457	0	1,736,457	0	0
7,279,943	0	7,279,943	0	0
795,662	0	795,662	0	0
7,146	0	7,146	0	0
1,327,602	0	1,327,602	0	0
11,266	0	11,266	0	267
33,186	0	33,186	0	0
262,461	0	262,461	0	0
106,317	21,945	128,262	0	53,854
12,706,767	21,945	12,728,712	0	54,121
7,128	(7,128)	0	0	0
12,713,895	14,817	12,728,712	0	54,121
3,872,698	1,759,219	5,631,917	260,472	100,711
19,303,072	13,588,730	32,891,802	(379,891)	1,870,995
<u>\$23,175,770</u>	<u>\$15,347,949</u>	<u>\$38,523,719</u>	<u>(\$119,419)</u>	<u>\$1,971,706</u>

City of Ashtabula, Ohio

Balance Sheet

Governmental Funds

December 31, 2021

	General	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,517,333	\$1,438,413	\$3,641,273	\$7,597,019
Cash and Cash Equivalents				
Cash with Escrow	0	12,312	0	12,312
Receivables:				
Property Taxes	977,471	417,508	2,161,321	3,556,300
Income Taxes	1,267,678	140,853	0	1,408,531
Accounts	152,903	0	154,157	307,060
Intergovernmental Receivable	538,240	23,884	696,666	1,258,790
Materials and Supplies Inventory	7,511	0	27,022	34,533
Prepaid Items	39,829	0	6,420	46,249
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	40,240	0	101,783	142,023
Accounts Receivable	0	0	18,065	18,065
<i>Total Assets</i>	<u>\$5,541,205</u>	<u>\$2,032,970</u>	<u>\$6,806,707</u>	<u>\$14,380,882</u>
Liabilities				
Accounts Payable	\$71,429	\$8,524	\$95,783	\$175,736
Contracts Payable	0	55,678	10,213	65,891
Retainage Payable	0	5,824	0	5,824
Accrued Wages	70,338	0	15,387	85,725
Intergovernmental Payable	60,941	0	84,857	145,798
Interfund Payable	25,000	0	0	25,000
Accrued Interest Payable	0	115	0	115
Capital Loan Payable	0	33,518	0	33,518
Unearned Revenue	0	0	888,067	888,067
<i>Payables from Restricted Assets:</i>				
Accounts Payable	0	0	119,848	119,848
<i>Total Liabilities</i>	<u>227,708</u>	<u>103,659</u>	<u>1,214,155</u>	<u>1,545,522</u>
Deferred Inflows of Resources				
Property Tax	895,081	382,308	1,980,134	3,257,523
Unavailable Revenue	1,031,617	109,299	829,115	1,970,031
<i>Total Deferred Inflows of Resources</i>	<u>1,926,698</u>	<u>491,607</u>	<u>2,809,249</u>	<u>5,227,554</u>
Fund Balances				
Nonspendable	87,580	0	33,442	121,022
Restricted	0	1,437,704	2,709,756	4,147,460
Committed	0	0	64,978	64,978
Assigned	1,142,050	0	0	1,142,050
Unassigned (Deficit)	2,157,169	0	(24,873)	2,132,296
<i>Total Fund Balances</i>	<u>3,386,799</u>	<u>1,437,704</u>	<u>2,783,303</u>	<u>7,607,806</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$5,541,205</u>	<u>\$2,032,970</u>	<u>\$6,806,707</u>	<u>\$14,380,882</u>

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, 2021*

Total Governmental Funds Balances		\$7,607,806
<i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		32,798,249
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds:		
Delinquent Property Taxes	298,777	
Municipal Income Taxes	502,155	
Intergovernmental	893,664	
Charges for Services	186,459	
Fees, Licences and Permits	37,487	
Franchise Taxes	51,489	
Total		1,970,031
In the statement of activities, interest is accrued on outstanding debt, whereas in the governmental funds, an interest expenditure is reported when due.		(26,694)
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.		2,770,698
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
SIB Bonds	(2,695,000)	
SIB Loan	(808,209)	
Capital Loan	(29,708)	
OPWC Loan	(76,025)	
Capital Lease	(481,278)	
Compensated Absences	(1,858,678)	
Deferred Outflows - Asset Retirement Obligation	112,500	
Asset Retirement Obligation	(250,000)	
Total		(6,086,398)
The net pension/OPEB liability/asset are not due and payable in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in the governmental funds:		
Net Pension Asset	15,368	
Deferred Outflows - Pension	2,046,563	
Deferred Inflows - Pension	(3,350,786)	
Net Pension Liability	(12,538,816)	
Net OPEB Asset	270,828	
Deferred Outflows - OPEB	1,361,662	
Deferred Inflows - OPEB	(2,078,112)	
Net OPEB Liability	(1,584,629)	
Total		(15,857,922)
<i>Net Position of Governmental Activities</i>		\$23,175,770

City of Ashtabula, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2021

	General	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$957,855	\$406,620	\$2,093,019	\$3,457,494
Municipal Income Tax	7,232,979	790,444	0	8,023,423
Hotel Taxes	7,346	0	0	7,346
Charges for Services	259,725	0	313,018	572,743
Licenses and Permits	44,538	0	163,924	208,462
Fines and Forfeitures	525,854	0	283,121	808,975
Intergovernmental	1,308,726	684,165	1,767,078	3,759,969
Special Assessments	0	0	166	166
Interest	88	0	62	150
Rentals	200,935	0	0	200,935
Franchise Taxes	264,702	0	0	264,702
Contributions and Donations	33,186	0	10,000	43,186
Other	33,259	14,456	58,602	106,317
<i>Total Revenues</i>	<u>10,869,193</u>	<u>1,895,685</u>	<u>4,688,990</u>	<u>17,453,868</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	2,111,979	0	56,726	2,168,705
Judicial System	1,017,560	0	129,890	1,147,450
Security of Persons and Property:				
Police	3,523,278	0	1,191,854	4,715,132
Fire	2,659,848	0	499,203	3,159,051
Public Health Services	375,543	0	0	375,543
Street Maintenance and Repairs	0	0	2,004,979	2,004,979
Housing and Community Development	0	0	740,824	740,824
Leisure Time Activities	0	0	232,858	232,858
Capital Outlay	0	1,391,816	109,285	1,501,101
Debt Service:				
Principal Retirement	0	523,739	7,128	530,867
Interest and Fiscal Charges	0	143,263	0	143,263
<i>Total Expenditures</i>	<u>9,688,208</u>	<u>2,058,818</u>	<u>4,972,747</u>	<u>16,719,773</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,180,985</u>	<u>(163,133)</u>	<u>(283,757)</u>	<u>734,095</u>
Other Financing Sources (Uses)				
Transfers In	0	848,731	684,128	1,532,859
Transfers Out	(1,289,000)	0	(236,731)	(1,525,731)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,289,000)</u>	<u>848,731</u>	<u>447,397</u>	<u>7,128</u>
<i>Net Change in Fund Balances</i>	(108,015)	685,598	163,640	741,223
<i>Fund Balances Beginning of Year</i>	<u>3,494,814</u>	<u>752,106</u>	<u>2,619,663</u>	<u>6,866,583</u>
<i>Fund Balances End of Year</i>	<u>\$3,386,799</u>	<u>\$1,437,704</u>	<u>\$2,783,303</u>	<u>\$7,607,806</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, 2021*

Net Change in Fund Balances - Total Governmental Funds		\$741,223
 <i>Amounts reported for governmental activities in the statement of activities are different because</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period:		
Capital Outlay	1,968,243	
Depreciation	(2,168,742)	
Total		(200,499)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
Delinquent Property Taxes	(574,310)	
Municipal Income Taxes	52,182	
Intergovernmental	(23,622)	
Hotel Taxes	(200)	
Charges for Services	(39,460)	
Fees, Licenses and Permits	(48,318)	
Rentals	(4,133)	
Franchise Taxes	(2,241)	
Total		(640,102)
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.		
		530,867
Amortization of deferred outflows related to the asset retirement obligation is reported as an expense in the statement of activities.		
		(6,250)
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.		
		4,601
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.		
		(20,979)
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.		
		1,078,563
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	1,310,842	
OPEB	1,783,760	
Total		3,094,602
Except for amounts reported as deferred inflows/outflows, changes in net pension liability are reported as pension expense in the statement of activities.		
Pension	(593,779)	
OPEB	(115,549)	
Total		(709,328)
<i>Change in Net Position of Governmental Activities</i>		\$3,872,698

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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$957,855	\$957,855	\$957,855	\$0
Municipal Income Tax	6,142,310	6,956,169	7,105,372	149,203
Hotel Taxes	5,678	5,678	5,745	67
Charges for Services	241,630	241,630	266,815	25,185
Licenses and Permits	30,223	30,223	44,538	14,315
Fines and Forfeitures	538,066	538,066	525,763	(12,303)
Intergovernmental	1,201,908	1,201,908	1,294,078	92,170
Interest	1,000	1,000	88	(912)
Rentals	198,364	198,364	204,174	5,810
Franchise Fees	264,702	264,702	264,702	0
Contributions and Donations	33,166	33,166	33,186	20
Other	34,356	34,356	33,807	(549)
<i>Total Revenues</i>	9,649,258	10,463,117	10,736,123	273,006
Expenditures				
Current:				
General Government:				
Legislative and Executive	2,008,779	2,267,281	2,114,144	153,137
Judicial System	1,001,675	1,180,723	1,038,033	142,690
Security of Persons and Property:				
Police	3,397,314	3,707,164	3,545,710	161,454
Fire	2,566,215	2,686,137	2,659,946	26,191
Public Health Services	9,114	375,643	375,543	100
<i>Total Expenditures</i>	8,983,097	10,216,948	9,733,376	483,572
<i>Excess of Revenues Over (Under) Expenditures</i>	666,161	246,169	1,002,747	756,578
Other Financing Sources (Uses)				
Advances In	250,000	250,000	250,000	0
Advances Out	(23,876)	(25,000)	(25,000)	0
Transfers Out	(1,496,902)	(1,322,000)	(1,289,000)	33,000
<i>Total Other Financing Sources (Uses)</i>	(1,270,778)	(1,097,000)	(1,064,000)	33,000
<i>Net Change in Fund Balance</i>	(604,617)	(850,831)	(61,253)	789,578
<i>Fund Balance Beginning of Year</i>	2,426,477	2,426,477	2,426,477	0
Prior Year Encumbrances Appropriated	46,081	46,081	46,081	0
<i>Fund Balance End of Year</i>	\$1,867,941	\$1,621,727	\$2,411,305	\$789,578

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2021

	Business-Type Activities			Governmental Activities - Internal Service Funds
	Enterprise Funds			
	Sanitation	Wastewater Treatment	Total	
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$255,101	\$3,360,125	\$3,615,226	\$1,188,109
Cash and Cash Equivalents				
with Fiscal Agent	0	0	0	1,601,601
Accounts Receivable	1,163,565	2,670,414	3,833,979	0
Interfund Receivable	0	0	0	25,000
Materials and Supplies Inventory	1,408	9,232	10,640	0
Prepaid Items	3,223	28,728	31,951	72,778
Intergovernmental Receivable	3,840	0	3,840	0
<i>Total Current Assets</i>	<u>1,427,137</u>	<u>6,068,499</u>	<u>7,495,636</u>	<u>2,887,488</u>
<i>Noncurrent Assets:</i>				
Net Pension Asset	4,823	6,931	11,754	0
Net OPEB Asset	84,967	122,139	207,106	0
<i>Capital Assets:</i>				
Capital Assets, Nondepreciable	29,100	336,572	365,672	0
Capital Assets, Depreciable, Net	489,367	17,720,261	18,209,628	0
<i>Total Noncurrent Assets</i>	<u>608,257</u>	<u>18,185,903</u>	<u>18,794,160</u>	<u>0</u>
<i>Total Assets</i>	<u>2,035,394</u>	<u>24,254,402</u>	<u>26,289,796</u>	<u>2,887,488</u>
Deferred Outflows of Resources				
Pension	102,438	147,255	249,693	0
OPEB	42,366	60,901	103,267	0
<i>Total Deferred Outflows of Resources</i>	<u>144,804</u>	<u>208,156</u>	<u>352,960</u>	<u>0</u>
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	42,562	95,153	137,715	888
Contracts Payable	0	231,015	231,015	0
Accrued Wages	9,774	15,916	25,690	0
Intergovernmental Payable	13,070	25,925	38,995	11,475
Accrued Interest Payable	0	41,098	41,098	0
Compensated Absences Payable	41,134	102,485	143,619	0
Claims Payable	0	0	0	104,427
Loans Payable	0	362,378	362,378	0
<i>Total Current Liabilities</i>	<u>106,540</u>	<u>873,970</u>	<u>980,510</u>	<u>116,790</u>
<i>Long-Term Liabilities (net of current portion):</i>				
Compensated Absences Payable	24,100	158,862	182,962	0
Loans Payable	0	6,870,665	6,870,665	0
Net Pension Liability	735,083	1,056,684	1,791,767	0
<i>Total Long-Term Liabilities</i>	<u>759,183</u>	<u>8,086,211</u>	<u>8,845,394</u>	<u>0</u>
<i>Total Liabilities</i>	<u>865,723</u>	<u>8,960,181</u>	<u>9,825,904</u>	<u>116,790</u>
Deferred Inflows of Resources				
Pension	336,998	484,437	821,435	0
OPEB	265,628	381,840	647,468	0
<i>Total Deferred Inflows of Resources</i>	<u>602,626</u>	<u>866,277</u>	<u>1,468,903</u>	<u>0</u>
Net Position				
Net Investment in Capital Assets	518,467	10,592,776	11,111,243	0
Unrestricted	193,382	4,043,324	4,236,706	2,770,698
<i>Total Net Position</i>	<u>\$711,849</u>	<u>\$14,636,100</u>	<u>\$15,347,949</u>	<u>\$2,770,698</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, 2021*

	Business-Type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Sanitation	Wastewater Treatment	Total	
Operating Revenues				
Charges for Services	\$2,061,881	\$4,704,512	\$6,766,393	\$3,244,667
Other	8,696	13,249	21,945	0
<i>Total Revenues</i>	<u>2,070,577</u>	<u>4,717,761</u>	<u>6,788,338</u>	<u>3,244,667</u>
Operating Expenses				
Personal Services	618,347	932,436	1,550,783	0
Contractual Services	211,263	679,906	891,169	583,988
Materials and Supplies	613,484	728,674	1,342,158	0
Depreciation	73,226	1,048,987	1,122,213	0
Claims	0	0	0	1,607,391
<i>Total Operating Expenses</i>	<u>1,516,320</u>	<u>3,390,003</u>	<u>4,906,323</u>	<u>2,191,379</u>
<i>Operating Income (Loss)</i>	<u>554,257</u>	<u>1,327,758</u>	<u>1,882,015</u>	<u>1,053,288</u>
Non Operating Revenues (Expenses)				
Interest on Investments	0	0	0	11,116
Intergovernmental	0	0	0	14,159
Loss on Disposal of Capital Assets	0	(9,827)	(9,827)	0
Interest and Fiscal Charges	0	(126,375)	(126,375)	0
<i>Total Non Operating Revenue (Expenses)</i>	<u>0</u>	<u>(136,202)</u>	<u>(136,202)</u>	<u>25,275</u>
<i>Income (Loss) Before Capital Contributions and Transfers</i>	554,257	1,191,556	1,745,813	1,078,563
Capital Contributions	15,585	4,949	20,534	0
Transfers Out	0	(7,128)	(7,128)	0
<i>Change in Net Position</i>	569,842	1,189,377	1,759,219	1,078,563
<i>Net Position Beginning of Year</i>	<u>142,007</u>	<u>13,446,723</u>	<u>13,588,730</u>	<u>1,692,135</u>
<i>Net Position End of Year</i>	<u>\$711,849</u>	<u>\$14,636,100</u>	<u>\$15,347,949</u>	<u>\$2,770,698</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, 2021

	Business-Type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Sanitation	Wastewater Treatment	Total	
<i>Increase (Decrease) In Cash and Cash Equivalents</i>				
Cash Flows from Operating Activities				
Cash Received from Customers	\$1,877,892	\$4,347,044	\$6,224,936	\$0
Cash Received from Interfund Services	0	0	0	3,244,667
Cash Received from Other Sources	8,696	13,249	21,945	
Cash Payments for Employee Services and Benefits	(1,292,081)	(1,811,474)	(3,103,555)	0
Cash Payments to Suppliers for Goods and Services	(825,243)	(1,441,048)	(2,266,291)	(572,165)
Cash Payments for Claims	0	0	0	(1,713,096)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(230,736)</u>	<u>1,107,771</u>	<u>877,035</u>	<u>959,406</u>
Cash Flows from Noncapital Financing Activities				
Advances In	0	0	0	25,000
Intergovernmental	0	0	0	14,159
Transfers Out	0	(7,128)	(7,128)	0
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>0</u>	<u>(7,128)</u>	<u>(7,128)</u>	<u>39,159</u>
Cash Flows from Capital and Related Financing Activities				
Capital Contribution	15,585	4,949	20,534	0
OWDA Loan Issued	0	13,162	13,162	0
Principal Paid on OWDA Loans	0	(349,459)	(349,459)	0
Principal Paid OPWC Loans	0	(74,074)	(74,074)	0
Interest Paid on OWDA Loan	0	(105,778)	(105,778)	0
Payments for Capital Acquisitions	0	(538,135)	(538,135)	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>15,585</u>	<u>(1,049,335)</u>	<u>(1,033,750)</u>	<u>0</u>
Cash Flows from Investing Activities				
Interest on Investments	0	0	0	11,116
<i>Net Increase (Decrease) In Cash and Cash Equivalents</i>	<u>(215,151)</u>	<u>51,308</u>	<u>(163,843)</u>	<u>1,009,681</u>
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>470,252</u>	<u>3,308,817</u>	<u>3,779,069</u>	<u>1,780,029</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$255,101</u>	<u>\$3,360,125</u>	<u>\$3,615,226</u>	<u>\$2,789,710</u>

(continued)

City of Ashtabula, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2021

	Business-Type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Sanitation	Wastewater Treatment	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
<i>Operating Income (Loss)</i>	\$554,257	\$1,327,758	\$1,882,015	\$1,053,288
Adjustments:				
Depreciation	73,226	1,048,987	1,122,213	0
(Increase)/ Decrease in Assets:				
Accounts Receivable	(172,005)	(354,187)	(526,192)	0
Intergovernmental Receivable	(1,920)	0	(1,920)	0
Materials and Supplies Inventory	(1,408)	(5,242)	(6,650)	0
Prepaid Items	5,543	(21,622)	(16,079)	12,048
Deferred Outflows - Pension	135,225	194,385	329,610	0
Deferred Outflows - OPEB	77,405	111,267	188,672	0
Increase/ (Decrease) in Liabilities:				
Accounts Payable	(14,687)	(4,641)	(19,328)	888
Accrued Wages	1,208	4,209	5,417	0
Compensated Absences Payable	(42,419)	24,702	(17,717)	0
Intergovernmental Payable	(68)	(3,029)	(3,097)	(1,113)
Claims Payable	0	0	0	(105,705)
Net Pension Liability	(4,508)	(6,477)	(10,985)	0
Net OPEB Liability	(410,621)	(590,268)	(1,000,889)	0
Deferred Inflows - Pension	(239,598)	(344,421)	(584,019)	0
Deferred Inflows - OPEB	(190,366)	(273,650)	(464,016)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(\$230,736)</u>	<u>\$1,107,771</u>	<u>\$877,035</u>	<u>\$959,406</u>

Noncash Capital Financing Activities

In 2021, the Wastewater Treatment enterprise fund had contracts payable in the amounts of \$231,015 related to capital acquisitions.

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio
Statement of Fiduciary Net Position
Custodial Funds
December 31, 2021

Assets	
Equity in Pooled Cash and Cash Equivalents	\$36,170
Cash and Cash Equivalents in Segregated Accounts	<u>29,403</u>
<i>Total Assets</i>	<u>65,573</u>
Liabilities	
Accounts Payable	16,175
Intergovernmental Payable	<u>49,398</u>
<i>Total Liabilities</i>	<u>65,573</u>
Net Position	
Restricted for Individuals and Other Governments	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2021

<hr/> <hr/>	
Additions	
Income Tax for Other Governments	\$41,742
Fines and Forfeitures for Individuals	120,981
Fines and Forfeitures for Other Governments	778,752
	<hr/>
<i>Total Additions</i>	<i>941,475</i>
	<hr/>
Deductions	
Income Tax Distributions to Other Governments	41,742
Fines and Forfeitures Distributions to Individuals	527,342
Fines and Forfeitures Distributions to Other Governments	372,391
	<hr/>
<i>Total Deductions</i>	<i>941,475</i>
	<hr/>
<i>Change in Fiduciary Net Position</i>	<i>0</i>
	<hr/>
<i>Net Position Beginning of Year</i>	<i>0</i>
	<hr/>
<i>Net Position End of Year</i>	<i>\$0</i>
	<hr/> <hr/>

See accompanying notes to the basic financial statements

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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), 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 27 and 28). 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 columns in the basic financial statements identify the financial data of the discretely presented component units, the Ashtabula Board of Health and Ashtabula Port Authority. They are discretely reported to emphasize that they are legally separate from the City.

Ashtabula Board of Health The City of Ashtabula Board of Health (Board) was created as a legally separate organization under chapter 3709 of the Ohio Revised Code. Among its various duties, the Board provides for the prompt diagnosis and control of communicable diseases. The Board may also inspect businesses where food is manufactured, handled, stored, or offered for sale. The Board is operated by a five-member board with all members being appointed by the City. The rates charged by the Board are subject to the approval of City Council. In addition, the City provides funding to the Board, thus the City can impose will on the Board, and the Board imposes a financial burden to the City. Therefore, the Board of Health is considered a discretely presented component unit of the City. Information for the component unit is identified in Note 27. Statements for the Board can be obtained from the City Finance Director.

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. 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 loan has no interest, principal, or service fee payments for the first sixty months. Thereafter the

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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 City of Ashtabula Board of Health is presented in Note 27 and the Ashtabula City Port Authority is presented in Note 28.

The City participates in the Northeast Ohio Public Energy Council (NOPEC) a jointly governed organization and the Jefferson Health Plan, an insurance purchasing pool. Information about these organizations are presented in Notes 15 and 24, respectively, to the basic financial statements.

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.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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.

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.

Permanent Improvement 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.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. The City does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The City's only fiduciary funds are custodial funds to account for assets held by the City as fiscal agent for the Municipal Court, law library, and to distribute income tax revenues related to local Joint Economic Development Districts.

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 and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

For proprietary funds, the statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from the custodial fund.

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.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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 9). 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), tuition, grants, fees and rentals.

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 assets 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 asset retirement obligations, pension and OPEB. The deferred outflows of resources related to asset retirement obligations is originally measured at the amount of the corresponding liability. This amount is expensed in a systematic and rational manner over the tangible asset's useful life. The deferred outflows of resources related to pension and OPEB are explained in Notes 21 and 22.

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 assets 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, pension and OPEB. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2021, but which were levied to finance year 2022 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, intergovernmental grants, fees, licenses and permits, ambulance charges and franchise taxes. 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 balances to net position of governmental activities on page 19. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position (See Notes 21 and 22).

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Pensions/Other Postemployment Benefits (OPEB) For purposes of measuring the net pension/OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans 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 custodial funds, are legally required to be budgeted and appropriated. The recycling grant special revenue fund did not have any budgetary activity during 2021; therefore budgetary information is not provided. 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 2021.

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 participates in the Jefferson Health Plan insurance consortium for self-insurance. These monies are reflected in the statement of net position as "cash and cash equivalents with fiscal agents." The Jefferson County Educational Service Center serves as the fiscal agent for the insurance consortium.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Cash and cash equivalents that are held separately by the City for payment of capital lease equipment is recorded as “cash and cash equivalents with escrow agents.”

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 and Municipal Court are included in this line item.

During 2021, the City invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of \$100 million or more. STAR Ohio reserves the right to limit the transactions to \$250 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Interest is distributed to the general fund and certain special revenue funds of the City. Interest revenue credited to the general fund during 2021 amounted to \$88, none of which was assigned from other City funds.

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 assets in the general fund represent unclaimed monies. Restricted assets in the fire escrow fund represent 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.

Inventory

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

On fund financial statements, inventories of governmental funds are stated at cost and inventories of proprietary funds are stated at cost. 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
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2021, 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 acquisition 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.

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:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	5 - 50 years
Furniture, Fixtures and Equipment	3 - 25 years
Vehicles	3 - 7 years
Infrastructure	10 - 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.

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.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits. Bonds, capital leases 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.

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 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

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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 2022'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 recycling and other grants.

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.

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 or from contributions from governmental activities.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. The City recognizes unearned revenue for intergovernmental revenue from grants received before the eligibility requirements are met.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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.

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.

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 Principles

For 2021, the City implemented the Governmental Accounting Standards Board's (GASB) Statement No. 98, *The Annual Comprehensive Financial Report*. GASB 98 establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The City is also implementing *Implementation Guide No. 2019-1*. These changes were incorporated in the City's 2021 financial statements; however, there was no effect on beginning net position/fund balance.

Note 4 – 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:

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Fund Balances	General	Permanent Improvement	Other Governmental Funds	Total
<i>Nonspendable</i>				
Inventory	\$7,511	\$0	\$27,022	\$34,533
Prepays	39,829	0	6,420	46,249
Unclaimed Monies	40,240	0	0	40,240
<i>Total Nonspendable</i>	<u>87,580</u>	<u>0</u>	<u>33,442</u>	<u>121,022</u>
<i>Restricted for</i>				
Capital Improvement	0	1,437,704	0	1,437,704
Debt Service	0	0	65,103	65,103
Community Development	0	0	241,602	241,602
Street Maintenance and Repair	0	0	1,478,754	1,478,754
Public Safety	0	0	196,554	196,554
Parks and Recreation	0	0	292,988	292,988
Municipal Court Services	0	0	373,807	373,807
Other Purposes:				
Recycling Grants	0	0	60,935	60,935
Other Grants	0	0	13	13
<i>Total Restricted</i>	<u>0</u>	<u>1,437,704</u>	<u>2,709,756</u>	<u>4,147,460</u>
<i>Committed to</i>				
Code Enforcement	0	0	64,978	64,978
<i>Assigned to</i>				
Purchases on Order:				
Supplies	25,923	0	0	25,923
Year 2022 Appropriations	1,116,127	0	0	1,116,127
<i>Total Assigned</i>	<u>1,142,050</u>	<u>0</u>	<u>0</u>	<u>1,142,050</u>
<i>Unassigned (Deficit)</i>	<u>2,157,169</u>	<u>0</u>	<u>(24,873)</u>	<u>2,132,296</u>
<i>Total Fund Balances</i>	<u><u>\$3,386,799</u></u>	<u><u>\$1,437,704</u></u>	<u><u>\$2,783,303</u></u>	<u><u>\$7,607,806</u></u>

Note 5 –Accountability

At December 31, 2021, the following funds had deficit fund balances:

Fund	Amounts
<i>Nonmajor Governmental Funds:</i>	
Police Pension	\$7,984
Street Lighting	16,889

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

These deficits are the result of the recognition of payables in accordance with generally accepted accounting principles. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

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 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. Unreported cash represents amounts received but not included as revenue on the budgetary statements, but reported on the operating statements prepared using GAAP.
4. Encumbrances are treated as expenditures (budget) rather than as restricted, committed or assigned fund balance (GAAP).
5. Advances in and 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.

	<u>General</u>
GAAP Basis	(\$108,015)
Net Adjustment for Revenue Accruals	(74,563)
Advances In	250,000
Beginning Value Unrecorded Cash	39,035
Ending Value Unrecorded Cash	(97,542)
Net Adjustment for Expenditure Accruals	3,558
Advances Out	(25,000)
Encumbrances	<u>(48,726)</u>
Budget Basis	<u><u>(\$61,253)</u></u>

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Note 7 – Interfund Transfers and Balances

Interfund Transfers

Interfund transfers for the year ended December 31, 2021, consisted of the following:

Transfers To	Transfers From			Totals
	General	Other Governmental Funds	Wastewater Treatment	
Major Governmental Funds:				
Permanent Improvement	\$848,731	\$0	\$0	\$848,731
Other Governmental Funds	440,269	236,731	7,128	684,128
Totals	<u>\$1,289,000</u>	<u>\$236,731</u>	<u>\$7,128</u>	<u>\$1,532,859</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 and to make debt payments.

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, 2021, the balance was \$25,000.

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

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

Interim deposits are deposits of interim monies. Interim monies are those 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.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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 including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy 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 market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of settlement, 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 located within the State of Ohio. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by 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;

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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.

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2021, \$5,104,630 of the City's total bank balance of \$13,032,869 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. The City's financial institution participates in the Ohio Pooled Collateral System (OPCS) and was approved for a reduced collateral floor of 50 percent resulting in the uninsured and uncollateralized balance.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Investments

At December 31, 2021, the City had \$107,366 invested in STAR Ohio with an average maturity of 51.3 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 two 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. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk The Star Ohio investment carried a rating of AAAM by Standards & Poor's. 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.

Note 9 - Receivables

Receivables at December 31, 2021, consisted primarily of taxes, accounts (billings for utility service) and amounts due from other governments. All receivables, except property taxes 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
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Intergovernmental Receivables

A summary of intergovernmental receivables follows:

	Amounts
Governmental Activities	
Local Government	\$434,132
Gasoline and Excise Tax	432,587
Homestead and Rollback Taxes	172,211
Permissive Tax	117,119
Auto License Tax	51,355
Kent State University	25,498
Ashtabula County	12,990
Dispatch Services	9,900
Grants	2,998
<i>Total Governmental Activities</i>	\$1,258,790
Business-type Activities	
Ashtabula County	\$3,840

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2021 for real and public utility property taxes represents collections of 2020 taxes.

2021 real property taxes are levied after October 1, 2021 on the assessed value as of January 1, 2021 the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2021 real property taxes are collected in and intended to finance 2022.

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. 2021 public utility property taxes which became a lien December 31, 2020, are levied after October 1, 2021, and are collected in 2022 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2021, was \$17.31 per \$1,000 of assessed value. The assessed values of real property and public utility property upon which 2021 property tax receipts were based are as follows:

Category	Assessed Value
Real Estate	
Residential/Agricultural	\$132,207,900
Other Real Estate	59,794,490
Tangible Personal	
Public Utility Property	32,843,170
Total Assessed Values	\$224,845,560

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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, 2021 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2021 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. 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.

Note 10 – Tax Abatements

The City of Ashtabula provided tax incentives under two programs: The Community Reinvestment Area (CRA) and income tax abatements referred to as Grants to Aid Economic Development. The City has offered CRA and income tax abatements to various businesses based upon project investment into the City. The City considers all or any combination of project types; residential, commercial and industrial are eligible. The City has nine active commercial/industrial CRA agreements.

Real Estate tax abatements

Pursuant to Ohio Revised Code Chapter 3735, the City established a Community Reinvestment area in 2008 which included all land within the boundaries of the City of Ashtabula. The City authorizes incentives through passage of public ordinances, based upon each business' investment criteria, and through a contractual application process with each business, including proof that the improvements have been made. The abatement equals an agreed upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements. The amount of the abatement is deducted from the recipient's property tax bill. The establishment of the Community Reinvestment Area gave the City the ability to maintain and expand business located in the City and created new jobs by abating or reducing assessed valuation of properties, resulting in abated taxes, from new or improved business real estate and includes major housing improvements.

Income tax abatement programs

The City of Ashtabula enacted Codified Ordinance Chapter 193; Grants to Aid Economic Development in 2010, the purpose being to maintain Ashtabula's competitiveness as a site for location of new businesses and the expansion of existing businesses. Pursuant to Ohio Revised Code Chapter 718 and City ordinance, the City provides an income tax incentive to the company based upon, the amount of excess income tax generated annually and the number of

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

jobs created by the business. The abatement is administered as a refund based upon the company's payroll taxes. Also, the time period of the incentive in years, is determined by the company's estimate of average annual payroll attributable to new jobs created during the first three (3) years. The cap on the incentive is at 75 percent of refund of excess income tax per year, and the incentive period is limited to no more than 15 years. As of December 31, 2021, the City did not have any taxes abated by this program.

Below is the information relevant to the disclosure of those programs for the year ended December 31, 2021.

<u>Tax Abatement Program</u>	<u>Total Amount of Taxes Abated (Incentives Abated) for the year 2021 (In Actual Dollars)</u>
<i>Community Reinvestment Area (CRA)</i>	
- Professional Buildings	\$7,817
- Restaurants	1,106

Note 11 - Contingent Liabilities

Litigation

The City of Ashtabula is the defendant in a lawsuit involving wrongful discharge of an employee. The plaintiff has made a claim against the City for wrongful termination. The potential for loss cannot be reasonably estimated at this time. The City is vigorously defending the case that has been filed.

The City is party to other 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 12 - Risk Management

Property and Liability

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City reduced the excess umbrella coverage based upon a recommendation from the City's insurance broker from \$6,000,000 to \$5,000,000. The City also removed the additional \$3,000,000 coverage amount on the law enforcement, public officials and employment practices liabilities as it was deemed unnecessary. The claims have not exceeded insurance coverage in any of the last three years. During 2021, the City contracted with Travelers Insurance Company for various types of insurance as follows:

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Type of Coverage	Coverage Amounts	Deductible
General Liability	\$1,000,000/\$3,000,000	N/A
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	N/A
Excess Liability (Umbrella)	5,000,000/5,000,000	N/A

Insurance

For 2021, the City participated in the Jefferson Health Plan, an insurance purchasing pool. Each participant enters into an individual agreement with the Plan for insurance coverage and pays annual premiums to the Plan based on the types and limits of coverage and deductibles selected by the participant. The City offers medical, surgical, and dental insurances to employees through a self-insurance internal service fund. The City's monthly premiums are paid to the fiscal agent who in turn pays the claims on the City's behalf. The claims liability of \$104,427 reported in the internal service funds at December 21, 2021, is estimated by and based on the requirements of the Governmental Accounting Standards Board Statement No. 30 which required that a liability for unpaid claim costs, including estimates of costs relating to incurred but not report claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the self-insurance funds' claims liability amounts for 2020 and 2021 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2020	\$119,600	\$1,729,779	(\$1,639,247)	\$210,132
2021	210,132	1,522,481	(1,628,186)	104,427

Workers' Compensation

Workers' compensation coverage is provided by the State. The Board pays State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Note 13 - 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.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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. 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 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 14 - Related Party Transactions

The City of Ashtabula Board of Health, a discretely presented component unit of the City of Ashtabula, received contributions from the City for vaccinations offered to City employees. During 2021, the City paid \$525 for vaccines given to City employees.

The Ashtabula Port Authority, a discretely presented component unit of the City of Ashtabula, receives contributions from the City for dock fees the City has collected on behalf of the Port Authority. During 2021, the City paid \$13,475 in dock fees 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 – Jointly Governed Organization

Northeast Ohio Public Energy Council

The City is a member of the Northeast Ohio Public Energy Council (NOPEC), a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity and natural gas. NOPEC is currently comprised of 240 communities who have been authorized by ballot to purchase electricity on behalf of their citizens.

The intent of NOPEC is to provide electricity and natural gas at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity and natural gas to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board has total control over budgeting, personnel and all other financial matters. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City of Ashtabula did not contribute to NOPEC during 2021. Financial information can be obtained by contacting Ronald McVoy, Chairman, 31320 Solon Road, Suite 20, Solon, Ohio 11120.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Note 16 - Capital Assets

Capital asset activity for the year ended December 31, 2021, was as follows:

	Balance 12/31/2020	Additions	Deductions	Balance 12/31/2021
Business-Type Activities:				
<i>Capital Assets not being Depreciated:</i>				
Land	\$86,863	\$0	\$0	\$86,863
Construction in Progress	1,932,489	278,809	(1,932,489)	278,809
<i>Total Capital Assets not being Depreciated:</i>	<u>2,019,352</u>	<u>278,809</u>	<u>(1,932,489)</u>	<u>365,672</u>
<i>Capital Assets being Depreciated:</i>				
Buildings and Improvements	15,180,767	44,600	(19,659)	15,205,708
Furniture, Fixtures and Equipment	3,358,339	59,004	(83,467)	3,333,876
Vehicles	1,292,621	55,750	0	1,348,371
Infrastructure:				
Sanitary Sewer System	15,469,586	2,263,476	0	17,733,062
<i>Total Capital Assets being Depreciated:</i>	<u>35,301,313</u>	<u>2,422,830</u>	<u>(103,126)</u>	<u>37,621,017</u>
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(8,241,561)	(778,653)	9,832	(9,010,382)
Furniture, Fixtures and Equipment	(2,830,011)	(99,070)	83,467	(2,845,614)
Vehicles	(1,039,148)	(40,282)	0	(1,079,430)
Infrastructure:				
Sanitary Sewer System	(6,271,755)	(204,208)	0	(6,475,963)
<i>Total Accumulated Depreciation</i>	<u>(18,382,475)</u>	<u>(1,122,213)</u>	<u>93,299</u>	<u>(19,411,389)</u>
Total Capital Assets being Depreciated, Net	<u>16,918,838</u>	<u>1,300,617</u>	<u>(9,827)</u>	<u>18,209,628</u>
Business-type Activities Capital Assets, Net	<u><u>\$18,938,190</u></u>	<u><u>\$1,579,426</u></u>	<u><u>(\$1,942,316)</u></u>	<u><u>\$18,575,300</u></u>

Depreciation expense was charged to business-type activities as follows:

Sanitation	(\$73,226)
Wastewater Treatment	<u>(1,048,987)</u>
Total Depreciation Expense	<u><u>(\$1,122,213)</u></u>

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

	Balance 12/31/2020	Additions	Deductions	Balance 12/31/2021
Governmental Activities:				
<i>Capital Assets not being Depreciated</i>				
Land	\$1,977,331	\$0	\$0	\$1,977,331
Construction in Progress	846,045	722,987	(827,834)	741,198
<i>Total Capital Assets not being Depreciated</i>	<u>2,823,376</u>	<u>722,987</u>	<u>(827,834)</u>	<u>2,718,529</u>
<i>Capital Assets being Depreciated</i>				
Buildings and Improvements	13,153,321	180,343	(76,068)	13,257,596
Furniture, Fixtures and Equipment	3,840,529	323,917	(143,880)	4,020,566
Vehicles	4,874,645	82,376	(94,300)	4,862,721
Infrastructure:				
Bridges	16,808,632	0	0	16,808,632
Roads	19,977,251	1,486,454	(402,217)	21,061,488
Storm Sewers	2,671,371	0	0	2,671,371
Traffic Lights	1,520,129	0	0	1,520,129
<i>Total Capital Assets being Depreciated</i>	<u>62,845,878</u>	<u>2,073,090</u>	<u>(716,465)</u>	<u>64,202,503</u>
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(8,519,118)	(354,004)	76,068	(8,797,054)
Furniture, Fixtures and Equipment	(3,291,651)	(197,477)	143,880	(3,345,248)
Vehicles	(3,030,680)	(221,707)	94,300	(3,158,087)
Infrastructure:				
Bridges	(2,867,140)	(169,784)	0	(3,036,924)
Roads	(13,340,894)	(1,182,687)	402,217	(14,121,364)
Storm Sewers	(1,438,362)	(27,961)	0	(1,466,323)
Traffic Lights	(182,661)	(15,122)	0	(197,783)
<i>Total Accumulated Depreciation</i>	<u>(32,670,506)</u>	<u>(2,168,742)</u>	<u>716,465</u>	<u>(34,122,783)</u>
Total Capital Assets being Depreciated, Net	<u>30,175,372</u>	<u>(95,652)</u>	<u>0</u>	<u>30,079,720</u>
Governmental Activities Capital Assets, Net	<u><u>\$32,998,748</u></u>	<u><u>\$627,335</u></u>	<u><u>(\$827,834)</u></u>	<u><u>\$32,798,249</u></u>

Depreciation expense was charged to governmental functions as follows:

General Government	
Legislative and Executive	\$136,849
Judicial	55,932
Security of Persons and Property	
Police	186,982
Fire	117,458
Street Maintenance and Repair	1,548,253
Housing and Community Development	34,016
Leisure Time Activities	89,252
Total Depreciation Expense	<u><u>\$2,168,742</u></u>

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Note 17 - Short-Term Debt

Changes in the City's capital loan activity for the year ended December 31, 2021, was as follows:

	Outstanding 12/31/2020	Additions	Reductions	Outstanding 12/31/2021
<i>Permanent Improvement Fund:</i>				
Public Works Department Equipment 2.99 %	\$0	\$129,284	(\$95,766)	\$33,518

At December 31, 2021, the City had \$33,518 in an outstanding capital loan related to the public works department equipment. This loan was financed on January 26, 2021. The capital loan fully matured on January 5, 2022 at an interest rate of 2.99 percent.

The capital loan is backed by the full faith and credit of the City of Ashtabula and matures within one year. The capital loan liability is reflected in the fund which received the proceeds.

Note 18 - 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				
Long-term Obligations from Direct Borrowings:				
<i>State Infrastructure Bank:</i>				
Bonds	2014	6.25 %	\$4,010,000	2030
Loans	2014	3.00	1,229,083	2030
<i>Ohio Public Works Commission:</i>				
West Avenue Bridge	2015	0.00	44,286	2035
<i>Capital Loan:</i>				
Police Department Equipment	2018	0.00	149,540	2022
Business-Type Activities				
Long-term Obligations from Direct Borrowings:				
<i>Ohio Water Development Authority:</i>				
Final Settling Tanks Upgrade	2015	3.18	765,214	2045
Wastewater Plant Improvements	2015	1.50	767,638	2037
Wastewater Primary Tanks	2016	0.69	833,044	2037
Wastewater Digesters	2018	2.14	1,132,668	N/A
<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
Sanitary Sewer Overflow Phase I	2018	0.00	43,923	2038
Sanitary Sewer Overflow Phase 2	2018	0.00	54,564	2038

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

A schedule of changes in bonds and other long-term obligations of the City during 2021 follows:

	Principal Outstanding 12/31/2020	Additions	Deletions	Principal Outstanding 12/31/2021	Amounts Due in One Year
Governmental Activities					
Long-term Obligations from Direct Borrowings:					
<i>State Infrastructure Bank:</i>					
Bonds	\$2,965,000	\$0	\$270,000	\$2,695,000	\$280,000
Loan	906,052	0	97,843	808,209	100,800
<i>Total State Infrastructure Bank</i>	<u>3,871,052</u>	<u>0</u>	<u>367,843</u>	<u>3,503,209</u>	<u>380,800</u>
<i>OPWC Loan:</i>					
West Avenue Bridge	83,153	0	7,128	76,025	4,752
<i>Capital Loan:</i>					
Police Department Equipment	59,416	0	29,708	29,708	29,708
Total Long-term Obligations from Direct Borrowings	<u>4,013,621</u>	<u>0</u>	<u>404,679</u>	<u>3,608,942</u>	<u>415,260</u>
<i>Other Long-term Obligations:</i>					
Capital Leases	607,466	0	126,188	481,278	130,281
Asset Retirement Obligation	250,000	0	0	250,000	0
Compensated Absences	1,837,699	731,932	710,953	1,858,678	760,149
<i>Total Other Long-term Obligations:</i>	<u>2,695,165</u>	<u>731,932</u>	<u>837,141</u>	<u>2,589,956</u>	<u>890,430</u>
<i>Net Pension Liability:</i>					
OPERS	3,556,927	0	1,213,845	2,343,082	0
OPF	10,739,013	0	543,279	10,195,734	0
<i>Total Net Pension Liability:</i>	<u>14,295,940</u>	<u>0</u>	<u>1,757,124</u>	<u>12,538,816</u>	<u>0</u>
<i>Net OPEB Liability:</i>					
OPERS	2,369,196	0	2,369,196	0	0
OPF	1,574,655	9,974	0	1,584,629	0
<i>Total Net OPEB Liability:</i>	<u>3,943,851</u>	<u>9,974</u>	<u>2,369,196</u>	<u>1,584,629</u>	<u>0</u>
Total Governmental Activities	<u>\$24,948,577</u>	<u>\$741,906</u>	<u>\$5,368,140</u>	<u>\$20,322,343</u>	<u>\$1,305,690</u>

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

	Principal Outstanding 12/31/2020	Additions	Deletions	Principal Outstanding 12/31/2021	Amounts Due in One Year
Business-type Activities					
Long-term Obligations from Direct Borrowings:					
<i>OWDA Loans:</i>					
Final Settling Tanks Upgrade	\$832,771	\$0	\$22,232	\$810,539	\$22,945
Wastewater Plant Improvements	3,067,375	0	159,326	2,908,049	168,372
Wastewater Primary Tanks	2,104,354	0	120,842	1,983,512	121,678
Wastewater Digesters	1,077,143	13,162	47,059	1,043,246	0
<i>Total OWDA Loans</i>	<u>7,081,643</u>	<u>13,162</u>	<u>349,459</u>	<u>6,745,346</u>	<u>312,995</u>
<i>OPWC Loans:</i>					
Morton Drive Siphon Improvement	105,604	0	13,774	91,830	9,183
Michigan Avenue - EQ Basin	212,500	0	37,500	175,000	25,000
Chemical Feed Building	27,925	0	3,222	24,703	2,148
West Harbor Sewer - Phase I	83,793	0	8,379	75,414	5,586
West Harbor Sewer - Phase II	41,945	0	3,813	38,132	2,542
Sanitary Sewer Overflow Phase I	39,531	0	3,294	36,237	2,196
Sanitary Sewer Overflow Phase II	50,472	0	4,092	46,380	2,728
<i>Total OPWC Loans</i>	<u>561,770</u>	<u>0</u>	<u>74,074</u>	<u>487,696</u>	<u>49,383</u>
Total Long-term Obligations from Direct Borrowings	7,643,413	13,162	423,533	7,233,042	362,378
<i>Other Long-term Obligations:</i>					
Compensated Absences	344,299	125,489	143,206	326,582	143,619
<i>Net Pension Liability:</i>					
OPERS	2,433,687	0	641,920	1,791,767	0
<i>Net OPEB Liability:</i>					
OPERS	1,621,030	0	1,621,030	0	0
<i>Total Business-type Activities</i>	<u>\$12,042,429</u>	<u>\$138,651</u>	<u>\$2,829,689</u>	<u>\$9,351,391</u>	<u>\$505,997</u>

The bonds and loans from the State Infrastructure Bank are financed through the Department of Transportation. The bonds and loans will be repaid from the permanent improvement capital projects fund.

The City's outstanding State Infrastructure Bank Bonds and Loan are financed through the Department of Transportation (ODOT) from direct borrowings related to governmental activities in the amount of \$3,503,209 and contain provisions that in the event of default (1) if the bonds and loan have not been fully disbursed, termination of any and all of ODOT's obligations under the agreements and the commitment, (2) declaration that the entire unpaid balance of all indebtedness owed to ODOT is immediately due and payable, (3) exercise of all or any rights and remedies as ODOT may have under these agreements, and any of the other bond and loan documents, (4) inspect, examine and copy the books, records, accounts and financial data of the City, (5) ODOT may pursue all remedies now or hereafter existing at law or in equity to collect all amounts then due and thereafter to become due under these agreements, or any other debt document, or to enforcement the performance and observance of any other obligation or agreement of the City under the bond and loan documents.

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.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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 and Ohio Public Works Commission loans are payable solely from wastewater revenues.

The City's outstanding OPWC loans from direct borrowings and direct placements related to governmental activities of \$76,025 and related to business type activities of \$487,696 contain a provision that in an event of default (1) OPWC may apply late fees of 8 percent per year, (2) loans more than 60 days late will be turned over to the Attorney General's office for collection, and as provided by law, OPWC may require that such payment be taken from the City's share of the county undivided local government fund, and (3) the outstanding amounts shall, at OPWC's option, become immediately due and payable.

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 have been established with the Ohio Water Development Authority in the amount of \$1,132,668 for various projects 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 the loan is as follows:

	December 31, 2021	Lines of Credit
Business-type Activities		
Wastewater Plant Digesters	\$1,043,246	\$1,132,668

The City's outstanding OWDA loans from direct borrowings of \$6,745,346 related to business-type activities contain a provision that in an event of default (1) the amount of such default shall bear interest at the default rate from the due date until the date of payment, (2) if any of the charges have not been paid within 30 days, in addition to the interest calculated at the default rate, a late charge of 1 percent on the amount of each default shall also be paid to the OWDA, and (3) for each additional 30 days during which the charges remain unpaid, the City shall continue to pay an additional late charge of 1 percent on the amount of the default until such charges are paid.

The City has pledged future wastewater treatment sewer bill charges to repay the OWDA, and OPWC loans. The loans are payable solely from net revenues and are payable through 2046. Annual principal and interest payments on the loans are expected to require 22.27 percent of net revenues in future years. The total principal and interest remaining to be paid on the loans is \$8,053,375 payable through 2046. Principal and interest paid for the current year and total net revenues were \$529,311 and \$2,376,745 respectively.

Compensated absences will be paid from the general fund, the code enforcement, street maintenance and repair, special revenue funds and the sanitation and wastewater treatment enterprise funds. The capital leases will be paid from the permanent improvement capital projects fund. As of December 31, 2021, there were \$12,312 in unspent capital lease proceeds. The capital loan with ID Networks issued to purchase police equipment will be paid from the permanent improvement capital projects fund. The asset retirement obligations will be paid from the general fund. There is no repayment schedule for the net pension liability and net OPEB liability. However, employer pension/OPEB contributions are made from the following funds: the general fund, the policy levy, street maintenance and repair, municipal probation, municipal court security, municipal court special projects, fire pension, police pension, and code enforcement special revenue funds and the sanitation and wastewater treatment enterprise funds. For additional information related to the net pension liability and net OPEB liability see Notes 21 and 22.

The City's overall legal debt margin was \$20,140,970 at December 31, 2021. Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2021, are as follows:

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Governmental Activities

	<i>Long-term Obligations from Direct Borrowings</i>					
	State Infrastructure Bank				OPWC Loan West Avenue Bridge	Capital Loan
	Bonds		Loans			
	Principal	Interest	Principal	Interest		
2022	\$280,000	\$83,442	\$100,800	\$23,495	\$4,752	\$29,708
2023	290,000	74,967	103,846	20,450	4,752	0
2024	300,000	66,192	106,987	17,310	4,752	0
2025	305,000	56,817	110,218	14,077	4,752	0
2026	320,000	46,369	95,486	10,744	4,752	0
2027-2031	1,200,000	80,758	290,872	17,711	23,760	0
2032-2036	0	0	0	0	23,760	0
2037-2041	0	0	0	0	4,745	0
Total	\$2,695,000	\$408,545	\$808,209	\$103,787	\$76,025	\$29,708

Business-type Activities

	<i>Long-term Obligations from Direct Borrowings</i>		
	OPWC Loans	OWDA Loans	
		Principal	Interest
2022	\$49,383	\$312,995	\$81,191
2023	49,383	317,050	77,134
2024	49,383	321,173	73,012
2025	49,383	325,361	68,822
2026	49,383	329,622	64,562
2027-2031	171,915	1,714,521	256,399
2032-2036	60,109	1,832,247	138,674
2037-2041	8,757	368,163	47,352
2042-2046	0	180,968	13,187
Total	\$487,696	\$5,702,100	\$820,333

Note 19 - Leases

Capital Leases

In prior years, the City entered into capitalized leases for police cruisers and public works equipment. These leases meet the criteria for a capital lease and have been recorded on the governmental-wide statements. The original amount capitalized for the capital lease and the book value as of December 31, 2021 for governmental activities follows:

	Governmental Activities
Vehicles	\$771,824
Less: Accumulated Depreciation	(337,613)
Leased property, net of depreciation	\$434,211

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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, 2021.

	Governmental Activities
2022	\$145,966
2023	145,965
2024	145,966
2025	80,215
Total minimum lease payments	518,112
Less: amount representing interest	(36,834)
Present value of minimum lease payments	\$481,278

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 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, 2021:

	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	(45,760)
Leased property, net of depreciation	\$3,415	\$42,419

The following is a schedule by years of minimum future rentals on the operating leases as of December 31, 2021:

	Hoffman's Pharmacy	Keybank National
2022	\$9,600	\$130,000
2023	10,800	130,000
2024	10,800	130,000
2025	10,800	136,667
2026	10,800	136,667
2027-2031	58,800	470,000
2032-2036	64,800	0
2037	13,200	0
Total minimum lease payments	\$189,600	\$1,133,334

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Note 20 – Construction and Other Significant Commitments

Contractual Commitments

At December 31, 2021, the City’s significant contractual commitments consisted of:

Project	Contract Amount	Amount Paid	Remaining Contract
Route 531 Culvert Project	\$559,893	\$192,977	\$366,916
WPC Influent Bar Rake Project	272,153	269,611	2,542
WPC Administration Roof and Masonry Project	160,800	9,198	151,602
Lake Avenue Resurfacing Project	561,847	548,222	13,625
Total	<u>\$1,554,693</u>	<u>\$1,020,008</u>	<u>\$534,685</u>

The remaining commitments were encumbered at year-end. The amounts of \$65,891 and \$5,824 in contracts and retainage payable for governmental activities, respectfully, has been capitalized as well as \$231,015 in contracts payable for business-type activities.

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	\$48,726	Sanitation	\$33,570
Permanent Improvement	943,192	Wastewater Treatment	677,889
Other Governmental Funds	<u>307,163</u>	Internal Service Funds	<u>6,405</u>
Total Governmental Funds	<u>\$1,299,081</u>	Total Proprietary Funds	<u>\$717,864</u>

Note 21 - Defined Benefit Pension Plans

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability (Asset) /Net OPEB Liability (Asset)

The net pension liability (asset) and the net OPEB liability (asset) reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/OPEB 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.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

The net pension/OPEB liability (asset) represents the City's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability (asset) 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 these estimates annually.

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 and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a *net pension/OPEB asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 22 for the required OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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 combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. 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.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans 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 and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C 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
Traditional Plan 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	Traditional Plan 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	Traditional Plan 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
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% 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. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

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

	State and Local
2021 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
 2021 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-employment Health Care Benefits ****	0.0
Total Employer	14.0 %
Employee	10.0 %

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For 2021, the City's contractually required contribution was \$565,735 for the traditional plan, \$8,786 for the combined plan and \$13,034 for the member-directed plan. Of these amounts, \$69,499 is reported as an intergovernmental payable for the traditional plan, \$1,080 for the combined plan, and \$1,441 for the member-directed plan.

Plan Description – Ohio Police & Fire Pension Fund (OP&F)

City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F 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.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F 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, surviving beneficiaries, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.0 percent of the member's base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.0% or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Members who retired prior to July 24, 1986, or their surviving beneficiaries under optional plans are entitled to cost-of-living allowance increases. The annual increase is paid on July 1st of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

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

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

	<u>Police</u>	<u>Firefighters</u>
2021 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2021 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	<u>12.25 %</u>	<u>12.25 %</u>

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$823,413 for 2021. Of this amount, \$92,662 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 (asset) for OPERS was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net pension liability (asset) 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 of the City's defined benefit pension plans:

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.02792340%	0.00939600%	0.14956140%	
Prior Measurement Date	<u>0.03030816%</u>	<u>0.00320544%</u>	<u>0.15941450%</u>	
Change in Proportionate Share	<u>-0.00238476%</u>	<u>0.00619056%</u>	<u>-0.00985310%</u>	
Proportionate Share of the:				
Net Pension Liability	\$4,134,849	\$0	\$10,195,734	\$14,330,583
Net Pension Asset	0	(27,122)	0	(27,122)
Pension Expense	(177,755)	(547)	593,779	415,477

2021 pension expense for the member-directed defined contribution plan was \$13,034. The aggregate pension expense for all pension plans was \$428,511 for 2021.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Deferred Outflows of Resources				
Differences between expected and actual experience	\$0	\$0	\$426,216	\$426,216
Changes of assumptions	0	1,694	170,987	172,681
Changes in proportion and differences between City contributions and proportionate share of contributions	0	0	299,425	299,425
City contributions subsequent to the measurement date	<u>565,735</u>	<u>8,786</u>	<u>823,413</u>	<u>1,397,934</u>
Total Deferred Outflows of Resources	<u>\$565,735</u>	<u>\$10,480</u>	<u>\$1,720,041</u>	<u>\$2,296,256</u>
Deferred Inflows of Resources				
Differences between expected and actual experience	\$172,965	\$5,118	\$397,196	\$575,279
Net difference between projected and actual earnings on pension plan investments	1,611,642	4,034	494,561	2,110,237
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>352,847</u>	<u>11,271</u>	<u>1,122,587</u>	<u>1,486,705</u>
Total Deferred Inflows of Resources	<u>\$2,137,454</u>	<u>\$20,423</u>	<u>\$2,014,344</u>	<u>\$4,172,221</u>

\$1,397,934 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 or increase to the net pension asset in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Year Ending December 31:				
2022	(\$922,632)	(\$3,477)	(\$283,166)	(\$1,209,275)
2023	(338,059)	(2,768)	(474)	(341,301)
2024	(656,961)	(3,699)	(601,394)	(1,262,054)
2025	(219,802)	(2,543)	(187,570)	(409,915)
2026	0	(1,965)	(45,112)	(47,077)
Thereafter	<u>0</u>	<u>(4,277)</u>	<u>0</u>	<u>(4,277)</u>
Total	<u>(\$2,137,454)</u>	<u>(\$18,729)</u>	<u>(\$1,117,716)</u>	<u>(\$3,273,899)</u>

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Actuarial Assumptions - OPERS

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2020, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2020, are presented below.

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	.5 percent, simple through 2021, then 2.15 percent, simple	.5 percent, simple through 2021, then 2.15 percent, simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

In October 2020, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 1.4 percent simple through 2020 then 2.15 simple to .5 percent simple through 2021 then 2.15 percent simple.

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

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

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 long-term expected 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.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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. Best estimates of arithmetic real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	25.00 %	1.32 %
Domestic Equities	21.00	5.64
Real Estate	10.00	5.39
Private Equity	12.00	10.42
International Equities	23.00	7.36
Other investments	9.00	4.75
Total	<u>100.00 %</u>	<u>5.43 %</u>

Discount Rate The discount rate used to measure the total pension liability was 7.2 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan 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 (Asset) to Changes in the Discount Rate

The following table presents the City's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 7.2 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	<u>1% Decrease (6.20%)</u>	<u>Current Discount Rate (7.20%)</u>	<u>1% Increase (8.20%)</u>
City's proportionate share of the net pension liability (asset)			
OPERS Traditional Plan	\$7,887,244	\$4,134,849	\$1,014,736
OPERS Combined Plan	(18,886)	(27,122)	(33,262)

Changes between the Measurement Date and the Reporting Date During 2021, the OPERS Board lowered the investment rate of return from 7.2 percent to 6.9 along with certain other changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered are: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2020, are presented below.

Valuation Date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

The most recent experience study was completed for the five year period ended December 31, 2016.

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 expected. 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 OP&F's target asset allocation as of December 31, 2020, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	- %	0.00 %
Domestic Equity	21.00	4.10
Non-US Equity	14.00	4.80
Private Markets	8.00	6.40
Core Fixed Income *	23.00	0.90
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.70
Midstream Energy Infrastructure	5.00	5.60
Real Assets	8.00	5.80
Gold	5.00	1.90
Private Real Estate	12.00	5.30
Total	<u>125.00 %</u>	

Note: Assumptions are geometric.

* levered 2.5x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F'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 1.25 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 8.00 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 of 8.00 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.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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 8.00 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 (7.00 percent), or one percentage point higher (9.00 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	\$14,193,769	\$10,195,734	\$6,849,784

Note 22 – Defined Benefit OPEB Plans

See Note 21 for a description of the net OPEB liability (asset)

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

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 with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report 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 allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2021, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2021 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$3,352 for 2021. Of this amount, \$412 is reported as an intergovernmental payable.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Plan Description – Ohio Police & Fire Pension Fund (OP&F)

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F 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 OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2021, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

The OP&F 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 contractually required contribution to OP&F was \$19,715 for 2021. Of this amount, \$2,227 is reported as an intergovernmental payable.

OPEB Liabilities/(Assets), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability/(asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2020, and was determined by rolling forward the total OPEB liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net OPEB liability/asset was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.02682630%	0.14956140%	
Prior Measurement Date	<u>0.02888832%</u>	<u>0.15941450%</u>	
Change in Proportionate Share	<u>-0.00206202%</u>	<u>-0.00985310%</u>	
			<u>Total</u>
Proportionate Share of the:			
Net OPEB Liability	\$0	\$1,584,629	\$1,584,629
Net OPEB Asset	(477,934)	0	(477,934)
OPEB Expense	(3,036,926)	115,549	(2,921,377)

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes of assumptions	\$234,956	\$875,421	\$1,110,377
Changes in proportion and differences between City contributions and proportionate share of contributions	0	331,485	331,485
City contributions subsequent to the measurement date	<u>3,352</u>	<u>19,715</u>	<u>23,067</u>
Total Deferred Outflows of Resources	<u>\$238,308</u>	<u>\$1,226,621</u>	<u>\$1,464,929</u>

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$431,331	\$261,378	\$692,709
Changes of assumptions	774,394	252,620	1,027,014
Net difference between projected and actual earnings on OPEB plan investments	254,554	58,887	313,441
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>186,947</u>	<u>505,469</u>	<u>692,416</u>
Total Deferred Inflows of Resources	<u><u>\$1,647,226</u></u>	<u><u>\$1,078,354</u></u>	<u><u>\$2,725,580</u></u>

\$23,067 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or increase to the net OPEB asset in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2022	(\$759,184)	\$30,811	(\$728,373)
2023	(512,470)	44,756	(467,714)
2024	(110,618)	22,772	(87,846)
2025	(29,998)	17,129	(12,869)
2026	0	7,355	7,355
Thereafter	<u>0</u>	<u>5,729</u>	<u>5,729</u>
Total	<u><u>(\$1,412,270)</u></u>	<u><u>\$128,552</u></u>	<u><u>(\$1,283,718)</u></u>

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the value 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 health care costs 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 coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	6.00 percent
Prior Measurement date	3.16 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate:	
Current measurement date	2.00 percent
Prior Measurement date	2.75 percent
Health Care Cost Trend Rate:	
Current measurement date	8.5 percent, initial 3.50 percent, ultimate in 2035
Prior Measurement date	10.5 percent, initial 3.50 percent, ultimate in 2030
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Postretirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Postretirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

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

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care 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. Best estimates of arithmetic rates of return were provided by OPERS investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	34.00 %	1.07 %
Domestic Equities	25.00	5.64
Real Estate Investment Trust	7.00	6.48
International Equities	25.00	7.36
Other investments	9.00	4.02
Total	<u>100.00 %</u>	<u>4.43 %</u>

Discount Rate A single discount rate of 6.0 percent was used to measure the OPEB liability on the measurement date of December 31, 2020. A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.00 percent (Fidelity Index’s “20-Year Municipal GO AA Index”). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the City’s Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following table presents the City’s proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 6.00 percent, as well as what the City’s proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

	<u>1% Decrease (5.00%)</u>	<u>Current Discount Rate (6.00%)</u>	<u>1% Increase (7.00%)</u>
City's proportionate share of the net OPEB liability (asset)	(\$118,841)	(\$477,934)	(\$773,134)

Sensitivity of the City’s Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Health Care Cost Trend Rate

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability (asset). The following table presents the net OPEB liability (asset) calculated using the assumed trend rates, and the expected net OPEB liability (asset) if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability (asset)	(\$489,580)	(\$477,934)	(\$464,900)

Changes between the Measurement Date and the Reporting Date During 2021, the OPERS Board made various changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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 and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent
Blended discount rate:	
Current measurement date	2.96 percent
Prior measurement date	3.56 percent
Cost of Living Adjustments	2.2 percent simple

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

Age	Police	Fire
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

The most recent experience study was completed for the five year period ended December 31, 2016.

The OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 21.

Discount Rate For 2020, the total OPEB liability was calculated using the discount rate of 2.96 percent. For 2019, the total OPEB liability was calculated using the discount rate of 3.56 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.12 percent at December 31, 2020 and 2.75 percent at December 31, 2019, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 2.96 percent for 2020 and 3.56 percent for 2019. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

available to make all projected OPEB payments until 2037. The long-term expected rate of return on health care investments was applied to projected costs through 2037, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 2.96 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.96 percent), or one percentage point higher (3.96 percent) than the current rate.

	1% Decrease (1.96%)	Current Discount Rate (2.96%)	1% Increase (3.96%)
City's proportionate share of the net OPEB liability	\$1,975,940	\$1,584,629	\$1,261,841

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

Note 23 – Joint Economic Development Districts

Ashtabula Township

The City of Ashtabula -Ashtabula Township 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 five times to add properties; the most recent amendment occurring September 16, 2016.

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 City of Ashtabula - Saybrook Township Depot Road JEDD I was formed in 2013 and the City of Ashtabula - Saybrook Township Route 20 JEDD II was formed in 2015. The JEDDs are entirely located in Saybrook Township, and their primary purpose is to promote regional growth and economic development. In March, 2013 the JEDD I Board levied a municipal income tax of 1.8 percent in the JEDD effective May 1, 2014. In March 2016, the JEDD II Board levied a municipal income tax of 1.8 percent in the JEDD effective March 31, 2016. Both Saybrook Township JEDD Boards also contract 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.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Note 24 – Insurance Purchasing Pool

The City participates in the Jefferson Health Plan (Plan), a risk-sharing, claims servicing, and insurance purchasing pool, including multiple sub-consortiums. Each participant appoints a member of the insurance plan’s assembly. The Plan’s business affairs are conducted by a nine-member Board of Directors elected from the assembly. The Plan offers medical, dental, and prescription drug coverage to the members on a self-insured basis, as well as the opportunity to participate in the group purchasing of life insurance coverage. The medical coverage plan provides each plan participant the opportunity to choose a self-insurance deductible limit which can range from \$35,000 to \$500,000, under which the individual member is responsible for all claims through the claims servicing pool. Plan participants also participate in a shared risk internal pool for individual claims between the self-insurance deductible limit and \$1,500,000, and all claims between the deductible limit and the \$1,500,000 are paid from the internal shared risk pool. The internal pool is not owned by the plan’s participants. All participants pay a funding factor that is actuarially calculated based on the participant’s actual claims experience which are utilized for the payment of claims within the claims servicing pool up to the self-insurance deductible limit. For this portion of the plan, all plan participants retain their own risk. All participants pay an additional fee for participation in the internal pool that is based on the claims of the internal pool in aggregate and is not based on individual claims experience. In the event of a deficiency in the internal pool, participants would be charged a higher rate for participation, and in the event of a surplus, the internal pool pays dividends to the participants. For all individual claims exceeding \$1,500,000, stop loss coverage is purchased, as well as from an annual total plan aggregate claims amount. All plan participants also pay a monthly administrative fee for fiscal services and third-party administrative services.

Note 25 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June, 2021 while the national state of emergency continues. During 2021, the City received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. The impact on the City’s future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

During 2021, the City anticipated receiving a total of \$1,887,300 of the American Rescue Plan Act of 2021 (ARPA) funds. As of December 31, 2021, the City received half of the ARPA funds in July 2021, with the second half anticipated in 2022. The City is subject to rules issued by the U.S. Treasury Department regarding the use of ARPA funds and has identified the following allowable uses: support public health expenditures, address negative economic impacts caused by the COVID-19 public health emergency, replace lost public sector revenue, provide premium pay for essential workers, and invest in water, sewer, and broadband infrastructure. The City expects to spend the awarded funds under the applicable federal guidelines.

Note 26 – Asset Retirement Obligations

The Governmental Accounting Standard Board’s (GASB) Statement No. 83, Certain Asset Retirement Obligations, provides guidance related to asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. The City has the following AROs:

The Bureau of Underground Storage Tank Regulations (BUSTR) regulates petroleum and hazardous substances stored in underground storage tanks. These regulations are included in Ohio Administrative Code Section 1301-7-9 and require a City classified as an “owner” or “operator,” to remove from the ground any underground storage tank (UST) that is not in use for a year or more. A permit must first be obtained for that year it is not being used. Once the

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

UST is removed, the soil in the UST cavity and excavated material must be tested for contamination. This asset retirement obligation (ARO) of \$250,000 associated with the City's underground storage tanks was estimated by the City engineer. The remaining useful life of these USTs range from one to twenty years. The City maintains insurance related to any potential pollution remediation associated with the USTs.

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewerage system to the Ohio EPA for approval. Through this review process, the City would be responsible to address any public safety issues associated with their waste water treatment facilities. Any ARO associated with these public safety issues are not reasonably estimable. Currently, there is significant uncertainty as to what public safety items would need addressed; therefore, a reliable estimated amount could not be determined.

Note 27 – Ashtabula Board of Health

Description of Reporting Entity

The Ashtabula Board of Health, (Board) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Board is directed by a five member Board and a Health Commissioner, all of which are appointed by the City. Among its various duties, the Board provides for the prompt diagnosis and control of communicable diseases. The Board may also inspect businesses where food is manufactured, handled, stored, or offered for sale.

Summary of Significant Accounting Policies

The financial statements of the Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Basis of Presentation

The Board'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.

Fund Accounting

The Board 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. All of the Board's general fund is a governmental fund.

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.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Measurement Focus

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and liabilities and deferred inflows of resources associated with the operation of the Board 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.

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.

Non-exchange transactions, in which the Board receives value without directly giving equal value in return, include grants. Revenue from grants are 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 Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis.

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 represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

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 assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

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.

Cash and Cash Equivalents

The City of Ashtabula's Finance Director is custodian for the Board's deposits. The City's deposit and investment pool holds the Board's assets, valued at the Finance Director's reported carrying amount.

Inventory

Inventory is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventory consists of expendable supplies held for consumption.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2021, 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.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Capital Assets

All of the Board's capital assets are general capital assets generally resulting from expenditures in governmental funds. These assets are reported in the governmental activities column on the government-wide statement of net position but are not reported on the fund financial statements.

All capital assets are capitalized at cost and updated for additions and reductions during the year. Donated capital assets are recorded at their acquisition value on the date donated. The Board maintains a capitalization threshold of one 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 capitalized.

All capital assets are depreciated, except land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	5 - 50 years
Furniture, Fixtures and Equipment	3 - 25 years
Vehicles	3 - 7 years

Pensions/Other Postemployment Benefits (OPEB)

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

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide 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, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Net pension/OPEB liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plans' fiduciary net position is not sufficient for payment of those benefits.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Capital Assets

A summary of the Board's capital assets at December 31, 2021 follows:

	Balance 12/31/2020	Additions	Deductions	Balance 12/31/2021
Governmental Activities:				
<i>Capital Assets being Depreciated</i>				
Buildings and Improvements	\$99,253	\$0	\$0	\$99,253
Furniture, Fixtures and Equipment	34,552	0	0	34,552
Vehicles	17,650	0	0	17,650
<i>Total Capital Assets being Depreciated</i>	<u>151,455</u>	<u>0</u>	<u>0</u>	<u>151,455</u>
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(74,405)	(1,100)	0	(75,505)
Furniture, Fixtures and Equipment	(24,600)	(2,245)	0	(26,845)
Vehicles	(17,650)	0	0	(17,650)
<i>Total Accumulated Depreciation</i>	<u>(116,655)</u>	<u>(3,345)</u>	<u>0</u>	<u>(120,000)</u>
Total Capital Assets being Depreciated, Net	<u>34,800</u>	<u>(3,345)</u>	<u>0</u>	<u>31,455</u>
Governmental Activities Capital Assets, Net	<u><u>\$34,800</u></u>	<u><u>(\$3,345)</u></u>	<u><u>\$0</u></u>	<u><u>\$31,455</u></u>

Depreciation expense was charged to public health services in the amount of \$3,345.

Long-Term Obligations

A schedule of changes in long-term obligations of the Board during 2021 follows:

	Principal Outstanding			Principal Outstanding	Amounts Due In
	1/1/2021	Additions	Deletions	12/31/2021	One Year
Governmental Activities					
Other Long-term Obligations					
Net Pension Liability:					
OPERS	\$249,609	\$0	\$209,818	\$459,427	\$0
Net OPEB Liability:					
OPERS	166,260	0	(166,260)	0	0
Compensated Absences	83,741	28,153	(30,408)	81,486	23,766
<i>Total Governmental Activities</i>	<u>\$499,610</u>	<u>\$28,153</u>	<u>\$13,150</u>	<u>\$540,913</u>	<u>\$23,766</u>

Compensated absences will be paid from the general fund. The Board pays obligations related to employee compensation from the fund benefitting from their service. There is no repayment schedule for the net pension liability and net OPEB liability. However, employer pension and OPEB contributions are made from the general fund. For additional information related to the net pension liability and the net OPEB liability, see Notes 21 and 22.

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

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

The Board participates in the Ohio Public Employees Retirement System. See Note 21 for a description of the plan and the related actuarial assumptions.

The Board's contractually required contribution was \$62,859 for the traditional plan, \$976 for the combined plan and \$372 for the member-directed plan. Of these amounts, \$7,541 is reported as an intergovernmental payable for the traditional plan, \$117 for the combined plan and \$45 for the member-directed plan.

The net pension liability (asset) for OPERS was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Board's proportion of the net pension liability (asset) was based on the Board'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 of the Board's defined benefit pension plans:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset:			
Current Measurement Date	0.00310260%	0.00104400%	
Prior Measurement Date	<u>0.00126284%</u>	<u>0.00013356%</u>	
Change in Proportionate Share	<u>0.00183976%</u>	<u>0.00091044%</u>	
Proportionate Share of the:			
Net Pension Liability	\$459,427	\$0	\$459,427
Net Pension Asset	0	(3,015)	(3,015)
Pension Expense	136,660	(500)	136,160

2021 pension expense for the member-directed defined contribution plan was \$372. The aggregate pension expense for all pension plans was \$136,532 for 2021.

At December 31, 2021, the Board reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes of assumptions	\$0	\$188	\$188
Changes in proportion and differences between Board contributions and proportionate share of contributions	253,324	0	253,324
Board contributions subsequent to the measurement date	<u>62,859</u>	<u>976</u>	<u>63,835</u>
Total Deferred Outflows of Resources	<u>\$316,183</u>	<u>\$1,164</u>	<u>\$317,347</u>

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

	OPERS Traditional Plan	OPERS Combined Plan	Total
Deferred Inflows of Resources			
Differences between expected and actual experience	\$19,218	\$568	\$19,786
Net difference between projected and actual earnings on pension plan investments	179,072	448	179,520
Changes in proportion and differences between Board contributions and proportionate share of contributions	1,020	1,359	2,379
Total Deferred Inflows of Resources	<u>\$199,310</u>	<u>\$2,375</u>	<u>\$201,685</u>

\$63,835 reported as deferred outflows of resources related to pension resulting from Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS Traditional Plan	OPERS Combined Plan	Total
2022	\$91,417	(\$398)	\$91,019
2023	60,016	(318)	59,698
2024	(72,996)	(423)	(73,419)
2025	(24,423)	(293)	(24,716)
2026	0	(230)	(230)
Thereafter	0	(525)	(525)
Total	<u>\$54,014</u>	<u>(\$2,187)</u>	<u>\$51,827</u>

Sensitivity of the Board's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate The following table presents the Board's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 7.2 percent, as well as what the Board's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Board's proportionate share of the net pension liability (asset)			
OPERS Traditional Plan	\$876,360	\$459,427	\$112,748
OPERS Combined Plan	(2,098)	(3,015)	(3,696)

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

Net Other Postemployment Benefits Liability (Asset)

The Board participates in Ohio Public Employees Retirement System. See Note 21 and 22 for a description of the net OPEB liability (asset).

The Board's contractually required contribution was \$372 for 2021. Of this amount, \$45 is reported as an intergovernmental payable.

Net OPEB Liabilities (Asset), OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Board's proportion of the net OPEB liability (asset) was based on the Board's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS
Proportion of the Net OPEB Liability (Asset):	
Current Measurement Date	0.00298070%
Prior Measurement Date	0.00122048%
Change in Proportionate Share	0.00176022%
Proportionate Share of the Net OPEB Liability (Asset)	(\$53,101)
OPEB Expense	(\$231,738)

At December 31, 2021, the Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS
Deferred Outflows of Resources	
Changes of assumptions	\$26,107
Changes in proportion and differences between Board contributions and proportionate share of contributions	149,856
Board contributions subsequent to the measurement date	372
Total Deferred Outflows of Resources	\$176,335

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

	OPERS
Deferred Inflows of Resources	
Differences between expected and actual experience	\$47,926
Changes of assumptions	86,043
Net difference between projected and actual earnings on OPEB plan investments	28,283
Changes in proportion and differences between Board contributions and proportionate share of contributions	546
Total Deferred Inflows of Resources	\$162,798

\$372 reported as deferred outflows of resources related to OPEB resulting from Board contributions subsequent to the measurement date will be recognized as an increase of the net OPEB asset in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS
Year Ending December 31:	
2022	\$20,056
2023	8,731
2024	(12,291)
2025	(3,331)
Total	\$13,165

Sensitivity of the Board's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate The following table presents the Board's proportionate share of the net OPEB asset calculated using the single discount rate of 6.00 percent, as well as what the Board's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Board's proportionate share of the net OPEB liability (asset)	(\$13,205)	(\$53,101)	(\$85,904)

Sensitivity of the Board's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Board's proportionate share of the net OPEB liability (asset)	(\$54,398)	(\$53,101)	(\$51,646)

Changes between the Measurement Date and the Reporting Date During 2021, the OPERS Board made various changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

Note 28 - 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.

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 acquisition 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).

City of Ashtabula, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2021

At year-end, the carrying amount of the Ashtabula Port Authority's deposits was \$281,345. The entire balance was covered by federal depository insurance.

Capital Assets

A summary of the Ashtabula City Port Authority's capital assets at December 31, 2021 follows:

	Balance 12/31/2020	Additions	Deductions	Balance 12/31/2021
Governmental Activities				
Capital Assets, Non-depreciable				
Land	\$1,732,135	\$0	(\$64,172)	\$1,667,963
Capital Assets, Depreciable				
Buildings and Improvements	638,722	0	0	638,722
Less: Accumulated Depreciation				
Buildings and Improvements	(518,912)	(18,137)	0	(537,049)
Total Assets, Depreciable, Net	119,810	(18,137)	0	101,673
Governmental Activities				
Capital Assets, Net	<u>\$1,851,945</u>	<u>(\$18,137)</u>	<u>(\$64,172)</u>	<u>\$1,769,636</u>

Long-term Debt

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. As of December 31, 2021, this loan has been paid in full.

A schedule of changes in long-term obligations of the Port Authority during 2021 follows:

	Principal Outstanding 12/31/2020	Additions	Deletions	Principal Outstanding 12/31/2021	Amounts Due in One Year
Other Long-Term Debt:					
Industrial Park Loan	\$33,632	\$0	\$33,632	\$0	\$0
<i>Total Component Unit Debt</i>	<u>\$33,632</u>	<u>\$0</u>	<u>\$33,632</u>	<u>\$0</u>	<u>\$0</u>

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 Eight Years (1) **

	2021	2020	2019	2018
City's Proportion of the Net Pension Liability	0.02792340%	0.03030816%	0.03082848%	0.00313344%
City's Proportionate Share of the Net Pension Liability	\$4,134,849	\$5,990,614	\$8,443,294	\$5,120,584
City's Covered Payroll	\$4,194,186	\$4,265,021	\$4,164,071	\$4,313,369
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	98.59%	140.46%	202.77%	118.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	82.17%	74.70%	84.66%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

* Amounts presented for each year were determined as of the City's measurement date which is the prior year end.

See accompanying notes to required supplementary information

2017	2016	2015	2014
0.03139800%	0.03260200%	0.03234900%	0.03234900%
\$7,129,950	\$5,647,078	\$3,901,652	\$3,813,526
\$4,058,875	\$4,057,708	\$3,965,950	\$3,952,112
175.66%	139.17%	98.38%	96.49%
77.25%	81.08%	86.45%	86.36%

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

	2021	2020
City's Proportion of the Net Pension Asset	0.00939600%	0.00320544%
City's Proportionate Share of the Net Pension Asset	\$27,122	\$6,684
City's Covered Payroll	\$44,164	\$14,271
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	-61.41%	-46.84%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	157.67%	145.28%

(1) Amounts for the combined plan are not presented prior to 2020 as the City's participation in this plan was considered immaterial in previous years.

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

See accompanying notes to the required supplementary information.

(This page is intentionally left blank)

City of Ashtabula, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability/(Asset)
Ohio Public Employees Retirement System - OPEB Plan
*Last Five Years (1)**

	2021	2020	2019	2018
City's Proportion of the Net OPEB Liability	0.02682630%	0.02888832%	0.02929152%	0.03110000%
City's Proportionate Share of the Net OPEB Liability/(Asset)	(\$477,934)	\$3,990,226	\$3,818,922	\$3,377,231
City's Covered Payroll	\$4,326,850	\$4,365,042	\$4,248,571	\$4,405,944
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	-11.05%	91.41%	89.89%	76.65%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.57%	47.80%	46.33%	54.14%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

* Amounts presented for each year were determined as of the City's measurement date which is the prior year end.

See accompanying notes to required supplementary information

2017

0.02999000%

\$3,029,092

\$4,120,725

73.51%

54.04%

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 Eight Years (1)**

	2021	2020	2019	2018
City's Proportion of the Net Pension Liability	0.14956140%	0.15941450%	0.16245500%	0.17670000%
City's Proportionate Share of the Net Pension Liability	\$10,195,734	\$10,739,013	\$13,260,621	\$10,844,876
City's Covered Payroll	\$3,939,323	\$3,832,066	\$3,721,773	\$3,463,441
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	258.82%	280.24%	356.30%	313.12%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.65%	69.89%	63.07%	70.91%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

* Amounts presented for each year were determined as of the City's measurement date which is the prior year end.

See accompanying notes to required supplementary information

2017	2016	2015	2014
0.16214500%	0.16968200%	0.17031280%	0.17031280%
\$10,270,102	\$10,915,762	\$8,822,913	\$8,294,768
\$3,821,838	\$3,492,208	\$3,394,120	\$3,377,143
268.72%	312.57%	259.95%	245.61%
68.36%	66.77%	71.71%	73.00%

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

	2021	2020	2019	2018
City's Proportion of the Net OPEB Liability	0.14956140%	0.15941450%	0.16245500%	0.17670000%
City's Proportionate Share of the Net OPEB Liability	\$1,584,629	\$1,574,655	\$1,479,403	\$10,011,575
City's Covered Payroll	\$3,939,323	\$3,832,066	\$3,721,773	\$3,463,441
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	40.23%	41.09%	39.75%	289.06%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	45.40%	47.08%	46.57%	14.13%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

* Amounts presented for each year were determined as of the City's measurement date which is the prior year end.

See accompanying notes to required supplementary information

2017

0.16214500%

\$7,696,659

\$3,821,838

201.39%

15.96%

City of Ashtabula, Ohio
Required Supplementary Information
Schedule of City Contributions
Ohio Public Employees Retirement System
Last Nine Years (1)

	2021	2020	2019	2018
Net Pension Liability - Traditional Plan				
Contractually Required Contribution	\$565,735	\$587,186	\$597,103	\$582,970
Contributions in Relation to the Contractually Required Contribution	<u>(565,735)</u>	<u>(587,186)</u>	<u>(597,103)</u>	<u>(582,970)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$4,040,964	\$4,194,186	\$4,265,021	\$4,164,071
Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net Pension Asset - Combined Plan				
Contractually Required Contribution (2)	\$8,786	\$6,183	\$1,998	
Contributions in Relation to the Contractually Required Contribution	<u>(8,786)</u>	<u>(6,183)</u>	<u>(1,998)</u>	
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
City Covered Payroll	\$62,757	\$44,164	\$14,271	
Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	
Net OPEB Liability - OPERS Plan (2)				
Contractually Required Contribution	\$3,352	\$3,540	\$3,430	\$3,380
Contributions in Relation to the Contractually Required Contribution	<u>(3,352)</u>	<u>(3,540)</u>	<u>(3,430)</u>	<u>(3,380)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (3)	\$4,187,521	\$4,326,850	\$4,365,042	\$4,248,571
Contributions as a Percentage of Covered Payroll	<u>0.08%</u>	<u>0.08%</u>	<u>0.08%</u>	<u>0.08%</u>

(1) Although this schedule is intended to reflect information for ten years, information prior to 2013 is not available. An additional column will be added each year.

(2) Beginning in 2019, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2019 is not presented.

(3) The OPEB plan includes the members from the traditional plan and the member directed plan. The member directed pension is a defined contribution pension plan; therefore, the pension side is not included above.

See accompanying notes to the required supplementary information

2017	2016	2015	2014	2013
\$560,738	\$487,065	\$486,925	\$475,914	\$513,775
<u>(560,738)</u>	<u>(487,065)</u>	<u>(486,925)</u>	<u>(475,914)</u>	<u>(513,775)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$4,313,369	\$4,058,875	\$4,057,708	\$3,965,950	\$3,952,112
<u>13.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>

\$46,837	\$83,652
<u>(46,837)</u>	<u>(83,652)</u>
<u>\$0</u>	<u>\$0</u>
\$4,405,944	\$4,120,725
<u>1.06%</u>	<u>2.03%</u>

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

	2021	2020	2019	2018
Net Pension Liability				
Contractually Required Contribution	\$823,413	\$822,294	\$800,739	\$778,231
Contributions in Relation to the Contractually Required Contribution	<u>(823,413)</u>	<u>(822,294)</u>	<u>(800,739)</u>	<u>(778,231)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (1)	\$3,943,131	\$3,939,323	\$3,832,066	\$3,721,773
Pension Contributions as a Percentage of Covered Payroll:	<u>20.88%</u>	<u>20.87%</u>	<u>20.90%</u>	<u>20.91%</u>
Net OPEB Liability				
Contractually Required Contribution	\$19,715	\$19,697	\$19,160	\$18,647
Contributions in Relation to the Contractually Required Contribution	<u>(19,715)</u>	<u>(19,697)</u>	<u>(19,160)</u>	<u>(18,647)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll:	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>
Total Contributions as a Percentage of Covered Payroll:	<u>21.38%</u>	<u>21.37%</u>	<u>21.40%</u>	<u>21.41%</u>

(1) The City's covered payroll is the same for the pension and OPEB.

See accompanying notes to the required supplementary information

2017	2016	2015	2014	2013	2012
\$722,156	\$798,447	\$730,369	\$712,748	\$602,246	\$429,316
<u>(722,156)</u>	<u>(798,447)</u>	<u>(730,369)</u>	<u>(712,748)</u>	<u>(602,246)</u>	<u>(429,316)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$3,463,441	\$3,821,838	\$3,492,208	\$3,394,120	\$3,377,143	\$2,915,647
<u>20.85%</u>	<u>20.89%</u>	<u>20.91%</u>	<u>21.00%</u>	<u>17.83%</u>	<u>14.72%</u>
\$17,317	\$19,109	\$17,461	\$16,971	\$122,140	\$196,807
<u>(17,317)</u>	<u>(19,109)</u>	<u>(17,461)</u>	<u>(16,971)</u>	<u>(122,140)</u>	<u>(196,807)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>3.62%</u>	<u>6.75%</u>
<u>21.35%</u>	<u>21.39%</u>	<u>21.41%</u>	<u>21.50%</u>	<u>21.45%</u>	<u>21.47%</u>

City of Ashtabula, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2021

Changes in Assumptions – OPERS Pension– Traditional Plan

Amounts reported beginning in 2019 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	2019	2018 and 2017	2016 and prior
Wage Inflation	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below
Investment Rate of Return	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

The assumptions related COLA or Ad Hoc COLA for Post-January 7, 2013 Retirees are as follows:

COLA or Ad Hoc COLA, Post-January 7, 2013 Retirees:

2021	0.5 percent, simple through 2021 then 2.15 percent, simple
2020	1.4 percent, simple through 2020 then 2.15 percent, simple
2017 through 2019	3.0 percent, simple through 2018 then 2.15 percent, simple
2016 and prior	3.0 percent, simple through 2018 then 2.80 percent, simple

Amounts reported beginning in 2017 use pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

Amounts reported for 2016 and prior use mortality rates 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.

City of Ashtabula, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2021

Changes in Assumptions – OPERS Pension – Combined Plan

For 2021 and 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013 retirees as the Traditional Plan. For 2019, the investment rate of return changed from 7.5 percent to 7.2 percent.

Changes in Assumptions – OP&F Pension

Amounts reported beginning in 2018 incorporate changes in assumptions used by OP&F in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented below:

	Beginning in 2018	2017 and Prior
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increases based on the lesser of the increase in CPI and 3 percent

Amounts reported beginning in 2018 use valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck/Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

Age	Police	Fire
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Amounts reported beginning in 2018 use valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck/Conduent Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

Amounts reported for 2017 and prior use valuation, rates of death were 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.

City of Ashtabula, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2021

Changes in Assumptions – OPERS OPEB

Investment Return Assumption:	
Beginning in 2019	6.00 percent
2018	6.50 percent
Municipal Bond Rate:	
2021	2.00 percent
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate:	
2021	6.00 percent
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
Health Care Cost Trend Rate:	
2021	8.5 percent, initial 3.5 percent, ultimate in 2035
2020	10.5 percent, initial 3.5 percent, ultimate in 2030
2019	10.0 percent, initial 3.25 percent, ultimate in 2029
2018	7.5 percent, initial 3.25 percent, ultimate in 2028

Changes in Assumptions – OP&F OPEB

Blended Discount Rate:	
2021	2.96 percent
2020	3.56 percent
2019	4.66 percent
2018	3.24 percent

Changes in Benefit Terms – OPERS OPEB

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in 2021.

Changes in Benefit Terms – OP&F OPEB

For 2019, OP&F recognized a change in benefit terms. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years.

**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:

Community Development Block Grant Fund – 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.

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.

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.

Street Maintenance and Repair Fund - To account for and report the portion of the gasoline tax and motor vehicle registration fees restricted for maintenance and repair of dedicated streets within the City.

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.

Paving Levy Fund - To account for and report the restricted property and other taxes collected from the 4 mill, five year paving levy dedicated to street improvements throughout the City.

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

Municipal Court Security Fund - To account for and report municipal court fines restricted to update security in the municipal court.

Indigent Drivers Interlock and Alcohol Monitoring Fund - To account for and report municipal court fines restricted to interlock alcohol monitoring for indigent offenders.

Police Levy Fund - To account for and report the restricted property and other taxes collected for police officer wages and benefits.

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.

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. This fund did not have any budgetary activity during 2021; therefore budgetary information is not provided.

(continued)

Fund Descriptions – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

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

Fire Grant Fund - To account for and report restricted State monies from the Ohio Department of Public Safety for the purpose of purchasing various equipment for the fire department.

Parks and Recreation Fund - To account for and report restricted property tax levies and franchise fees received for park improvements and concession stand operations.

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

Coronavirus Relief Fund - To account for and report restricted monies received from the federal government to assist local governments with the coronavirus pandemic.

Local Fiscal Recovery Fund - To account for and report restricted monies received from the federal government to assist local governments with the fiscal recovery due to coronavirus pandemic.

Fire Escrow Fund - To account for and report restricted 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.

Other Grants Fund - To account for and report restricted State monies from the Ohio Environmental Agency for land restoration.

Municipal Court Computer Fund - To account for and report municipal court fines restricted for updating the court technology system.

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

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.

City of Ashtabula, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$3,576,170	\$65,103	\$3,641,273
Receivables:			
Property Taxes	2,161,321	0	2,161,321
Accounts	154,157	0	154,157
Intergovernmental Receivable	696,666	0	696,666
Materials and Supplies Inventory	27,022	0	27,022
Prepaid Items	6,420	0	6,420
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	101,783	0	101,783
Accounts Receivable	18,065	0	18,065
<i>Total Assets</i>	<u>\$6,741,604</u>	<u>\$65,103</u>	<u>\$6,806,707</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$95,783	\$0	\$95,783
Contracts Payable	10,213	0	10,213
Accrued Wages	15,387	0	15,387
Intergovernmental Payable	84,857	0	84,857
Unearned Revenue	888,067	0	888,067
<i>Payable from Restricted Assets:</i>			
Accounts Payable	119,848	0	119,848
<i>Total Liabilities</i>	<u>1,214,155</u>	<u>0</u>	<u>1,214,155</u>
Deferred Inflows of Resources			
Property Tax	1,980,134	0	1,980,134
Unavailable Revenue	829,115	0	829,115
<i>Total Deferred Inflows of Resources</i>	<u>2,809,249</u>	<u>0</u>	<u>2,809,249</u>
Fund Balances			
Nonspendable	33,442	0	33,442
Restricted	2,644,653	65,103	2,709,756
Committed	64,978	0	64,978
Unassigned (Deficit)	(24,873)	0	(24,873)
<i>Total Fund Balances</i>	<u>2,718,200</u>	<u>65,103</u>	<u>2,783,303</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$6,741,604</u>	<u>\$65,103</u>	<u>\$6,806,707</u>

City of Ashtabula, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2021

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$2,093,019	\$0	\$2,093,019
Charges for Services	313,018	0	313,018
Licenses and Permits	163,924	0	163,924
Fines and Forfeitures	283,121	0	283,121
Intergovernmental	1,767,078	0	1,767,078
Special Assessments	0	166	166
Interest	62	0	62
Contributions and Donations	10,000	0	10,000
Other	58,602	0	58,602
<i>Total Revenues</i>	<u>4,688,824</u>	<u>166</u>	<u>4,688,990</u>
Expenditures			
Current:			
General Government:			
Legislative and Executive	56,713	13	56,726
Judicial System	129,890	0	129,890
Security of Persons and Property:			
Police	1,191,854	0	1,191,854
Fire	499,203	0	499,203
Street Maintenance and Repairs	2,004,979	0	2,004,979
Housing and Community Development	740,824	0	740,824
Leisure Time Activities	232,858	0	232,858
Capital Outlay	109,285	0	109,285
Debt Service:			
Principal Retirement	0	7,128	7,128
<i>Total Expenditures</i>	<u>4,965,606</u>	<u>7,141</u>	<u>4,972,747</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(276,782)</u>	<u>(6,975)</u>	<u>(283,757)</u>
Other Financing Sources (Uses)			
Transfers In	677,000	7,128	684,128
Transfers Out	(236,731)	0	(236,731)
<i>Total Other Financing Sources (Uses)</i>	<u>440,269</u>	<u>7,128</u>	<u>447,397</u>
<i>Net Change in Fund Balances</i>	163,487	153	163,640
<i>Fund Balances Beginning of Year</i>	<u>2,554,713</u>	<u>64,950</u>	<u>2,619,663</u>
<i>Fund Balances End of Year</i>	<u><u>\$2,718,200</u></u>	<u><u>\$65,103</u></u>	<u><u>\$2,783,303</u></u>

City of Ashtabula, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	Community Development Block Grant	Code Enforcement	Fire Pension	Indigent Alcohol	Law Enforcement Trust	Street Maintenance and Repair
Assets						
Equity in Pooled Cash and Cash Equivalents	\$251,815	\$61,313	\$32,016	\$95,972	\$27,781	\$540,668
Receivables:						
Property Taxes	0	0	271,379	0	0	0
Accounts	0	47,262	0	0	0	10,389
Intergovernmental Receivable	0	0	15,525	0	0	541,343
Materials and Supplies Inventory	0	0	0	0	0	21,663
Prepaid Items	0	1,896	0	0	433	4,091
Restricted Assets:						
Equity in Pooled Cash and Cash Equivalents	0	0	0	0	0	0
Accounts Receivable	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$251,815</u>	<u>\$110,471</u>	<u>\$318,920</u>	<u>\$95,972</u>	<u>\$28,214</u>	<u>\$1,118,154</u>
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	\$0	\$220	\$0	\$0	\$6,707	\$6,093
Contracts Payable	10,213	0	0	0	0	0
Accrued Wages	0	2,522	0	0	0	6,526
Intergovernmental Payable	0	3,368	29,978	0	0	8,744
Unearned Revenue	0	0	0	0	0	0
<i>Payable from Restricted Assets:</i>						
Accounts Payable	0	0	0	0	0	0
<i>Total Liabilities</i>	<u>10,213</u>	<u>6,110</u>	<u>29,978</u>	<u>0</u>	<u>6,707</u>	<u>21,363</u>
Deferred Inflows of Resources						
Property Tax	0	0	248,499	0	0	0
Unavailable Revenue	0	37,487	38,405	0	0	379,631
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>37,487</u>	<u>286,904</u>	<u>0</u>	<u>0</u>	<u>379,631</u>
Fund Balances						
Nonspendable	0	1,896	0	0	433	25,754
Restricted	241,602	0	2,038	95,972	21,074	691,406
Committed	0	64,978	0	0	0	0
Unassigned (Deficit)	0	0	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>241,602</u>	<u>66,874</u>	<u>2,038</u>	<u>95,972</u>	<u>21,507</u>	<u>717,160</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$251,815</u>	<u>\$110,471</u>	<u>\$318,920</u>	<u>\$95,972</u>	<u>\$28,214</u>	<u>\$1,118,154</u>

Motor Vehicle License Tax	Paving Levy	Municipal Probation Services	Municipal Court Security	Indigent Drivers Interlock and Alcohol Monitoring	Police Levy	Police Pension
\$111,416	\$540,474	\$15,799	\$19,143	\$28,247	\$82,444	\$27,592
0	795,578	0	0	0	514,366	271,379
0	0	0	0	0	0	0
23,423	44,403	0	0	0	10,721	15,525
352	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$135,191</u>	<u>\$1,380,455</u>	<u>\$15,799</u>	<u>\$19,143</u>	<u>\$28,247</u>	<u>\$607,531</u>	<u>\$314,496</u>
\$6,256	\$0	\$11	\$0	\$1,588	\$328	\$0
0	0	0	0	0	0	0
0	0	287	286	0	5,240	0
0	0	382	430	0	5,631	35,576
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>6,256</u>	<u>0</u>	<u>680</u>	<u>716</u>	<u>1,588</u>	<u>11,199</u>	<u>35,576</u>
0	729,018	0	0	0	471,324	248,499
17,404	110,963	0	0	0	53,763	38,405
<u>17,404</u>	<u>839,981</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>525,087</u>	<u>286,904</u>
352	0	0	0	0	0	0
111,179	540,474	15,119	18,427	26,659	71,245	0
0	0	0	0	0	0	0
0	0	0	0	0	0	(7,984)
<u>111,531</u>	<u>540,474</u>	<u>15,119</u>	<u>18,427</u>	<u>26,659</u>	<u>71,245</u>	<u>(7,984)</u>
<u>\$135,191</u>	<u>\$1,380,455</u>	<u>\$15,799</u>	<u>\$19,143</u>	<u>\$28,247</u>	<u>\$607,531</u>	<u>\$314,496</u>

(continued)

City of Ashtabula, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2021

	State Highway	Recycling Grant	Police Grant	Fire Grant	Parks and Recreation	Street Lighting
Assets						
Equity in Pooled Cash and Cash Equivalents	\$123,693	\$60,935	\$97,650	\$1,549	\$293,091	\$56,448
Receivables:						
Property Taxes	0	0	0	0	308,619	0
Accounts	0	0	0	0	0	96,506
Intergovernmental Receivable	36,295	0	2,998	0	6,433	0
Materials and Supplies Inventory	5,007	0	0	0	0	0
Prepaid Items	0	0	0	0	0	0
Restricted Assets:						
Equity in Pooled Cash and Cash Equivalents	0	0	0	0	0	0
Accounts Receivable	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$164,995</u>	<u>\$60,935</u>	<u>\$100,648</u>	<u>\$1,549</u>	<u>\$608,143</u>	<u>\$152,954</u>
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	\$0	\$0	\$0	\$0	\$103	\$73,337
Contracts Payable	0	0	0	0	0	0
Accrued Wages	0	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0	0
Unearned Revenue	0	0	0	0	0	0
<i>Payable from Restricted Assets:</i>						
Accounts Payable	0	0	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>103</u>	<u>73,337</u>
Deferred Inflows of Resources						
Property Tax	0	0	0	0	282,794	0
Unavailable Revenue	24,293	0	0	0	32,258	96,506
<i>Total Deferred Inflows of Resources</i>	<u>24,293</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>315,052</u>	<u>96,506</u>
Fund Balances						
Nonspendable	5,007	0	0	0	0	0
Restricted	135,695	60,935	100,648	1,549	292,988	0
Committed	0	0	0	0	0	0
Unassigned (Deficit)	0	0	0	0	0	(16,889)
<i>Total Fund Balances (Deficit)</i>	<u>140,702</u>	<u>60,935</u>	<u>100,648</u>	<u>1,549</u>	<u>292,988</u>	<u>(16,889)</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$164,995</u>	<u>\$60,935</u>	<u>\$100,648</u>	<u>\$1,549</u>	<u>\$608,143</u>	<u>\$152,954</u>

Local Fiscal Recovery	Fire Escrow	Other Grants	Municipal Court Computer	Municipal Court Special Projects	Total Nonmajor Special Revenue Funds
\$888,067	\$0	\$13	\$10,141	\$209,903	\$3,576,170
0	0	0	0	0	2,161,321
0	0	0	0	0	154,157
0	0	0	0	0	696,666
0	0	0	0	0	27,022
0	0	0	0	0	6,420
0	101,783	0	0	0	101,783
0	18,065	0	0	0	18,065
<u>\$888,067</u>	<u>\$119,848</u>	<u>\$13</u>	<u>\$10,141</u>	<u>\$209,903</u>	<u>\$6,741,604</u>
\$0	\$0	\$0	\$0	\$1,140	\$95,783
0	0	0	0	0	10,213
0	0	0	0	526	15,387
0	0	0	0	748	84,857
888,067	0	0	0	0	888,067
0	119,848	0	0	0	119,848
<u>888,067</u>	<u>119,848</u>	<u>0</u>	<u>0</u>	<u>2,414</u>	<u>1,214,155</u>
0	0	0	0	0	1,980,134
0	0	0	0	0	829,115
0	0	0	0	0	2,809,249
0	0	0	0	0	33,442
0	0	13	10,141	207,489	2,644,653
0	0	0	0	0	64,978
0	0	0	0	0	(24,873)
0	0	13	10,141	207,489	2,718,200
<u>\$888,067</u>	<u>\$119,848</u>	<u>\$13</u>	<u>\$10,141</u>	<u>\$209,903</u>	<u>\$6,741,604</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, 2021

	Community Development Block Grant	Code Enforcement	Fire Pension	Indigent Alcohol	Law Enforcement Trust	Street Maintenance and Repair
Revenues						
Property Taxes	\$0	\$0	\$264,303	\$0	\$0	\$0
Charges for Services	0	329	0	0	0	25
Licenses and Permits	0	163,924	0	0	0	0
Fines and Forfeitures	0	2,800	0	5,776	32,159	0
Intergovernmental	146,791	36,090	32,112	5,624	0	1,093,570
Interest	0	0	0	0	0	62
Contributions and Donations	0	0	0	0	0	0
Other	0	300	0	0	0	3,296
<i>Total Revenues</i>	<u>146,791</u>	<u>203,443</u>	<u>296,415</u>	<u>11,400</u>	<u>32,159</u>	<u>1,096,953</u>
Expenditures						
Current:						
General Government:						
Legislative and Executive	0	0	0	0	0	0
Judicial System	0	0	0	513	0	0
Security of Persons and Property:						
Police	0	0	0	0	77,077	0
Fire	0	0	402,736	0	0	0
Street Maintenance and Repairs	0	0	0	0	0	928,933
Housing and Community Development	424,096	316,728	0	0	0	0
Leisure Time Activities	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>424,096</u>	<u>316,728</u>	<u>402,736</u>	<u>513</u>	<u>77,077</u>	<u>928,933</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(277,305)</u>	<u>(113,285)</u>	<u>(106,321)</u>	<u>10,887</u>	<u>(44,918)</u>	<u>168,020</u>
Other Financing Sources (Uses)						
Transfers In	0	100,000	100,000	0	0	0
Transfers Out	0	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>100,000</u>	<u>100,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(277,305)</u>	<u>(13,285)</u>	<u>(6,321)</u>	<u>10,887</u>	<u>(44,918)</u>	<u>168,020</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>518,907</u>	<u>80,159</u>	<u>8,359</u>	<u>85,085</u>	<u>66,425</u>	<u>549,140</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$241,602</u>	<u>\$66,874</u>	<u>\$2,038</u>	<u>\$95,972</u>	<u>\$21,507</u>	<u>\$717,160</u>

Motor Vehicle License Tax	Paving Levy	Municipal Probation Services	Municipal Court Security	Indigent Drivers Interlock and Alcohol Monitoring	Police Levy	Police Pension
\$0	\$768,875	\$0	\$0	\$0	\$497,211	\$264,303
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	44,434	27,363	0	0	0
42,159	138,806	0	0	6,148	21,442	32,112
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	3,044	0	0	0	1,807	0
<u>42,159</u>	<u>910,725</u>	<u>44,434</u>	<u>27,363</u>	<u>6,148</u>	<u>520,460</u>	<u>296,415</u>
0	0	0	0	0	0	0
0	0	58,623	33,061	4,144	0	0
0	0	0	0	0	654,367	453,588
0	0	0	0	0	0	0
15,127	592,413	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>15,127</u>	<u>592,413</u>	<u>58,623</u>	<u>33,061</u>	<u>4,144</u>	<u>654,367</u>	<u>453,588</u>
<u>27,032</u>	<u>318,312</u>	<u>(14,189)</u>	<u>(5,698)</u>	<u>2,004</u>	<u>(133,907)</u>	<u>(157,173)</u>
0	0	12,000	0	0	165,000	175,000
0	(236,731)	0	0	0	0	0
<u>0</u>	<u>(236,731)</u>	<u>12,000</u>	<u>0</u>	<u>0</u>	<u>165,000</u>	<u>175,000</u>
27,032	81,581	(2,189)	(5,698)	2,004	31,093	17,827
<u>84,499</u>	<u>458,893</u>	<u>17,308</u>	<u>24,125</u>	<u>24,655</u>	<u>40,152</u>	<u>(25,811)</u>
<u>\$111,531</u>	<u>\$540,474</u>	<u>\$15,119</u>	<u>\$18,427</u>	<u>\$26,659</u>	<u>\$71,245</u>	<u>(\$7,984)</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, 2021

	State Highway	Recycling Grant	Police Grant	Fire Grant	Parks and Recreation	Street Lighting
Revenues						
Property Taxes	\$0	\$0	\$0	\$0	\$298,327	\$0
Charges for Services	0	0	0	0	0	312,664
Licenses and Permits	0	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0	0
Intergovernmental	68,766	0	21,370	51,042	12,865	0
Interest	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	10,000	0
Other	0	0	0	0	1,684	0
<i>Total Revenues</i>	<u>68,766</u>	<u>0</u>	<u>21,370</u>	<u>51,042</u>	<u>322,876</u>	<u>312,664</u>
Expenditures						
Current:						
General Government:						
Legislative and Executive	0	0	0	0	0	0
Judicial System	0	0	0	0	0	0
Security of Persons and Property:						
Police	0	0	6,822	0	0	0
Fire	0	0	0	51,009	0	0
Street Maintenance and Repairs	25,697	0	0	0	0	442,809
Housing and Community Development	0	0	0	0	0	0
Leisure Time Activities	0	0	0	0	217,371	0
Capital Outlay	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>25,697</u>	<u>0</u>	<u>6,822</u>	<u>51,009</u>	<u>217,371</u>	<u>442,809</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>43,069</u>	<u>0</u>	<u>14,548</u>	<u>33</u>	<u>105,505</u>	<u>(130,145)</u>
Other Financing Sources (Uses)						
Transfers In	0	0	0	0	0	125,000
Transfers Out	0	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>125,000</u>
<i>Net Change in Fund Balances</i>	43,069	0	14,548	33	105,505	(5,145)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>97,633</u>	<u>60,935</u>	<u>86,100</u>	<u>1,516</u>	<u>187,483</u>	<u>(11,744)</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$140,702</u>	<u>\$60,935</u>	<u>\$100,648</u>	<u>\$1,549</u>	<u>\$292,988</u>	<u>(\$16,889)</u>

Coronavirus Relief	Local Fiscal Recovery	Fire Escrow	Other Grants	Municipal Court Computer	Municipal Court Special Projects	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$2,093,019
0	0	0	0	0	0	313,018
0	0	0	0	0	0	163,924
0	0	0	0	27,200	143,389	283,121
1,130	55,583	0	0	0	1,468	1,767,078
0	0	0	0	0	0	62
0	0	0	0	0	0	10,000
0	0	48,471	0	0	0	58,602
<u>1,130</u>	<u>55,583</u>	<u>48,471</u>	<u>0</u>	<u>27,200</u>	<u>144,857</u>	<u>4,688,824</u>
1,130	55,583	0	0	0	0	56,713
0	0	0	0	33,549	0	129,890
0	0	0	0	0	0	1,191,854
0	0	45,458	0	0	0	499,203
0	0	0	0	0	0	2,004,979
0	0	0	0	0	0	740,824
0	0	0	15,487	0	0	232,858
0	0	0	0	0	109,285	109,285
<u>1,130</u>	<u>55,583</u>	<u>45,458</u>	<u>15,487</u>	<u>33,549</u>	<u>109,285</u>	<u>4,965,606</u>
0	0	3,013	(15,487)	(6,349)	35,572	(276,782)
0	0	0	0	0	0	677,000
0	0	0	0	0	0	(236,731)
0	0	0	0	0	0	440,269
0	0	3,013	(15,487)	(6,349)	35,572	163,487
0	0	(3,013)	15,500	16,490	171,917	2,554,713
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$13</u>	<u>\$10,141</u>	<u>\$207,489</u>	<u>\$2,718,200</u>

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, 2021

	<u>Self Insurance</u>	<u>Workers' Compensation</u>	<u>Total</u>
Assets			
<i>Current Assets:</i>			
Equity in Pooled Cash and Cash Equivalents	\$673,500	\$514,609	\$1,188,109
Cash and Cash Equivalents with Fiscal Agent	1,601,601	0	1,601,601
Interfund Receivable	0	25,000	25,000
Prepaid Items	485	72,293	72,778
<i>Total Assets</i>	<u>2,275,586</u>	<u>611,902</u>	<u>2,887,488</u>
Liabilities			
<i>Current Liabilities</i>			
Accounts Payable	0	888	888
Intergovernmental Payable	0	11,475	11,475
Claims Payable	104,427	0	104,427
<i>Total Liabilities</i>	<u>104,427</u>	<u>12,363</u>	<u>116,790</u>
Net Position			
Unrestricted	<u>\$2,171,159</u>	<u>\$599,539</u>	<u>\$2,770,698</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, 2021*

	Self Insurance	Workers' Compensation	Total
Operating Revenues			
Charges for Services	\$3,082,980	\$161,687	\$3,244,667
Operating Expenses			
Contractual Services	555,191	28,797	583,988
Claims	1,522,481	84,910	1,607,391
<i>Total Operating Expenses</i>	<u>2,077,672</u>	<u>113,707</u>	<u>2,191,379</u>
<i>Operating Income (Loss)</i>	<u>1,005,308</u>	<u>47,980</u>	<u>1,053,288</u>
Non Operating Revenues (Expenses)			
Interest	11,116	0	11,116
Intergovernmental	0	14,159	14,159
<i>Total Non Operating Revenues (Expenses)</i>	<u>11,116</u>	<u>14,159</u>	<u>25,275</u>
<i>Change in Net Position</i>	1,016,424	62,139	1,078,563
<i>Net Position Beginning of Year</i>	<u>1,154,735</u>	<u>537,400</u>	<u>1,692,135</u>
<i>Net Position End of Year</i>	<u><u>\$2,171,159</u></u>	<u><u>\$599,539</u></u>	<u><u>\$2,770,698</u></u>

City of Ashtabula, Ohio
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2021

	Self Insurance	Workers' Compensation	Total
<i>Increase (Decrease) In Cash and Cash Equivalents</i>			
Cash Flows from Operating Activities			
Cash Received from Interfund Services	\$3,082,980	\$161,687	\$3,244,667
Cash Payments to Suppliers for Goods and Services	(555,191)	(16,974)	(572,165)
Cash Payments for Claims	(1,628,186)	(84,910)	(1,713,096)
<i>Net Cash Provided by (Used for) Operating Activities</i>	899,603	59,803	959,406
Cash Flows from Noncapital Financing Activities			
Intergovernmental	0	14,159	14,159
Advances In	0	25,000	25,000
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	0	39,159	39,159
Cash Flows from Investing Activities			
Interest on Investments	11,116	0	11,116
<i>Net Increase (Decrease) In Cash and Cash Equivalents</i>	910,719	98,962	1,009,681
<i>Cash and Cash Equivalents Beginning of Year</i>	1,364,382	415,647	1,780,029
<i>Cash and Cash Equivalents End of Year</i>	\$2,275,101	\$514,609	\$2,789,710
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
<i>Operating Income (Loss)</i>	\$1,005,308	\$47,980	\$1,053,288
(Increase) Decrease in Assets:			
Prepaid Items	0	12,048	12,048
Increase (Decrease) in Liabilities:			
Accounts Payable	0	888	888
Intergovernmental Payable	0	(1,113)	(1,113)
Claims Payable	(105,705)	0	(105,705)
<i>Net Cash Provided by (Used for) Operating Activities</i>	\$899,603	\$59,803	\$959,406

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 custodial funds. Trust funds are distinguished from custodial funds by the existence of a trustee agreement or equivalent arrangement that has certain circumstances. The City does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. These funds do not account for the City's own source revenue.

Custodial Funds

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

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

Joint Economic Development - Ashtabula Township Fund - To account for and report the income tax monies levied by the Ashtabula Township Joint Economic Development District (JEDD). The City collects and disburses the taxes for the JEDD.

Joint Economic Development - Saybrook Township Fund - To account for and report the income tax monies levied by the Saybrook Township Joint Economic Development District (JEDD). The City collects and disburses the taxes for the JEDD.

City of Ashtabula, Ohio
Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2021

	Municipal Court	Law Library	Joint Economic Development - Ashtabula Township	Joint Economic Development - Saybrook Township	Total Custodial Funds
Assets					
Equity in Cash and Cash Equivalents	\$0	\$4,297	\$24,736	\$7,137	\$36,170
Cash and Cash Equivalents In Segregated Accounts	28,010	1,393	0	0	29,403
<i>Total Assets</i>	28,010	5,690	24,736	7,137	65,573
Liabilities					
Accounts Payable	16,175	0	0	0	16,175
Intergovernmental Payable	11,835	5,690	24,736	7,137	49,398
<i>Total Liabilities</i>	28,010	5,690	24,736	7,137	65,573
Net Position					
Restricted for Individuals, Organizations and Other Governments	\$0	\$0	\$0	\$0	\$0

City of Ashtabula, Ohio
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2021

	Municipal Court	Law Library	Joint Economic Development - Ashtabula Township	Joint Economic Development - Saybrook Township	Total Custodial Funds
Additions					
Income Tax for Other Governments	\$0	\$0	\$26,498	\$15,244	\$41,742
Fines and Forfeitures for Individuals	120,981	0	0	0	120,981
Fines and Forfeitures for Other Governments	751,835	26,917	0	0	778,752
<i>Total Additions</i>	872,816	26,917	26,498	15,244	941,475
Deductions					
Income Tax Distributions to Other Governments	0	0	26,498	15,244	41,742
Fines and Forfeitures Distributions to Individuals	527,342	0	0	0	527,342
Fines and Forfeitures Distributions to Other Governments	345,474	26,917	0	0	372,391
<i>Total Deductions</i>	872,816	26,917	26,498	15,244	941,475
<i>Change in Fiduciary Net Position</i>	0	0	0	0	0
<i>Net Position Beginning of Year</i>	0	0	0	0	0
<i>Net Position End of Year</i>	\$0	\$0	\$0	\$0	\$0

**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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$957,855	\$957,855	\$957,855	\$0
Municipal Income Tax	6,142,310	6,956,169	7,105,372	149,203
Hotel Taxes	5,678	5,678	5,745	67
Charges for Services	241,630	241,630	266,815	25,185
Licenses and Permits	30,223	30,223	44,538	14,315
Fines and Forfeitures	538,066	538,066	525,763	(12,303)
Intergovernmental	1,201,908	1,201,908	1,294,078	92,170
Interest	1,000	1,000	88	(912)
Rentals	198,364	198,364	204,174	5,810
Franchise Fees	264,702	264,702	264,702	0
Contributions and Donations	33,166	33,166	33,186	20
Other	34,356	34,356	33,807	(549)
<i>Total Revenues</i>	9,649,258	10,463,117	10,736,123	273,006
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Council:				
Personal Services	154,884	158,483	158,106	377
Materials and Supplies	1,906	2,000	1,996	4
Contractual Services	13,755	14,850	14,403	447
Total Council	170,545	175,333	174,505	828
Administration:				
Personal Services	106,009	110,576	110,366	210
Materials and Supplies	420	500	440	60
Contractual Services	79	500	82	418
Total Administration	106,508	111,576	110,888	688
Finance:				
Personal Services	271,431	295,054	280,569	14,485
Materials and Supplies	4,733	4,978	4,956	22
Contractual Services	15,010	17,587	15,717	1,870
Total Finance	\$291,174	\$317,619	\$301,242	\$16,377

(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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Solicitor:				
Personal Services	\$321,406	\$333,914	\$332,741	\$1,173
Materials and Supplies	3,388	3,939	3,618	321
Contractual Services	3,203	3,730	3,384	346
Total Solicitor	327,997	341,583	339,743	1,840
Motor Maintenance:				
Personal Services	184,115	190,881	189,991	890
Materials and Supplies	10,483	11,750	10,976	774
Contractual Services	478	500	500	0
Total Motor Maintenance	195,076	203,131	201,467	1,664
Engineering & PCD:				
Personal Services	90,238	94,725	93,133	1,592
Materials and Supplies	955	1,000	1,000	0
Contractual Services	2,643	3,925	2,767	1,158
Total Engineering & PCD	93,836	99,650	96,900	2,750
County Auditor Deductions:				
Materials and Supplies	94,477	131,157	98,924	32,233
Contractual Services	89,328	93,854	93,834	20
Total County Auditor Deductions	183,805	225,011	192,758	32,253
General Services:				
Professional & Contractual	175,965	246,879	206,912	39,967
Dues and Fees	16,603	40,950	19,888	21,062
Total General Services	192,568	287,829	226,800	61,029
Civil Service:				
Contractual Services	3,199	10,000	3,350	6,650
Lands and Buildings:				
Personal Services	136,343	152,211	141,127	11,084
Materials and Supplies	41,260	48,994	44,482	4,512
Contractual Services	227,210	250,658	239,776	10,882
Total Lands and Buildings	404,813	451,863	425,385	26,478
Systems Analyst:				
Materials and Supplies	1,907	3,686	1,997	1,689
Contractual Services	37,351	40,000	39,109	891
Total Systems Analyst	39,258	43,686	41,106	2,580
Total Legislative and Executive	\$2,008,779	\$2,267,281	\$2,114,144	\$153,137

(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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Judicial System:				
Municipal Court/Probation:				
Personal Services	\$892,140	\$1,060,252	\$923,258	\$136,994
Materials and Supplies	28,375	30,113	29,795	318
Contractual Services	81,160	90,358	84,980	5,378
Total Judicial System	1,001,675	1,180,723	1,038,033	142,690
Total General Government	3,010,454	3,448,004	3,152,177	295,827
Security of Persons and Property:				
Police:				
Law Enforcement:				
Personal Services	3,050,575	3,279,493	3,165,043	114,450
Materials and Supplies	164,764	211,535	182,926	28,609
Contractual Services	94,898	123,174	105,642	17,532
Other	87,077	92,962	92,099	863
Total Police	3,397,314	3,707,164	3,545,710	161,454
Fire:				
Fire Prevention:				
Personal Services	2,366,346	2,467,708	2,449,057	18,651
Materials and Supplies	125,504	134,650	133,023	1,627
Contractual Services	74,365	83,779	77,866	5,913
Total Fire	2,566,215	2,686,137	2,659,946	26,191
Total Security of Persons and Property	5,963,529	6,393,301	6,205,656	187,645
Public Health Services:				
Health:				
Intergovernmental	9,114	375,643	375,543	100
<i>Total Expenditures</i>	8,983,097	10,216,948	9,733,376	483,572
<i>Excess of Revenues Over (Under) Expenditures</i>	666,161	246,169	1,002,747	756,578
Other Financing Sources (Uses)				
Advances In	250,000	250,000	250,000	0
Advances Out	(23,876)	(25,000)	(25,000)	0
Transfers Out	(1,496,902)	(1,322,000)	(1,289,000)	33,000
<i>Total Other Financing Sources (Uses)</i>	(1,270,778)	(1,097,000)	(1,064,000)	33,000
<i>Net Change in Fund Balance</i>	(604,617)	(850,831)	(61,253)	789,578
<i>Fund Balance Beginning of Year</i>	2,426,477	2,426,477	2,426,477	0
Prior Year Encumbrances Appropriated	46,081	46,081	46,081	0
<i>Fund Balance End of Year</i>	\$1,867,941	\$1,621,727	\$2,411,305	\$789,578

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, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$77,280	\$406,620	\$406,620	\$0
Municipal Income Tax	106,016	739,500	782,130	42,630
Intergovernmental	354,143	928,988	709,732	(219,256)
Other	14,119	14,119	14,456	337
<i>Total Revenues</i>	<u>551,558</u>	<u>2,089,227</u>	<u>1,912,938</u>	<u>(176,289)</u>
Expenditures				
Capital Outlay:				
Contractual Services	20,000	20,000	15,542	4,458
Capital Outlay	1,893,561	2,647,255	2,280,202	367,053
Total Capital Outlay	<u>1,913,561</u>	<u>2,667,255</u>	<u>2,295,744</u>	<u>371,511</u>
Debt Service:				
Principal Retirement	619,369	619,505	619,505	0
Interest and Fiscal Charges	144,841	144,705	143,148	1,557
Total Debt Service	<u>764,210</u>	<u>764,210</u>	<u>762,653</u>	<u>1,557</u>
<i>Total Expenditures</i>	<u>2,677,771</u>	<u>3,431,465</u>	<u>3,058,397</u>	<u>373,068</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,126,213)</u>	<u>(1,342,238)</u>	<u>(1,145,459)</u>	<u>196,779</u>
Other Financing Sources (Uses)				
Capital Loan Issued	129,284	129,284	129,284	0
Advances Out	(250,000)	(250,000)	(250,000)	0
Transfers In	848,731	848,731	848,731	0
<i>Total Other Financing Sources (Uses)</i>	<u>728,015</u>	<u>728,015</u>	<u>728,015</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,398,198)	(614,223)	(417,444)	196,779
<i>Fund Balance Beginning of Year</i>	487,895	487,895	487,895	0
Prior Year Encumbrances Appropriated	<u>415,878</u>	<u>415,878</u>	<u>415,878</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>(\$494,425)</u>	<u>\$289,550</u>	<u>\$486,329</u>	<u>\$196,779</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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$1,919,320	\$1,877,743	\$1,888,255	\$10,512
Intergovernmental	17,745	17,745	15,585	(2,160)
Other	8,665	8,665	8,696	31
<i>Total Revenues</i>	<u>1,945,730</u>	<u>1,904,153</u>	<u>1,912,536</u>	<u>8,383</u>
Expenses				
Personal Services	1,227,609	1,332,368	1,292,081	40,287
Contractual Services	209,107	209,107	208,363	744
Materials and Supplies	613,528	613,528	612,195	1,333
Capital Outlay	106,489	106,489	38,255	68,234
<i>Total Expenses</i>	<u>2,156,733</u>	<u>2,261,492</u>	<u>2,150,894</u>	<u>110,598</u>
<i>Net Change in Fund Balance</i>	(211,003)	(357,339)	(238,358)	118,981
<i>Fund Balance Beginning of Year</i>	378,554	378,554	378,554	0
Prior Year Encumbrances Appropriated	<u>54,131</u>	<u>54,131</u>	<u>54,131</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$221,682</u></u>	<u><u>\$75,346</u></u>	<u><u>\$194,327</u></u>	<u><u>\$118,981</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, 2021

	<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	\$4,898,251	\$4,459,267	\$4,338,153	(\$121,114)
OWDA Loan Issued	13,162	13,162	13,162	0
Tap-In Fees	7,000	7,000	10,500	3,500
Intergovernmental	2,838	2,838	4,949	2,111
Other	13,249	13,249	13,249	0
<i>Total Revenues</i>	<u>4,934,500</u>	<u>4,495,516</u>	<u>4,380,013</u>	<u>(115,503)</u>
Expenses				
Personal Services	2,302,238	1,894,545	1,811,474	83,071
Contractual Services	1,146,857	1,146,857	749,109	397,748
Materials and Supplies	397,742	397,742	294,017	103,725
Capital Outlay	2,051,807	2,051,807	1,613,946	437,861
Debt Service:				
Principal Retirement	443,644	443,644	430,661	12,983
Interest and Fiscal Charges	109,014	109,014	105,778	3,236
<i>Total Expenses</i>	<u>6,451,302</u>	<u>6,043,609</u>	<u>5,004,985</u>	<u>1,038,624</u>
<i>Net Change in Fund Balance</i>	(1,516,802)	(1,548,093)	(624,972)	923,121
<i>Fund Balance Beginning of Year</i>	3,170,309	3,170,309	3,170,309	0
Prior Year Encumbrances Appropriated	127,760	127,760	127,760	0
<i>Fund Balance End of Year</i>	<u>\$1,781,267</u>	<u>\$1,749,976</u>	<u>\$2,673,097</u>	<u>\$923,121</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, 2021*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$140,500	\$147,291	\$146,791	(\$500)
Expenditures				
Current:				
Housing and Community Development:				
Community Development Block Grant:				
Contractual Services	20,000	20,000	2,007	17,993
Capital Outlay	467,913	479,913	411,813	68,100
<i>Total Expenditures</i>	487,913	499,913	413,820	86,093
<i>Net Change in Fund Balance</i>	(347,413)	(352,622)	(267,029)	85,593
<i>Fund Balance Beginning of Year</i>	226,911	226,911	226,911	0
Prior Year Encumbrances Appropriated	291,813	291,813	291,813	0
<i>Fund Balance End of Year</i>	<u>\$171,311</u>	<u>\$166,102</u>	<u>\$251,695</u>	<u>\$85,593</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, 2021

	<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	\$330	\$330	\$329	(\$1)
Licenses and Permits	174,820	181,200	172,469	(8,731)
Fines and Forfeitures	3,000	3,000	2,800	(200)
Intergovernmental	37,000	37,000	36,090	(910)
Other	0	0	300	300
<i>Total Revenues</i>	<u>215,150</u>	<u>221,530</u>	<u>211,988</u>	<u>(9,542)</u>
Expenditures				
Current:				
Housing and Community Development:				
Code Enforcement:				
Personal Services	304,256	304,784	300,499	4,285
Materials and Supplies	11,184	11,184	7,183	4,001
Contractual Services	8,591	8,591	8,591	0
<i>Total Expenditures</i>	<u>324,031</u>	<u>324,559</u>	<u>316,273</u>	<u>8,286</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(108,881)	(103,029)	(104,285)	(1,256)
Other Financing Sources (Uses)				
Transfers In	100,000	100,000	100,000	0
<i>Net Change in Fund Balance</i>	(8,881)	(3,029)	(4,285)	(1,256)
<i>Fund Balance Beginning of Year</i>	63,874	63,874	63,874	0
Prior Year Encumbrances Appropriated	1,586	1,586	1,586	0
<i>Fund Balance End of Year</i>	<u>\$56,579</u>	<u>\$62,431</u>	<u>\$61,175</u>	<u>(\$1,256)</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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$260,156	\$264,303	\$264,303	\$0
Intergovernmental	31,898	31,898	32,112	214
<i>Total Revenues</i>	<u>292,054</u>	<u>296,201</u>	<u>296,415</u>	<u>214</u>
Expenditures				
Current:				
Security of Persons and Property:				
Fire:				
Fire Prevention:				
Personal Services	391,426	395,842	395,842	0
Materials and Supplies	5,411	5,411	5,411	0
<i>Total Expenditures</i>	<u>396,837</u>	<u>401,253</u>	<u>401,253</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(104,783)	(105,052)	(104,838)	214
Other Financing Sources (Uses)				
Transfers In	100,000	100,000	100,000	0
<i>Net Change in Fund Balance</i>	(4,783)	(5,052)	(4,838)	214
<i>Fund Balance Beginning of Year</i>	<u>36,854</u>	<u>36,854</u>	<u>36,854</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$32,071</u></u>	<u><u>\$31,802</u></u>	<u><u>\$32,016</u></u>	<u><u>\$214</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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and Forfeitures	\$6,500	\$6,500	\$5,699	(\$801)
Intergovernmental	6,000	6,000	5,624	(376)
Total Revenues	12,500	12,500	11,323	(1,177)
Expenditures				
Current:				
General Government:				
Judicial System:				
Indigent Alcohol:				
Materials and Supplies	10,000	10,000	513	9,487
<i>Net Change in Fund Balance</i>	2,500	2,500	10,810	8,310
<i>Fund Balance Beginning of Year</i>	84,899	84,899	84,899	0
<i>Fund Balance End of Year</i>	<u><u>\$87,399</u></u>	<u><u>\$87,399</u></u>	<u><u>\$95,709</u></u>	<u><u>\$8,310</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, 2021*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and Forfeitures	\$25,000	\$31,940	\$32,159	\$219
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Law Enforcement Trust:				
Materials and Supplies	68,194	88,194	84,928	3,266
<i>Net Change in Fund Balance</i>	(43,194)	(56,254)	(52,769)	3,485
<i>Fund Balance Beginning of Year</i>	56,523	56,523	56,523	0
Prior Year Encumbrances Appropriated	13,194	13,194	13,194	0
<i>Fund Balance End of Year</i>	\$26,523	\$13,463	\$16,948	\$3,485

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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$125	\$125	\$25	(\$100)
Intergovernmental	949,258	1,070,766	1,083,064	12,298
Interest	100	100	62	(38)
Other	2,742	2,742	3,296	554
<i>Total Revenues</i>	<u>952,225</u>	<u>1,073,733</u>	<u>1,086,447</u>	<u>12,714</u>
Expenditures				
Current:				
Street Maintenance and Repairs:				
Public Works:				
Personal Services	724,552	724,552	661,630	62,922
Materials and Supplies	273,867	273,867	176,510	97,357
Contractual Services	113,395	113,395	106,309	7,086
<i>Total Expenditures</i>	<u>1,111,814</u>	<u>1,111,814</u>	<u>944,449</u>	<u>167,365</u>
<i>Net Change in Fund Balance</i>	(159,589)	(38,081)	141,998	180,079
<i>Fund Balance Beginning of Year</i>	383,909	383,909	383,909	0
Prior Year Encumbrances Appropriated	8,352	8,352	8,352	0
<i>Fund Balance End of Year</i>	<u>\$232,672</u>	<u>\$354,180</u>	<u>\$534,259</u>	<u>\$180,079</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, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$37,500	\$40,806	\$41,363	\$557
Expenditures				
Current:				
Street Maintenance and Repairs:				
Public Works:				
Materials and Supplies	8,899	8,899	8,148	751
Contractual Services	36,935	36,935	19,846	17,089
Total Expenditures	45,834	45,834	27,994	17,840
<i>Net Change in Fund Balance</i>	(8,334)	(5,028)	13,369	18,397
<i>Fund Balance Beginning of Year</i>	71,632	71,632	71,632	0
Prior Year Encumbrances Appropriated	13,194	13,194	13,194	0
<i>Fund Balance End of Year</i>	<u>\$76,492</u>	<u>\$79,798</u>	<u>\$98,195</u>	<u>\$18,397</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Paving Levy Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$768,875	\$768,875	\$768,875	\$0
Intergovernmental	110,075	181,266	138,806	(42,460)
Other	2,565	2,565	3,044	479
<i>Total Revenues</i>	<u>881,515</u>	<u>952,706</u>	<u>910,725</u>	<u>(41,981)</u>
Expenditures				
Current:				
Street Maintenance and Repairs:				
Paving Levy:				
Materials and Supplies	15,674	15,674	15,674	0
Capital Outlay	659,181	660,355	617,484	42,871
<i>Total Expenditures</i>	<u>674,855</u>	<u>676,029</u>	<u>633,158</u>	<u>42,871</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	206,660	276,677	277,567	890
Other Financing Sources (Uses)				
Transfers Out	(236,731)	(236,731)	(236,731)	0
<i>Net Change in Fund Balance</i>	(30,071)	39,946	40,836	890
<i>Fund Balance Beginning of Year</i>	449,542	449,542	449,542	0
Prior Year Encumbrances Appropriated	9,351	9,351	9,351	0
<i>Fund Balance End of Year</i>	<u>\$428,822</u>	<u>\$498,839</u>	<u>\$499,729</u>	<u>\$890</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, 2021*

	<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	\$35,000	\$49,159	\$49,489	\$330
Expenditures				
Current:				
General Government:				
Judicial System:				
Municipal Probation Services:				
Personal Services	64,976	64,976	54,753	10,223
Materials and Supplies	5,400	5,400	4,562	838
Total Expenditures	70,376	70,376	59,315	11,061
<i>Excess of Revenues Over (Under) Expenditures</i>	(35,376)	(21,217)	(9,826)	11,391
Other Financing Sources (Uses)				
Transfers In	45,000	45,000	12,000	(33,000)
<i>Net Change in Fund Balance</i>	9,624	23,783	2,174	(21,609)
<i>Fund Balance Beginning of Year</i>	11,618	11,618	11,618	0
<i>Fund Balance End of Year</i>	<u>\$21,242</u>	<u>\$35,401</u>	<u>\$13,792</u>	<u>(\$21,609)</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Security Fund
For the Year Ended December 31, 2021

	<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	\$28,000	\$28,000	\$26,697	(\$1,303)
Expenditures				
Current:				
General Government				
Judicial:				
Security:				
Personal Services	27,541	34,766	31,001	3,765
Materials and Supplies	3,000	3,000	1,854	1,146
Contractual Services	500	500	0	500
<i>Total Expenditures</i>	<u>31,041</u>	<u>38,266</u>	<u>32,855</u>	<u>5,411</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,041)</u>	<u>(10,266)</u>	<u>(6,158)</u>	<u>4,108</u>
Other Financing Sources (Uses)				
Transfers In	10,000	10,000	0	(10,000)
Transfers Out	(4,000)	(4,000)	0	4,000
Total Other Sources (Uses)	<u>6,000</u>	<u>6,000</u>	<u>0</u>	<u>(6,000)</u>
<i>Net Change in Fund Balance</i>	2,959	(4,266)	(6,158)	(1,892)
<i>Fund Balance Beginning of Year</i>	<u>23,732</u>	<u>23,732</u>	<u>23,732</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$26,691</u>	<u>\$19,466</u>	<u>\$17,574</u>	<u>(\$1,892)</u>

City of Ashtabula, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Indigent Drivers Interlock and Alcohol Monitoring Fund
 For the Year Ended December 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$6,750	\$6,750	\$6,148	(\$602)
Expenditures				
Current:				
General Government				
Judicial System:				
Indigent Drivers and Alcohol Monitoring:				
Materials and Supplies	5,259	6,426	4,815	1,611
<i>Net Change in Fund Balance</i>	1,491	324	1,333	1,009
<i>Fund Balance Beginning of Year</i>	24,655	24,655	24,655	0
Prior Year Encumbrances Appropriated	2,259	2,259	2,259	0
<i>Fund Balance End of Year</i>	<u>\$28,405</u>	<u>\$27,238</u>	<u>\$28,247</u>	<u>\$1,009</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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$488,281	\$497,211	\$497,211	\$0
Intergovernmental	21,442	21,442	21,442	0
Other	0	0	1,807	1,807
<i>Total Revenues</i>	<u>509,723</u>	<u>518,653</u>	<u>520,460</u>	<u>1,807</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Personal Services	663,623	677,373	644,276	33,097
Materials and Supplies	10,500	10,500	9,634	866
<i>Total Expenditures</i>	<u>674,123</u>	<u>687,873</u>	<u>653,910</u>	<u>33,963</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(164,400)	(169,220)	(133,450)	35,770
Other Financing Sources (Uses)				
Transfers In	165,000	165,000	165,000	0
<i>Net Change in Fund Balance</i>	600	(4,220)	31,550	35,770
<i>Fund Balance Beginning of Year</i>	<u>50,894</u>	<u>50,894</u>	<u>50,894</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$51,494</u>	<u>\$46,674</u>	<u>\$82,444</u>	<u>\$35,770</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, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$260,156	\$264,303	\$264,303	\$0
Intergovernmental	31,898	31,898	32,112	214
<i>Total Revenues</i>	<u>292,054</u>	<u>296,201</u>	<u>296,415</u>	<u>214</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Law Enforcement:				
Personal Services	437,087	445,678	445,678	0
Materials and Supplies	5,411	5,411	5,411	0
<i>Total Expenditures</i>	<u>442,498</u>	<u>451,089</u>	<u>451,089</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(150,444)	(154,888)	(154,674)	214
Other Financing Sources (Uses)				
Transfers In	175,000	175,000	175,000	0
<i>Net Change in Fund Balance</i>	24,556	20,112	20,326	214
<i>Fund Balance Beginning of Year</i>	<u>7,266</u>	<u>7,266</u>	<u>7,266</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$31,822</u></u>	<u><u>\$27,378</u></u>	<u><u>\$27,592</u></u>	<u><u>\$214</u></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, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$63,300	\$73,755	\$68,173	(\$5,582)
Expenditures				
Current:				
Street Maintenance and Repairs:				
Public Works:				
Materials and Supplies	<u>65,000</u>	<u>65,000</u>	<u>32,454</u>	<u>32,546</u>
<i>Net Change in Fund Balance</i>	(1,700)	8,755	35,719	26,964
<i>Fund Balance Beginning of Year</i>	<u>86,224</u>	<u>86,224</u>	<u>86,224</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$84,524</u></u>	<u><u>\$94,979</u></u>	<u><u>\$121,943</u></u>	<u><u>\$26,964</u></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, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$42,250	\$42,250	\$20,930	(\$21,320)
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Contractual Services	78,500	78,500	6,822	71,678
<i>Net Change in Fund Balance</i>	(36,250)	(36,250)	14,108	50,358
<i>Fund Balance Beginning of Year</i>	83,542	83,542	83,542	0
<i>Fund Balance End of Year</i>	<u>\$47,292</u>	<u>\$47,292</u>	<u>\$97,650</u>	<u>\$50,358</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Grant Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$3,000	\$51,409	\$51,042	(\$367)
Expenditures				
Current:				
Security of Persons and Property:				
Fire:				
Capital Outlay	3,000	51,409	51,009	400
<i>Net Change in Fund Balance</i>	0	0	33	33
<i>Fund Balance Beginning of Year</i>	1,516	1,516	1,516	0
<i>Fund Balance End of Year</i>	<u>\$1,516</u>	<u>\$1,516</u>	<u>\$1,549</u>	<u>\$33</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Parks and Recreation Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$281,469	\$298,327	\$298,327	\$0
Intergovernmental	12,865	12,865	12,865	0
Contributions and Donations	10,000	10,000	10,000	0
Other	1,500	1,500	1,684	184
<i>Total Revenues</i>	305,834	322,692	322,876	184
Expenditures				
Current:				
Leisure Time Activities:				
Walnut Beach:				
Personal Services	119,463	130,993	118,307	12,686
Materials and Supplies	30,865	30,865	28,385	2,480
Contractual Services	49,765	49,765	48,774	991
Capital Outlay	209,839	209,839	21,939	187,900
<i>Total Expenditures</i>	409,932	421,462	217,405	204,057
<i>Net Change in Fund Balance</i>	(104,098)	(98,770)	105,471	204,241
<i>Fund Balance Beginning of Year</i>	158,455	158,455	158,455	0
Prior Year Encumbrances Appropriated	29,062	29,062	29,062	0
<i>Fund Balance End of Year</i>	\$83,419	\$88,747	\$292,988	\$204,241

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, 2021

	<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	\$300,000	\$312,664	\$312,664	\$0
Expenditures				
Current:				
Street Maintenance and Repairs:				
Street Lighting:				
Materials and Supplies	11,200	11,864	11,864	0
Contractual Services	439,000	439,000	430,137	8,863
<i>Total Expenditures</i>	450,200	450,864	442,001	8,863
<i>Excess of Revenues Over (Under) Expenditures</i>	(150,200)	(138,200)	(129,337)	8,863
Other Financing Sources (Uses)				
Transfers In	125,000	125,000	125,000	0
<i>Net Change in Fund Balance</i>	(25,200)	(13,200)	(4,337)	8,863
<i>Fund Balance Beginning of Year</i>	60,785	60,785	60,785	0
<i>Fund Balance End of Year</i>	<u>\$35,585</u>	<u>\$47,585</u>	<u>\$56,448</u>	<u>\$8,863</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Coronavirus Relief Fund
For the Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Finance Department:				
Materials and Supplies	<u>1,020</u>	<u>1,130</u>	<u>1,130</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,020)	(1,130)	(1,130)	0
<i>Fund Balance Beginning of Year</i>	110	110	110	0
Prior Year Encumbrances Appropriated	<u>1,020</u>	<u>1,020</u>	<u>1,020</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$110</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Local Fiscal Recovery Fund
For the Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$943,650	\$943,650	\$943,650	\$0
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Wastewater Treatment Department:				
Capital Outlay	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	693,650	693,650	693,650	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$693,650</u></u>	<u><u>\$693,650</u></u>	<u><u>\$693,650</u></u>	<u><u>\$0</u></u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Escrow Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Other	\$18,000	\$18,000	\$30,406	\$12,406
Expenditures				
Current:				
Security of Persons and Property:				
Fire:				
Other	10,000	113,566	24,191	89,375
<i>Net Change in Fund Balance</i>	8,000	(95,566)	6,215	101,781
<i>Fund Balance Beginning of Year</i>	95,568	95,568	95,568	0
<i>Fund Balance End of Year</i>	<u>\$103,568</u>	<u>\$2</u>	<u>\$101,783</u>	<u>\$101,781</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Other Grants Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$5,848	\$5,848	\$0	(\$5,848)
Expenditures				
Current:				
Leisure Time Activities:				
Land Restoration:				
Contractual Services	15,500	21,348	15,487	5,861
<i>Net Change in Fund Balance</i>	(9,652)	(15,500)	(15,487)	13
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	15,500	15,500	15,500	0
<i>Fund Balance End of Year</i>	<u>\$5,848</u>	<u>\$0</u>	<u>\$13</u>	<u>\$13</u>

City of Ashtabula, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Computer Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and Forfeitures	\$30,000	\$30,000	\$26,535	(\$3,465)
Expenditures				
General Government:				
Judicial Technology:				
Materials and Supplies	21,500	21,500	13,549	7,951
Contractual Services	20,000	20,000	20,000	0
<i>Total Expenditures</i>	41,500	41,500	33,549	7,951
<i>Net Change in Fund Balance</i>	(11,500)	(11,500)	(7,014)	4,486
<i>Fund Balance Beginning of Year</i>	15,586	15,586	15,586	0
<i>Fund Balance End of Year</i>	\$4,086	\$4,086	\$8,572	\$4,486

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, 2021*

	<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	\$103,532	\$142,892	\$142,916	\$24
Intergovernmental	1,468	1,468	1,468	0
Total Revenues	<u>105,000</u>	<u>144,360</u>	<u>144,384</u>	<u>24</u>
Expenditures				
Capital Outlay:				
Personal Services	63,051	95,598	85,311	10,287
Materials and Supplies	10,200	10,200	3,004	7,196
Contractual Services	11,200	11,200	0	11,200
Capital Outlay	21,903	21,903	21,147	756
Total Expenditures	<u>106,354</u>	<u>138,901</u>	<u>109,462</u>	<u>29,439</u>
<i>Net Change in Fund Balance</i>	(1,354)	5,459	34,922	29,463
<i>Fund Balance Beginning of Year</i>	167,273	167,273	167,273	0
Prior Year Encumbrances Appropriated	455	455	455	0
Fund Balance End of Year	<u><u>\$166,374</u></u>	<u><u>\$173,187</u></u>	<u><u>\$202,650</u></u>	<u><u>\$29,463</u></u>

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, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Special Assessments	\$166	\$166	\$166	\$0
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Bond Retirement:				
Contractual Services	<u>13</u>	<u>13</u>	<u>13</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	153	153	153	0
<i>Fund Balance Beginning of Year</i>	<u>64,950</u>	<u>64,950</u>	<u>64,950</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$65,103</u></u>	<u><u>\$65,103</u></u>	<u><u>\$65,103</u></u>	<u><u>\$0</u></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, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	<u>\$3,059,303</u>	<u>\$3,078,279</u>	<u>\$3,082,980</u>	<u>\$4,701</u>
Expenses				
Contractual Services	20,500	20,500	20,485	15
Claims	<u>2,956,803</u>	<u>2,956,803</u>	<u>2,546,719</u>	<u>410,084</u>
<i>Total Expenses</i>	<u>2,977,303</u>	<u>2,977,303</u>	<u>2,567,204</u>	<u>410,099</u>
<i>Net Change in Fund Equity</i>	82,000	100,976	515,776	414,800
<i>Fund Equity Beginning of Year</i>	155,724	155,724	155,724	0
Prior Year Encumbrances Appropriated	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$238,724</u></u>	<u><u>\$257,700</u></u>	<u><u>\$672,500</u></u>	<u><u>\$414,800</u></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, 2021

	<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	\$161,687	\$161,687	\$161,687	\$0
Intergovernmental	0	0	14,159	14,159
Total Revenues	<u>161,687</u>	<u>161,687</u>	<u>175,846</u>	<u>14,159</u>
Expenses				
Contractual Services	26,456	26,456	23,267	3,189
Claims	144,627	144,627	84,910	59,717
<i>Total Expenses</i>	<u>171,083</u>	<u>171,083</u>	<u>108,177</u>	<u>62,906</u>
<i>Excess of Revenues Over (Under) Expenses Before Advances</i>	(9,396)	(9,396)	67,669	77,065
Advances In	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	15,604	15,604	92,669	77,065
<i>Fund Equity Beginning of Year</i>	412,251	412,251	412,251	0
Prior Year Encumbrances Appropriated	<u>3,396</u>	<u>3,396</u>	<u>3,396</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$431,251</u>	<u>\$431,251</u>	<u>\$508,316</u>	<u>\$77,065</u>

STATISTICAL SECTION

Statistical Section

This part of the City of Ashtabula, Ohio's Annual Comprehensive 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 Annual Comprehensive Financial Reports for the relevant year.

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

	2021	2020	2019	2018 (2)
Governmental Activities				
Net Investment in Capital Assets	\$28,615,108	\$28,377,402	\$28,197,588	\$28,981,792
Restricted:				
Capital Projects	1,629,711	1,236,925	966,655	1,096,179
Debt Service	38,409	33,655	28,893	34,468
Community Development	241,602	518,907	368,186	169,489
Street Maintenance and Repair	1,267,560	909,969	689,014	604,488
Public Safety	319,578	486,190	389,456	342,604
Parks and Recreation	325,246	272,359	256,904	244,362
Municipal Court	156,177	151,173	143,758	91,663
Other Purposes	1,060,083	923,692	114,232	345,907
Unrestricted (Deficit)	<u>(10,477,704)</u>	<u>(13,607,200)</u>	<u>(15,712,139)</u>	<u>(21,493,324)</u>
<i>Total Governmental Activities Net Position</i>	<u>23,175,770</u>	<u>19,303,072</u>	<u>15,442,547</u>	<u>10,417,628</u>
Business Type - Activities				
Net Investment in Capital Assets	11,111,243	11,294,777	11,817,793	11,714,565
Unrestricted	<u>4,236,706</u>	<u>2,293,953</u>	<u>1,320,372</u>	<u>1,427,105</u>
<i>Total Business-Type Activities Net Position</i>	<u>15,347,949</u>	<u>13,588,730</u>	<u>13,138,165</u>	<u>13,141,670</u>
Primary Government				
Net Investment in Capital Assets	39,726,351	39,672,179	40,015,381	40,696,357
Restricted	5,038,366	4,532,870	2,957,098	2,929,160
Unrestricted (Deficit)	<u>(6,240,998)</u>	<u>(11,313,247)</u>	<u>(14,391,767)</u>	<u>(20,066,219)</u>
<i>Total Primary Government Net Position</i>	<u>\$38,523,719</u>	<u>\$32,891,802</u>	<u>\$28,580,712</u>	<u>\$23,559,298</u>

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

(2) The City reported the impact of GASB Statement No. 75 beginning in 2018.

2017	2016	2015 (1)	2014	2013	2012
\$26,009,181	\$26,242,611	\$26,578,704	\$29,432,989	\$26,927,369	\$26,144,204
1,171,340	2,064,719	2,093,617	651,142	1,578,684	1,038,535
61,462	49,326	48,482	115,047	114,585	103,521
182,868	158,477	153,062	1,017,387	280,633	768,002
555,152	574,691	635,571	438,034	442,393	180,727
360,798	489,315	653,281	356,913	289,776	230,784
119,125	49,723	30,063	54,830	53,219	75,591
94,852	58,041	96,620	96,474	112,153	84,473
539,299	168,231	120,536	137,960	22,458	19,915
(20,066,423)	(9,430,563)	(8,593,534)	(8,262,094)	1,069,855	391,808
9,027,654	20,424,571	21,816,402	24,038,682	30,891,125	29,037,560
12,256,683	12,825,905	11,965,565	11,929,668	11,960,613	11,545,705
440,388	986,086	827,852	1,334,345	2,474,402	2,530,937
12,697,071	13,811,991	12,793,417	13,264,013	14,435,015	14,076,642
38,265,864	39,068,516	38,544,269	41,362,657	38,887,982	37,689,909
3,084,896	3,612,523	3,831,232	2,867,787	2,893,901	2,501,548
(19,626,035)	(8,444,477)	(7,765,682)	(6,927,749)	3,544,257	2,922,745
\$21,724,725	\$34,236,562	\$34,609,819	\$37,302,695	\$45,326,140	\$43,114,202

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

	2021	2020	2019	2018 (2)
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government:				
Legislative and Executive	\$231,650	\$232,702	\$237,776	\$247,644
Judicial System	359,064	328,372	299,949	311,639
Security of Persons and Property:				
Police	422,132	399,489	494,278	430,392
Fire	297,830	122,640	295,018	280,977
Public Health Services	0	0	0	80,632
Street Maintenance and Repairs	266,927	428,399	141,785	182,336
Housing and Community Development	121,767	216,344	60,781	178,208
Sanitation Services	0	0	0	0
Leisure Time Activities	0	0	0	0
Subtotal - Charges for Services	<u>1,699,370</u>	<u>1,727,946</u>	<u>1,529,587</u>	<u>1,711,828</u>
Operating Grants and Contributions:				
General Government:				
Legislative and Executive	56,713	38,336	68,658	6,598
Judicial System	11,772	73,073	12,649	12,669
Security of Persons and Property:				
Police	67,981	126,580	92,638	168,204
Fire	83,618	1,681,891	76,557	44,381
Public Health Services	0	19,538	0	1,913
Street Maintenance and Repairs	1,436,595	1,281,619	1,128,265	888,714
Housing and Community Development	182,881	404,005	717,876	306,754
Sanitation Services	0	0	0	0
Leisure Time Activities	22,143	16,635	21,816	58,171
Subtotal - Operating Grants and Contributions	<u>1,861,703</u>	<u>3,641,677</u>	<u>2,118,459</u>	<u>1,487,404</u>
Capital Grants and Contributions:				
General Government:				
Legislative and Executive	0	0	0	0
Security of Persons and Property:				
Police	0	3,162	0	0
Street Maintenance and Repairs	557,042	506,009	56,854	2,864,799
Housing and Community Development	0	0	0	0
Subtotal - Capital Grants and Contributions	<u>557,042</u>	<u>509,171</u>	<u>56,854</u>	<u>2,864,799</u>
<i>Total Governmental Activities Program Revenues</i>	<u>\$4,118,115</u>	<u>\$5,878,794</u>	<u>\$3,704,900</u>	<u>\$6,064,031</u>

2017	2016	2015 (1)	2014	2013	2012
\$219,302	\$246,670	\$236,366	\$388,450	\$411,518	\$414,538
308,206	282,346	200,982	267,805	265,461	258,606
386,144	414,081	390,843	507,597	552,112	468,505
273,207	278,732	250,345	323,428	339,718	358,161
77,441	79,261	73,122	77,984	118,555	102,777
432,562	302,625	413,226	259	63,763	27,539
202,098	208,883	302,075	259,122	295,579	243,585
582	849	293	264	0	0
0	0	0	0	0	1,562
<u>1,899,542</u>	<u>1,813,447</u>	<u>1,867,252</u>	<u>1,824,909</u>	<u>2,046,706</u>	<u>1,875,273</u>
0	0	0	100,000	0	0
16,251	0	0	0	0	0
105,733	132,037	114,477	83,866	35,112	206,181
34,756	57,684	0	68,835	35,112	30,367
20,965	28,092	25,606	14,403	11,073	12,508
876,883	805,132	769,401	767,828	849,842	817,848
227,236	546,572	131,203	1,333,052	219,343	962,920
0	0	73,115	0	0	0
45,154	17,979	0	0	0	0
<u>1,326,978</u>	<u>1,587,496</u>	<u>1,113,802</u>	<u>2,367,984</u>	<u>1,150,482</u>	<u>2,029,824</u>
0	0	0	0	0	13,250
0	0	0	0	0	0
353,575	87,304	686,611	983,641	1,668,993	0
0	0	0	0	0	0
<u>353,575</u>	<u>87,304</u>	<u>686,611</u>	<u>983,641</u>	<u>1,668,993</u>	<u>13,250</u>
<u>\$3,580,095</u>	<u>\$3,488,247</u>	<u>\$3,667,665</u>	<u>\$5,176,534</u>	<u>\$4,866,181</u>	<u>\$3,918,347</u>

(continued)

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

	2021	2020	2019	2018 (2)
Business-Type Activities:				
Charges for Services:				
Sanitation	\$2,061,881	\$1,957,517	\$1,873,590	\$1,964,039
Wastewater Treatment	4,704,512	4,607,570	4,418,137	4,675,398
Capital Grants and Contributions				
Sanitation	15,585	113,496	40,544	22,395
Wastewater Treatment	4,949	173,405	444,366	334,325
<i>Total Business-Type Activities Program Revenues</i>	<u>6,786,927</u>	<u>6,851,988</u>	<u>6,776,637</u>	<u>6,996,157</u>
<i>Total Primary Government Program Revenues</i>	<u>10,905,042</u>	<u>12,730,782</u>	<u>10,481,537</u>	<u>13,060,188</u>
Expenses				
Governmental Activities:				
General Government:				
Legislative and Executive	1,385,998	1,902,308	2,489,887	2,087,615
Judicial System	477,042	1,283,972	1,511,539	1,322,561
Security of Persons and Property:				
Police	3,975,825	4,304,015	1,232,417	4,893,717
Fire	2,924,151	3,106,837	208,606	2,981,749
Public Health Services	375,543	117,258	150,408	414,443
Street Maintenance and Repairs	2,830,927	3,089,404	3,173,755	2,853,250
Housing and Community Development	551,568	522,606	909,240	580,996
Sanitation Services	0	0	0	0
Leisure Time Activities	299,596	365,236	398,425	261,746
Interest and Fiscal Charges	138,662	155,964	154,540	166,507
<i>Total Governmental Activities Expenses</i>	<u>12,959,312</u>	<u>14,847,600</u>	<u>10,228,817</u>	<u>15,562,584</u>
Business-Type Activities				
Sanitation	1,516,320	1,902,911	2,067,789	2,252,634
Wastewater Treatment	3,526,205	4,538,442	4,705,551	4,313,335
<i>Total Business-Type Activities Expenses</i>	<u>5,042,525</u>	<u>6,441,353</u>	<u>6,773,340</u>	<u>6,565,969</u>
<i>Total Primary Government Program Expenses</i>	<u>18,001,837</u>	<u>21,288,953</u>	<u>17,002,157</u>	<u>22,128,553</u>
Net (Expense)/Revenue				
Governmental Activities	(8,841,197)	(8,968,806)	(6,523,917)	(9,498,553)
Business-Type Activities	1,744,402	410,635	3,297	430,188
<i>Total Primary Government Net Expense</i>	<u>(\$7,096,795)</u>	<u>(\$8,558,171)</u>	<u>(\$6,520,620)</u>	<u>(\$9,068,365)</u>

2017	2016	2015 (1)	2014	2013	2012
\$1,818,480	\$1,777,296	\$1,846,883	\$1,799,424	\$1,833,371	\$1,950,321
3,991,537	3,641,035	3,516,906	3,085,997	3,089,877	3,142,336
24,107	26,265	19,980	31,280	3,945	5,000
94,786	27,763	5,710	635,540	455,232	625,308
5,928,910	5,472,359	5,389,479	5,552,241	5,382,425	5,722,965
9,509,005	8,960,606	9,057,144	10,728,775	10,248,606	9,641,312
2,135,112	2,073,507	2,258,619	2,634,808	2,503,864	2,821,885
1,254,676	1,133,813	1,006,688	1,126,553	977,180	995,974
4,707,610	4,630,686	4,244,476	3,645,947	3,799,246	3,372,417
3,054,167	2,678,611	2,845,390	2,519,128	2,515,373	2,687,460
408,976	380,260	388,432	329,426	338,346	334,693
2,790,436	2,376,580	2,989,848	1,121,229	1,678,580	2,529,822
1,095,221	772,464	1,288,296	792,050	902,972	1,012,690
5,016	6,485	334,856	1,730	1,853	38,831
289,845	55,362	95,965	39,713	75,701	68,873
136,251	3,650	70,338	17,330	3,118	5,972
15,877,310	14,111,418	15,522,908	12,227,914	12,796,233	13,868,617
1,805,365	2,088,252	1,672,859	1,900,604	2,001,720	1,943,508
4,078,229	2,416,530	4,253,305	3,453,195	3,068,420	3,060,797
5,883,594	4,504,782	5,926,164	5,353,799	5,070,140	5,004,305
21,760,904	18,616,200	21,449,072	17,581,713	17,866,373	18,872,922
(12,297,215)	(10,623,171)	(11,855,243)	(7,051,380)	(7,930,052)	(9,950,270)
45,316	967,577	(536,685)	198,442	312,285	718,660
(\$12,251,899)	(\$9,655,594)	(\$12,391,928)	(\$6,852,938)	(\$7,617,767)	(\$9,231,610)

(continued)

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

	2021	2020	2019	2018 (2)
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$805,056	\$943,906	\$881,719	\$911,158
Capital Outlay	341,671	392,954	375,437	388,128
Other Purposes	1,736,457	2,260,963	1,268,680	1,308,236
Income Taxes Levied for:				
General Purposes	7,279,943	6,458,415	6,499,519	6,475,818
Capital Outlay	795,662	711,630	717,590	715,168
Hotel Taxes	7,146	3,798	4,048	732
Grants and Entitlements not Restricted to				
Specific Programs	1,327,602	1,352,735	1,111,283	820,966
Investment Earnings	11,266	22,165	17,788	4,469
Unrestricted Contributions	33,186	1,500	0	250
Franchise Taxes	262,461	262,292	225,820	290,452
Gain on Sale of Capital Assets	0	0	3,532	21,735
Other	106,317	416,597	205,749	65,788
Special Item - Transfer of Operations (3)	0	0	355,869	0
Transfers	7,128	2,376	6,802	4,752
<i>Total Governmental Activities</i>	<u>12,713,895</u>	<u>12,829,331</u>	<u>11,673,836</u>	<u>11,007,652</u>
Business-Type Activities				
Other	21,945	42,306	0	19,163
Transfers	(7,128)	(2,376)	(6,802)	(4,752)
<i>Total Business-Type Activities</i>	<u>14,817</u>	<u>39,930</u>	<u>(6,802)</u>	<u>14,411</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>12,728,712</u>	<u>12,869,261</u>	<u>11,667,034</u>	<u>11,022,063</u>
Change in Net Position				
Governmental Activities	3,872,698	3,860,525	5,149,919	1,509,099
Business-Type Activities	1,759,219	450,565	(3,505)	444,599
<i>Total Primary Government Change in Net Position</i>	<u>\$5,631,917</u>	<u>\$4,311,090</u>	<u>\$5,146,414</u>	<u>\$1,953,698</u>

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

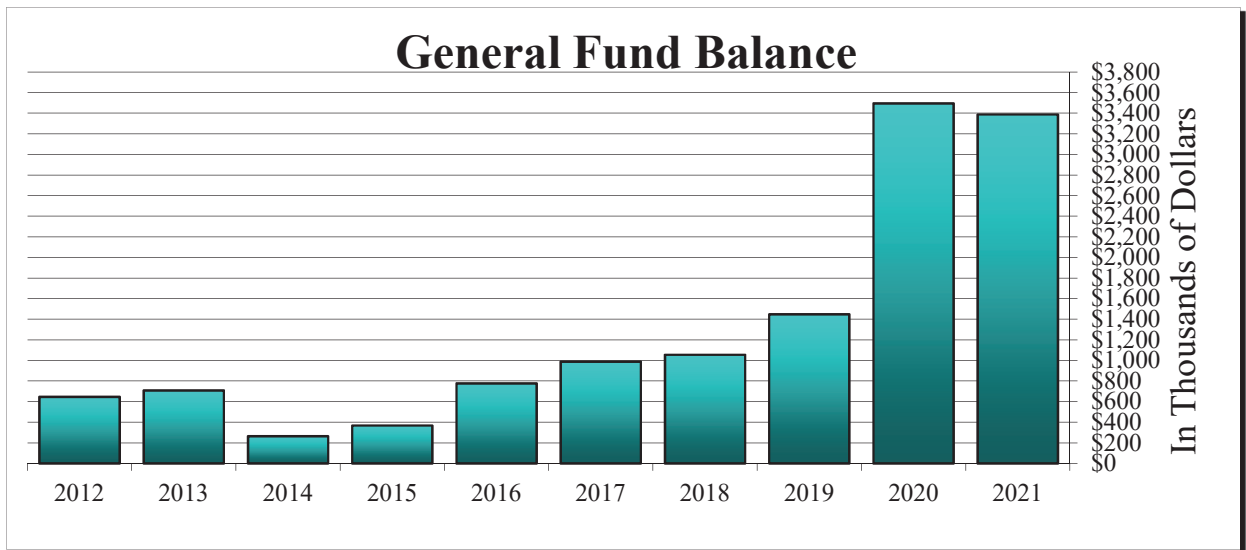
(2) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in 2018.

(3) Effective January 1, 2019, the City transferred the operations of their Health Department to the City of Ashtabula Board of Health.

2017	2016	2015 (1)	2014	2013	2012
\$746,685	\$698,451	\$658,161	\$1,052,932	\$964,733	\$825,015
317,087	293,845	275,061	448,033	411,018	350,201
1,139,482	773,281	1,046,981	599,810	551,687	489,993
6,269,177	5,737,015	5,802,538	5,861,891	6,006,298	5,137,126
693,921	632,880	641,178	647,014	663,396	566,893
370	0	0	0	0	0
811,616	808,303	877,128	780,305	863,451	811,927
3,580	538	175	112	60	190
0	0	0	0	0	0
269,859	225,803	244,176	235,233	221,520	252,342
0	0	0	0	0	0
77,636	87,282	167,832	119,304	164,581	113,856
0	0	0	0	0	0
0	(45,718)	(55,500)	(29,473)	(40,755)	(39,275)
10,329,413	9,211,680	9,657,730	9,715,161	9,805,989	8,508,268
2,844	5,279	10,589	2,880	5,333	9,975
0	45,718	55,500	29,473	40,755	39,275
2,844	50,997	66,089	32,353	46,088	49,250
10,332,257	9,262,677	9,723,819	9,747,514	9,852,077	8,557,518
(1,967,802)	(1,411,491)	(2,197,513)	2,663,781	1,875,937	(1,442,002)
48,160	1,018,574	(470,596)	230,795	358,373	767,910
(\$1,919,642)	(\$392,917)	(\$2,668,109)	\$2,894,576	\$2,234,310	(\$674,092)

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

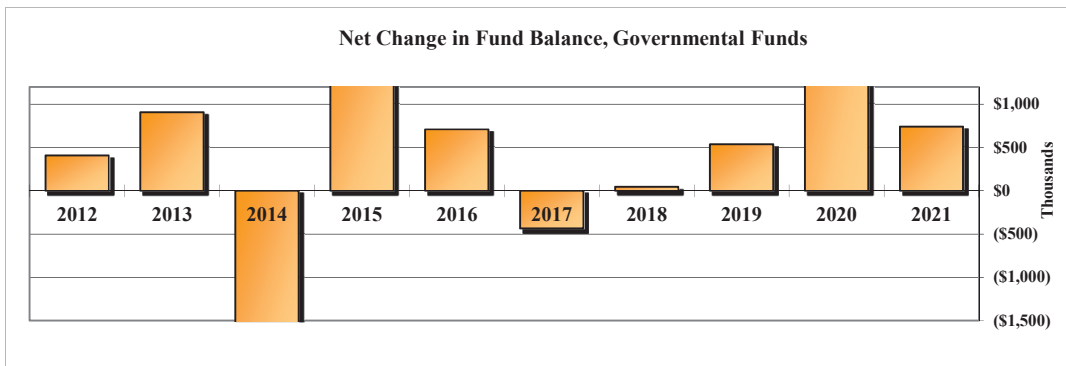
	2021	2020	2019	2018
General Fund				
Nonspendable	\$87,580	\$69,253	\$40,296	\$46,027
Restricted	0	0	0	0
Assigned	1,142,050	590,087	219,994	222,722
Unassigned (Deficit)	2,157,169	2,835,474	1,186,874	785,982
Total General Fund	3,386,799	3,494,814	1,447,164	1,054,731
All Other Governmental Funds				
Nonspendable	33,442	21,053	26,403	56,285
Restricted	4,147,460	3,312,825	2,335,726	1,956,839
Committed	64,978	78,459	56,507	183,323
Unassigned (Deficit)	(24,873)	(40,568)	(107,380)	(29,928)
Total All Other Governmental Funds	4,221,007	3,371,769	2,311,256	2,166,519
Total Governmental Funds	\$7,607,806	\$6,866,583	\$3,758,420	\$3,221,250



2017	2016	2015	2014	2013	2012
\$84,878	\$65,930	\$75,492	\$66,706	\$42,245	\$82,872
0	194,091	266,091	333,291	357,291	0
221,791	263,424	124,172	0	74,561	70,852
680,548	253,197	(98,903)	(136,282)	234,067	491,066
987,217	776,642	366,852	263,715	708,164	644,790
28,148	\$46,161	\$104,784	\$74,489	\$52,438	\$43,985
1,930,158	2,547,068	2,227,539	719,855	2,287,051	1,475,482
230,267	283,528	234,492	186,060	220,690	188,096
(1,634)	(45,098)	(34,915)	(278,456)	(9,363)	(282)
2,186,939	2,831,659	2,531,900	701,948	2,550,816	1,707,281
\$3,174,156	\$3,608,301	\$2,898,752	\$965,663	\$3,258,980	\$2,352,071

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

	2021	2020	2019	2018
Revenues				
Property Taxes	\$3,457,494	\$3,220,358	\$2,494,648	\$2,524,998
Municipal Income Tax	8,023,423	7,192,478	7,465,183	7,267,649
Hotel Taxes	7,346	3,598	4,048	760
Charges for Services	572,743	485,691	598,204	658,766
Licenses and Permits	208,462	235,772	201,378	284,415
Fines and Forfeitures	808,975	637,066	780,496	763,821
Intergovernmental	3,759,969	5,350,017	3,171,597	5,172,707
Special Assessments	166	10,300	10,134	11,082
Interest	150	1,190	3,185	2,113
Rentals	200,935	186,293	185,964	168,314
Franchise Taxes	264,702	261,228	271,115	281,961
Contributions and Donations	43,186	4,000	6,365	8,100
Other	106,317	416,597	205,749	65,788
<i>Total Revenues</i>	<u>17,453,868</u>	<u>18,004,588</u>	<u>15,398,066</u>	<u>17,210,474</u>
Expenditures				
Current:				
General Government				
Legislative and Executive	2,168,705	1,830,233	2,072,345	2,086,928
Judicial System	1,147,450	1,234,274	1,188,051	1,138,826
Security of Persons and Property:				
Police	4,715,132	4,246,238	4,536,667	4,309,518
Fire	3,159,051	3,147,519	2,908,931	2,842,705
Public Health Services	375,543	117,258	150,408	376,169
Street Maintenance and Repairs	2,004,979	1,824,190	1,424,409	1,456,878
Housing and Community Development	740,824	500,631	795,691	526,035
Sanitation Services	0	0	0	0
Leisure Time Activities	232,858	313,925	325,003	191,077
Capital Outlay	1,501,101	989,771	1,069,781	3,817,794
Debt Service:				
Principal Retirement	530,867	539,311	525,230	443,578
Interest and Fiscal Charges	143,263	155,451	159,209	148,899
<i>Total Expenditures</i>	<u>16,719,773</u>	<u>14,898,801</u>	<u>15,155,725</u>	<u>17,338,407</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>734,095</u>	<u>3,105,787</u>	<u>242,341</u>	<u>(127,933)</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
Capital Loan Issued	0	0	0	148,540
Inception of Capital Lease	0	0	300,000	0
Sale of Capital Assets	0	0	3,532	21,735
Transfer of Health Department Operations	0	0	(15,505)	0
Transfers In	1,532,859	702,283	614,733	435,252
Transfers Out	(1,525,731)	(699,907)	(607,931)	(430,500)
<i>Total Other Financing Sources (Uses)</i>	<u>7,128</u>	<u>2,376</u>	<u>294,829</u>	<u>175,027</u>
<i>Net Change in Fund Balances</i>	<u>\$741,223</u>	<u>\$3,108,163</u>	<u>\$537,170</u>	<u>\$47,094</u>
Debt Service as a Percentage of Noncapital Expenditures	4.6%	5.2%	4.8%	4.8%



2017	2016	2015	2014	2013	2012
\$2,356,545	\$2,098,416	\$2,131,803	\$1,724,033	\$1,788,847	\$1,747,271
7,080,136	6,752,323	6,502,818	6,188,837	6,603,322	6,050,045
342	0	0	0	0	0
685,555	698,519	675,889	680,609	750,560	631,480
261,612	358,858	314,797	316,089	291,403	274,644
741,678	710,049	609,535	579,395	642,937	738,446
2,463,048	2,395,130	3,859,188	2,983,575	3,992,017	3,403,671
9,984	10,755	12,369	9,652	10,901	9,843
1,146	538	175	112	60	190
137,377	144,767	126,720	137,740	164,069	169,002
250,509	136,561	244,176	235,233	221,520	302,884
184,920	0	0	0	0	0
77,636	87,282	167,832	119,304	164,581	109,492
14,250,488	13,393,198	14,645,302	12,974,579	14,630,217	13,436,968
1,901,390	1,896,454	1,973,362	2,613,649	2,538,405	2,576,120
1,069,311	1,013,169	907,484	1,061,785	972,965	961,805
4,118,222	3,793,441	3,753,944	3,503,212	3,729,018	3,301,408
2,702,614	2,535,606	2,486,759	2,634,535	2,446,715	2,572,934
368,784	368,941	352,770	331,273	332,026	323,401
1,271,982	1,507,789	1,380,569	876,214	1,040,537	1,266,996
461,372	760,473	1,174,548	817,751	910,001	1,013,371
5,060	6,503	315,558	1,728	0	12,000
261,476	29,744	54,574	28,040	35,057	28,895
2,474,851	834,385	3,581,189	4,346,012	2,069,647	735,005
492,368	261,526	237,029	188,758	299,785	187,772
156,201	14,230	21,965	17,941	9,421	9,150
15,283,631	13,022,261	16,239,751	16,420,898	14,383,577	12,988,857
(1,033,143)	370,937	(1,594,449)	(3,446,319)	246,640	448,111
0	79,978	2,563,015	1,011,562	0	0
56,241	231,751	856,691	49,583	0	0
50,746	0	44,286	0	0	0
0	0	0	0	0	0
492,011	72,601	119,046	121,330	699,524	0
0	0	0	0	0	0
0	0	0	0	0	0
423,281	531,859	739,597	411,624	587,421	601,000
(423,281)	(577,577)	(795,097)	(441,097)	(626,676)	(640,275)
598,998	338,612	3,527,538	1,153,002	660,269	(39,275)
(\$434,145)	\$709,549	\$1,933,089	(\$2,293,317)	\$906,909	\$408,836
4.8%	2.4%	1.9%	1.9%	2.5%	1.6%

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/PU		Assessed Value	Estimated Actual Value
2021	\$132,207,900	\$59,794,490	\$548,578,257	\$32,843,170	\$37,321,784
2020	131,691,070	60,414,880	548,874,143	32,585,050	37,028,466
2019	122,136,130	57,276,150	512,606,514	30,753,040	34,946,636
2018	123,280,970	59,284,160	521,614,657	28,272,550	32,127,898
2017	116,921,770	58,353,270	500,785,829	28,006,210	31,825,239
2016	117,166,590	59,420,240	504,533,800	26,588,520	30,214,227
2015	117,928,540	59,894,270	508,065,171	26,936,300	30,609,432
2014	132,014,600	73,752,050	587,904,714	23,144,090	26,300,102
2013	132,789,880	71,431,510	583,489,686	22,006,640	25,007,545
2012	131,582,310	66,345,860	565,509,057	18,236,510	20,723,307

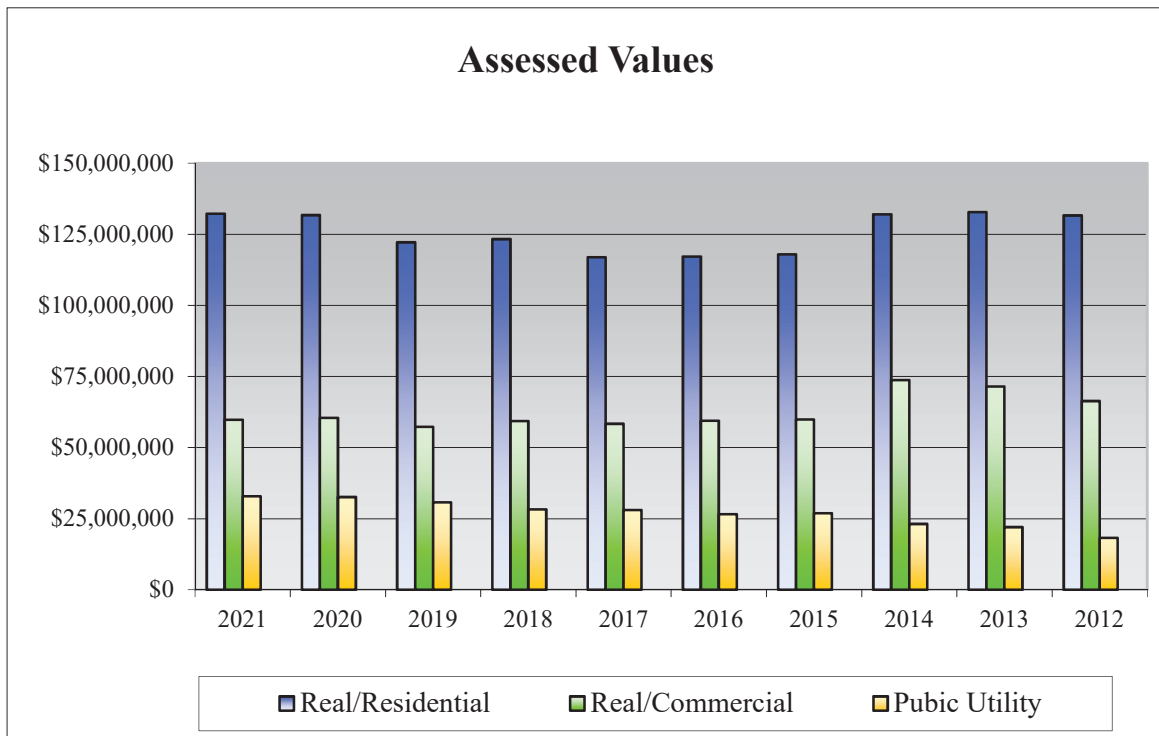
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each appraisal.

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.

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 a 10 percent and a 2 1/2 percent rollback, and homestead exemptions before being billed.

Source: Ashtabula County, Ohio; County Auditor

Assessed Value	Total Estimated Actual Value	Ratio	Total Direct Tax Rate
\$224,845,560	\$585,900,041	38.38 %	\$17.31
224,691,000	585,902,609	38.35	17.31
210,165,320	547,553,151	38.38	13.31
210,837,680	553,742,555	38.08	13.31
203,281,250	532,611,067	38.17	13.31
203,175,350	534,748,027	37.99	11.81
204,759,110	538,674,603	38.01	9.31
228,910,740	614,204,817	37.27	9.31
226,228,030	608,497,231	37.18	9.31
216,164,680	586,232,364	36.87	9.31



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

	2021	2020	2019	2018
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
Senior Citizens	0.3000	0.3000	0.3000	0.3000
Police Levy	1.5000	1.5000	1.5000	1.5000
Police Levy	2.5000	2.5000	2.5000	2.5000
Paving Levy	4.0000	4.0000	0.0000	0.0000
<i>Total Charter Millage</i>	<u>14.4400</u>	<u>14.4400</u>	<u>10.4400</u>	<u>10.4400</u>
Total Millage	<u><u>\$17.3100</u></u>	<u><u>\$17.3100</u></u>	<u><u>\$13.3100</u></u>	<u><u>\$13.3100</u></u>
Overlapping Rates by Taxing District				
Ashtabula Area City Schools				
Residential/Agricultural Real	\$29.4443	\$31.2205	\$31.2065	\$30.7692
Commerical/Industrial and Public Utility Real	37.9497	39.2879	39.2157	38.6505
General Business and Public Utility Personal	49.5500	49.5500	49.5500	49.1500
Ashtabula County District Library				
Residential/Agricultural Real	1.3490	1.4569	1.2063	1.2500
Commerical/Industrial and Public Utility Real	1.4535	1.5000	0.0000	0.0000
General Business and Public Utility Personal	1.5000	1.5000	0.0000	0.0000
Harbor Topky Library				
Residential/Agricultural Real	3.3229	3.3871	3.3829	3.3798
Residential/Agricultural Real	3.3677	3.7504	0.0000	0.0000
Residential/Agricultural Real	4.0000	4.0000	0.0000	0.0000
Ashtabula County Commissioner				
Residential/Agricultural Real	9.3688	9.8224	9.8182	9.7962
Commerical/Industrial and Public Utility Real	10.9510	11.2552	11.2384	11.2001
General Business and Public Utility Personal	11.5200	11.5200	11.5200	11.5200
Ashtabula Township Park				
Residential/Agricultural Real	1.0474	1.4696	1.1455	1.1242
Commerical/Industrial and Public Utility Real	1.1398	1.1750	1.1679	1.1672
General Business and Public Utility Personal	1.1800	1.1800	1.1800	1.1800
Ashtabula County Metroparks				
Residential/Agricultural Real	0.4560	0.4862	0.4859	0.4844
Commerical/Industrial and Public Utility Real	0.4826	0.5000	0.5000	0.4990
General Business and Public Utility Personal	0.5000	0.5000	0.5000	0.5000

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.

2017	2016	2015	2014	2013	2012
\$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
0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
1.5000	0.0000	0.0000	0.0000	0.0000	0.0000
2.5000	2.5000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
10.4400	8.9400	6.4400	6.4400	6.4400	6.4400
\$13.3100	\$11.8100	\$9.3100	\$9.3100	\$9.3100	\$9.3100
\$33.3887	\$33.7287	\$32.2700	\$32.2706	\$32.2056	\$33.3330
40.2538	40.1112	35.9439	35.9439	35.8310	37.7939
50.8500	50.8500	50.8500	50.8500	50.8500	52.0000
1.2500	1.2500	1.2500	1.2500	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
3.5635	3.3737	3.4762	3.4762	3.4762	3.4762
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
10.0306	10.0135	10.8876	9.0012	8.9962	8.9922
11.2176	11.1687	9.4306	9.9622	9.9304	9.9223
11.5200	11.5200	11.0200	11.0200	11.0200	11.0200
1.1800	1.1800	1.1800	1.1800	1.1800	1.1800
1.1800	1.1800	1.1800	1.1730	1.1704	1.1800
1.1800	1.1800	1.1800	1.1800	1.1800	1.1800
0.5000	0.5000	0.0000	0.0000	0.0000	0.0000
0.5000	0.5000	0.0000	0.0000	0.0000	0.0000
0.5000	0.5000	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)
2021	\$3,756,708	\$3,622,829	96.44 %	\$325,449	\$3,948,278
2020	3,924,059	3,442,727	87.73	96,787	3,539,514
2019	2,759,843	2,623,598	95.06	131,864	2,755,462
2018	2,767,947	2,606,634	94.17	183,060	2,789,694
2017	2,455,042	2,483,474	101.16	113,791	2,597,265
2016	2,395,264	2,233,110	93.23	110,614	2,343,724
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

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>
105.10 %	\$490,348	13.05 %
90.20	391,753	9.98
99.84	359,378	13.02
100.79	389,179	14.06
105.79	410,301	16.71
97.85	373,048	15.57
86.29	536,936	22.24
82.53	564,410	26.66
96.34	166,031	7.92
95.59	303,506	16.31

City of Ashtabula, Ohio
Principal Real Property Taxpayers
2021 and 2012

<i>2021</i>		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Real Property Assessed Valuation
Aqua Ohio Water	\$17,454,810	9.09 %
Cleveland Electric Illuminating Company	10,389,280	5.41
Pinney Dock	4,140,860	2.16
Norfolk & Southern	4,067,640	2.12
American Transmission System	3,176,190	1.65
Chromaflo Technologies Corporation	1,318,840	0.69
Molded Fiber Glass	1,122,560	0.58
Ashtabula Towers	1,082,310	0.56
Country Club Center III	915,320	0.48
East Ohio Gas Company/Dominion	914,820	0.48
Total	\$44,582,630	23.22 %
Total Real Property Assessed Valuation	\$192,002,390	

<i>2012</i>		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Real Property Assessed Valuation
Pinney Dock	\$14,647,220	7.40 %
Norfolk & Southern	4,673,029	2.36
Molded Fiber Glass	1,338,050	0.68
Ashtabula Care Center	1,166,590	0.59
Ohio American Water	1,165,370	0.59
Ash-L Associates	1,130,020	0.57
Ashtabula Towers	956,770	0.48
Country Club Center III	900,980	0.46
Willo Arms of Ashtabula	815,330	0.41
Hughes Roller	789,580	0.40
Total	\$27,582,939	13.94 %
Total Real Property Assessed Valuation	\$197,928,170	

Source: Ashtabula County, Ohio; County Auditor

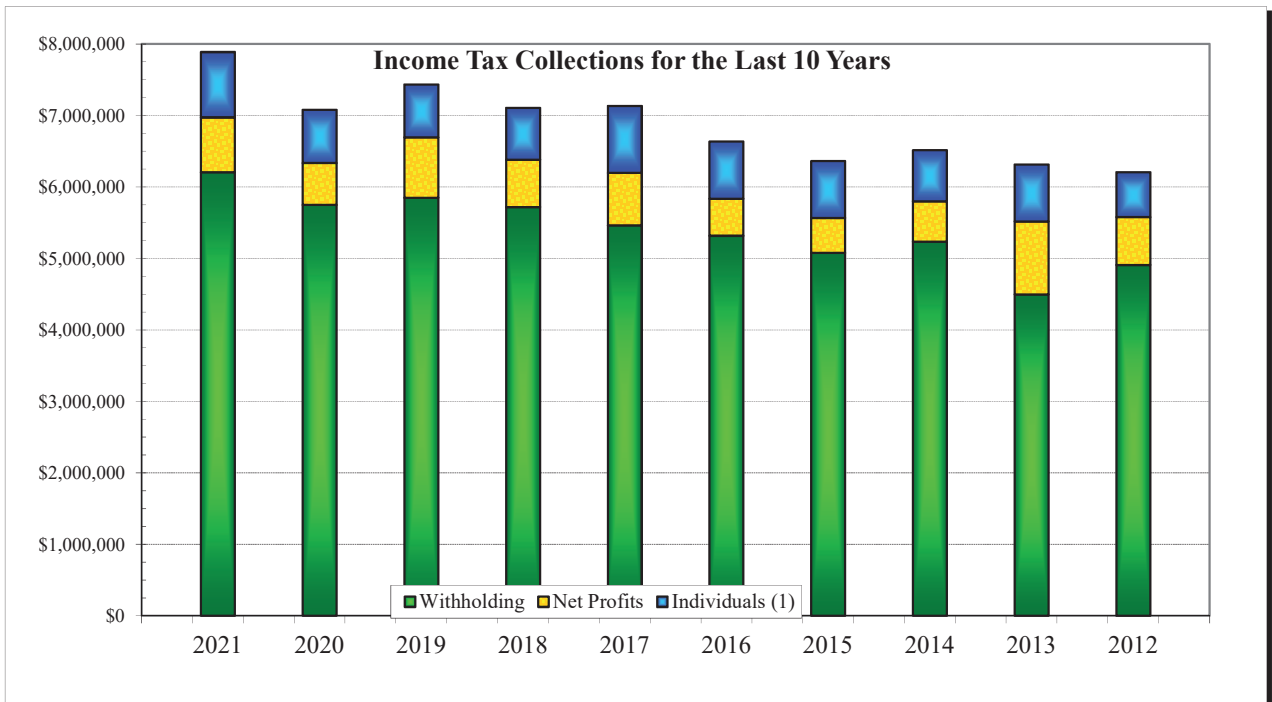
(1) Amounts represent assessed values upon which 2021 and 2012 collections were based.

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
2021	1.80 %	7,887,502	\$6,205,394	78.67%	\$768,483	9.74%	\$913,625	11.59%
2020	1.80	7,079,862	5,748,450	81.19	586,645	8.29	744,767	10.52
2019	1.80	7,434,449	5,848,183	78.66	845,810	11.38	740,456	9.96
2018	1.80	7,107,332	5,719,579	80.48	661,959	9.31	725,794	10.21
2017	1.80	7,134,381	5,462,288	76.56	733,514	10.28	938,579	13.16
2016	1.80	6,635,357	5,317,286	80.14	517,533	7.80	800,538	12.06
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	80.35	565,194	8.68	714,238	10.97
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

Source: City of Ashtabula Income Tax Department

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



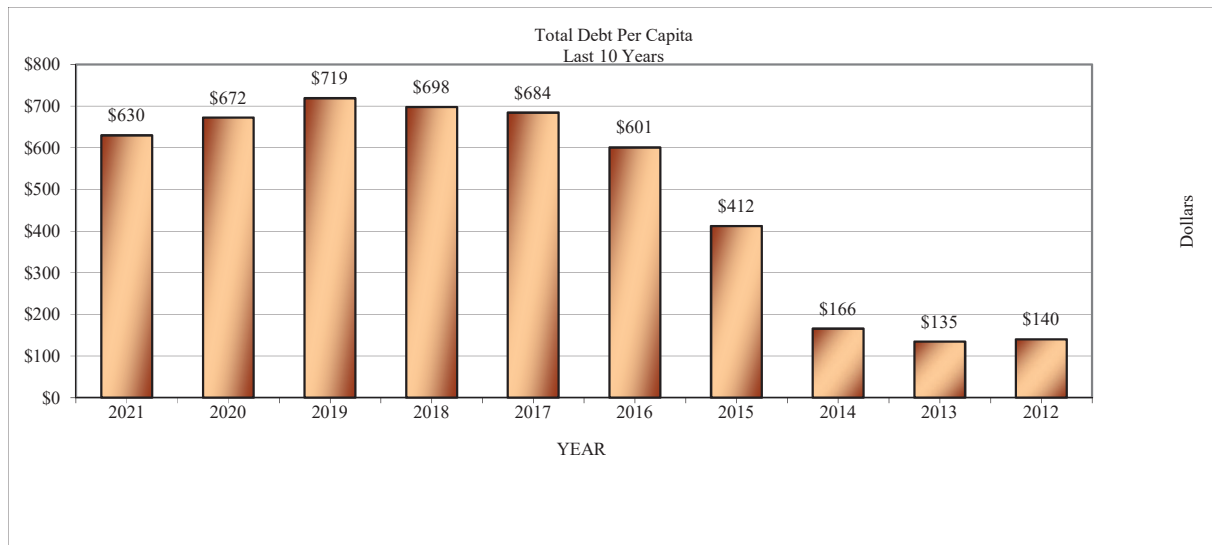
City of Ashtabula, Ohio
*Ratio of Outstanding Debt to
Total Personal Income and Debt Per Capita
Last Ten Years*

Year	Governmental Activities					
	State Infrastructure Bank Bonds	General Obligation Bonds	State Infrastructure Bank Loans	OPWC Loans	Capital Loan	Capital Leases
2021	\$2,695,000	\$0	\$808,209	\$76,025	\$29,708	\$481,278
2020	2,965,000	0	906,052	83,153	59,416	607,466
2019	3,235,000	0	1,001,025	90,422	89,124	744,827
2018	3,495,000	0	1,093,211	104,955	118,832	573,630
2017	3,755,000	0	1,169,658	119,489	0	636,519
2016	4,010,000	0	1,172,842	78,525	0	312,669
2015	3,574,577	0	906,274	88,307	0	491,812
2014	1,011,562	0	49,583	53,803	0	600,013
2013	0	0	0	63,586	0	657,658
2012	0	160,944	0	73,369	0	87,192

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

Business Type Activities

Equalization Basin Loan	OWDA Loans	OPWC Loans	KeyCorp Bonds	Capital Leases	Notes Payable	Total Debt	Percentage of Personal Income(1)	Per Capita(1)
\$0	\$6,745,346	\$487,696	\$0	\$0	\$0	\$11,323,262	3.23 %	\$630
0	7,081,643	561,770	0	0	0	12,264,500	3.49	672
0	7,253,557	586,461	0	0	0	13,000,416	4.16	719
0	6,750,594	635,844	0	4,258	0	12,776,324	4.23	698
0	6,300,857	582,914	0	10,416	0	12,574,853	4.25	684
0	4,679,870	627,373	0	16,427	137,909	11,035,615	3.75	601
298,757	1,611,877	665,628	0	59,920	0	7,697,152	2.57	412
585,471	232,064	657,573	0	73,690	0	3,263,759	1.07	166
860,628	378,657	582,180	0	108,258	0	2,650,967	0.80	135
1,124,695	519,076	605,304	50,000	141,391	0	2,761,971	0.83	140



City of Ashtabula, Ohio
Legal Debt Margin
Last Ten Years

	2021	2020	2019	2018
Total Assessed Property Value	<u>\$224,845,560</u>	<u>\$224,691,000</u>	<u>\$210,165,320</u>	<u>\$210,837,680</u>
General Bonded Debt Outstanding:				
General Obligation Bonds	\$0	\$0	\$0	\$0
State Infrastructure Bonds	2,695,000	2,965,000	3,235,000	3,495,000
State Infrastructure Loan	808,209	906,052	1,001,025	1,093,211
Equalization Basin Loan	0	0	0	0
OWDA Loans	6,745,346	7,081,643	7,253,557	6,750,594
OPWC Loans	563,721	644,923	676,883	740,799
Capital Loan	29,708	59,416	89,124	118,832
KeyCorp Loan	0	0	0	0
Total Gross Indebtedness	10,841,984	11,657,034	12,255,589	12,198,436
Less:				
State Infrastructure Bonds	0	0	0	0
State Infrastructure Loan	0	0	0	0
Equalization Basin Loan	0	0	0	0
OWDA Loans	(6,745,346)	(7,081,643)	(7,253,557)	(6,750,594)
OPWC Loans	(563,721)	(644,923)	(676,883)	(740,799)
KeyCorp Loan	0	0	0	0
General Obligation Bond Retirement Fund Balance	(65,103)	(64,950)	(59,675)	(59,619)
Total Net Debt Applicable to Debt Limit	<u>3,467,814</u>	<u>3,865,518</u>	<u>4,265,474</u>	<u>4,647,424</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>23,608,784</u>	<u>23,592,555</u>	<u>22,067,359</u>	<u>22,137,956</u>
Legal Debt Margin Within 10 ½ % Limitations:	<u>\$20,140,970</u>	<u>\$19,727,037</u>	<u>\$17,801,885</u>	<u>\$17,490,532</u>
Legal Debt Margin as a Percentage of the Debt Limit	85.31%	83.62%	80.67%	79.01%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$12,366,506</u>	<u>\$12,358,005</u>	<u>\$11,559,093</u>	<u>\$11,596,072</u>
Total Gross Indebtedness	10,841,984	11,657,034	12,255,589	12,198,436
Less:				
State Infrastructure Bonds	0	0	0	0
State Infrastructure Loan	0	0	0	0
Equalization Basin Loan	0	0	0	0
OWDA Loans	(6,745,346)	(7,081,643)	(7,253,557)	(6,750,594)
OPWC Loans	(563,721)	(644,923)	(676,883)	(740,799)
KeyCorp Loan	0	0	0	0
General Obligation Bond Retirement Fund Balance	(65,103)	(64,950)	(59,675)	(59,619)
Net Debt Within 5 ½ % Limitations	<u>3,467,814</u>	<u>3,865,518</u>	<u>4,265,474</u>	<u>4,647,424</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations:	<u>\$8,898,692</u>	<u>\$8,492,487</u>	<u>\$7,293,619</u>	<u>\$6,948,648</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	71.96%	68.72%	63.10%	59.92%

Source: City Financial Records

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

2017	2016	2015	2014	2013	2012
<u>\$203,281,250</u>	<u>\$203,175,350</u>	<u>\$204,759,110</u>	<u>\$228,910,740</u>	<u>\$226,228,030</u>	<u>\$216,164,680</u>
\$0	\$0	\$0	\$0	\$0	\$160,944
3,755,000	4,010,000	3,574,577	1,011,562	0	0
1,169,658	1,172,842	906,274	49,583	0	0
0	0	298,757	585,471	860,628	1,124,695
6,300,857	4,679,870	1,611,877	232,064	378,657	519,076
702,403	705,898	753,935	711,376	582,180	678,673
0	0	0	0	0	0
0	0	0	0	0	50,000
11,927,918	10,568,610	7,145,420	2,590,056	1,821,465	2,533,388
0	0	0	(1,011,562)	0	0
0	0	0	(49,583)	0	0
0	0	(298,757)	(585,471)	(860,628)	(1,124,695)
(6,300,857)	(4,679,870)	(1,611,877)	(232,064)	(378,657)	(519,076)
(702,403)	(705,898)	(753,935)	(711,376)	(582,180)	(678,673)
0	0	0	0	0	(50,000)
(58,705)	(55,483)	(54,887)	0	0	(50,285)
4,865,953	5,127,359	4,425,964	0	0	110,659
21,344,531	21,333,412	21,499,707	24,035,628	23,753,943	22,697,291
<u>\$16,478,578</u>	<u>\$16,206,053</u>	<u>\$17,073,743</u>	<u>\$24,035,628</u>	<u>\$23,753,943</u>	<u>\$22,586,632</u>
77.20%	75.97%	79.41%	100.00%	100.00%	99.51%
\$11,180,469	\$11,174,644	\$11,261,751	\$12,590,091	\$12,442,542	\$11,889,057
11,927,918	10,568,610	7,145,420	2,590,056	1,821,465	2,533,388
0	0	0	(1,011,562)	0	0
0	0	0	(49,583)	0	0
0	0	(298,757)	(585,471)	(860,628)	(1,124,695)
(6,300,857)	(4,679,870)	(1,611,877)	(232,064)	(378,657)	(519,076)
(702,403)	(705,898)	(753,935)	(711,376)	(582,180)	(678,673)
0	0	0	0	0	(50,000)
(58,705)	(55,483)	(54,887)	0	0	(50,285)
4,865,953	5,127,359	4,425,964	0	0	110,659
<u>\$6,314,516</u>	<u>\$6,047,285</u>	<u>\$6,835,787</u>	<u>\$12,590,091</u>	<u>\$12,442,542</u>	<u>\$11,778,398</u>
56.48%	54.12%	60.70%	100.00%	100.00%	99.07%

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
2021	17,975 a	\$585,900,041	\$0	0.00 %	\$0.00
2020	17,975 a	585,902,609	0	0.00	0.00
2019	18,243 a	547,553,151	0	0.00	0.00
2018	18,079 a	553,742,555	0	0.00	0.00
2017	18,311 a	532,611,067	0	0.00	0.00
2016	18,371 a	534,748,027	0	0.00	0.00
2015	18,371 a	538,674,603	0	0.00	0.00
2014	18,673 a	614,204,817	0	0.00	0.00
2013	19,680 b	608,497,231	0	0.00	0.00
2012	19,680 b	586,232,364	160,944	0.03	8.18

Sources:

(1) U. S. Bureau of Census, Census of Population.

(a) Year 2014-2021 Federal Census Estimate

(b) Year 2012-2013 The 2010 Federal Census

(2) Ashtabula County, Ohio; County Auditor

City of Ashtabula, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2021

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Ashtabula
Direct - City of Ashtabula			
State Infrastructure Bonds	\$2,695,000	100.00 %	\$2,695,000
State Infrastructure Loan	808,209	100.00	808,209
OPWC Loans	76,025	100.00	76,025
Capital Loan	29,708	100.00	29,708
Capital Leases	481,278	100.00	481,278
<i>Total Direct Debt</i>	4,090,220 *		4,090,220
Overlapping			
Ashtabula Area City School District			
General Obligation Bonds	20,948,034	45.53	9,537,640
Ashtabula County			
General Obligation Bonds	13,500,000	10.32	1,393,200
OPWC Loans	118,788	10.32	12,259
<i>Total Overlapping Debt</i>	34,566,822		10,943,099
Total	\$38,657,042		\$15,033,319

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

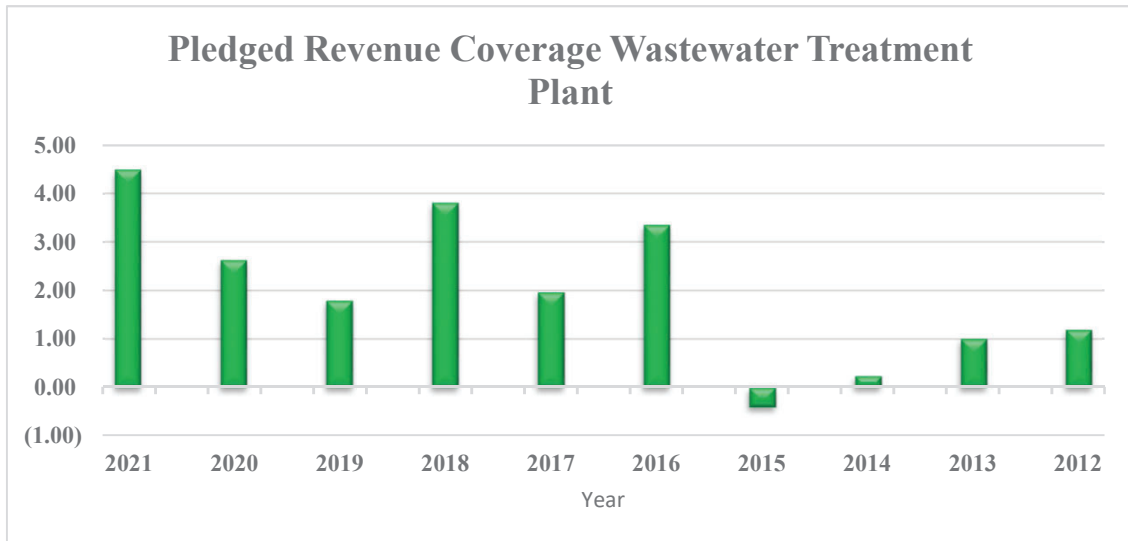
	2021	2020	2019	2018
Wastewater Treatment Fund				
Operating Revenues (1)	\$4,717,761	\$4,647,145	\$4,418,137	\$4,675,968
Less: Operating Expenses (2)	2,341,016	3,455,924	3,583,800	3,025,580
Net Available Revenue	2,376,745	1,191,221	834,337	1,650,388
Debt Service *				
Principal	423,533	339,591	371,091	338,386
Interest	105,778	113,972	94,346	94,803
Total Debt Service	529,311	453,563	465,437	433,189
Coverage	4.49	2.63	1.79	3.81

(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



2017	2016	2015	2014	2013	2012
\$3,994,378	\$3,646,281	\$3,527,467	\$3,085,997	\$3,089,877	\$3,148,190
3,446,881	1,863,752	3,742,036	2,964,547	2,527,194	2,479,050
547,497	1,782,529	(214,569)	121,450	562,683	669,140
221,448	443,738	478,878	458,081	489,743	472,109
57,040	88,098	38,232	54,350	70,131	88,526
278,488	531,836	517,110	512,431	559,874	560,635
1.97	3.35	(0.41)	0.24	1.01	1.19

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)
2021	17,975	a	\$354,808,525	\$19,739	\$33,918	38.3
2020	17,975	a	350,997,825	19,527	29,566	37.4
2019	18,243	a	312,338,403	17,121	29,338	38.1
2018	18,079	a	302,335,117	16,723	29,421	38.8
2017	18,311	a	296,107,181	16,171	28,865	38.8
2016	18,371	a	294,395,275	16,025	28,265	38.4
2015	18,371	a	299,098,251	16,281	28,682	38.3
2014	18,673	a	305,415,588	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

(1) Source: U. S. Census

(a) Year 2014-2021 Federal Census Estimate

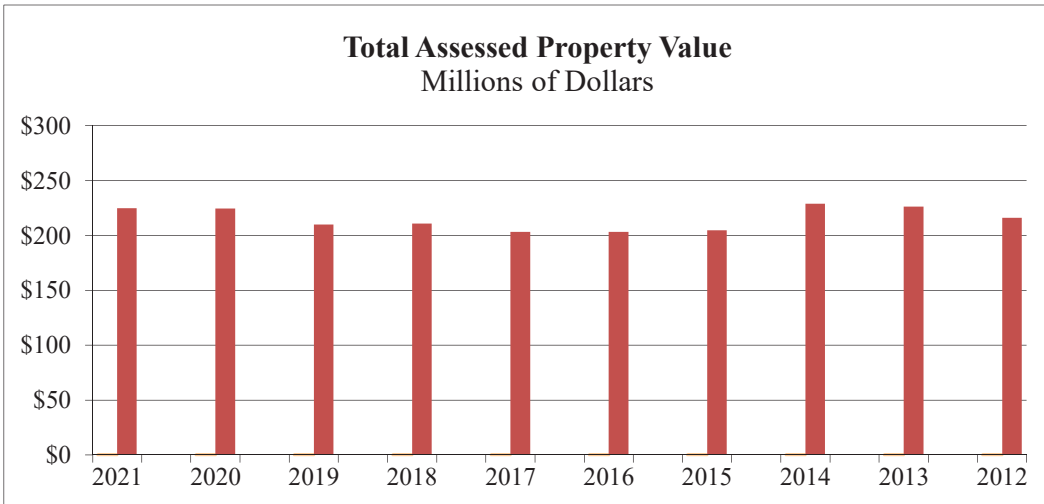
(b) Year 2012-2013 The 2010 Federal Census

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

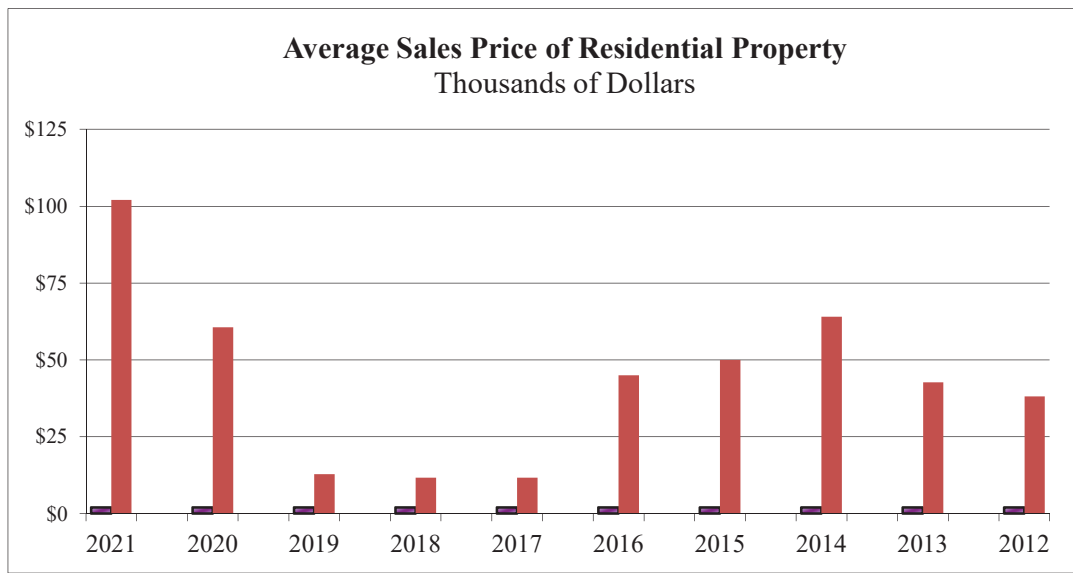
(3) The unemployment rate for the City is unavailable. County rate obtained from Ohio Labor Market information.

(4) Ashtabula, Ohio Home Prices and Home Values, Zillow.com

(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)
11.7	3,797	4.1%	\$102,000	\$224,845,560
11.3	3,921	6.1	60,618	224,691,000
10.2	3,945	4.9	12,865	210,165,320
10.2	3,996	5.3	11,695	210,837,680
9.4	3,427	5.8	11,695	203,281,250
8.4	3,193	6.1	45,000	203,175,350
9.0	4,090	6.2	50,000	204,759,110
8.9	4,625	5.9	64,080	228,910,740
10.4	4,300	9.0	42,720	226,228,030
10.4	4,373	9.0	38,185	216,164,680



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

2021

Employer	Nature of Activity	Employees
Ashtabula County Medical Center	Medical Center	958
Molded Fiber Glass	Manufacturing - composites	687
Ashtabula Area City School District	Public Education/College	442
Chromoflo Technologies Corporation (formerly Plasticolors)	Manufacturing - pigments	217
Lake City Plating	Manufacturing - plating	215
Kent State University - Ashtabula Campus	Public Education/College	185
Signature Health	Mental Health Services	184
City of Ashtabula	Municipal Government	176
Zehrco-Giancola Composites	Manufacturing - composites	126
Cleveland Clinic Foundation	Medical Center	25
Total		<u>3,215</u>
Total Employment within the City		<u>n/a</u>

2012

Employer	Nature of Activity	Employees
Ashtabula County Medical Center	Medical Center	1,061
Ashtabula Area City School District	Public Education	549
Molded Fiber Glass	Manufacturing - composites	381
Kent State University - Ashtabula Campus	Public Education/College	285
Ashtabula County	County Government	279
City of Ashtabula	Municipal Government	171
Plasticolors	Manufacturing - pigment	168
Iten Industries	Manufacturing - plastic parts	166
Ashtabula Rubber Company	Manufacturing - rubber components	141
Millennium	Manufacturing - chemicals	72
Total		<u>3,273</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

(This Page Intentionally Left Blank)

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

Function/Program	2021	2020	2019	2018
General Government				
Legislative and Executive				
Council	8	8	8	8
Administration	2	2	2	2
Auditor	6	5	5	5
Treasurer	0	0	0	0
Income Tax	2	2	2	2
Solicitor	4	4	4	4
Motor Maintenance	1	2	2	2
Civil Service	0	0	0	0
Lands and Buildings	2	2	2	2
Judicial System				
Municipal Court	14	14	16	14
Probation	3	3	4	3
Security of Persons and Property				
Police	32	29	31	33
Police - Civilian	9	4	9	7
Fire	23	23	23	32
Public Health Services				
Administration	3	3	1	1
Food Service	1	1	1	1
Nursing	4	3	2	3
Street Maintenance and Repair				
Public Works	14	13	13	13
Housing and Community Development				
Code Enforcement	4	4	4	4
CDBG	2	2	2	2
Business Type Activity				
Sanitation	14	14	14	14
Wastewater Treatment	13	11	12	12
Totals:	<u>161</u>	<u>149</u>	<u>157</u>	<u>164</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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
8	8	8	8	8	8
2	2	2	2	2	2
5	7	6	6	6	6
0	0	0	0	1	1
2	2	2	2	2	2
4	4	4	4	4	3
2	2	2	2	2	2
0	0	0	1	1	1
2	2	2	2	2	3
15	13	14	15	10	12
4	4	4	4	3	3
30	30	31	26	26	27
11	8	11	11	8	6
23	23	23	23	23	22
1	1	1	1	1	1
1	1	1	1	1	1
3	3	3	2	3	3
13	11	11	11	13	19
4	4	4	4	3	1
2	2	1	2	2	3
15	13	15	14	14	13
12	12	12	12	11	10
<u>159</u>	<u>152</u>	<u>157</u>	<u>153</u>	<u>146</u>	<u>149</u>

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

Function/Program	2021	2020	2019	2018
General Government				
Legislative and Executive				
<i>Council & Clerk</i>				
Number of Ordinances Passed	117	114	127	100
Number of Resolutions Passed	14	23	16	20
<i>Finance</i>				
Number of checks/ vouchers issued	1,474	1,348	1,420	1,490
Number of Electronic Payments	288	276	205	157
Amount of checks and electronic payments	\$11,548,806	\$10,488,953	\$10,617,579	\$9,504,019
Number of Budget Adjustments issued	11	11	10	8
Agency Ratings - Standard & Poors	A-/Stable	A-/Stable	A-/Stable	A-/Stable
Agency Ratings - Moody's Financial Services	WR	WR	WR	WR
Health Insurance Costs vs General Fund Expenditures %	23.15%	29.21%	31.00%	28.00%
General Fund Receipts	\$10,980,367	\$9,842,869	\$9,978,425	\$9,860,897
General Fund Expenditures	\$11,002,704	\$7,377,616	\$9,217,174	\$9,295,979
General Fund Cash Balances	\$2,370,379	\$2,426,477	\$891,139	\$680,733
Number of Pay-Ins issued	1,654	1,546	2,394	2,856
Interest earnings for fiscal year (cash basis)	\$62	\$918	\$3,024	\$2,008
<i>Income Tax Department</i>				
Number of Individual Returns	3,962	3,328	3,655	3,171
Number of Business Returns	886	891	962	757
Number of business withholding accounts	1,829	884	922	2,253
Amount of Penalties and Interest Collected	\$80,742	\$48,143	\$46,794	\$18,532
Annual number of Corporate withholding forms processed	10,762	9,953	8,063	8,323
Annual number of balance due statements forms processed	1,396	1,267	1,143	335
Annual number of estimated payment forms processed	1,326	870	956	2,827
Annual number of reconciliations of withholdings processed	520	0	353	155
<i>Planning & Community Development (4)</i>				
Zoning Permits Issued	325	331	184	143
Estimated Value of Construction	\$8,715,000	\$2,414,616	\$85,685	\$803,770
Number of Street Cut Permits Issued	255	246	256	227
Number of Sewer Tap-In permits issued	12	9	3	11
Amount of Revenue generated from permits	\$51,931	\$47,778	\$37,962	\$44,869
Number of Planning Commission meetings	5	4	7	6
Number of Administrative/Zoning Board meetings	2	3	4	1
<i>Civil Service</i>				
Number of police entry tests administered	1	0	1	0
Number of fire entry tests administered	1	0	1	0
Number of police promotional tests administered	1	1	0	0
Number of fire promotional tests administered	0	0	0	1
Number of hires of Police Officers from certified lists	2	2	0	0
Number of hires of Fire/Medics from certified lists	1	2	1	1
Number of promotions from police certified lists	1	3	0	0
Number of promotions from fire certified lists	0	5	0	0
Judicial System				
<i>Municipal Court</i>				
Number of Civil Cases	877	881	1,128	1,227
Number of Criminal cases	1,657	3,872	5,338	5,912
<i>Probation</i>				
Community Diversion participants	85	114	104	103
Community Diversion service hours	2,336	1,110	2,217	2,148

2017	2016	2015	2014	2013	2012
138	136	152	175	166	182
13	27	45	18	29	28
1,561	1,786	2,414	2,573	2,839	2,794
168	133	881	824	na	na
\$10,162,019	\$8,791,467	\$14,095,703	\$13,784,331	\$9,266,296	\$8,891,361
7	na	12	15	na	na
A-/Stable WR	A-/Stable WR	A/Stable WR	A/Stable WR	A/Stable WR	BBB+ BBA
23.00%	21.00%	21.00%	20.00%	19.61%	24.10%
\$9,401,942	\$9,446,383	\$9,171,140	\$9,487,225	\$9,490,337	\$9,436,569
\$8,933,951	\$9,125,069	\$9,223,573	\$9,557,487	\$9,374,066	\$9,528,679
\$747,589	\$566,294	\$244,986	\$297,418	\$367,681	\$251,409
1,945	2,018	1,943	1,819	1,763	1,719
\$1,083	\$538	\$122	\$112	\$60	\$191
3,993	4,236	4,002	4,153	4,369	4,785
1,013	1,078	1,120	1,223	1,162	1,311
1,294	1,253	912	873	848	680
\$23,894	\$31,631	\$31,695	\$30,043	\$34,443	\$42,189
9,346	9,329	7,782	4,792	6,203	6,530
1,160	972	707	771	867	713
1,254	880	745	524	795	952
121	0	40	112	202	19
165	151	162	134	298	
\$1,352,752	\$2,604,055	\$5,145,415	\$2,518,576	\$5,066,330	\$2,500,000
298	195	449	486	25	
2	11	3	2	5	656
\$46,225	\$71,271	\$61,926	\$327,919	\$60,423	\$202,704
7	5	7	5	7	8
2	2	5	2	4	2
0	0	1	1	0	1
1	0	0	1	0	0
0	1	0	0	0	0
0	0	4	0	0	0
0	0	5	3	0	0
1	0	2	2	0	2
0	0	0	0	0	0
0	0	6	0	0	0
1,234	1,063	841	835	966	1,172
8,302	7,195	6,316	5,692	6,512	6,867
100	203	56	47	147	215
2,596	4,852	1,499	1,255	3,520	5,645

(continued)

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

Function/Program	2021	2020	2019	2018
Security of Persons and Property				
<i>Police</i>				
Total Calls for Services	16,916	16,078	16,524	18,531
Number of traffic citations issued	874	589	708	752
Number of parking citations issued	163	58	52	45
Number of criminal arrests	493	341	837	845
Operating Motor Vehicle Under the Influence (OMVI) Arrests	95	57	83	89
Adult Driving Under Suspension (DUS) Arrests	250	152	165	145
Prisoners	455	411	525	372
Prisoner meal costs	\$26,980	\$23,659	\$28,291	\$24,438
Motor Vehicle Accidents	277	290	301	338
Fatalities from Motor Vehicle Accidents	0	0	0	4
Gasoline costs of fleet	\$82,496	\$55,681	\$65,631	\$45,732
<i>Fire</i>				
EMS/Medical Calls (Mutual Aid, Non Transport)	1,378	1,124	1,364	1,286
Fire Calls	768	757	743	777
Fire Fatalities	0	1	1	3
Fires with Loss	9	14	53	29
Fires with Losses exceeding \$10K	5	10	19	14
Fire Losses \$	185,500	348,000	1,599,400	763,950
Fire Investigations	30	31	44	27
Number of times Mutual Aid given to Fire and EMS	18	26	35	15
Ambulance Runs / Number of Transports	1006/733	635/454	982/698	867/657
Departmental Training Hours (2)	2,279	2,360	1,793	1,081
Public Health & Welfare				
Health Department				
Certificates Filed				
Number of Births	3	170	306	355
Number of Deaths	360	320	249	302
Certificates Issued				
Number of Births	2,137	1,786	2,678	2,269
Number of Deaths	1,210	1,016	889	947
Burial Permits Issued	452	454	488	642
Receipts from Certificates Issued	\$84,805	\$71,185	\$80,695	\$80,400
Number of Health Inspections				
Body Art Establishments Licensed/Number of Inspections	4/4	2/2	3/3	4/4
Food Service Operations, Licensed/Number of Inspections	83/206	82/181	83/170	82/207
Food Establishments, Licensed/Number of Inspections	40/75	38/72	41/53	42/68
Vending Operations, Licensed/Number of Inspections	14/14	17/10	17/17	171/17
Marinas, Licensed/Number of Inspections	11/12	11/16	11/11	11/11
Manufactured Home Parks, Licensed/Number of Inspections	3/3	3/3	3/3	3/3
Campgrounds, Licensed/Number of Inspections	4/6	4/8	4/5	4/7
Swimming Pools and Spas, Licensed/Number of Inspections	6/13	6/6	6/11	6/12
Mobile Food Operations Licensed/Number of Inspections	10/16	7/7	7/7	7/7
Tobacco Vendors Licensed/Number of Inspections	19/19	18/18	27/27	20/20

2017	2016	2015	2014	2013	2012
15,642	15,641	13,511	13,155	13,062	13,272
1,066	1,232	1,027	854	989	1,330
61	80	141	79	69	71
836	1,010	1,348	1,236	681	1,268
106	87	89	55	50	102
261	233	255	218	229	285
470	585	751	505	472	563
\$29,964	\$27,068	\$27,557	\$23,446	\$23,010	\$14,317
381	453	432	335	389	358
0	1	2	0	0	1
\$56,805	\$47,061	\$54,329	\$98,326	\$87,728	\$84,150
1,291	1,233	1,019	813	821	1,000
677	693	1,003	1,091	881	744
0	0	0	0	0	1
40	40	26	n/a	n/a	38
13	22	12	n/a	n/a	n/a
1,088,500	1,438,950	951,750	n/a	n/a	n/a
46	34	32	27	28	40
11	17	28	11	17	35
916/743	1601/824	1019/732	797/645		
1,603	2,481	2,527	n/a	n/a	n/a
377	356	377	397	426	428
276	260	290	251	281	284
2,240	2,117	2,076	2,056	2,187	2,265
789	787	993	921	991	960
574	519	471	442	459	490
\$75,725	\$72,600	\$76,725	\$74,425	\$79,450	\$80,625
n/a	n/a	n/a	n/a	n/a	n/a
80/215	81/207	88/212	77/208	80/224	80/235
42/64	41/67	43/69	38/51	38/60	39/65
17/17	19/19	19/18	16/16	15/11	16/16
11/14	11/13	11/13	11/12	11/11	11/12
3/5	3/3	3/3	3/3	3/3	3/6
4/13	4/8	4/9	4/9	4/5	4/5
6/14	6/12	6/17	6/16	6/11	6/13
8/14	10/10	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

(continued)

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

Function/Program	2021	2020	2019	2018
Street Maintenance and Repair				
Guardrail Repair (hours)	0	31	78	12
Paint Striping (hours)	425	244	318	236
Street Sweeper (hours)	459	667	362	404
Cold Patch (hours)	1,496	1,927	2,008	2,733
Snow & Ice Removal regular hours	1,299	1,248	1,668	1,989
Snow & Ice Removal overtime hours	432	325	498	497
Sewer and Sanitary calls for service	725	717	892	717
After hours Sewer Calls (hours)	241	185	267	239
Sewer Crew (hours)	1,310	1,591	838	1,695
Sewer jet, Vac-all, other services (hours)	1,680	2,117	2,348	2,431
Landscaping Stump-Chipper service (hours)	3,623	3,009	3,185	4,258
Leaf collection (hours)	1,944	2,491	1,884	1,692
Holiday lights setup (hours)	80	80	80	80
Equipment repair/body shop (hours)	4,160	4,160	4,160	4,160
Sign department (hours)	800	800	800	800
Tons of snow melting salt purchased (Jan-Dec)	2,142	1,873	1,518	2,102
Cost of salt purchased	\$102,623	\$165,222	\$122,808	\$100,256
Planning & and Community Development (4)				
Community Development Block Grant				
Grant amounts received	\$140,000	\$358,000	\$774,000	\$70,800
Demolitions (5)	3	0	3	48
Code Enforcement				
Number of rental inspections performed	210	212	960	1,091
Number of inspections for code enforcement	711	434	495	498
Code Enforcement fees collected	\$177,380	\$182,174	\$158,418	\$218,855
Sanitation (3)				
Residential trash pickup rate (billed every 2 months)	\$15.50	\$15.50	\$15.50	\$15.50
Refuse disposal per year (in tons)	10,322	10,169	10,384	11,202
Refuse disposal costs per year	\$459,603	\$417,222	\$363,350	\$468,000
Annual recycling tonnage (excluding leaf, and compost items)	862	421	1,122	800
Percentage of waste recycled	7.71%	3.98%	9.75%	10.00%
Revenue generated from sale of recyclables	\$5,092	\$2,870	\$1,990	\$7,271
Wastewater Treatment				
Sewer Rates per unit of water used (1 unit equals 750 gallons)	\$3.58	\$3.58	\$3.53	\$3.53
Total flow of wastewater treatment plant (Billions of Gallons)	1.766	1.851	1.884	1.971
Average daily flow (Millions of gallons per day)	4.834	5.057	5.182	5.414
Tons of dry sludge removed	487.59	481.04	1,029.25	817.88

(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 2012 is not available

Source: City Financial Records and Departments

2017	2016	2015	2014	2013	2012
180	16	192	106	16	58
378	376	408	425	450	480
462	597	530	370	234	976
2,233	1,558	1,838	2,689	1,748	2,225
1,752	1,877	2,015	2,078	2,175	928
274	499	673	385	185	140
913	571	820	998	802	730
200	185	273	186	142	133
978	1,365	1,733	1,500	1,200	2,400
3,111	2,266	2,711	2,537	3,399	558
4,836	140	108	18	8	546
1,753	1,548	1,656	2,035	2,599	4,142
80	80	80	80	80	80
4,160	4,160	4,160	4,160	3,280	4,300
800	800	800	800	800	1,200
2,708	3,045	993	3,428	2,612	1,549
\$102,134	\$176,175	\$68,490	\$126,324	\$104,471	\$72,707
\$70,800	\$501,580	\$1,019,168	\$606,988	\$468,397	\$979,295
48	39	26	27	15	15
1,091	1,859	1,115	1,649	1,349	2,464
498	504	504	351	422	513
\$218,855	\$287,871	\$217,047	\$221,765	\$212,190	\$160,712
\$15.50	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
11,070	11,310	11,775	11,775	16,750	14,494
\$516,318	\$519,150	\$549,663	\$453,000	\$679,000	\$594,271
725	550	420	420	600	520
9.00%	8.00%	5.00%	5.00%	4.00%	5.00%
\$11,064	\$8,935	\$9,672	\$10,520	\$13,500	\$16,888
\$3.48	\$3.22	\$2.73	\$2.67	\$2.62	\$2.30
1.731	1.42	1.53	1.90	2.103	1.669
4.755	3.89	4.19	5.24	5.778	4.559
645.45	592.52	521.16	522.50	551.93	523.61

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

Function/Program	2021	2020	2019	2018	2017
General Government					
Square Footage Occupied	95,943	95,943	95,943	95,943	95,943
Administrative Vehicles	0	2	2	1	1
Inspection Vehicles	2	2	2	3	3
Municipal Court Vehicles	1	0	0	1	1
Lands & Buildings Vehicles	2	2	2	2	2
Police					
Stations	1	1	1	1	1
Square Footage of Building	14,491	14,491	14,491	14,491	14,491
Vehicles	39	39	41	36	40
Fire					
Stations	1	1	1	1	1
Square Footage of Building	11,560	11,560	11,560	11,560	11,560
Vehicles	15	11	11	15	14
Street Maintenance and Repairs					
Square Footage of Building	25,050	25,050	25,050	25,050	25,050
Streets (miles)	97	97	97	97	97
Bridges	7	7	7	7	7
Traffic Signals	54	54	54	54	54
Service Vehicles	22	22	24	22	24
Sanitation Services					
Square Footage of Building	9,100	9,100	9,100	9,100	9,100
Vehicles	7	8	6	9	9
Leisure Time Activities					
Number of Parks	8	8	8	8	8
Number of Tennis Courts	2	2	2	2	2
Number of Skateboarding Areas	1	1	1	1	1
Number of Baseball Diamonds	4	4	4	4	4
Number of Soccer Fields	1	1	1	1	1
Square Footage of Walnut Beach Building	6,420	6,420	6,420	6,420	6,420
Square Footage of Smith Field Building	336	336	336	336	336
Square Footage of Massucci Building	1,944	1,944	1,944	1,944	1,944
Wastewater Treatment					
Square Footage of Building	22,344	22,344	22,344	22,344	22,344
Sanitary Sewers (miles)	92	92	92	92	92
Storm Sewers (miles)	76	76	76	76	76
Vehicles	8	8	8	7	7

Source: City of Ashtabula Auditor's Office

2016	2015	2014	2013	2012
95,943	95,943	95,943	95,943	95,943
2	1	2	2	3
3	3	1	1	1
1	2	2	1	2
2	4	4	3	3
1	1	1	1	1
14,491	14,491	14,491	14,491	14,491
40	37	36	33	33
1	1	1	1	1
11,560	11,560	11,560	11,560	11,560
11	11	10	9	11
25,050	25,050	25,050	25,050	25,050
97	97	97	97	97
7	7	7	7	7
54	54	54	52	53
25	31	31	26	29
9,100	9,100	9,100	9,100	9,100
8	9	9	9	9
8	8	8	8	8
2	2	2	2	2
1	1	1	1	1
4	4	4	4	4
1	1	1	1	1
6,420	6,420	6,420	6,420	6,420
336	336	336	336	336
1,944	1,944	1,944	1,944	1,944
22,344	22,344	22,344	22,344	22,344
92	92	92	92	92
76	76	76	76	76
7	8	7	9	9

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Sewer Billings (1)	\$2,193,110	\$2,205,188	\$2,752,889	\$1,722,718	\$2,779,786
Residential Trash Billings	<u>1,275,787</u>	<u>1,261,074</u>	<u>1,605,834</u>	<u>985,444</u>	<u>1,176,140</u>
Total Utility Billing	<u>\$3,468,897</u>	<u>\$3,466,262</u>	<u>\$4,358,723</u>	<u>\$2,708,162</u>	<u>\$3,955,926</u>
Sewer Collections (1)(2)	\$2,313,113	\$2,418,208	\$2,032,611	\$2,265,543	\$2,085,705
Residential Trash Collections (2)	<u>1,207,095</u>	<u>1,164,160</u>	<u>1,165,818</u>	<u>956,373</u>	<u>999,275</u>
Total Utility Billing Collections	<u>\$3,520,208</u>	<u>\$3,582,368</u>	<u>\$3,198,429</u>	<u>\$3,221,916</u>	<u>\$3,084,980</u>
Percentage Collected from Billings Before Outstanding Balances are Certified to Property Taxes	101.48%	103.35%	73.38%	118.97%	77.98%
Delinquent Sewer Collections (2)	\$49,508	\$64,518	\$265,185	\$511,124	\$457,374
Delinquent Residential Trash Collections (2)	<u>36,627</u>	<u>46,666</u>	<u>184,235</u>	<u>206,047</u>	<u>253,239</u>
Total Delinquent Collections	<u>\$86,135</u>	<u>\$111,184</u>	<u>\$449,420</u>	<u>\$717,171</u>	<u>\$710,613</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 2021 were for the amounts certified in 2020.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$2,603,834	\$2,630,279	\$2,771,974	\$2,538,450	\$2,961,690
<u>1,228,118</u>	<u>1,218,982</u>	<u>1,254,840</u>	<u>1,326,562</u>	<u>1,363,150</u>
<u>\$3,831,952</u>	<u>\$3,849,261</u>	<u>\$4,026,814</u>	<u>\$3,865,012</u>	<u>\$4,324,840</u>
\$2,370,135	\$2,255,805	\$2,352,662	\$1,902,077	\$2,178,292
<u>1,034,071</u>	<u>1,035,812</u>	<u>1,062,116</u>	<u>1,131,789</u>	<u>1,190,305</u>
<u>\$3,404,206</u>	<u>\$3,291,617</u>	<u>\$3,414,778</u>	<u>\$3,033,866</u>	<u>\$3,368,597</u>
88.84%	85.51%	84.80%	78.50%	77.89%
\$393,970	\$445,625	\$457,055	\$468,186	\$459,392
<u>233,624</u>	<u>272,883</u>	<u>280,141</u>	<u>290,326</u>	<u>264,266</u>
<u>\$627,594</u>	<u>\$718,508</u>	<u>\$737,196</u>	<u>\$758,512</u>	<u>\$723,658</u>

(This page is intentionally left blank)

This page intentionally left blank.

OHIO AUDITOR OF STATE KEITH FABER



CITY OF ASHTABULA

ASHTABULA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 9/20/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov