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*ALGER & ASSOCIATES, Inc.*



CERTIFIED PUBLIC ACCOUNTANTS

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CITY OF LOUISVILLE  
STARK COUNTY, OHIO

**REGULAR AUDIT**

A&A

FOR THE YEAR ENDED

DECEMBER 31, 2014

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# Dave Yost • Auditor of State

Members of Council  
City of Louisville  
215 South Mill Street  
Louisville, OH 44641

We have reviewed the *Independent Auditors' Report* of the City of Louisville, Stark County, prepared by Alger & Associates, Inc., for the audit period January 1, 2014 through December 31, 2014. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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 Louisville is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

September 8, 2015

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CITY OF LOUISVILLE  
STARK COUNTY  
FOR THE YEAR ENDING DECEMBER 31, 2014

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# *ALGER & ASSOCIATES, Inc.*

*Certified Public Accountants*

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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Louisville  
Stark County  
215 S. Mill Street  
Louisville, Ohio 44641

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Louisville, Stark County, (the City) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 19, 2015.

### *Internal Control Over Financial Reporting*

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

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

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

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***Compliance and Other Matters***

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Alger & Associates, Inc.*

Alger & Associates, Inc.  
Certified Public Accountants  
North Canton, OH

June 19, 2015



# City of Louisville, Ohio

## Comprehensive Annual Financial Report



For the year ended  
December 31, 2014



# CITY OF LOUISVILLE, OHIO

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## Comprehensive Annual Financial Report

Year Ended December 31, 2014

Prepared By: Department of Finance



**City of Louisville, Ohio**  
**Comprehensive Annual Financial Report**  
**Year Ended December 31, 2014**

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**Comprehensive Annual Financial Report**  
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***City of Louisville, Ohio***  
**Comprehensive Annual Financial Report**  
**Year Ended December 31, 2014**

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## INTRODUCTORY SECTION





## Department of Finance

June 19, 2015

To the Citizens, Mayor-Councilmember, and Members of Council  
of the City of Louisville, Ohio:

We are pleased to present our 2014 Comprehensive Annual Financial Report (CAFR) for the City of Louisville for your review. This report, for the year ended December 31, 2014, has been prepared using generally accepted accounting principles for governments, and contains the financial statements and other financial and statistical data that provide complete and full disclosure of all material financial aspects of the City of Louisville ("the City"). This report represents the commitment of the City to adhere to nationally recognized standards of excellence in financial reporting. Ohio law requires that every general purpose local government prepare and publish their financial statements in accordance with generally accepted accounting principles (GAAP) and have an annual audit. This report is published to fulfill that requirement for the year ended December 31, 2014.

Responsibility for both the accuracy of the data and completeness and fairness of the entire presentation rests with the management of the City, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

State statutes require the City to be subjected to an annual examination by the Auditor of State. Either the Auditor of State of Ohio or, if the Auditor permits, an independent public accounting firm conducts these audits. Alger & Associates, Inc., Certified Public Accountants were selected to perform these services and has issued an unmodified ("clean") opinion on the City's financial statements for the year ended December 31, 2014. The Independent Auditors' Report on the basic financial statements is included in the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditors' Report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

### *Profile of the Government*

The City of Louisville, encompassing an area of approximately 5.4 square miles, is located in the east central portion of Stark County, Ohio. The City had a population of 9,186 as reported in 2010 by the Bureau of Census. State Route 44 (North Chapel Street) and State Route 153 (Main Street) intersect in the City business district, and United States Route 62 passes through the northwestern corner of the City. In addition to the highway system, Norfolk Southern Corporation operates a railroad line running between Chicago and New York that passes through the center of the City.

Louisville is a “home-rule” city as defined by the State of Ohio Revised Code and operates pursuant to its Charter under a Council-Manager form of government. The Mayor-Councilmember and four Council members are elected at large on a nonpartisan ballot for four-year, staggered terms. The City Council appoints the City Manager, who has full responsibility for carrying out Council policies and administering City operations. The City Manager appoints, with consent of Council, the Finance Director and City Law Director. The Mayor-Councilmember and Council appoint boards and commissions, which include the Board of Zoning Appeals, Planning Commission, Tree Commission and Civil Service Commission.

Louisville has the proud history of being nationally recognized as Constitution Town. This is in honor of the ratification of the U.S. Constitution in 1789. In 1952, a Louisville resident, Mrs. Olga T. Weber, petitioned municipal officials to establish a Constitution Day. Louisville’s presiding Mayor, Gerald A. Romary, proclaimed September 17, 1952 as that day in the City. The following April, Mrs. Weber requested that the Ohio General Assembly proclaim September 17 as statewide Constitution Day. A bill to that effect was introduced, passed and signed by Governor Frank J. Lausche. Additionally, in August 1953, at Mrs. Weber’s urging, the United States Senate passed a resolution designating September 17-23 as Constitution Week. It was approved and signed by President Dwight D. Eisenhower. On April 15, 1957, the City Council of Louisville declared the City “Constitution Town”. The Ohio State Archaeological and Historical Society later donated four historical markers explaining Louisville’s role as originator of Constitution Day. These markers are placed at each of the main entrances to the City.

The City’s population has steadily increased over the last 100 years. Even during the decade of the 1970’s, when every other city in Stark County’s population declined, Louisville still continued to grow. The most active decades of growth were the 1920s and 1950s. Percentage population gains during those two time periods were 55.9% and 34.6%, respectively.

The City is empowered to levy a property tax on real property located within its boundaries. It also is empowered by Ohio statute to extend its corporate limits by annexation, which it has done from time to time. The development of the Colonial Foundry and the Superior Sheet Steel Corporation contributed directly to the large population growth during the sub-urbanization trends and the City’s active annexation program. When Louisville passed the 5,000-population mark in the 1950s, its status was changed from a village to a city.

Water service within the City is provided by the City water system and is purchased directly by the consumers. Sewage collection and disposal is also provided by the City. Electricity is obtained from American Electric Power (AEP), and natural gas is supplied by East Ohio Gas Company. Fire protection is provided by the City’s Fire Suppression and Emergency Medical Services Department. Solid waste collection is provided by private contractors selected by customers (the City does not contract with those private contractors), and solid waste from the City is sent to American Landfill.

The City carries several types of insurance: general liability, public officials liability, police professional liability, fleet liability, paramedic liability, employee medical insurance, and State of Ohio Workers’ Compensation. In addition to the City’s administrative policies concerning risk control, each major department has its own risk control policies and procedures which are designed to control exposures to risk by employees and citizens.

### ***Profile of the City***

The City of Louisville residents are served by a diversified set of nearby transportation facilities, including State highways, 44 and 153, U.S. Highway 62 and I-77 in Canton. It is served by Norfolk Southern Corporation for freight rail services, Amtrak for passenger rail services located in nearby Alliance, and is served by passenger and freight air services at Akron-Canton Regional Airport, located within 20 miles of the City. Public mass transit for the area is provided by the Stark Area Regional Transit Authority (SARTA) which offers fixed route and curb service within and between the cities of Stark County.

Banking and financial services are provided to the City area by offices of local commercial banks and savings banks, all of which have their principal offices elsewhere.

Two daily newspapers and one weekly newspaper serve the City. The City is within the broadcast area of numerous television stations and AM and FM radio stations. Multichannel cable TV service, including educational, governmental and public access channels, is provided by Time Warner Cable.

A quality education for our children are provided by the Louisville City School District. For the past five years, Louisville City Schools have been rated "Excellent" by the Ohio Department of Education. The individual schools have also earned many state and national recognitions, including the National Blue Ribbon School of Excellence Award and the U.S. News & World Report's "Top High Schools in America" Silver Award.

Within commuting distance are several public and private two-year and four-year colleges and universities, including the University of Mount Union, the University of Akron, Kent State University, Northeastern Ohio College of Medicine, Walsh University, Malone College and the Stark State College of Technology.

The City is served by two acute-care hospitals located nearby in the City of Canton, Aultman Hospital (682 beds) and Mercy Medical Center (476 beds); and three additional acute-care hospitals located in the County: Doctors Hospital of Stark County (183 beds), Alliance Community Hospital (184 beds) and Massillon Community Hospital (268 beds). Heartland Behavioral Healthcare Hospital, a 157-bed public adult psychiatric hospital operated by the State, is also located in the County.

The YMCA, Arts in Stark and the Louisville-Nimishillen Historical Society are located in the City. Within a 20-minute drive from the City are the locations of the Pro Football Hall of Fame, McKinley Presidential Library and Museum. These and other facilities in the area offer an extensive variety of cultural and educational programs to the residents of Louisville. The City of Louisville owns seven parks totaling 120 acres offering residents a variety of activities to improve health and fitness. Various features include a fish pond, walking trails, children play areas, picnic areas, sports fields, volleyball and basketball courts. Pavilions with restrooms, electrical amenities, and grilling are available for special occasions.

### ***Reporting Entity***

A reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are not misleading. For financial reporting purposes, the City includes in this report all funds, agencies, boards, and commissions that are controlled by, or dependent on, the City's legislative branch. "Controlled by" or "dependent on" the City is determined on the basis of budget adoption, taxing authority, outstanding debts secured by revenues or general taxing authority of the City, and/or the City's obligation to fund any deficits that may occur. A more detailed description of the reporting entity can be found in Note 1(A) of the notes to the basic financial statements.

The City provides the full range of municipal services contemplated by its charter. These services include security of persons and property (police and fire), public health and welfare, leisure time activities, community environment, basic utility services (water and sewer), transportation (street maintenance, ice and snow removal), and general government (administration). Council and the City Manager have ultimate responsibility for these services. The services are explained in more detail as follows:

- *Security of persons and property* - To reduce the amounts and effect of external harms and to ensure an atmosphere of personal security from external events. This includes, but is not limited to, Police, Emergency Medical Services, and Fire and street lighting.

- *Public health and welfare* - To provide for the physical well being of the citizenry by providing basic preventative health care or assistance when needed. This consists mainly of the City's share of the cost of the Stark County Health Department, which provides services to the citizens of Louisville.
- *Leisure time activities* - To provide support of special events and park areas for activities that are varied, safe, and enjoyable for individuals, groups and families.
- *Community environment*- To provide a satisfactory living environment for the citizenry, including decent housing and pleasant surroundings that are conducive to personal and family well-being. This program includes Planning, Zoning and Building Inspections and Code Enforcement.
- *Basic utility services* - To provide the citizenry with utility services at an affordable price that also assures necessary supply. This includes water and sewage treatment.
- *Transportation* - To purchase, construct, maintain and repair facilities and equipment needed to transport people, goods, and supplies quickly, safely and pleasurably. This includes the Maintenance Division for streets and highways.
- *General government* - To provide general administrative services to ensure that the aforementioned programs are administered in a manner consistent with, and in the best interest of, the citizenry. This includes City Manager, Finance, Law, Personnel, Mayor's Court, and City Council.

### ***The Budget as a Policy Document***

The budget is a policy document that sets service levels for the City. The goal is to provide the Council with a management tool to establish broad goals and objectives within which the administration will operate. That is, emphasis should not necessarily be placed entirely upon the expenditure limitation aspect of budgeting; rather, expenditure control should be exercised administratively in conjunction with policy decisions. Just as citizens evaluate the effectiveness of government on the basis of delivered services, the intent of the budget preparation process is to focus policy attention upon the means and ends to achieve the desired goals of government.

While the adopted budget establishes appropriation levels, specific procedures for controlling expenditures continue to be developed, expanded, and refined to ensure that day-to-day execution is in compliance with the approved program. The City Manager, in conjunction with the Director of Finance, is responsible for reviewing all requests for expenditures initiated by designated requisitioning authorities to determine their compliance with the adopted budget. The City designs its budget of expenditures/expenses based on the collaborative efforts of the City's management and department heads. The budget/appropriation is at the fund/department/object (personal services/other expenses). The budget is then presented to Council for approval in the legislative process. Prior to submitting the budget to Council, the Director of Finance determines if the resources are available or anticipated to be collected during the year. This estimated revenue must be submitted to the County Auditor for certification that sufficient resources are available to cover appropriations, and upon this certification the appropriation measure is then in effect.

These budget control procedures are important management tools which allow more effective use of the dollars spent in the total City program. As a necessary by-product, these procedures also ensure compliance with State and Federal financial statutes, City Council and administration policies, and the City Charter.

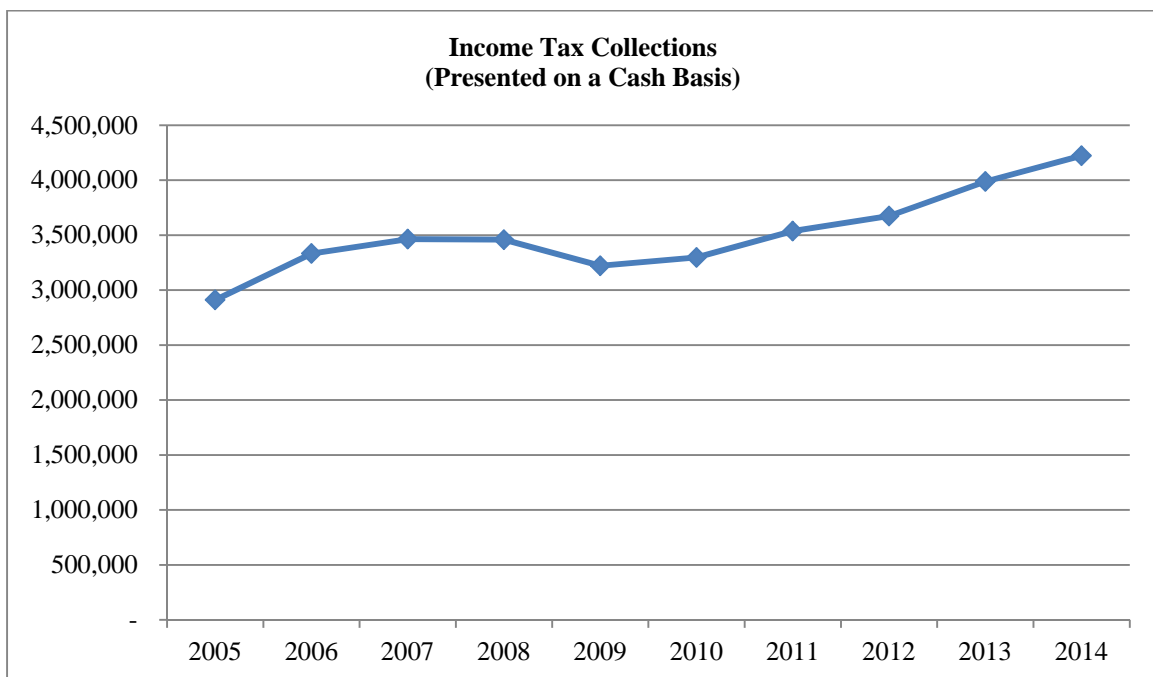
## Local Economy

The City's economy benefits from the strong retail, manufacturing and warehousing bases of the County and surrounding areas. The area's well-established transportation network, with access to rail, air, water and land travel, provides access to regional markets. The City is within 20 miles of the Akron-Canton Regional Airport, the state-of-the-art, 28-acre Northeast Ohio Intermodal Terminal (NEOMODAL), and Foreign Trade Zone No. 181.

Once dominated by the steel industry, the City's economic base continues to diversify. In 2009, the City revised its Unified Development Code to enable further development of properties and expansion of economic opportunities in the City. The revised Code expanded enterprise zones, tax abatements (including abatements for community development) and a revolving loan fund (through the City's Community Improvement Corporation).

The City's residential base includes new construction as well as century homes ranging in value from \$150,000 to \$400,000. Prior to 2008, the City was experiencing annual growth in its housing stock as evidenced by increased population. The City currently expects construction of new housing in the City to resume with improvement in the general economy.

Income Tax Collections: The City of Louisville's income tax is governed and administered by Chapter 191 of City Ordinance 1174, which was originally passed on December 29, 1958, and the Internal Revenue Code. Louisville income tax is levied at 2% of all salaries, wages, commissions and other compensations earned by residents, sixteen years of age or older, and for nonresidents' labor performed or services rendered within Louisville City Limits. Income tax revenue comprises 77% of the funding for general City operations



The City's income tax ordinance provides for 75% be used for general operations and 25% be used for enterprise operations of the City. Effective January 1, 2007, an income tax credit allowance of 60% is allowed for taxes paid to another municipality for residential filers.

The History of Property Tax Collections: The second largest source of revenue to the City of Louisville is property tax. Louisville is a growing community and property tax revenue has grown under Ohio Law since the City levies 2.8 inside (unvoted) tax mills.

**Property Tax Revenue  
(Presented on a Cash Basis)**

<u>Year</u>	<u>Collections</u>	<u>Percentage Increase (Decrease)</u>
2005	\$ 366,547	(2.41) %
2006	396,943	8.29
2007	* 439,061	10.61
2008	443,835	1.09
2009	405,895	(8.55)
2010	376,972	(7.13)
2011	373,338	(0.96)
2012	386,280	3.47
2013	329,343	(14.74)
2014	362,778	10.15

\* Increase due to revaluation in prior year.

### ***Long-Term Financial Planning***

As part of the annual budget process, the City Manager and City Council review five-year capital budget projections. Based on these estimates, financial strategies are developed to maximize services supplied and infrastructure improvements needed.

The City continues to adhere to a pay as you go philosophy as it relates to small projects and equipment purchases. By only borrowing for large projects and keeping debt levels low, it provides the City the opportunity to borrow in low interest environments. By continuing to pay down its debt and taking advantage of advance refunding opportunities the City reduced its overall debt principal by \$301,361 in 2014.

### ***Major Initiatives***

The City continues to explore further annexation options. During 2014, at the request of property owners outside but adjacent to the City, the City began the annexation process of 135.659 acres. After water and sewer utilities are extended to these properties, the owners plan to develop the land with businesses as allowed by the City's zoning code.

The City received grants and other funds to develop the Beck Industrial Commerce Center. Upon completion of development in 2014, Chesapeake, a major oil and gas company, purchased the entire industrial park and relocated its regional headquarters to the site. The complex includes 80 acres housing a five-story building with over 200,000 square feet of space. Located in the southwest portion of the City, the Beck Industrial Commerce Center also includes 200 acres of green-fields for further industrial development between State Route 44 and Beck Road. The Beck Industrial Commerce Center property aids the City in improving its economic development by revitalizing non-residential resources, encouraging commercial and industrial development within the City's tax base, expanding current businesses and employment opportunities to reflect a diversifying market, and hopes to attract more employers to raise the tax base. The Beck Industrial Commerce Center development is expected to create over 500 jobs in the Louisville area. With the Beck Industrial Commerce Center, the City, along with its private partners, Groffre Investments, enabled offering of premium industrial sites for this business development.



During 2014, expenditures included the repair and rebuilding of neighborhood streets, curbing improvements, and miscellaneous roadway sealing and patching throughout the City. The City was able to utilize funds from the water and sewer funds for replacement of water and sewer lines, fire hydrants and appurtenances and underground utilities, roadway earthwork and miscellaneous base and drainage work.

### ***Awards and Acknowledgements***

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 Louisville, Ohio for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2013. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR) whose contents conform to program standards. The CAFR must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Louisville has received a Certificate of Achievement consecutively since 1991. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA for award consideration.

Successful preparation of a report of this scope could not have been accomplished without the dedication of the Finance Department staff. Further appreciation is extended to the Office of the City Manager, City Council, Stark County Auditor's Office, and City department heads and staff, for their assistance with research and gathering pertinent information in compiling this report.

In addition, we would like to thank the residents and taxpayers of the City of Louisville for entrusting us with the administration of their local government.

Respectfully submitted,



Jina E. Turowski  
Finance Director

***City of Louisville, Ohio***

Public Officials Roster

December 31, 2014

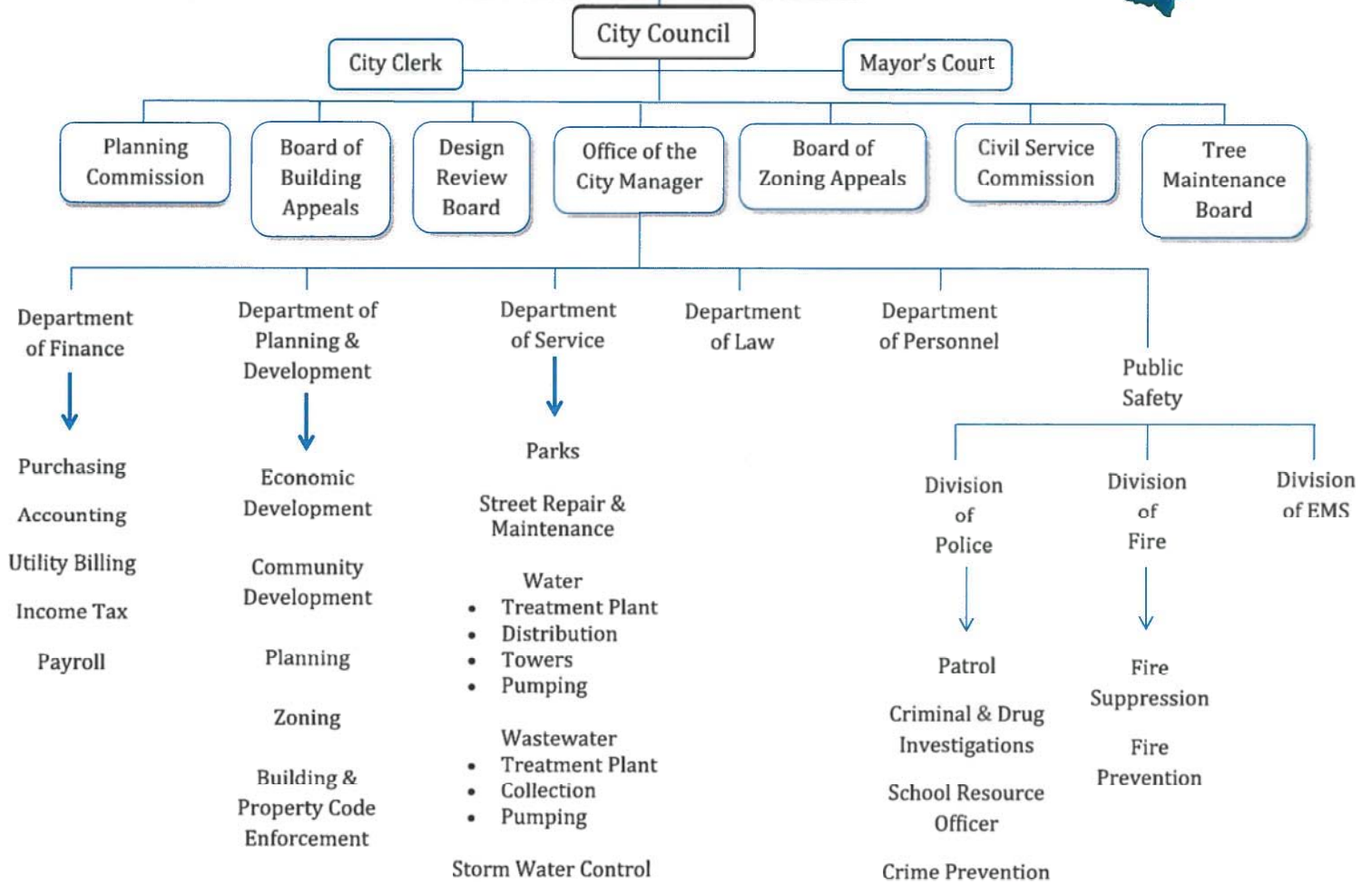
**Elected Officials**

Patricia Fallot	Mayor – Councilmember
Cheryle Casar	Councilmember
Guy Guidone	Councilmember
Richard Guiley	Councilmember
Thomas McAlister	Councilmember

**Appointed Officials**

E. Thomas Ault .....	City Manager
Peggy Howald.....	City Clerk
Jina Turowski.....	Finance Director
Robert Duffrin .....	Law Director
Rodney Bordner.....	Fire Chief
Andrew Turowski .....	Police Chief
William Glick .....	Interim Service Director

**Citizens of Louisville**





Government Finance Officers Association

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

Presented to

**City of Louisville  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2013**

Executive Director/CEO

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## FINANCIAL SECTION





# ***ALGER & ASSOCIATES, Inc.***

*Certified Public Accountants*

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## **INDEPENDENT AUDITOR'S REPORT**

City of Louisville  
Stark County  
215 S. Mill Street  
Louisville, Ohio 44641

To the City Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Louisville, Stark County, Ohio (the City), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

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Phone (330) 353-5851 Fax (330) 768-7578

***Opinion***

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

***Other Matters***

*Required Supplementary Information*

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

*Supplementary and Other Information*

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

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

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



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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2015, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Alger & Associates, Inc.*

Alger & Associates, Inc  
Certified Public Accountants  
North Canton, OH

June 19, 2015

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***City of Louisville, Ohio***  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2014**  
**Unaudited**

The management's discussion and analysis of the City of Louisville's (the "City") financial statements provides an overall review of the City's financial activities for the fiscal year ended December 31, 2014. 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, basic financial statements and notes to enhance their understanding of the City's financial performance.

**Financial Highlights**

Key financial highlights for 2014 are as follows:

- The total net position of the City increased \$883,379. Net position of governmental activities decreased \$175,252, which represents a 1.1% decrease over fiscal year 2013. Net position of business-type activities increased \$1,058,631 or 8.4% from fiscal year 2013.
- General revenues for governmental activities, accounted for \$3,833,464 or 76% of total governmental activities revenue. Program specific revenues accounted for \$1,229,101 or 24% of total governmental activities revenue.
- The City had \$5,237,817 in expenses related to governmental activities; only \$1,229,101 of these expenses were offset by program specific charges for services and sales, operating grants, contributions and interest and capital grants and contributions. General revenues of \$3,833,464 were not adequate to provide for these programs.
- The general fund, the City's largest and major governmental fund, had revenues of \$4,107,517 in 2014, or 80.5% of total governmental funds. Expenditures of the general fund were \$3,797,615, or 65.6% of total governmental funds. The general fund balance decreased \$152,298 or 5.7% in 2014.
- During 2014, the City had \$377,126 inceptions of capital leases for the acquisition of a dump truck and an ambulance.

**Using this Comprehensive Annual Financial Report (CAFR)**

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

The statement of net position and statement of activities provide summary information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those finances.

Fund financial statements provide the next level of detail. For governmental funds, these statements show how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor governmental funds presented in total in one column. In the case of the City, there are three major governmental funds and two major business-type funds.

***City of Louisville, Ohio***  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2014**  
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**Reporting the City as a Whole**

***Statement of Net Position and Statement of Activities***

While this document contains a number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and answers the question, "How did we do financially during 2014"? These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid. These two statements report the City's net position and changes in this position. This change in net position is important because it tells the reader that, for the City as a whole, the financial position of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions and other factors.

In the statement of net position and the statement of activities, the City is divided into two distinct kinds of activities:

- **Governmental Activities** – Most of the City's programs and services are reported here including general government, security of persons and property, transportation and community environment. These services are funded primarily by taxes and intergovernmental revenues including federal and state grants and other shared revenues.
- **Business-Type Activities** – These services are provided on a fee-for-usage basis to recover all or a significant portion of the expenses of the goods or services provided. The City's business-type activities include water and sewer services.

**Reporting the City's Most Significant Funds**

***Fund Financial Statements***

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds. Fund financial reports provide detailed information about the activities within the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The City's major governmental funds are the general fund, the street construction, maintenance and repair special revenue fund and the capital improvements capital projects fund. An analysis of the City's major governmental fund begins on page 13.

***City of Louisville, Ohio***  
**Management's Discussion and Analysis**  
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***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements, which can be found on pages 62-65 in this report. The basic governmental fund financial statements can be found on pages 20-25 of this report.

***Proprietary Funds***

Proprietary funds (water and sewer) have historically operated as enterprise funds and are used to report the same functions presented as business-type activities in the government-wide financial statements. Since they use the same basis of accounting as business-type activities, these fund statements will essentially match the information provided in statements for the City as a whole. The basic proprietary fund financial statements can be found on pages 26-28 of this report.

***Notes to the Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 29-56 of this report.

***Other Information***

In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules, which can be found beginning on page 60 of this report.

**City of Louisville, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2014**  
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**Government-Wide Financial Analysis**

The statement of net position provides the perspective of the City as a whole.

Table 1 below provides a summary of the City's net position for 2014 compared to 2013:

**Table 1**  
**Net Position**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<u>Assets</u>						
Current and other assets	\$ 4,694,167	\$ 4,972,438	\$ 4,031,894	\$ 3,034,232	\$ 8,726,061	\$ 8,006,670
Capital assets	<u>12,753,839</u>	<u>12,352,678</u>	<u>11,256,184</u>	<u>11,481,730</u>	<u>24,010,023</u>	<u>23,834,408</u>
Total assets	<u>17,448,006</u>	<u>17,325,116</u>	<u>15,288,078</u>	<u>14,515,962</u>	<u>32,736,084</u>	<u>31,841,078</u>
<u>Liabilities</u>						
Other liabilities	344,836	306,889	162,480	95,306	507,316	402,195
Long-term liabilities outstanding	<u>810,989</u>	<u>562,892</u>	<u>1,424,502</u>	<u>1,778,191</u>	<u>2,235,491</u>	<u>2,341,083</u>
Total liabilities	<u>1,155,825</u>	<u>869,781</u>	<u>1,586,982</u>	<u>1,873,497</u>	<u>2,742,807</u>	<u>2,743,278</u>
<u>Deferred inflows of resources</u>						
Property taxes	<u>341,594</u>	<u>329,496</u>	<u>-</u>	<u>-</u>	<u>341,594</u>	<u>329,496</u>
<u>Net Position</u>						
Net investment in capital assets	12,214,763	12,033,892	9,916,725	9,923,854	22,131,488	21,957,746
Restricted	592,027	731,396	-	-	592,027	731,396
Unrestricted	<u>3,143,797</u>	<u>3,360,551</u>	<u>3,784,371</u>	<u>2,718,611</u>	<u>6,928,168</u>	<u>6,079,162</u>
Total net position	<u>\$ 15,950,587</u>	<u>\$ 16,125,839</u>	<u>\$ 13,701,096</u>	<u>\$ 12,642,465</u>	<u>\$ 29,651,683</u>	<u>\$ 28,768,304</u>

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2014, the City's assets exceeded liabilities plus deferred inflows of resources by \$29,651,683. This amounts to \$15,950,587 in governmental activities and \$13,701,096 in business-type activities.

***City of Louisville, Ohio***  
**Management's Discussion and Analysis**  
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The largest portion of the City's net position 74.6% reflects its investment in capital assets less any related debt used to acquire those assets. Capital assets include land, land improvements, buildings, machinery and equipment, vehicles, infrastructure, and construction in progress. Capital assets, net of related debt to acquire the assets at December 31, 2014, were \$22,131,488. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

As of December 31, 2014, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

A portion of the City's governmental net position, \$592,027 or 3.7%, represent resources that are subject to external restrictions on how they may be used. Of total restricted net position \$29,856 for debt service, \$377,916 for transportation, \$10,801 for safety services programs, \$160,669 for capital projects and \$12,785 for other purposes. The remaining balance of governmental unrestricted net position of \$3,143,797 may be used to meet the government's ongoing obligations to citizens and creditors.

Table 2 below shows the changes in net position for governmental and business-type activities for fiscal years 2014 and 2013.

**Table 2**  
**Changes in Net Position**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 721,065	\$ 804,778	\$ 2,231,076	\$ 2,072,832	\$ 2,952,141	\$ 2,877,610
Operating grants, contributions, and interest	486,861	472,525	-	9,940	486,861	482,465
Capital grants and contributions	21,175	133,801	-	-	21,175	133,801
General revenues:						
Property and other taxes	348,892	345,077	-	-	348,892	345,077
Municipal income taxes	3,214,022	3,007,404	1,071,242	1,002,471	4,285,264	4,009,875
Grants and entitlements	234,565	362,979	-	-	234,565	362,979
Gain on sale of capital assets	1,206	-	-	-	1,206	-
Investment earnings	1,798	380	-	-	1,798	380
Other	32,981	104,350	-	-	32,981	104,350
Total revenues	<u>\$ 5,062,565</u>	<u>\$ 5,231,294</u>	<u>\$ 3,302,318</u>	<u>\$ 3,085,243</u>	<u>\$ 8,364,883</u>	<u>\$ 8,316,537</u>

(Continued)

**City of Louisville, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2014**  
**Unaudited**

**Table 2**  
**Changes in Net Position (continued)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b>Program Expenses</b>						
<i>Governmental Activities:</i>						
General government	\$ 1,181,784	\$ 1,063,115	\$ -	\$ -	\$ 1,181,784	\$ 1,063,115
Security of persons and property	2,398,630	2,169,438	-	-	2,398,630	2,169,438
Public health and welfare	81,088	79,746	-	-	81,088	79,746
Transportation	1,068,168	1,014,335	-	-	1,068,168	1,014,335
Community environment	295,526	204,758	-	-	295,526	204,758
Leisure time activities	205,010	209,294	-	-	205,010	209,294
Interest and fiscal charges	7,611	11,125	-	-	7,611	11,125
<i>Business-Type Activities:</i>						
Water	-	-	1,151,358	1,103,801	1,151,358	1,103,801
Sewer	-	-	1,092,329	1,095,660	1,092,329	1,095,660
Storm sewer	-	-	-	-	-	-
Total program expenses	<u>5,237,817</u>	<u>4,751,811</u>	<u>2,243,687</u>	<u>2,199,461</u>	<u>7,481,504</u>	<u>6,951,272</u>
Change in net position	(175,252)	479,483	1,058,631	885,782	883,379	1,365,265
Net position, beginning of year	<u>16,125,839</u>	<u>15,646,356</u>	<u>12,642,465</u>	<u>11,756,683</u>	<u>28,768,304</u>	<u>27,403,039</u>
Net position, end of year	<u>\$ 15,950,587</u>	<u>\$ 16,125,839</u>	<u>\$ 13,701,096</u>	<u>\$ 12,642,465</u>	<u>\$ 29,651,683</u>	<u>\$ 28,768,304</u>

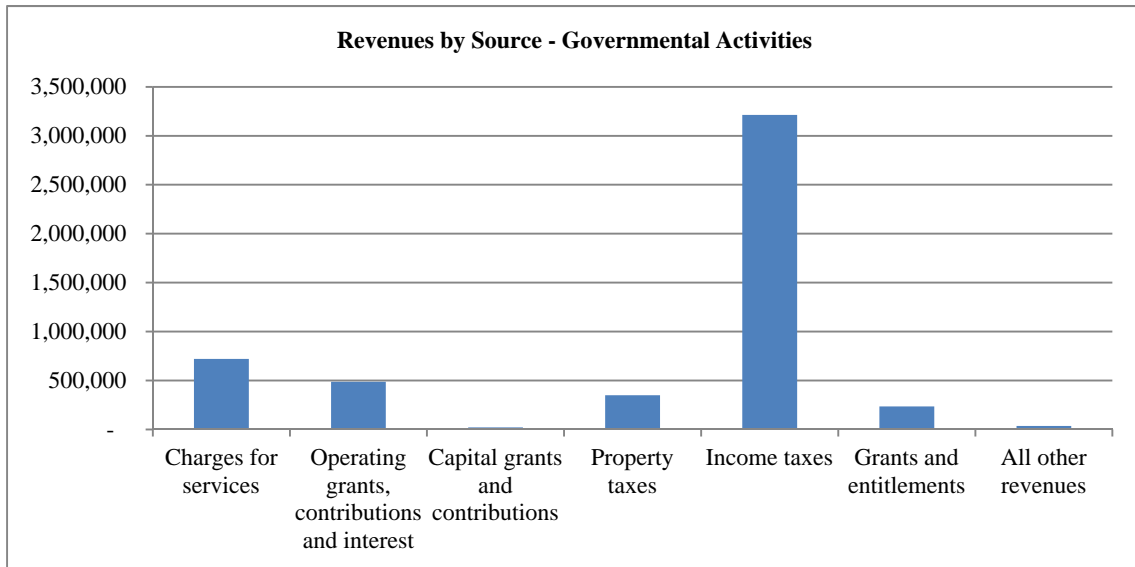
***Governmental Activities***

Governmental activities net position decreased \$175,252 or 1.1% in 2014 from 2013. This decrease was due primarily to increased spending in security of persons and property for the purchase of several patrol cars. The City's funding for these governmental activities comes from a variety of sources, the most significant being the \$3,214,022 of municipal income tax. See Note 12 for further information on income tax revenues.

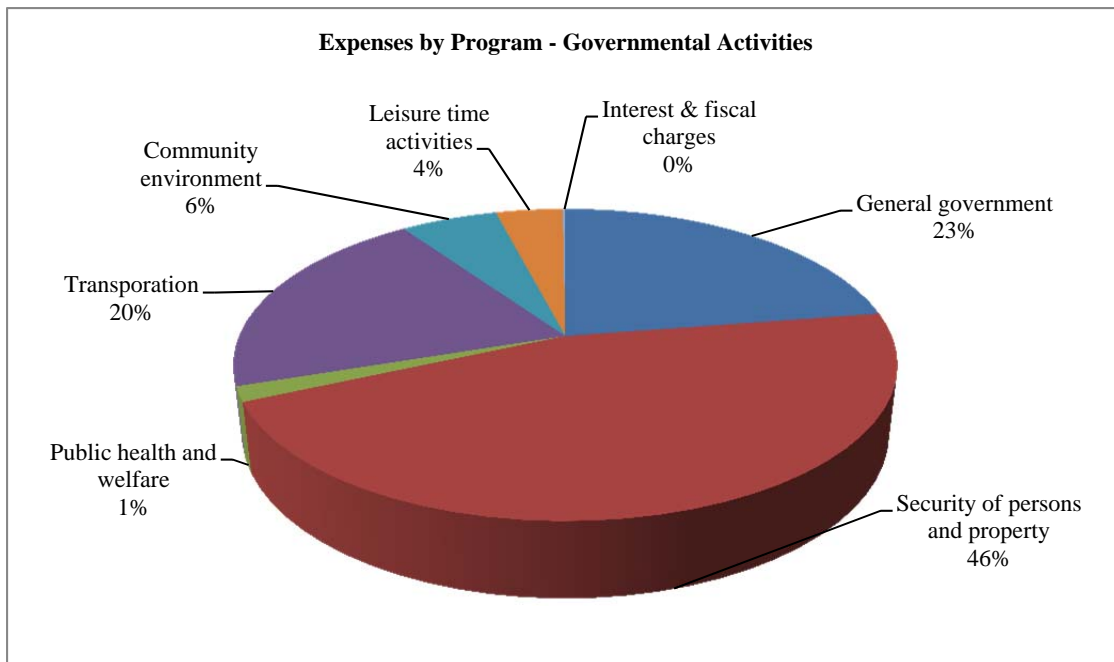
Intergovernmental revenue (i.e. state shared support) represents a large source of general revenue for governmental activities. In 2014, the City received \$234,565 in unrestricted intergovernmental revenues or 4.6% of total revenues.



**City of Louisville, Ohio**  
**Management's Discussion and Analysis**  
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Program restricted charges for services and operating and capital grants, contributions and interest represent monies the City is awarded that are required to be used for specific purposes. In 2014, the City received \$721,065 in charges for services, a combined total of \$486,861 in various operating grants, contributions and interest and \$21,175 in capital grants and contributions.



The City's governmental activity expenses totaled \$5,237,817 in 2014, with security of persons and property, general government and transportation representing the largest portion of this figure at 89%. The City's governmental activity expenses increased by \$486,006 from 2013, but this was not related to any one single event.

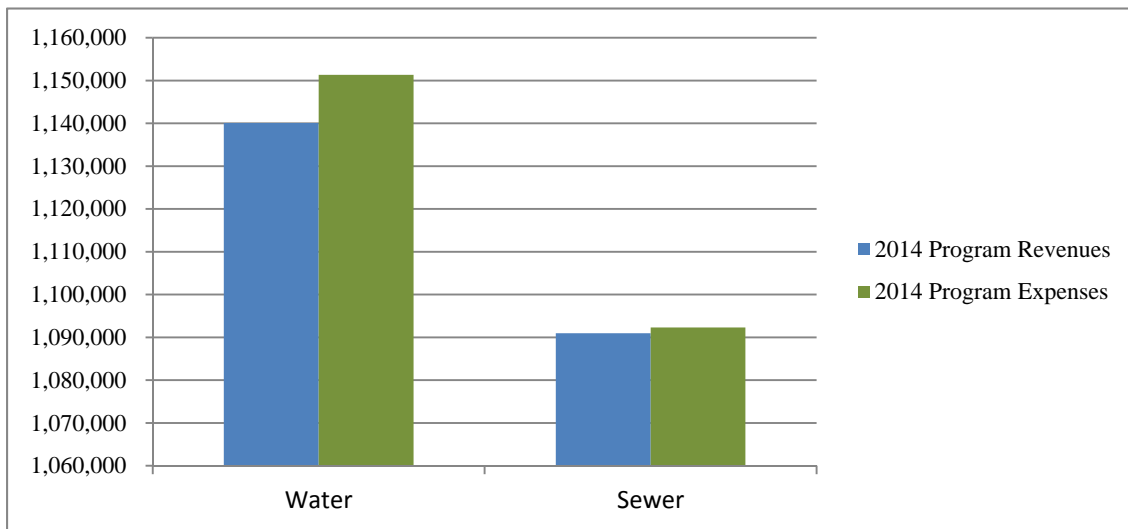
**City of Louisville, Ohio**  
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Security of persons and property, which primarily supports the operations of the City's police, fire and emergency medical services, accounts for \$2,398,630 of expenses, or 46% of total governmental expenses of the City. These expenses were funded by \$282,619 in charges to users of services and operating grants. General government expenses, which primarily include legislative, executive and financial management, totaled \$1,181,784 or 23% of total governmental expenses. General government expenses were covered by \$238,853 of direct charges to users.

At \$1,068,168 or 20%, transportation represents the City's third largest category of governmental activity expenses. This category of governmental expenses supports the operations of the maintenance division for street and highway activities. These expenses were funded by \$629,636 in direct charges to users, operating and capital grants and contributions.

***Business-Type Activities***

The water and sewer funds represent the City's business-type activities. These programs had program revenues of \$2,231,076 and expenses of \$2,243,687 for fiscal year 2014. Business-type activities reported an increase in net position of \$1,058,631, or 8.4% as compared to 2013. For this year, the increase in net position was attributed to an increase in municipal income taxes and current year revenues exceeding current year expenses. The increase in municipal income tax is a result of a slight improvement in the local economy.



***Program Expenses***

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government-wide activities, the total cost of services and the net cost of services for 2014 and 2013. That is, it identifies the cost of these services supported by general revenues.

**City of Louisville, Ohio**  
**Management's Discussion and Analysis**  
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**Table 3**  
**Program Expenses**

	<u>2014</u>		<u>2013</u>		<u>Net Change</u>	
	<u>Total Cost</u> <u>of Services</u>	<u>Net Cost</u> <u>of Services</u>	<u>Total Cost</u> <u>of Services</u>	<u>Net Cost</u> <u>of Services</u>	<u>Total Cost</u> <u>of Services</u>	<u>Net Cost</u> <u>of Services</u>
<i>Governmental Activities:</i>						
General government	\$ 1,181,784	\$ (921,756)	\$ 1,063,115	\$ (831,038)	\$ 118,669	\$ (90,718)
Security of persons and property	2,398,630	(2,116,011)	2,169,438	(1,759,158)	229,192	(356,853)
Public health and welfare	81,088	(81,088)	79,746	(79,746)	1,342	(1,342)
Transportation	1,068,168	(438,532)	1,014,335	(295,860)	53,833	(142,672)
Community environment	295,526	(245,713)	204,758	(162,639)	90,768	(83,074)
Leisure time activities	205,010	(198,005)	209,294	(201,141)	(4,284)	3,136
Interest and fiscal charges	7,611	(7,611)	11,125	(11,125)	(3,514)	3,514
<i>Business-Type Activities:</i>						
Water	1,151,358	(11,254)	1,103,801	(53,083)	47,557	41,829
Sewer	1,092,329	(1,357)	1,095,660	(63,606)	(3,331)	62,249
Total expenses	<u>\$ 7,481,504</u>	<u>\$ (4,021,327)</u>	<u>\$ 6,951,272</u>	<u>\$ (3,457,396)</u>	<u>\$ 530,232</u>	<u>\$ (563,931)</u>

**Financial Analysis of the Government's Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. At December 31, 2014, governmental funds reported a combined fund balance of \$3,374,285, a decrease of \$286,047 as compared to the prior year. Of this amount \$2,425,929 or 71.9% has an unassigned fund balance that is available for spending at the discretion of the City. The remainder fund balance of \$948,356 consists of \$60,932 or 1.8% as nonspendable, related to materials and supplies and prepaid items that are not in spendable form; \$434,601 or 12.9% that is restricted for various purposes; \$350,370 or 10.4% committed for emergency service charges and storm water and \$102,453 or 3.0% assigned for next years budget.

The general fund is the main governmental operating fund of the City. At the end of 2014, the fund balance of the general fund was \$2,536,872, a 5.7% decrease from the prior year. The reason for the decrease in the general fund balance was primarily due to expenditures and other financing uses exceeding current year revenues and other financing sources. At the end of 2014, the fund balance of the street construction, maintenance and repair fund was \$124,732, a decrease from the prior year. The reason for the decrease in the street construction, maintenance repair fund balance was primarily due to an increase in expenditures from the prior year for street projects and maintenance ongoing within the City. At the end of 2014, the fund balance of the capital improvements fund was \$160,669, a 14.1% decrease from the prior year. The reason for the decrease in the capital improvements fund balance was primarily due to a decrease in revenues from the prior year.

**City of Louisville, Ohio**  
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Table 4 below reports year 2014 balances compared to 2013:

**Table 4**  
**Change in Fund Balance**

	Fund Balance		Increase (Decrease)	Percent Change
	December 31, 2014	December 31, 2013		
General	\$ 2,536,872	\$ 2,689,170	\$ (152,298)	-5.7%
Street construction, maintenance and repair	124,732	243,449	(118,717)	-48.8%
Capital improvements	160,669	186,957	(26,288)	-14.1%
Other governmental funds	552,012	540,756	11,256	2.1%
	<u>\$ 3,374,285</u>	<u>\$ 3,660,332</u>	<u>\$ (286,047)</u>	

Table 5 below assists in illustrating the changes in financial activities for the general fund for year 2014 balances compared to 2013:

**Table 5**  
**Change in Financial Activities for the General Fund**

	December 31, 2014	December 31, 2013	Increase (Decrease)	Percent Change
<u>Revenues:</u>				
Income tax	\$ 3,196,332	\$ 3,031,133	\$ 165,199	5.5%
Property and other taxes	354,749	338,507	16,242	4.8%
Charges for services	111,458	106,273	5,185	4.9%
Licenses and permits	136,182	136,040	142	0.1%
Fines and forfeitures	41,550	36,105	5,445	15.1%
Intergovernmental	236,128	368,693	(132,565)	-36.0%
Investment income	1,798	380	1,418	373.2%
Contributions and donations	4,050	3,525	525	14.9%
Other	25,270	100,825	(75,555)	-74.9%
Total revenue	<u>\$ 4,107,517</u>	<u>\$ 4,121,481</u>	<u>\$ (13,964)</u>	
<u>Expenditures:</u>				
Current:				
General government	\$ 1,079,209	\$ 974,031	\$ 105,178	10.8%
Security of persons and property	1,957,628	1,729,757	227,871	13.2%
Public health and welfare	81,088	79,746	1,342	1.7%
Community environment	286,094	196,848	89,246	45.3%
Leisure time activities	128,965	136,631	(7,666)	-5.6%
Capital outlay	226,356	594,465	(368,109)	-61.9%
Debt service:				
Principal retirement	35,013	38,275	(3,262)	-8.5%
Interest and fiscal charges	3,262	-	3,262	n/a
Total expenditures	<u>\$ 3,797,615</u>	<u>\$ 3,749,753</u>	<u>\$ 47,862</u>	

**City of Louisville, Ohio**  
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***Budgeting Highlights - General Fund***

The City's budgeting process is prescribed by the Ohio Revised Code (ORC) and the provisions of the City's Charter. Essentially the budget is the City's appropriations that are restricted by the amounts of anticipated revenues certified by the County Budget Commission in accordance with the ORC. Therefore, the City's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity, then the appropriations can be adjusted accordingly.

The most significant changes from the original budgeted revenues as compared to the final budgeted amounts were an increase of \$204,075 in municipal income tax and intergovernmental revenues. This difference was caused by the municipal tax and intergovernmental revenues being unknown at the original budgeting process. Actual revenues were lower than the final budgeted amount by \$50,380 mainly due to a decrease in intergovernmental revenue received during the year.

Final budgeted expenditures were more than the original budgeted expenditures by \$34,050. This was due to an increase in security of persons and property expenditures from what was originally budgeted. Actual expenditures of \$3,854,686 for the year were \$100,443 less than the \$3,955,129 final budgeted amounts. The majority of this change was reported in security of persons and property due to conservative spending.

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of 2014, the City had \$24,010,023 (net of accumulated depreciation) invested in land, right of ways, land improvements, buildings, machinery and equipment, vehicles, infrastructure and construction in progress. Of this total, \$12,753,839 was reported in governmental activities and \$11,256,184 was reported in business-type activities. Table 6 below reports fiscal year 2014 balances compared to 2013:

**Table 6**  
**Capital Assets, at December 31**  
**(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land	\$ 544,655	\$ 354,232	\$ 312,987	\$ 312,987	\$ 857,642	\$ 667,219
Right of ways	812,350	812,350	-	-	812,350	812,350
Land improvements	344,122	394,388	27,960	35,357	372,082	429,745
Buildings and building improvements	989,066	1,200,819	4,169,624	4,311,931	5,158,690	5,512,750
Machinery and equipment	439,536	438,490	137,107	142,453	576,643	580,943
Vehicles	1,289,688	924,577	563,269	600,294	1,852,957	1,524,871
Infrastructure	8,333,538	8,205,999	5,982,126	6,078,708	14,315,664	14,284,707
Construction in progress	884	21,823	63,111	-	63,995	21,823
<b>Total</b>	<b>\$12,753,839</b>	<b>\$12,352,678</b>	<b>\$11,256,184</b>	<b>\$11,481,730</b>	<b>\$24,010,023</b>	<b>\$23,834,408</b>

**City of Louisville, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2014**  
**Unaudited**

The most significant change during 2014 to the amount of net capital assets was due to an increase of vehicles due to the acquisition of a dump truck and an ambulance. See Note 7 to the basic financial statements for detail on the governmental and business-type activities capital assets.

**Debt Administration**

At December 31, 2014 the City had total long-term debt outstanding of \$1,878,535. Of this total, \$395,172 is due within one year and \$1,483,363 is due in more than one year.

**Table 7**  
**Outstanding Debt, at December 31**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
General obligation bonds	\$ 186,214	\$ 210,550	\$ 889,133	\$ 1,032,882	\$ 1,075,347	\$ 1,243,432
OPWC loans	-	-	264,272	288,420	264,272	288,420
OWDA loan	-	-	35,042	37,684	35,042	37,684
Loan	-	-	-	109,571	-	109,571
Capital leases	352,862	108,236	151,012	198,890	503,874	307,126
Total	<u>\$ 539,076</u>	<u>\$ 318,786</u>	<u>\$ 1,339,459</u>	<u>\$ 1,667,447</u>	<u>\$ 1,878,535</u>	<u>\$ 1,986,233</u>

In addition to the outstanding debt listed above, the City has other long-term obligations. These other obligations include police pension obligations from past service costs in the amount of \$38,700.

All governmental long-term debt will be repaid by the debt retirement debt service fund. The Ohio Public Works Commission (OPWC) loans will be repaid by the water enterprise fund. The business-type general obligation bonds will be repaid from both the water and sewer enterprise funds. The Ohio Water Development Authority (OWDA) will be repaid from the water enterprise fund.

At December 31, 2014 the City's overall legal debt margin was \$14,987,257, with an unvoted debt margin of \$7,850,468. The City's credit rating remained unchanged in 2014 as compared to 2013. See Note 9 and 10 to the basic financial statements for details on the City's long-term obligations.

**Current Issues Affecting Financial Condition**

The City of Louisville is strong financially. In addition, the City of Louisville's systems of budgeting and internal controls are well regarded and the City is well prepared to meet the challenges of the future. In conclusion, management has been committed to provide the residents of the City of Louisville with full disclosure of the financial position of the City.

**Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Jina Turowski, City of Louisville Finance Director, 215 South Mill Street, Louisville, Ohio 44641, (330) 875-3434, or visit our web site at [www.louisvilleohio.com](http://www.louisvilleohio.com).

**City of Louisville, Ohio**

**Statement of Net Position**

**December 31, 2014**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	LCIC
<b>Assets:</b>				
<i>Current Assets</i>				
Equity in pooled cash and cash equivalents	\$ 2,935,311	\$ 3,279,474	\$ 6,214,785	\$ 95,559
Receivables:				
Income tax	886,341	295,447	1,181,788	-
Property and other taxes	363,056	-	363,056	-
Accounts	135,570	442,280	577,850	-
Due from other governments	312,957	-	312,957	-
Materials and supplies inventory	46,020	10,819	56,839	-
Loans receivable	-	-	-	7,503
Prepaid items	14,912	3,874	18,786	377
<i>Total Current Assets</i>	<u>4,694,167</u>	<u>4,031,894</u>	<u>8,726,061</u>	<u>103,439</u>
<i>Noncurrent Assets</i>				
Loans receivable	-	-	-	46,173
Nondepreciable capital assets	1,357,889	376,098	1,733,987	30,994
Depreciable capital assets, net	11,395,950	10,880,086	22,276,036	-
<i>Total Noncurrent Assets</i>	<u>12,753,839</u>	<u>11,256,184</u>	<u>24,010,023</u>	<u>77,167</u>
Total assets	<u>17,448,006</u>	<u>15,288,078</u>	<u>32,736,084</u>	<u>180,606</u>
<b>Liabilities:</b>				
<i>Current Liabilities</i>				
Accounts payable	77,752	49,148	126,900	-
Contracts payable	-	3,458	3,458	-
Accrued wages and benefits	105,012	26,693	131,705	-
Matured compensated absences payable	18,877	36,642	55,519	-
Due to other governments	92,880	29,950	122,830	-
Undistributed monies	4,857	-	4,857	-
Income tax refunds payable	43,552	14,517	58,069	-
Accrued interest payable	354	1,659	2,013	-
Claims payable	1,552	413	1,965	-
<i>Total Current Liabilities</i>	<u>344,836</u>	<u>162,480</u>	<u>507,316</u>	<u>-</u>
<i>Noncurrent Liabilities</i>				
Long-term liabilities:				
Due within one year	287,315	296,161	583,476	-
Due in more than one year	523,674	1,128,341	1,652,015	-
<i>Total Noncurrent Liabilities</i>	<u>810,989</u>	<u>1,424,502</u>	<u>2,235,491</u>	<u>-</u>
Total liabilities	<u>1,155,825</u>	<u>1,586,982</u>	<u>2,742,807</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Property taxes	341,594	-	341,594	-
<b>Net position:</b>				
Net investment in capital assets	12,214,763	9,916,725	22,131,488	-
Restricted for:				
Capital projects	160,669	-	160,669	-
Debt service	29,856	-	29,856	-
Transportation	377,916	-	377,916	-
Safety services	10,801	-	10,801	-
Other purposes	12,785	-	12,785	-
Unrestricted	3,143,797	3,784,371	6,928,168	180,606
Total net position	<u>\$ 15,950,587</u>	<u>\$ 13,701,096</u>	<u>\$ 29,651,683</u>	<u>\$ 180,606</u>

See accompanying notes to the basic financial statements.

**City of Louisville, Ohio**  
**Statement of Activities**  
**For the Year Ended December 31, 2014**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions
<u>Governmental Activities:</u>				
General government	\$ 1,181,784	\$ 238,853	\$ -	\$ 21,175
Security of persons and property	2,398,630	282,619	-	-
Public health and welfare	81,088	-	-	-
Transportation	1,068,168	142,775	486,861	-
Community environment	295,526	49,813	-	-
Leisure time activities	205,010	7,005	-	-
Interest and fiscal charges	7,611	-	-	-
Total governmental activities	<u>5,237,817</u>	<u>721,065</u>	<u>486,861</u>	<u>21,175</u>
<u>Business-Type Activities:</u>				
Water	1,151,358	1,140,104	-	-
Sewer	1,092,329	1,090,972	-	-
Total business-type activities	<u>2,243,687</u>	<u>2,231,076</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 7,481,504</u>	<u>\$ 2,952,141</u>	<u>\$ 486,861</u>	<u>\$ 21,175</u>
<u>Component Unit:</u>				
LCIC	<u>\$ 1,138</u>	<u>\$ 23</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:  
Property taxes levied for:  
    General purposes  
Income tax levied for:  
    General purposes  
    Water utility services  
    Sewer utility services  
Grants and entitlements not restricted to specific programs  
Gain on sale of capital assets  
Investment earnings  
Other  
Total general revenues  
  
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			Component Unit
Primary Government			LCIC
Governmental Activities	Business-Type Activities	Total	
\$ (921,756)	\$ -	\$ (921,756)	\$ -
(2,116,011)	-	(2,116,011)	-
(81,088)	-	(81,088)	-
(438,532)	-	(438,532)	-
(245,713)	-	(245,713)	-
(198,005)	-	(198,005)	-
(7,611)	-	(7,611)	-
<u>(4,008,716)</u>	<u>-</u>	<u>(4,008,716)</u>	<u>-</u>
-	(11,254)	(11,254)	-
<u>-</u>	<u>(1,357)</u>	<u>(1,357)</u>	<u>-</u>
-	(12,611)	(12,611)	-
<u>(4,008,716)</u>	<u>(12,611)</u>	<u>(4,021,327)</u>	<u>-</u>
-	-	-	(1,115)
348,892	-	348,892	-
3,214,022	-	3,214,022	-
-	601,286	601,286	-
-	469,956	469,956	-
234,565	-	234,565	51,750
1,206	-	1,206	-
1,798	-	1,798	2,386
32,981	-	32,981	-
<u>3,833,464</u>	<u>1,071,242</u>	<u>4,904,706</u>	<u>54,136</u>
(175,252)	1,058,631	883,379	53,021
<u>16,125,839</u>	<u>12,642,465</u>	<u>28,768,304</u>	<u>127,585</u>
<u>\$ 15,950,587</u>	<u>\$ 13,701,096</u>	<u>\$ 29,651,683</u>	<u>\$ 180,606</u>

**City of Louisville, Ohio**

**Balance Sheet**

**Governmental Funds**

**December 31, 2014**

	General	Street Construction, Maintenance and Repair	Capital Improvements	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Equity in pooled cash and cash equivalents	\$ 2,113,488	\$ 68,029	\$ 291,029	\$ 462,765	\$ 2,935,311
<b>Receivables:</b>					
Income tax	886,341	-	-	-	886,341
Property and other taxes	363,056	-	-	-	363,056
Accounts	26,993	-	-	108,577	135,570
Interfund	130,360	-	-	-	130,360
Due from other governments	103,068	157,536	-	52,353	312,957
Materials and supplies inventory	-	38,547	-	7,473	46,020
Prepaid items	8,490	3,370	-	3,052	14,912
<b>Total assets</b>	<b>\$ 3,631,796</b>	<b>\$ 267,482</b>	<b>\$ 291,029</b>	<b>\$ 634,220</b>	<b>\$ 4,824,527</b>
<b>Liabilities, deferred inflows of resources and fund balances</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 61,832	\$ 5,671	\$ -	\$ 10,249	\$ 77,752
Interfund payable	-	-	130,360	-	130,360
Accrued wages and benefits	91,143	7,263	-	6,606	105,012
Matured compensated absences payable	-	17,211	-	1,666	18,877
Due to other governments	77,154	9,630	-	6,096	92,880
Undistributed monies	4,857	-	-	-	4,857
Income tax refunds payable	43,552	-	-	-	43,552
Claims and judgments payable	1,477	69	-	6	1,552
<b>Total liabilities</b>	<b>280,015</b>	<b>39,844</b>	<b>130,360</b>	<b>24,623</b>	<b>474,842</b>
<b>Deferred inflows of resources:</b>					
Property taxes	341,594	-	-	-	341,594
Unavailable revenue - other	458,188	102,906	-	57,585	618,679
Unavailable revenue - delinquent property taxes	15,127	-	-	-	15,127
<b>Total deferred inflows of resources</b>	<b>814,909</b>	<b>102,906</b>	<b>-</b>	<b>57,585</b>	<b>975,400</b>
<b>Fund balances:</b>					
Nonspendable	8,490	41,917	-	10,525	60,932
Restricted	-	82,815	160,669	191,117	434,601
Committed	-	-	-	350,370	350,370
Assigned	102,453	-	-	-	102,453
Unassigned	2,425,929	-	-	-	2,425,929
<b>Total fund balances</b>	<b>2,536,872</b>	<b>124,732</b>	<b>160,669</b>	<b>552,012</b>	<b>3,374,285</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 3,631,796</b>	<b>\$ 267,482</b>	<b>\$ 291,029</b>	<b>\$ 634,220</b>	<b>\$ 4,824,527</b>

See accompanying notes to the basic financial statements.

**City of Louisville, Ohio**

**Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities  
December 31, 2014**

Total governmental fund balances \$ 3,374,285

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

Capital assets used in governmental activities are not financial resources and therefore  
are not reported in funds. 12,753,839

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

Property and other taxes	\$ 15,127	
Income taxes	380,110	
Intergovernmental	210,610	
Charges for services	22,306	
Fines and forfeitures	1,992	
Other	3,661	
Total	<u>633,806</u>	633,806

Accrued interest payable is not due and payable in the current period and therefore is not  
reported in the funds. (354)

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

General obligation bonds	\$ (185,000)	
Premium on bonds	(1,214)	
Capital lease payable	(352,862)	
Compensated absences	(233,213)	
Police pension liability	(38,700)	
Total	<u>(810,989)</u>	(810,989)

Net position of governmental activities \$ 15,950,587

See accompanying notes to the basic financial statements.

**City of Louisville, Ohio**

**Statement of Revenues, Expenditures and Changes in Fund Balances**

**Governmental Funds**

**For the Year Ended December 31, 2014**

	General	Street Construction, Maintenance and Repair	Capital Improvements	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Income tax	\$ 3,196,332	\$ -	\$ -	\$ -	\$ 3,196,332
Property and other taxes	354,749	-	-	-	354,749
Charges for services	111,458	-	-	457,575	569,033
Licenses and permits	136,182	-	-	-	136,182
Fines and forfeitures	41,550	-	-	19,731	61,281
Intergovernmental	236,128	376,573	21,175	111,527	745,403
Investment income	1,798	-	-	111	1,909
Contributions and donations	4,050	-	-	-	4,050
Other	25,270	8,435	-	1,024	34,729
Total revenue	<u>4,107,517</u>	<u>385,008</u>	<u>21,175</u>	<u>589,968</u>	<u>5,103,668</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	1,079,209	-	21,175	16,266	1,116,650
Security of persons and property	1,957,628	-	-	231,604	2,189,232
Public health and welfare	81,088	-	-	-	81,088
Transportation	-	660,752	-	131,014	791,766
Community environment	286,094	-	-	-	286,094
Leisure time activities	128,965	-	-	-	128,965
Capital outlay	226,356	123,167	26,288	652,248	1,028,059
<b>Debt service:</b>					
Principal retirement	35,013	42,173	-	79,314	156,500
Interest and fiscal charges	3,262	-	-	4,725	7,987
Total expenditures	<u>3,797,615</u>	<u>826,092</u>	<u>47,463</u>	<u>1,115,171</u>	<u>5,786,341</u>
Excess of revenues over (under) expenditures	<u>309,902</u>	<u>(441,084)</u>	<u>(26,288)</u>	<u>(525,203)</u>	<u>(682,673)</u>
<b>Other financing sources (uses):</b>					
Sale of capital assets	9,500	-	-	10,000	19,500
Inception of capital lease	-	123,167	-	253,959	377,126
Transfers - in	-	199,200	-	272,500	471,700
Transfers - out	(471,700)	-	-	-	(471,700)
Total other financing sources (uses)	<u>(462,200)</u>	<u>322,367</u>	<u>-</u>	<u>536,459</u>	<u>396,626</u>
Net change in fund balance	(152,298)	(118,717)	(26,288)	11,256	(286,047)
Fund balances at beginning of year	2,689,170	243,449	186,957	540,756	3,660,332
Fund balances at end of year	<u>\$ 2,536,872</u>	<u>\$ 124,732</u>	<u>\$ 160,669</u>	<u>\$ 552,012</u>	<u>\$ 3,374,285</u>

See accompanying notes to the basic financial statements.

**City of Louisville, Ohio**

**Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2014**

Net change in fund balances - Total governmental funds \$ (286,047)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.

In the current period, these amounts are:

Capital outlay	\$ 1,028,059	
Depreciation expense	(608,604)	
Excess of capital outlay over depreciation expense		419,455

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (18,294)

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

Property and other taxes	\$ (5,857)	
Income taxes	17,690	
Intergovernmental	(11,684)	
Charges for services	(48,111)	
Fines and forfeitures	1,992	
Other	3,661	
Net change in deferred inflows of resources during the year		(42,309)

Some items 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. These activities consist of:

Increase in compensated absences	\$ (28,976)	
Decrease in police pension liability	1,169	
Decrease in accrued interest	40	
Amortization of premium	336	
Total additional expenditures		(27,431)

Repayment of bond and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 24,000

Payment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 132,500

Some capital additions were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net position, the lease obligation is reported as a liability. (377,126)

Change in net position of governmental activities \$ (175,252)

See accompanying notes to the basic financial statements.

**City of Louisville, Ohio**  
**Statement of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**General Fund**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Municipal income tax	\$ 2,989,625	\$ 3,157,000	\$ 3,166,834	\$ 9,834
Property and other taxes	362,800	362,800	362,778	(22)
Charges for services	111,500	111,500	111,458	(42)
Licenses and permits	133,150	137,150	138,054	904
Fines and forfeitures	41,600	41,600	41,149	(451)
Intergovernmental	265,150	301,850	263,088	(38,762)
Interest	800	1,700	1,798	98
Contributions and donations	11,050	11,050	4,050	(7,000)
Other	41,350	41,350	26,411	(14,939)
<b>Total revenues</b>	<b>3,957,025</b>	<b>4,166,000</b>	<b>4,115,620</b>	<b>(50,380)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	1,186,293	1,158,893	1,131,587	27,306
Security of persons and property	2,096,384	2,200,409	2,151,283	49,126
Public health and welfare	38,470	80,220	79,731	489
Community environment	347,068	334,268	314,444	19,824
Leisure time activities	252,864	181,339	177,641	3,698
<b>Total expenditures</b>	<b>3,921,079</b>	<b>3,955,129</b>	<b>3,854,686</b>	<b>100,443</b>
Excess of revenues over expenditures	35,946	210,871	260,934	50,063
<b>Other financing sources (uses):</b>				
Sale of capital assets	-	9,500	9,500	-
Transfers - in	425	425	421	(4)
Transfers - out	(394,125)	(472,125)	(472,121)	4
<b>Total other financing sources (uses)</b>	<b>(393,700)</b>	<b>(462,200)</b>	<b>(462,200)</b>	<b>-</b>
Net change in fund balance	(357,754)	(251,329)	(201,266)	50,063
Fund balance at beginning of year	2,159,401	2,159,401	2,159,401	-
Prior year encumbrances appropriated	75,729	75,729	75,729	-
<b>Fund balance at end of year</b>	<b>\$ 1,877,376</b>	<b>\$ 1,983,801</b>	<b>\$ 2,033,864</b>	<b>\$ 50,063</b>

See accompanying notes to the basic financial statements.

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 527,900	\$ 331,775	\$ 326,242	\$ (5,533)
Other	8,450	8,450	8,435	(15)
Total revenues	<u>536,350</u>	<u>340,225</u>	<u>334,677</u>	<u>(5,548)</u>
<u>Expenditures:</u>				
Current:				
Transportation	<u>683,528</u>	<u>642,178</u>	<u>630,572</u>	<u>11,606</u>
Excess of revenues under expenditures	<u>(147,178)</u>	<u>(301,953)</u>	<u>(295,895)</u>	<u>6,058</u>
Other financing sources:				
Transfers - in	<u>89,650</u>	<u>199,200</u>	<u>199,200</u>	<u>-</u>
Net change in fund balance	(57,528)	(102,753)	(96,695)	6,058
Fund balance at beginning of year	164,545	164,545	164,545	-
Prior year encumbrances appropriated	<u>179</u>	<u>179</u>	<u>179</u>	<u>-</u>
Fund balance at end of year	<u>\$ 107,196</u>	<u>\$ 61,971</u>	<u>\$ 68,029</u>	<u>\$ 6,058</u>

See accompanying notes to the basic financial statements.

**City of Louisville, Ohio**  
**Statement of Fund Net Position**  
**Proprietary Funds**  
**December 31, 2014**

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Total
<u>Assets:</u>			
Current assets:			
Equity in pooled cash and cash equivalents	\$ 1,572,754	\$ 1,706,720	\$ 3,279,474
Receivables:			
Income tax	177,268	118,179	295,447
Accounts	218,262	224,018	442,280
Materials and supplies inventory	7,905	2,914	10,819
Prepaid items	1,915	1,959	3,874
Total current assets	<u>1,978,104</u>	<u>2,053,790</u>	<u>4,031,894</u>
Noncurrent assets:			
Capital assets:			
Land	213,279	99,708	312,987
Construction in progress	30,946	32,165	63,111
Depreciable capital assets, net	5,914,439	4,965,647	10,880,086
Total noncurrent assets	<u>6,158,664</u>	<u>5,097,520</u>	<u>11,256,184</u>
Total assets	<u>\$ 8,136,768</u>	<u>\$ 7,151,310</u>	<u>\$ 15,288,078</u>
<u>Liabilities:</u>			
Current liabilities:			
Accounts payable	\$ 14,663	\$ 34,485	\$ 49,148
Contracts payable	151	3,307	3,458
Accrued wages and benefits	13,578	13,115	26,693
Matured compensated absences payable	18,321	18,321	36,642
Due to other governments	15,344	14,606	29,950
Income tax refunds payable	8,710	5,807	14,517
Accrued interest payable	1,376	283	1,659
Claims payable	244	169	413
Compensated absences payable	24,105	26,929	51,034
Capital lease payable	-	49,087	49,087
OPWC loans payable	48,292	-	48,292
OWDA loans payable	2,748	-	2,748
General obligation bonds payable	125,000	20,000	145,000
Total current liabilities	<u>272,532</u>	<u>186,109</u>	<u>458,641</u>
Long-term liabilities:			
Compensated absences payable	14,655	19,354	34,009
Capital leases payable, net of current portion	-	101,925	101,925
OPWC loans payable, net of current portion	215,980	-	215,980
OWDA loans payable, net of current portion	32,294	-	32,294
General obligation bonds payable, net of current portion	612,706	131,427	744,133
Total long-term liabilities	<u>875,635</u>	<u>252,706</u>	<u>1,128,341</u>
Total liabilities	<u>1,148,167</u>	<u>438,815</u>	<u>1,586,982</u>
<u>Net position:</u>			
Net investment in capital assets	5,121,644	4,795,081	9,916,725
Unrestricted	1,866,957	1,917,414	3,784,371
Total net position	<u>\$ 6,988,601</u>	<u>\$ 6,712,495</u>	<u>\$ 13,701,096</u>

See accompanying notes to the basic financial statements.



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

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Total
<u>Operating revenues:</u>			
Charges for services	\$ 1,131,104	\$ 1,083,772	\$ 2,214,876
Tap-in fees	9,000	7,200	16,200
Total operating revenue	1,140,104	1,090,972	2,231,076
<u>Operating expenses:</u>			
Personal services	314,195	299,910	614,105
Fringe benefits	125,645	134,288	259,933
Contractual services	391,091	317,904	708,995
Supplies and materials	49,020	92,313	141,333
Depreciation	252,993	240,090	493,083
Total operating expenses	1,132,944	1,084,505	2,217,449
Operating income	7,160	6,467	13,627
<u>Nonoperating revenues (expenses):</u>			
Municipal income tax	601,286	469,956	1,071,242
Loss on sale of capital assets	-	(5,041)	(5,041)
Interest and fiscal charges	(18,414)	(7,824)	(26,238)
Total nonoperating revenues (expenses)	582,872	457,091	1,039,963
Income before contributions	590,032	463,558	1,053,590
Capital contributions	5,041	-	5,041
Change in net position	595,073	463,558	1,058,631
Net position at beginning of year	6,393,528	6,248,937	12,642,465
Net position at end of year	\$ 6,988,601	\$ 6,712,495	\$ 13,701,096

See accompanying notes to the basic financial statements.

**City of Louisville, Ohio**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2014**

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Total
Cash flows from operating activities:			
Cash received from customers	\$ 1,106,211	\$ 1,060,506	\$ 2,166,717
Cash payments for employee services and benefits	(433,327)	(428,271)	(861,598)
Cash payments to suppliers for goods and services	(444,233)	(383,567)	(827,800)
Net cash provided by for operating activities	<u>228,651</u>	<u>248,668</u>	<u>477,319</u>
Cash flows from noncapital financing activities:			
Income taxes received	<u>570,632</u>	<u>484,880</u>	<u>1,055,512</u>
Net cash provided by noncapital financing activities	<u>570,632</u>	<u>484,880</u>	<u>1,055,512</u>
Cash flows from capital and related financing activities:			
Interest paid on bonds and capital leases	(20,419)	(8,803)	(29,222)
Principal payment on bonds, loans and capital lease	(258,161)	(67,078)	(325,239)
Acquisition of capital assets	(144,563)	(119,516)	(264,079)
Net cash used for capital and related financing activities	<u>(423,143)</u>	<u>(195,397)</u>	<u>(618,540)</u>
Net increase in cash and cash equivalents	376,140	538,151	914,291
Cash and cash equivalents at beginning of year	1,196,614	1,168,569	2,365,183
Cash and cash equivalents at end of year	<u>\$ 1,572,754</u>	<u>\$ 1,706,720</u>	<u>\$ 3,279,474</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 7,160	\$ 6,467	\$ 13,627
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	252,993	240,090	493,083
Change in assets and liabilities:			
(Increase) decrease in assets:			
Accounts receivable	(33,893)	(30,466)	(64,359)
Materials and supplies inventory	(5,574)	3,249	(2,325)
Prepaid items	(139)	(109)	(248)
Increase (decrease) in liabilities:			
Accounts payable	1,591	23,510	25,101
Claims payable	(147)	(332)	(479)
Accrued wages and benefits	434	34	468
Compensated absences	5,090	5,851	10,941
Due to other governments	1,136	374	1,510
Net cash provided by operating activities	<u>\$ 228,651</u>	<u>\$ 248,668</u>	<u>\$ 477,319</u>
Noncash capital and related financing activities:			
Transfer of capital asset	\$ 5,041	\$ (5,041)	\$ -

See accompanying notes to the basic financial statements.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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The basic financial statements of the City of Louisville (the “City”) 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. The more significant of the City's accounting policies are described below.

**A. City Government and Reporting Entity**

The City operates under its Charter and is governed by an elected Mayor-Council Member and four other Council Members.

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are fairly presented and complete. The primary government consists of all funds, departments, boards and commissions that are not legally separate from the City. The City provides municipal services such as police, fire fighting and prevention, parks and recreation, and street maintenance. The City also operates certain enterprise operations such as a sewage treatment plant and a water treatment plant. The operations of all of these services are included in the reporting entity.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt or the levying of taxes. The City has assumed a financial burden of the Louisville Community Improvement Corporation (LCIC) as a result of various transactions including the sale and purchase of land. Also, the majority of the LCIC's board is appointed by the City. The City has chosen the discrete method of presentation of the LCIC because it provides services to the primary government and the citizens of the City as opposed to only the primary government. The discrete method of presentation requires component unit data to be reported together with, but separately from the data of the primary government in the government-wide financial statements. See Note 18 for more information.

A complete copy of the LCIC financial statements may be obtained by contacting the City's Finance Department.

The City is associated with the Stark County Council of Governments, which is defined as a Jointly Governed Organization. This organization is presented in Note 17.

**B. 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.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

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 and its component unit. The statements of the primary government distinguish between those activities of the City that are governmental and those that are considered business-type activities. The activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses. However, the services provided and used are not eliminated in the process of consolidation.

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 proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund financial statements.

**C. 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 two categories of funds: governmental and proprietary.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. The acquisition, use, and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of financial position and changes in financial position. The difference between governmental fund assets and liabilities is reported as fund balance. The City’s three major governmental funds are the general fund, the street construction, maintenance and repair fund and the capital improvements fund.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

General Fund: The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the laws and regulations of the City and/or the general laws of Ohio.

Street Construction, Maintenance and Repair Fund: To account for restricted revenue derived from gasoline taxes and vehicle registration fees at the State and County level; used to support the street maintenance and snow removal departments.

Capital Improvements Fund: This capital projects fund is established to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

Proprietary Funds

Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise.

Enterprise Funds

Enterprise activities are financed and operated in a manner similar to private sector business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's major enterprise funds are:

Water Fund: The water fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City.

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

**D. Measurement Focus and Basis of Accounting**

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, all liabilities, deferred outflows of resources and deferred inflows of resources associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position. Internal transactions are eliminated within the governmental funds as well as within the business-type funds, provided they are from dissimilar programs. In addition, internal balances within the governmental funds have been eliminated.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include 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 funds and component unit are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting and proprietary funds use the 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 and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange Transactions

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (see Note 11). 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 nonexchange transactions must also be available before it can be recognized.

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

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. The City does not have any deferred outflows of resources at December 31, 2014.

In addition to liabilities, the statements of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenues. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2014, but which were levied to finance year 2015 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported on the governmental funds balance sheet, and represents revenues which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, franchise taxes, intergovernmental grants, and charges for services. These amounts are deferred and recognized as inflows of resources in the period the amounts become available.

Expenses/Expenditures

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

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

**E. Budgets and Budgetary Accounting**

The City follows these procedures in establishing the budgetary data reported in the basic financial statements:

Tax Budget: A tax budget of estimated revenue and expenditures for all funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20th of each year, for the period January 1 to December 31 of the following year. All City funds are legally required to be budgeted. The purpose of the tax budget is to reflect the need for existing (or increased) tax rates.

Estimated Resources: The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews revenue estimates. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the Official Certificate of Estimated Resources, which states the projected revenue of each fund.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31. Further amendments may be made during the year if the Finance Director determines that revenue to be collected will be greater than or less than the prior estimates and the budget commission find the revised estimates to be reasonable. The amounts set forth in the financial statements, as the original budgeted amounts, represent estimates from the certificate of estimated resources when the original appropriations were adopted, whereas the final budgeted amounts, represent estimates from the final amended certificate issued for 2014.

*Appropriations:* An appropriation ordinance (the appropriated budget), to control the level of expenditures for all funds, must be legally enacted on or about January 1. Appropriations may not exceed estimated resources as established in the Official Amended Certificate of Estimated Resources. Supplemental appropriations may be adopted by Council action. Amounts shown as original budgeted amounts in the financial statements represent carried-over appropriation plus the first appropriation ordinance for that fund that covered the entire year, whereas the final budgeted amount includes these same appropriated amounts and all supplemental appropriations. During the year, several supplemental appropriation measures were passed.

The City administration may at any time transfer unencumbered appropriation balance or portion thereof between general classifications of expenditures within an office, department or agency. Within the last three months of the budget year, Council may, by resolution, transfer any unencumbered appropriation balance or portion thereof from one department to another.

*The Appropriated Budget:* The legal level of control has been established by Council at the department level for all funds. Administrative control is maintained through the establishment of detailed line-item budgets. Appropriated funds may not be expended for purposes other than those designated in the appropriation ordinance without authority from Council. Expenditures plus encumbrances may not legally exceed appropriations at the level of appropriation adopted by Council. The appropriations set by Council must remain fixed unless amended by Council ordinance. The Finance Director may make more detailed appropriation allocations as long as the allocations are within Council's appropriated amount.

*Lapsing of Appropriations:* At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried over for the subsequent year's expenditures and is not reappropriated.

**F. Deposits and Investments**

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Each fund's interest in the pool is presented as "Equity in pooled cash and cash equivalents" on the financial statements.

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



***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

During 2014, investments were limited to interest in State Treasury Asset Reserve of Ohio (STAR Ohio). Except for investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at fair value, which is based on quoted market prices.

Interest allocation is determined by the Ohio Constitution, state statutes and local ordinances adopted under City Charter. Under these provisions, City funds that may be required to receive interest allocations are: 1) special tax levy funds, 2) the motor vehicle license fund and 3) under certain circumstances, the capital projects fund. All remaining interest is credited to the general fund.

For purposes of the statement of cash flows and for presentation on the statement of net position, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments, if not purchased from the pool.

**G. Inventory of Supplies**

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used. Inventories of governmental funds are stated at cost, while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure/expense in the governmental and proprietary funds when used under the consumption method.

**H. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2014 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure or expense is reported in the year in which services are consumed.

**I. Capital Assets and Depreciation**

Governmental 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. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000. The City's infrastructure consists of roads, and water and sewer lines. All infrastructure assets belonging to business-type activities are reported as such, whereas infrastructure belonging to governmental activity is reported prospectively beginning in 2004. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized for business-type activities.

**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

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>Asset Class</u>	Governmental and Business-Type Activities <u>Estimated Useful Life</u>
Buildings	30 - 40 years
Building improvements	10 - 40 years
Land improvements	10 - 20 years
Machinery, equipment and vehicles	3 - 15 years
Infrastructure	40 years

**J. Compensated Absences**

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

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the City’s past experience of making termination payments. The entire compensated absences liability is reported on the government-wide financial statements.

**K. Accrued Liabilities and Long-term Obligations**

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

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

**L. 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 classification includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

*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) 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) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned* - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council or a City official (typically the Finance Director) delegated that authority by City Charter or ordinance, or by State Statute.

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

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

**M. Bond Premiums**

In governmental fund types, bond premiums are recognized in the current period. Bond premiums for proprietary fund types are deferred and amortized over the term of the bonds using the bonds outstanding method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds payable.

*City of Louisville, Ohio*  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

**N. Interfund Balances**

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “interfund receivables/payables.” Interfund loans, which do not represent available expendable resources, are offset by a fund balance reserve account. Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**O. Interfund Transactions**

During the course of normal operations, the City has numerous transactions between funds, most of which are in the form of transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect such transactions as transfers. Operating subsidies are also recorded as transfers. These amounts are eliminated in the governmental activities columns of the statement of net position.

Transactions that constitute reimbursements for expenditures or expenses initially made from a fund that are properly allocable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditures and expenses in the fund that is reimbursed.

**P. Net Position**

Net position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any 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 amounts to provide transportation, general government, and public health and welfare services. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**Q. 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 sewer treatment and water services. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

**R. Estimates**

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

**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

**NOTE 2 – FUND BALANCE**

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 as follows:

Fund Balances	<u>General</u>	<u>Street Construction, Maintenance and Repair</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Nonspendable</u>					
Materials and supplies inventory	\$ -	\$ 38,547	\$ -	\$ 7,473	\$ 46,020
Prepays	<u>8,490</u>	<u>3,370</u>	<u>-</u>	<u>3,052</u>	<u>14,912</u>
Total nonspendable	<u>8,490</u>	<u>41,917</u>	<u>-</u>	<u>10,525</u>	<u>60,932</u>
<u>Restricted for</u>					
Streets and highways	-	82,815	-	137,321	220,136
Court activities	-	-	-	12,785	12,785
Police services	-	-	-	10,801	10,801
Capital improvements	-	-	160,669	-	160,669
Debt service payments	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,210</u>	<u>30,210</u>
Total restricted	<u>-</u>	<u>82,815</u>	<u>160,669</u>	<u>191,117</u>	<u>434,601</u>
<u>Committed</u>					
Fire and EMS services	-	-	-	177,776	177,776
Storm water	<u>-</u>	<u>-</u>	<u>-</u>	<u>172,594</u>	<u>172,594</u>
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>350,370</u>	<u>350,370</u>
<u>Assigned</u>					
Encumbrances	51,418	-	-	-	51,418
Next year's budget	<u>51,035</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,035</u>
Total assigned	<u>102,453</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>102,453</u>
Unassigned (deficit)	<u>2,425,929</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,425,929</u>
Total fund balances	<u>\$ 2,536,872</u>	<u>\$ 124,732</u>	<u>\$ 160,669</u>	<u>\$ 552,012</u>	<u>\$ 3,374,285</u>

**NOTE 3 - BUDGETARY BASIS OF ACCOUNTING**

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

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

The statement of revenues, expenditures, and changes in fund balances - budget (Non-GAAP basis) and actual presented for the general fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- a. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- b. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- c. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
- d. Encumbrances are treated as expenditures (budget basis) rather than assigned fund balance (GAAP basis).
- e. The revenues, expenditures and other financing sources and uses of the general fund include activity that is budgeted within special revenue funds (GAAP basis). However, on the budgetary basis, the activity of the special revenue funds is excluded resulting in perspective differences.

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

Net Change in Fund Balance		Street Construction, Maintenance and Repair
	<u>General</u>	
GAAP Basis	\$ (152,298)	\$ (118,717)
Revenue accruals	8,524	(173,498)
Expenditure accruals	22,131	195,520
Encumbrances (Budget Basis) outstanding at year end	<u>(79,623)</u>	<u>-</u>
Budget Basis	<u>\$ (201,266)</u>	<u>\$ (96,695)</u>

**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

**NOTE 4 – DEPOSITS AND INVESTMENTS**

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**A. Primary Government**

The City's Charter specifies that deposits and investments of the City will adhere to State statutes, except as modified by Council Ordinance. The charter of the City and the City's investment policy indicate that the Director of Finance has responsibility for selecting depositories and investing funds that are not required to be used for a period of six months or more. Under these provisions, the City is to limit deposits and investments of City funds to insured demand deposit accounts, certificates of deposit, United States treasury obligations, obligations of any federal government agency or instrumentality, repurchase agreements, banker's acceptances, bonds and other obligations of the State of Ohio or the City of Louisville, Ohio, without regard to length of maturity or interest rate, no-load money market funds, NOW accounts, Super NOW accounts, or any other similar account authorized by the Federal Reserve's Depository Institutions Deregulation Committee, provided that such accounts are secured by collateral, and the State Treasurer's Investment Pool (Star Ohio).

Before transacting a repurchase agreement with a particular broker/dealer, a master repurchase agreement must be entered into between the City and that particular broker.

The City had \$410 in undeposited cash on hand which is included as part of "equity in pooled cash and cash equivalents."

**A. Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. According to state law, public depositories must give security for all public funds on deposit in excess of those funds that are insured by the federal deposit insurance corporation (FDIC) or by any other agency or instrumentality of the federal government. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the FDIC, or may pledge a pool of government securities valued at least 105% of the total value of public monies on deposit at the institution. The City's policy is to deposit money with financial institutions that are able to abide by the laws governing insurance and collateral of public funds.

As of December 31 2014, the carrying amount of the City's deposits was \$6,207,696 and the bank balance was \$6,317,405. The City's deposits were not exposed to custodial credit risk as they were either insured or secured by a collateral pool of eligible securities held at the Federal Reserve in a pledge account.

**B. Investments**

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Rating</u> <sup>(1)</sup>
STAR Ohio	\$ 6,679	50.1 <sup>(2)</sup>	AAAm

<sup>(1)</sup> Standard and Poor's rating

<sup>(2)</sup> Days (Average)

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

The City has invested funds in STAR Ohio during 2014. STAR Ohio is an investment pool managed by the State Treasurer’s Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the Securities and Exchange Commission as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio’s share price, which is the price the investment could be sold for on December 31, 2014.

Interest earnings are distributed to certain special revenue funds based on daily cash balances and the remainder is reported in the general fund. Interest revenue credited to the general fund during 2014 amounted to \$1,798, which includes \$1,191 assigned from other City funds.

*Credit risk* is the possibility that an issuer or other counterparty to an investment will not fulfill its obligation. Standard and Poor’s has assigned STAR Ohio an AAAM rating. The City’s investment policy allows certain investments, however does not specify credit ratings.

**B. Component Unit**

Deposits

The carrying amount and bank balance of the Louisville Community Corporation’s deposits at December 31, 2014 were \$95,559. Of the bank balances, none of the monies were collateralized with securities held by the pledging financial institutions trust department or agent but not in the Corporation’s name.

**NOTE 5 - RECEIVABLES**

Receivables at December 31, 2014 for governmental funds consisted primarily of municipal income taxes, property and other taxes, amounts due from other governments, accounts, special assessments, and accrued interest.

Due from other governments consists primarily of entitlements to be received from the state. A summary of the intergovernmental receivables follows:

<u>Governmental Activities</u>	<u>Amount</u>
Cents per gallon and excise tax	\$ 149,671
Homestead and rollback	28,226
Local government	69,875
Motor vehicle tax	20,639
Permissive sales tax	39,579
Public utility property tax reimbursement	1,111
State and Federal grants	<u>3,856</u>
Total	<u>\$ 312,957</u>



**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

**NOTE 6 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

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Interfund transfers for the year ended December 31, 2014, consisted of the following:

<u>Transfer to</u>	<u>Transfer from</u>
	General fund
Street Construction, Maintenance and Repair fund	\$ 199,200
Other governmental funds	<u>272,500</u>
Total transfers	<u>\$ 471,700</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the fund collecting the receipts to the debt service fund as debt service payments become due, and (3) use restricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Transfers of capital assets between governmental and business-type activities during 2014 are reported as transfers.

Interfund balances at December 31, 2014 consisted of the following:

	<u>Interfund</u> <u>Receivable</u>	<u>Interfund</u> <u>Payable</u>
General fund	\$ 130,360	\$ -
Capital improvements fund	-	130,360

All balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, or (3) payments between funds are made. As of December 31, 2014, all interfund loans outstanding are anticipated to be repaid by 2015.

**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

**NOTE 7 - CAPITAL ASSETS**

**A. Primary Government**

Governmental Activities: The summary of the governmental capital asset activity as of December 31, 2014 follows:

<b><u>Governmental activities</u></b>	<u>Balance</u> <u>12/31/2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2014</u>
Capital assets, not being depreciated:				
Land	\$ 513,367	\$ 31,288	\$ -	\$ 544,655
Right of ways	812,350	-	-	812,350
Construction in progress	<u>21,823</u>	<u>28,009</u>	<u>(48,948)</u>	<u>884</u>
Total capital assets, not being depreciated	<u>1,347,540</u>	<u>59,297</u>	<u>(48,948)</u>	<u>1,357,889</u>
Capital assets, being depreciated:				
Land improvements	769,421	28,403	-	797,824
Buildings and building improvements	1,882,608	-	-	1,882,608
Machinery and equipment	1,368,004	68,394	-	1,436,398
Vehicles	1,988,333	560,872	(55,240)	2,493,965
Infrastructure	<u>8,919,135</u>	<u>360,041</u>	<u>-</u>	<u>9,279,176</u>
Total capital assets, being depreciated	<u>14,927,501</u>	<u>1,017,710</u>	<u>(55,240)</u>	<u>15,889,971</u>
Less accumulated depreciation:				
Land improvements	(375,033)	(78,669)	-	(453,702)
Buildings and building improvements	(840,924)	(52,618)	-	(893,542)
Machinery and equipment	(343,949)	(67,348)	-	(411,297)
Vehicles	(1,649,321)	(177,467)	36,946	(1,789,842)
Infrastructure	<u>(713,136)</u>	<u>(232,502)</u>	<u>-</u>	<u>(945,638)</u>
Total accumulated depreciation	<u>(3,922,363)</u>	<u>(608,604)</u>	<u>36,946</u>	<u>(4,494,021)</u>
Total capital assets being depreciated, net	<u>11,005,138</u>	<u>409,106</u>	<u>(18,294)</u>	<u>11,395,950</u>
Governmental activities capital assets, net	<u>\$ 12,352,678</u>	<u>\$ 468,403</u>	<u>\$ (67,242)</u>	<u>\$ 12,753,839</u>

During the year, the amount of \$159,135 in buildings and building improvements was reclassified to land. In addition there was an insignificant adjustment made to accumulated depreciation in building and building improvements.

**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

Depreciation Expense: Depreciation expense charged to governmental functions for the year ending December 31, 2014 is as follows:

	<u>Amount</u>
General government	\$ 57,814
Security of persons and property	187,180
Transportation	282,714
Community environment	4,851
Leisure time activities	<u>76,045</u>
	<u>\$ 608,604</u>

Business-type Activities: The summary of the business-type activities' capital asset activity as of December 31, 2014 follow:

<u>Business-type activities</u>	<u>Balance</u> <u>12/31/2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2014</u>
Capital assets, not being depreciated:				
Land	\$ 312,987	\$ -	\$ -	\$ 312,987
Construction in progress	<u>-</u>	<u>63,111</u>	<u>-</u>	<u>63,111</u>
Total capital assets, not being depreciated	<u>312,987</u>	<u>63,111</u>	<u>-</u>	<u>376,098</u>
Capital assets, being depreciated:				
Land improvements	73,970	-	-	73,970
Buildings and building improvements	9,170,720	38,931	-	9,209,651
Machinery and equipment	181,400	15,124	(5,041)	191,483
Vehicles	731,737	36,280	-	768,017
Infrastructure	<u>11,977,434</u>	<u>119,132</u>	<u>-</u>	<u>12,096,566</u>
Total capital assets, being depreciated	<u>22,135,261</u>	<u>209,467</u>	<u>(5,041)</u>	<u>22,339,687</u>
Less accumulated depreciation:				
Land improvements	(38,613)	(7,397)	-	(46,010)
Buildings and building improvements	(4,858,789)	(181,238)	-	(5,040,027)
Machinery and equipment	(38,947)	(15,429)	-	(54,376)
Vehicles	(131,443)	(73,305)	-	(204,748)
Infrastructure	<u>(5,898,726)</u>	<u>(215,714)</u>	<u>-</u>	<u>(6,114,440)</u>
Total accumulated depreciation	<u>(10,966,518)</u>	<u>(493,083)</u>	<u>-</u>	<u>(11,459,601)</u>
Total capital assets being depreciated, net	<u>11,168,743</u>	<u>(283,616)</u>	<u>(5,041)</u>	<u>10,880,086</u>
Business-type activities capital assets, net	<u>\$ 11,481,730</u>	<u>\$ (220,505)</u>	<u>\$ (5,041)</u>	<u>\$ 11,256,184</u>

**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

Depreciation Expense: Depreciation expense charged to business-type activities for the year ending December 31, 2014 is as follows:

	<u>Amount</u>
Water	\$ 252,993
Sewer	<u>240,090</u>
Total	<u>\$ 493,083</u>

**B. Component Unit**

Component Unit: A summary of the component unit capital assets as of December 31, 2014 follows:

<u>Component unit</u>	<u>Balance</u> <u>12/31/2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2014</u>
Capital assets, not being depreciated:				
Land	<u>\$ 30,994</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,994</u>

**NOTE 8 - COMPENSATED ABSENCES**

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City employees earn vacation leave at varying rates based upon length of service, from two to five weeks per year. Vacation is required to be taken within one year of the date it is earned, except for certain circumstances. In the event of a termination of employment, death, or retirement, employees (or their estates) are paid for unused vacation leave.

City employees earn sick leave at the rate of 4.6 hours for each 80 hours worked. Sick leave accrual is continuous, without limit. In the case of death or retirement, full-time employees hired prior to January 1, 2006, (or the employees' estates) with ten years or more of service are paid a maximum of 1,200 hours of accumulated, unused sick leave. Full-time employees hired on or after January 1, 2006, with ten or more years of service with the City, are paid 50% of accumulated, unused sick leave to a maximum of 1,200 hours plus 25% for hours in excess of 1,200 to a maximum of 2,400 hours.

**NOTE 9 - BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS**

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Governmental Activities: A summary of the governmental activities' debt and other long-term obligations as of December 31, 2014 follows:

**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

	Balance <u>January 1</u>	<u>Additions</u>	<u>Reductions</u>	Amount Outstanding <u>December 31</u>	Amount Due in <u>One Year</u>
<b><u>Governmental activities</u></b>					
<b><u>General obligation bonds</u></b>					
2011 Refunding bonds	\$ 209,000	\$ -	\$ (24,000)	\$ 185,000	\$ 25,000
2011 Refunding premium	1,550	-	(336)	1,214	-
Total general obligation bonds	<u>210,550</u>	<u>-</u>	<u>(24,336)</u>	<u>186,214</u>	<u>25,000</u>
<b><u>Other long-term obligations</u></b>					
Police pension liability, 4.25%	39,869	-	(1,169)	38,700	1,219
Compensated absences	204,237	170,550	(141,574)	233,213	136,051
Capital leases	108,236	377,126	(132,500)	352,862	125,045
Total other long-term obligations	<u>352,342</u>	<u>547,676</u>	<u>(275,243)</u>	<u>624,775</u>	<u>262,315</u>
Total governmental activities	<u>\$ 562,892</u>	<u>\$ 547,676</u>	<u>\$ (299,579)</u>	<u>\$ 810,989</u>	<u>\$ 287,315</u>

**Business-type Activities:** A summary of the business-type activities' debt and other long-term obligations as of December 31, 2014 follows:

	Balance <u>January 1</u>	<u>Additions</u>	<u>Reductions</u>	Amount Outstanding <u>December 31</u>	Amount Due in <u>One Year</u>
<b><u>Business-type activities</u></b>					
<b><u>General obligation bonds</u></b>					
2011 Refunding bonds	\$ 1,021,000	\$ -	\$ (141,000)	\$ 880,000	\$ 145,000
Unamortized premium	11,882	-	(2,749)	9,133	-
Total general obligation bonds	<u>1,032,882</u>	<u>-</u>	<u>(143,749)</u>	<u>889,133</u>	<u>145,000</u>
<b><u>Other Long-term Obligations</u></b>					
1996 Ohio Public Works					
Commission Loan 0%	85,447	-	(12,208)	73,239	24,413
2001 Ohio Public Works					
Commission Loan 0%	202,973	-	(11,940)	191,033	23,879
2005 Ohio Water Development					
Authority Loan	37,684	-	(2,642)	35,042	2,748
Water tower loan	109,571	-	(109,571)	-	-
Capital lease	198,890	-	(47,878)	151,012	49,087
Compensated absences	110,744	81,577	(107,278)	85,043	51,034
Total other long-term obligations	<u>745,309</u>	<u>81,577</u>	<u>(291,517)</u>	<u>535,369</u>	<u>151,161</u>
Total business-type activities	<u>\$ 1,778,191</u>	<u>\$ 81,577</u>	<u>\$ (435,266)</u>	<u>\$ 1,424,502</u>	<u>\$ 296,161</u>

**General obligation bonds:** General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. General obligation bonds are to be repaid from voted and unvoted general property taxes.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

During 2011, the City issued \$2,020,000 Limited Tax General Obligation Refunding Bonds (LTGO) which includes serial and term bonds with interest rates ranging from 2.00% to 2.50%. The LTGO bonds were used to refund the \$845,000, 1993 Capital Facilities Refunding and Improvement Bonds and the \$1,175,000, 2001 Various Purpose Bonds, which were called on February 1, 2012 and subsequently redeemed. The obligations are to be paid from the debt retirement, water and sewer funds.

Loans: The \$73,239 loan outstanding is an interest-free loan from the Ohio Public Works Commission (OPWC) for a water line project, and requires equal payments over twenty years. The \$191,033 OPWC Loan outstanding is an interest-free loan for a water tower, and requires equal payments over twenty years. The \$35,042 Ohio Water Development Authority (ODWA) Loan outstanding is a loan for the East Well Field conversion and raw water main, and requires principal and interest payments over twenty years.

Police pension liability: The City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police and fire personnel in 1967. The liability is payable semiannually from the general fund.

Compensated absences: Sick leave benefits will be paid from the fund from which the person is paid. Most sick leave is paid from the general fund and the water and sewer enterprise funds.

The annual requirements to amortize all bonded debt and loans as of December 31, 2014, including interest payments of \$18,070 and \$86,528, respectively for governmental and business-type activities, are as follows:

Governmental Activities:

	General Obligation Debt		Police Pension
	Principal	Interest	Installment
2015	\$ 25,000	\$ 4,245	\$ 1,219
2016	25,000	3,745	1,271
2017	26,000	3,245	1,326
2018	26,000	2,660	1,383
2019	27,000	2,075	1,442
2020-2024	56,000	2,100	8,195
2025-2029	-	-	10,113
2030-2034	-	-	12,480
2035	-	-	1,271
	<u>\$ 185,000</u>	<u>\$ 18,070</u>	<u>\$ 38,700</u>

**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

Business-type Activities:

	General Obligation Debt		ODWA Loan		OPWC Loans
	Principal	Interest	Principal	Interest	Principal
2015	\$ 145,000	\$ 19,905	\$ 2,748	\$ 1,368	\$ 48,292
2016	145,000	17,005	2,859	1,257	48,292
2017	154,000	14,105	2,973	1,142	48,292
2018	104,000	10,640	3,093	1,023	23,879
2019	108,000	8,300	3,217	898	23,879
2020-2024	224,000	8,400	18,134	2,445	71,638
2025-2029	-	-	2,018	40	-
	<u>\$ 880,000</u>	<u>\$ 78,355</u>	<u>\$ 35,042</u>	<u>\$ 8,173</u>	<u>\$ 264,272</u>

**NOTE 10 – CAPITALIZED LEASE**

The City entered into two capital leases in 2014 for the acquisition of an ambulance and dump truck. In prior years, the City entered into capital leases for the acquisition of a Freightliner VAC truck to be used in the sewer fund and a fire truck to be used in governmental activities. Capital lease payments are reflected as debt service payments in the basic financial statements for the governmental funds. These expenditures are reflected as function expenditures on a budgetary basis.

Governmental and business-type activities capital assets consisting of vehicles have been capitalized in the amount of \$577,126 and \$351,791, respectively. The depreciation expense of these assets is reported within governmental and business-type activities. The capitalized amount equals a portion of the present value of the future minimum lease payments and the down payment respectively, at the time of acquisition. The remaining portion of the capital lease was used for noncapitalizable improvements.

Following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2014:

<u>Year</u>	Lease Payments	
	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2015	\$ 135,762	\$ 52,901
2016	135,762	52,901
2017	51,895	52,901
2018	<u>51,895</u>	<u>-</u>
Total minimum lease payments	375,314	158,703
Less: amount representing interest	<u>(22,452)</u>	<u>(7,691)</u>
Total	<u>\$ 352,862</u>	<u>\$ 151,012</u>

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

**NOTE 11 - PROPERTY TAX**

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Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. 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 real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2014 public utility property taxes became a lien December 31, 2013, are levied after October 1, 2014, and are collected in 2015 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Louisville. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2014 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2014 operations and the collection of delinquent taxes has been offset by deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On the accrual basis, collectible delinquent property taxes have been recorded as a revenue while on a modified accrual basis the revenue is a deferred inflow.

The full tax rate for all City operations for the year ended December 31, 2014, was \$2.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2013 property tax receipts were based are as follows:

<u>Property Category</u>	<u>Valuations for 2014 Collections</u>	
	<u>Assessed Value</u>	<u>Percent</u>
<u>Real Property</u>		
Residential and agricultural	\$ 112,780,530	79.01 %
Commercial and industrial	26,008,910	18.22
Public utilities	<u>3,946,340</u>	<u>2.77</u>
Total	<u>\$ 142,735,780</u>	<u>100.00 %</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Louisville. The County Auditor periodically remits to the City its portion of the taxes collected.



***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

**NOTE 12 - INCOME TAX**

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The City's municipal income tax rate is levied on gross salaries, wages and other personal service compensation earned by residents both in and out of the City and to earnings of nonresidents (except certain transients) earned in the City. It also applies to net income of business organizations conducted within the City. Beginning January 1, 1988, the municipal income tax rate was increased by .5% to 2%, with the increase designated for the purpose of expansion of the City's wastewater treatment and water facilities as approved by voters. Tax receipts are therefore allocated 75% to the general fund and 25% to the enterprise funds.

The City allows a credit of 60% on income tax earned outside the City and paid to another municipality.

**NOTE 13 - CONTINGENCIES**

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A few claims and lawsuits are pending against the City. It is management's opinion that the ultimate liability will be covered by insurance, and/or will not have a material effect on the financial statements.

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, City management believes such disallowance, if any, will be immaterial.

**NOTE 14 - DEFINED BENEFIT PENSION PLANS**

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All full-time employees of the City, other than non-administrative full-time police officers, and a full-time fire employee participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans: The Traditional Pension Plan (TP) is a cost sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan (MD) is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The third plan is the Combined Plan (CO), cost-sharing, multiple-employer defined benefit pension plan. Under the CO Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP benefit. Member contributions, the investment which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

All full-time uniformed City police and fire participate in the Ohio Police and Fire Pension Fund (OP&F), also a cost-sharing, multiple-employer defined benefit pension plan. All members of these pension plans except those of the Member-Directed Plan are provided basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. Authority to establish and amend benefits for OPERS and OP&F is provided by the Ohio State Legislature and are codified in the Ohio Revised Code, Chapters 145 and 742 respectively.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

Each retirement system prepares a stand-alone financial report that includes financial information and required supplementary information for the plans. These reports can be obtained by writing to OPERS at 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222-7377 and OP&F at 140 East Town Street, Columbus, Ohio 43215-5164.

OPERS: The Ohio Revised Code provides statutory authority for member and employer contributions. Member and employer contributions rates were consistent across all three plans (TP, MD and CP). For the year ended December 31, 2014, City employees were required to contribute 10% of their annual covered salary. The City's contribution rate for 2014 was 14%. The contribution rates are determined actuarially. The City's required pension contributions to OPERS for the years ending December 31, 2014, 2013 and 2012 were \$200,994, \$202,919 and \$129,159 respectively. The full amount has been contributed for 2013 and 2012. Approximately 91.7% had been contributed for 2014 with the remainder being reported as a liability within the respective funds.

OP&F: From January 1, 2014 through July 1, 2014, plan members are required to contribute 10.75% of their annual covered salary. From July 2, 2014 through December 31, 2014, plan members are required to contribute 11.5% of their annual covered salary. Throughout 2014, the City is required to contribute 19.5% for police officers and 24% for firefighters. The City's contributions to the Fund for the years ended December 31, 2014, 2013 and 2012 were \$123,028, \$97,274 and \$69,174 respectively, equal to the required contributions for each year. The full amount has been contributed for 2013 and 2012. 97.4% has been contributed for 2014 with the remainder being reported as a liability. The \$3,205 representing the unpaid contribution for fiscal year 2014 is recorded as an intergovernmental payable.

**NOTE 15 - POSTEMPLOYMENT BENEFITS**

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OPERS: The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional plan (TP) – a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan (MD) – a defined contribution plan; and the combined plan (CO) – 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 healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the traditional pension and the combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-retirement health care coverage, age and service retirees under the traditional pension and combined plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and qualified survivor recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

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

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

The Ohio Revised Code provides statutory authority requiring employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2014, the City contributed at a rate of 14% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14% of covered payroll for state and local employer units. Active members do not make contributions to the OPEB plan.

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

Actual employer contributions for the years ending December 31 2014, 2013 and 2012 which were used to fund postemployment benefits were \$33,499, \$15,609 and \$98,291, respectively. The full amount has been contributed for 2013 and 2012. Approximately 91.7% had been contributed for 2014. \$2,782 representing the unpaid contribution for fiscal year 2014 is recorded as due an intergovernmental payable. The actual contribution and the actuarially required contribution amounts are the same.

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

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

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

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

*City of Louisville, Ohio*  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

The Ohio Revised Code provides for contribution requirements of the participating employers and of the 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% and 24.0% of covered payroll for police and fire employers, respectively. The Ohio revised Code states that the employer contribution may not exceed 19.5% of the covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was .5 percent of covered payroll from January 1, 2014 thru December 31, 2014. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's total contributions to OP&F for police and fire health care for the years ended December 31, 2014, 2013 and 2012 were \$3,232, \$23,314 and \$36,622, respectively, 97.4 percent has been contributed, for 2014 with the remainder being reported as a liability. \$82 representing the unpaid contribution for fiscal year 2014 is recorded as an intergovernmental payable.

**NOTE 16 - RISK MANAGEMENT**

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The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters.

The City has contracted with Ohio Government Risk Management Plan, an Ohio government risk management program. The Plan was formed in June 1988 for the primary purpose of managing third-party liability claims against its members. The Plan provides property, liability, error and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its 770 members. The Plan has chosen to adopt the forms and endorsements of conventional insurance coverage and to reinsure these coverages 100%, rather than utilize a risk pool of member funds to pay individual and collective losses up to a given retention, and then have excess reinsurance coverage above the retention amount. Therefore, the City is only responsible for its self-retention (deductible) amount. The Plan reinsures its coverage 100%, with various reinsurance companies up to a limit of \$5,000,000 per occurrence, per member. The City's settled claims have not exceeded insurance coverage and has not had any reduction in insurance coverage in the past three years.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

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

The City has elected to provide dental and vision benefits through a self-insurance program. The City does not use a single fund to account for and finance its risks of loss in this program. This plan provides a dental plan with \$50 per person deductible, and no deductible for the vision. A third party administrator reviews all claims, which are then paid by the City. The City pays all individual claims from the fund in which the employee's wages are paid. The City contracts with a health insurance company to provide medical/health benefits for the City's employees. The City remits a payment to the insurance provider based on the number of participants.

The claims liability of \$1,965 reported in the funds at December 31, 2014 is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims (IBNR), be reported. The claims liability is based on an estimate supplied by the City's third party administrator. Changes in the fund's claims liability amount in 2014 and 2013 were:

	Year ended <u>12/31/2014</u>	Year ended <u>12/31/2013</u>
Unpaid claims, beginning of fiscal year	\$ 2,824	\$ 2,668
Incurred claims (including IBNRs)	28,896	21,042
Claim payments	<u>(29,755)</u>	<u>(20,886)</u>
Unpaid claims, end of fiscal year	<u>\$ 1,965</u>	<u>\$ 2,824</u>

**NOTE 17 – JOINTLY GOVERNED ORGANIZATION**

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The City participates in the Stark County Council of Governments (the Council), which is a statutorily created political subdivision of the State. The Council is jointly governed among Stark County, municipalities and townships with twenty-four participants providing twenty-seven representatives, which direct the operations of the Stark County Metropolitan Narcotics Unit and the Stark County Crime Laboratory. The City appoints one representative which has a membership share based on the percentage of contractual financial contributions to the total funding. Each participant is entitled to vote its percentage share. The board exercises total authority over the operation of the Council including budgeting, appropriation, contracting and designating management. Continued existence of the Council is dependent on the County's continued participation. The Council does not provide specific financial benefits or impose specific financial burdens on the City. The City does not have an equity interest in the Council. Financial statements of the Council can be obtained from the Stark County Council of Governments, Canton, Ohio.

**NOTE 18 – DISCRETELY PRESENTED COMPONENT UNIT**

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The component unit column in the basic financial statements identifies the financial data of the City's component unit, Louisville Community Improvement Corporation. It is reported separately to emphasize that it is legally separate from the City.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**

*Louisville Community Improvement Corporation (LCIC)*: The Louisville Community Improvement Corporation is a not-for-profit, community improvement corporation, as authorized under Chapter 1724 of the Ohio Revised Code. The sole purpose for which the LCIC was organized was to advance, encourage, and promote the industrial, commercial, and civic development of the City of Louisville, Ohio by acting as a designated agency of the City, for the industrial, commercial, distribution, and research development.

**NOTE 19 – CONDUIT DEBT OBLIGATIONS**

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The City has issued Healthcare and Housing Facility Revenue Bonds to provide financial assistance to St. Joseph Care Center for the acquisition and construction of healthcare facilities deemed to be in the public interest. The bonds are secured by a letter of credit from First Merit Bank. Upon repayment of the bonds, ownership of the acquired facilities transfers back to St. Joseph Care Center through a sale and leaseback type transaction. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

In accordance with the Governmental Accounting Standards Board, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2014 there were two series of Healthcare and Housing Facility Bonds outstanding, with an aggregate principal amount of \$4.65 million.



## **Combining Statements**



## Combining Statements – Nonmajor Governmental Funds

### Nonmajor Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes. A description of the City's special revenue funds follows:

- State Highway - To account for the portion (7 ½%) of gasoline taxes and vehicle registration fees restricted for maintenance of state highways.
- Motor Vehicle License - To account for vehicle registration fees received via the municipal permissive tax; used entirely for the purchase of material restricted to resurfacing City streets.
- Mayor's Court Computerization - To account for additional court fees restricted for computerization of the Mayor's court and for the acquisition and maintenance of legal research services for the Mayor's court.
- Emergency Services Charges - To account for fees committed to paramedic services of the Fire and EMS Departments.
- Law Enforcement Education - To account for fine monies restricted to educate the general public regarding drunk driving.
- Law Enforcement Trust - To account for forfeiture monies restricted to educate the general public regarding drug abuse.
- Storm Water – To account for the storm water user's fee committed for storm water maintenance and repairs.

### Nonmajor Debt Service Fund

The debt service funds are used to account for the accumulation of resources that are restricted, committed or assigned for the payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the government is obligated in some manner for the payment.

**City of Louisville, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2014**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 432,555	\$ 30,210	\$ 462,765
Receivables:			
Accounts	108,577	-	108,577
Due from other governments	52,353	-	52,353
Materials and supplies inventory	7,473	-	7,473
Prepaid items	3,052	-	3,052
Total assets	<u>\$ 604,010</u>	<u>\$ 30,210</u>	<u>\$ 634,220</u>
Liabilities, deferred inflows of resources and fund balances			
Liabilities:			
Accounts payable	\$ 10,249	\$ -	\$ 10,249
Accrued wages and benefits	6,606	-	6,606
Matured compensated absences payable	1,666	-	1,666
Due to other governments	6,096	-	6,096
Claims and judgments payable	<u>6</u>	<u>-</u>	<u>6</u>
Total liabilities	<u>24,623</u>	<u>-</u>	<u>24,623</u>
Deferred inflows of resources:			
Unavailable revenue - other	<u>57,585</u>	<u>-</u>	<u>57,585</u>
Fund balances:			
Nonspendable	10,525	-	10,525
Restricted	160,907	30,210	191,117
Committed	<u>350,370</u>	<u>-</u>	<u>350,370</u>
Total fund balances	<u>521,802</u>	<u>30,210</u>	<u>552,012</u>
Total liabilities, deferred inflows of resources and fund balances			
	<u>\$ 604,010</u>	<u>\$ 30,210</u>	<u>\$ 634,220</u>

**City of Louisville, Ohio**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

**Nonmajor Governmental Funds**

**For the Year Ended December 31, 2014**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>
Revenues:			
Charges for services	\$ 457,575	\$ -	\$ 457,575
Fines and forfeitures	19,731	-	19,731
Intergovernmental	111,527	-	111,527
Investment income	111	-	111
Other	1,024	-	1,024
	<u>589,968</u>	<u>-</u>	<u>589,968</u>
Total revenue			
Expenditures:			
Current:			
General government	16,266	-	16,266
Security of persons and property	231,604	-	231,604
Transportation	131,014	-	131,014
Capital outlay	652,248	-	652,248
Debt service:			
Principal retirement	55,314	24,000	79,314
Interest and fiscal charges	-	4,725	4,725
	<u>1,086,446</u>	<u>28,725</u>	<u>1,115,171</u>
Total expenditures			
Excess of revenues under expenditures	<u>(496,478)</u>	<u>(28,725)</u>	<u>(525,203)</u>
Other financing sources:			
Sale of capital assets	10,000	-	10,000
Inception of capital lease	253,959	-	253,959
Transfers - in	243,800	28,700	272,500
	<u>507,759</u>	<u>28,700</u>	<u>536,459</u>
Total other financing sources			
Net change in fund balance	11,281	(25)	11,256
Fund balances at beginning of year	510,521	30,235	540,756
	<u>521,802</u>	<u>30,210</u>	<u>552,012</u>
Fund balances at end of year			

**City of Louisville, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2014**

	State Highway Fund	Motor Vehicle License Fund	Mayor's Court Computerization Fund	Emergency Services Charges Fund
Assets:				
Equity in pooled cash and cash equivalents	\$ 40,190	\$ 83,486	\$ 12,746	\$ 131,547
Receivables:				
Accounts	-	-	39	78,654
Due from other governments	12,773	39,580	-	-
Materials and supplies inventory	7,473	-	-	-
Prepaid items	273	-	-	2,779
Total assets	<u>\$ 60,709</u>	<u>\$ 123,066</u>	<u>\$ 12,785</u>	<u>\$ 212,980</u>
Liabilities, deferred inflows of resources and fund balances				
Liabilities:				
Accounts payable	\$ 458	\$ -	\$ -	\$ 3,898
Accrued wages and benefits	576	-	-	6,030
Matured compensated absences payable	1,666	-	-	-
Due to other governments	723	-	-	5,373
Claims and judgments payable	6	-	-	-
Total liabilities	<u>3,429</u>	<u>-</u>	<u>-</u>	<u>15,301</u>
Deferred inflows of resources:				
Unavailable revenue - other	<u>8,344</u>	<u>26,935</u>	<u>-</u>	<u>22,306</u>
Fund balances:				
Nonspendable	7,746	-	-	2,779
Restricted	41,190	96,131	12,785	-
Committed	-	-	-	172,594
Total fund balances	<u>48,936</u>	<u>96,131</u>	<u>12,785</u>	<u>175,373</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 60,709</u>	<u>\$ 123,066</u>	<u>\$ 12,785</u>	<u>\$ 212,980</u>

Law Enforcement Education Fund	Law Enforcement Trust Fund	Storm Water Fund	Total Nonmajor Special Revenue Funds
\$ 2,610	\$ 4,584	\$ 157,392	\$ 432,555
-	3,607	26,277	108,577
-	-	-	52,353
-	-	-	7,473
-	-	-	3,052
<u>\$ 2,610</u>	<u>\$ 8,191</u>	<u>\$ 183,669</u>	<u>\$ 604,010</u>
\$ -	\$ -	\$ 5,893	\$ 10,249
-	-	-	6,606
-	-	-	1,666
-	-	-	6,096
-	-	-	6
<u>-</u>	<u>-</u>	<u>5,893</u>	<u>24,623</u>
-	-	-	57,585
-	-	-	10,525
2,610	8,191	-	160,907
-	-	177,776	350,370
<u>2,610</u>	<u>8,191</u>	<u>177,776</u>	<u>521,802</u>
<u>\$ 2,610</u>	<u>\$ 8,191</u>	<u>\$ 183,669</u>	<u>\$ 604,010</u>

*City of Louisville, Ohio*

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

**Nonmajor Special Revenue Funds**

**For the Year Ended December 31, 2014**

	State Highway Fund	Motor Vehicle License Fund	Mayor's Court Computerization Fund	Emergency Services Charges Fund
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ 314,800
Fines and forfeitures	-	-	4,489	-
Intergovernmental	26,827	84,700	-	-
Investment income	-	111	-	-
Other	336	-	-	688
Total revenue	<u>27,163</u>	<u>84,811</u>	<u>4,489</u>	<u>315,488</u>
Expenditures:				
Current:				
General government	-	-	16,266	-
Security of persons and property	-	-	-	226,704
Transportation	50,564	1	-	-
Capital outlay	9,985	287,510	-	278,807
Debt service:				
Principal retirement	3,419	-	-	51,895
Total expenditures	<u>63,968</u>	<u>287,511</u>	<u>16,266</u>	<u>557,406</u>
Excess of revenues over (under) expenditures	<u>(36,805)</u>	<u>(202,700)</u>	<u>(11,777)</u>	<u>(241,918)</u>
Other financing sources:				
Sale of capital assets	-	-	-	10,000
Inception of capital lease	9,985	-	-	243,974
Transfers - in	29,800	214,000	-	-
Total other financing sources	<u>39,785</u>	<u>214,000</u>	<u>-</u>	<u>253,974</u>
Net change in fund balance	2,980	11,300	(11,777)	12,056
Fund balances at beginning of year	45,956	84,831	24,562	163,317
Fund balances at end of year	<u>\$ 48,936</u>	<u>\$ 96,131</u>	<u>\$ 12,785</u>	<u>\$ 175,373</u>

Law Enforcement Education Fund	Law Enforcement Trust Fund	Storm Water Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ 142,775	\$ 457,575
2,179	13,063	-	19,731
-	-	-	111,527
-	-	-	111
-	-	-	1,024
<u>2,179</u>	<u>13,063</u>	<u>142,775</u>	<u>589,968</u>
-	-	-	16,266
2,115	2,785	-	231,604
-	-	80,449	131,014
-	3,415	72,531	652,248
-	-	-	55,314
<u>2,115</u>	<u>6,200</u>	<u>152,980</u>	<u>1,086,446</u>
<u>64</u>	<u>6,863</u>	<u>(10,205)</u>	<u>(496,478)</u>
-	-	-	10,000
-	-	-	253,959
-	-	-	243,800
-	-	-	507,759
64	6,863	(10,205)	11,281
2,546	1,328	187,981	510,521
<u>\$ 2,610</u>	<u>\$ 8,191</u>	<u>\$ 177,776</u>	<u>\$ 521,802</u>

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



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

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Municipal income tax	\$ 2,989,625	\$ 3,157,000	\$ 3,166,834	\$ 9,834
Property and other taxes	362,800	362,800	362,778	(22)
Charges for services	111,500	111,500	111,458	(42)
Licenses and permits	133,150	137,150	138,054	904
Fines and forfeitures	41,600	41,600	41,149	(451)
Intergovernmental	265,150	301,850	263,088	(38,762)
Interest	800	1,700	1,798	98
Contributions and donations	11,050	11,050	4,050	(7,000)
Other	41,350	41,350	26,411	(14,939)
<b>Total revenues</b>	<b>3,957,025</b>	<b>4,166,000</b>	<b>4,115,620</b>	<b>(50,380)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government</b>				
<b>Office of city council</b>				
Personal services	44,525	44,525	42,895	1,630
Operations and maintenance	18,850	17,300	17,055	245
<b>Total office of city council</b>	<b>63,375</b>	<b>61,825</b>	<b>59,950</b>	<b>1,875</b>
<b>Office of the city manager</b>				
Personal services	266,025	253,850	245,675	8,175
Operations and maintenance	42,900	37,525	37,148	377
<b>Total office of the city manager</b>	<b>308,925</b>	<b>291,375</b>	<b>282,823</b>	<b>8,552</b>
<b>Department of finance and tax</b>				
Personal services	333,975	337,550	327,638	9,912
Operations and maintenance	60,987	51,112	50,351	761
<b>Total department of finance and tax</b>	<b>394,962</b>	<b>388,662</b>	<b>377,989</b>	<b>10,673</b>
<b>Mayor's court</b>				
Personal services	23,400	25,650	24,743	907
Operations and maintenance	16,750	12,850	12,771	79
<b>Total mayor's court</b>	<b>40,150</b>	<b>38,500</b>	<b>37,514</b>	<b>986</b>
<b>Civil service commission</b>				
Personal services	10	10	6	4
Operations and maintenance	11,990	14,690	14,510	180
<b>Total civil service commission</b>	<b>12,000</b>	<b>14,700</b>	<b>14,516</b>	<b>184</b>
<b>Division of lands and buildings</b>				
Personal services	-	450	88	362
Operations and maintenance	175,138	105,238	103,047	2,191
<b>Total division of lands and buildings</b>	<b>175,138</b>	<b>105,688</b>	<b>103,135</b>	<b>2,553</b>

(Continued)

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

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Department of law				
Personal services	47,225	47,400	45,535	1,865
Operations and maintenance	17,100	16,700	16,652	48
Total department of law	64,325	64,100	62,187	1,913
Other administrative				
Operations and maintenance	127,418	194,043	193,473	570
Total general government	1,186,293	1,158,893	1,131,587	27,306
Security of persons and property				
Division of police				
Personal services	1,174,900	1,239,150	1,202,095	37,055
Operations and maintenance	370,866	419,716	417,487	2,229
Total division of police	1,545,766	1,658,866	1,619,582	39,284
Division of fire				
Personal services	135,425	195,775	188,170	7,605
Operations and maintenance	222,568	176,593	174,812	1,781
Total division of fire	357,993	372,368	362,982	9,386
Division of street lighting				
Operations and maintenance	168,825	149,675	149,651	24
Division of traffic control maintenance				
Operations and maintenance	23,800	12,100	12,008	92
Division of fire prevention/inspections				
Personal services	-	3,700	3,414	286
Operations and maintenance	-	3,700	3,646	54
Total division of fire prevention/inspections	-	7,400	7,060	340
Total security of persons and property	2,096,384	2,200,409	2,151,283	49,126
Public health and welfare				
Board of health				
Operations and maintenance	38,470	80,220	79,731	489
Community environment				
Division of planning and development				
Personal services	164,550	162,875	160,559	2,316
Operations and maintenance	121,118	114,243	99,404	14,839
Total division of planning and development	285,668	277,118	259,963	17,155

(Continued)

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Division of housing and building code				
Personal services	55,600	52,800	50,236	2,564
Operations and maintenance	5,800	4,350	4,245	105
Total division of housing and building code	61,400	57,150	54,481	2,669
Total community environment	347,068	334,268	314,444	19,824
Leisure time activities				
Division of parks				
Personal services	119,124	77,299	73,916	3,383
Operations and maintenance	123,740	89,040	88,725	315
Total division of parks	242,864	166,339	162,641	3,698
Special events				
Operations and maintenance	10,000	15,000	15,000	-
Total leisure time activities	252,864	181,339	177,641	3,698
Total expenditures	3,921,079	3,955,129	3,854,686	100,443
Excess of revenues over expenditures	35,946	210,871	260,934	50,063
Other financing sources (uses):				
Sale of capital assets	-	9,500	9,500	-
Transfers - in	425	425	421	(4)
Transfers - out	(394,125)	(472,125)	(472,121)	4
Total other financing sources (uses)	(393,700)	(462,200)	(462,200)	-
Net change in fund balance	(357,754)	(251,329)	(201,266)	50,063
Fund balance at beginning of year	2,159,401	2,159,401	2,159,401	-
Prior year encumbrances appropriated	75,729	75,729	75,729	-
Fund balance at end of year	\$ 1,877,376	\$ 1,983,801	\$ 2,033,864	\$ 50,063

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Street Construction, Maintenance and Repair Fund**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ 527,900	\$ 331,775	\$ 326,242	\$ (5,533)
Other	8,450	8,450	8,435	(15)
Total revenues	536,350	340,225	334,677	(5,548)
<u>Expenditures:</u>				
Current:				
Transportation				
Division of street maintenance				
Personal services	298,050	296,375	286,377	9,998
Operations and maintenance	305,278	212,203	210,617	1,586
Total division of street maintenance	603,328	508,578	496,994	11,584
Division of snow and ice removal				
Operations and maintenance	80,200	133,600	133,578	22
Total expenditures	683,528	642,178	630,572	11,606
Excess of revenues under expenditures	(147,178)	(301,953)	(295,895)	6,058
Other financing sources:				
Transfers - in	89,650	199,200	199,200	-
Net change in fund balance	(57,528)	(102,753)	(96,695)	6,058
Fund balance at beginning of year	164,545	164,545	164,545	-
Prior year encumbrances appropriated	179	179	179	-
Fund balance at end of year	\$ 107,196	\$ 61,971	\$ 68,029	\$ 6,058

**City of Louisville, 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, 2014**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ 26,700	\$ 27,200	\$ 26,452	\$ (748)
Other	-	400	336	(64)
Total revenues	26,700	27,600	26,788	(812)
<u>Expenditures:</u>				
Current:				
Transportation				
Division of street maintenance				
Personal services	24,175	22,475	21,560	915
Operations and maintenance	23,214	23,714	23,120	594
Total division of street maintenance	47,389	46,189	44,680	1,509
Division of snow and ice removal				
Operations and maintenance	6,525	10,900	10,831	69
Total expenditures	53,914	57,089	55,511	1,578
Excess of revenues under expenditures	(27,214)	(29,489)	(28,723)	766
Other financing sources:				
Transfers - in	25,000	29,800	29,800	-
Net change in fund balance	(2,214)	311	1,077	766
Fund balance at beginning of year	39,098	39,098	39,098	-
Prior year encumbrances appropriated	15	15	15	-
Fund balance at end of year	\$ 36,899	\$ 39,424	\$ 40,190	\$ 766

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Motor Vehicle License Fund**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$ 84,800	\$ 84,800	\$ 84,760	\$ (40)
Interest	100	100	111	11
Total revenues	<u>84,900</u>	<u>84,900</u>	<u>84,871</u>	<u>(29)</u>
<u>Expenditures:</u>				
Current:				
Transportation				
Division of street construction				
Operations and maintenance	<u>200,000</u>	<u>287,550</u>	<u>287,511</u>	<u>39</u>
Excess of revenues under expenditures	<u>(115,100)</u>	<u>(202,650)</u>	<u>(202,640)</u>	<u>10</u>
Other financing sources:				
Transfers - in	<u>117,400</u>	<u>214,000</u>	<u>214,000</u>	<u>-</u>
Net change in fund balance	2,300	11,350	11,360	10
Fund balance at beginning of year	<u>72,126</u>	<u>72,126</u>	<u>72,126</u>	<u>-</u>
Fund balance at end of year	<u>\$ 74,426</u>	<u>\$ 83,476</u>	<u>\$ 83,486</u>	<u>\$ 10</u>

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Mayor's Court Computerization Fund**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and forfeitures	\$ 4,000	\$ 4,450	\$ 4,450	\$ -
<u>Expenditures:</u>				
Current:				
General government				
Mayor's court				
Operations and maintenance	2,100	16,450	16,266	184
Net change in fund balance	1,900	(12,000)	(11,816)	184
Fund balance at beginning of year	24,562	24,562	24,562	-
Fund balance at end of year	\$ 26,462	\$ 12,562	\$ 12,746	\$ 184

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Emergency Services Charges Fund**  
**For the Year Ended December 31, 2014**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Charges for services	\$ 334,800	\$ 303,425	\$ 303,041	\$ (384)
Intergovernmental	29,400	3,400	-	(3,400)
Other	-	700	688	(12)
Total revenues	<u>364,200</u>	<u>307,525</u>	<u>303,729</u>	<u>(3,796)</u>
<b><u>Expenditures:</u></b>				
Current:				
Security of persons and property				
Division of emergency services				
Personal services	159,075	134,675	127,069	7,606
Operations and maintenance	226,728	179,403	178,330	1,073
Total expenditures	<u>385,803</u>	<u>314,078</u>	<u>305,399</u>	<u>8,679</u>
Net change in fund balance	(21,603)	(6,553)	(1,670)	4,883
Fund balance at beginning of year	131,529	131,529	131,529	-
Prior year encumbrances appropriated	428	428	428	-
Fund balance at end of year	<u>\$ 110,354</u>	<u>\$ 125,404</u>	<u>\$ 130,287</u>	<u>\$ 4,883</u>



**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Law Enforcement Education Fund**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and forfeitures	\$ 2,000	\$ 2,200	\$ 2,179	\$ (21)
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Division of police				
Operations and maintenance	2,000	2,250	2,115	135
Net change in fund balance	-	(50)	64	114
Fund balance at beginning of year	2,546	2,546	2,546	-
Fund balance at end of year	\$ 2,546	\$ 2,496	\$ 2,610	\$ 114

**City of Louisville, 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, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and forfeitures	\$ 6,000	\$ 9,500	\$ 9,456	\$ (44)
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Division of police				
Operations and maintenance	1,400	6,400	6,200	200
Net change in fund balance	4,600	3,100	3,256	156
Fund balance at beginning of year	1,328	1,328	1,328	-
Fund balance at end of year	\$ 5,928	\$ 4,428	\$ 4,584	\$ 156

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Storm Water Fund**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for services	\$ 141,300	\$ 141,300	\$ 141,224	\$ (76)
<u>Expenditures:</u>				
Current:				
Transportation				
Division of storm water maintenance				
Operations and maintenance	280,267	167,667	166,616	1,051
Excess of revenues under expenditures	(138,967)	(26,367)	(25,392)	975
Other financing sources:				
Transfers - in	121,700	125,000	-	(125,000)
Net change in fund balance	(17,267)	98,633	(25,392)	(124,025)
Fund balance at beginning of year	166,455	166,455	166,455	-
Prior year encumbrances appropriated	3,767	3,767	3,767	-
Fund balance at end of year	\$ 152,955	\$ 268,855	\$ 144,830	\$ (124,025)

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Debt Retirement Fund**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Debt service:				-
Principal retirement	24,000	24,000	24,000	-
Interest and fiscal charges	4,725	4,725	4,725	-
Total expenditures	28,725	28,725	28,725	-
Excess of revenues under expenditures	(28,725)	(28,725)	(28,725)	-
Other financing sources:				
Transfers - in	28,700	28,700	28,700	-
Net change in fund balance	(25)	(25)	(25)	-
Fund balance at beginning of year	30,235	30,235	30,235	-
Fund balance at end of year	\$ 30,210	\$ 30,210	\$ 30,210	\$ -

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Capital Improvements Fund**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$ 21,225	\$ 21,225	\$ 21,175	\$ (50)
<u>Expenditures:</u>				
Current:				
General government				
Division of lands and buildings				
Operations and maintenance	65,215	65,215	47,463	17,752
Net change in fund balance	(43,990)	(43,990)	(26,288)	17,702
Fund balance at beginning of year	296,102	296,102	296,102	-
Prior year encumbrances appropriated	21,215	21,215	21,215	-
Fund balance at end of year	<u>\$ 273,327</u>	<u>\$ 273,327</u>	<u>\$ 291,029</u>	<u>\$ 17,702</u>

Individual Fund Schedules of Revenues, Expenses and  
Changes in Net Position – Budget (Non-GAAP Basis) and Actual

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Net Position - Budget (Non-GAAP Basis) and Actual**  
**Water Fund**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Charges for services	\$ 1,086,750	\$ 1,104,350	\$ 1,097,211	\$ (7,139)
Tap-in fees	2,250	9,000	9,000	-
Total revenues	1,089,000	1,113,350	1,106,211	(7,139)
<b>Expenses:</b>				
Current:				
Personal services	290,525	307,725	307,535	190
Fringe benefits	138,075	138,075	125,792	12,283
Contractual services	394,168	390,668	382,151	8,517
Materials and supplies	56,952	56,952	56,373	579
Capital outlay	626,990	325,390	323,292	2,098
Total expenses	1,506,710	1,218,810	1,195,143	23,667
Operating loss	(417,710)	(105,460)	(88,932)	16,528
Nonoperating revenue (expenses):				
Municipal income taxes	1,003,350	1,051,100	996,532	(54,568)
Principal retirement	(148,737)	(148,737)	(148,590)	147
Interest and fiscal charges	(20,419)	(20,419)	(20,419)	-
Total nonoperating revenue (expenses)	834,194	881,944	827,523	(54,421)
Income before transfers	416,484	776,484	738,591	(37,893)
Other financing sources (uses):				
Transfers - in	503,200	353,200	353,200	-
Transfers - out	(1,004,100)	(904,100)	(779,100)	125,000
Total other financing sources (uses)	(500,900)	(550,900)	(425,900)	125,000
Change in fund position	(84,416)	225,584	312,691	87,107
Fund position at beginning of year	1,140,698	1,140,698	1,140,698	-
Prior year encumbrances appropriated	55,916	55,916	55,916	-
Fund position at end of year	\$ 1,112,198	\$ 1,422,198	\$ 1,509,305	\$ 87,107

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Net Position - Budget (Non-GAAP Basis) and Actual**  
**Sewer Fund**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Charges for services	\$ 1,026,800	\$ 1,060,750	\$ 1,053,306	\$ (7,444)
Tap-in fees	7,200	7,200	7,200	-
Total revenues	1,034,000	1,067,950	1,060,506	(7,444)
<u>Expenses:</u>				
Current:				
Personal services	290,400	293,825	293,651	174
Fringe benefits	147,125	147,125	134,620	12,505
Contractual services	314,704	364,729	356,799	7,930
Materials and supplies	93,375	93,375	93,111	264
Capital outlay	945,267	195,367	192,861	2,506
Total expenses	1,790,871	1,094,421	1,071,042	23,379
Operating loss	(756,871)	(26,471)	(10,536)	15,935
Nonoperating revenue (expenses):				
Municipal income tax	-	-	58,980	58,980
Principal retirement	(19,200)	(19,200)	(19,200)	-
Interest and fiscal charges	(3,800)	(3,800)	(3,780)	20
Total nonoperating revenue (expenses)	(23,000)	(23,000)	36,000	59,000
Income (loss) before transfers	(779,871)	(49,471)	25,464	74,935
Other financing sources:				
Transfers - in	375,900	425,900	425,900	-
Change in fund position	(403,971)	376,429	451,364	74,935
Fund position at beginning of year	1,115,599	1,115,599	1,115,599	-
Prior year encumbrances appropriated	52,971	52,971	52,971	-
Fund position at end of year	\$ 764,599	\$ 1,544,999	\$ 1,619,934	\$ 74,935



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## STATISTICAL SECTION



## Statistical Section

This part of the City's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial position has changed over time.	<b>S2 - S10</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue source(s), the property tax (and the income tax).	<b>S11 - S15</b>
<b>Debt Capacity</b> 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.	<b>S16 - S21</b>
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	<b>S22 - S23</b>
<b>Operating Information</b> 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.	<b>S24 - S27</b>

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**CITY OF LOUISVILLE, OHIO**  
**Net Position by Component (1)**  
**Last Ten Years**

	<u>2014</u>	<u>2013</u>	Restated <u>2012</u>	Restated <u>2011</u>	<u>2010</u>
<b><u>Governmental Activities</u></b>					
Net investment in capital assets	\$ 12,214,763	\$ 12,033,892	\$ 11,560,990	\$ 5,930,971	\$ 4,238,952
Restricted	592,027	731,396	1,162,743	593,508	916,049
Unrestricted	<u>3,143,797</u>	<u>3,360,551</u>	<u>2,922,623</u>	<u>2,604,346</u>	<u>2,065,143</u>
Total governmental activities net position	<u><u>15,950,587</u></u>	<u><u>16,125,839</u></u>	<u><u>15,646,356</u></u>	<u><u>9,128,825</u></u>	<u><u>7,220,144</u></u>
<b><u>Business-Type Activities</u></b>					
Net investment in capital assets	9,916,725	9,923,854	9,675,807	8,520,159	8,083,638
Unrestricted	<u>3,784,371</u>	<u>2,718,611</u>	<u>2,080,876</u>	<u>1,854,803</u>	<u>1,696,699</u>
Total business-type activities net position	<u><u>13,701,096</u></u>	<u><u>12,642,465</u></u>	<u><u>11,756,683</u></u>	<u><u>10,374,962</u></u>	<u><u>9,780,337</u></u>
<b><u>Primary Government</u></b>					
Invested in capital assets, net of related debt	22,131,488	21,957,746	21,236,797	14,451,130	12,322,590
Restricted	592,027	731,396	1,162,743	593,508	916,049
Unrestricted	<u>6,928,168</u>	<u>6,079,162</u>	<u>5,003,499</u>	<u>4,459,149</u>	<u>3,761,842</u>
Total primary government net position	<u><u>\$ 29,651,683</u></u>	<u><u>\$ 28,768,304</u></u>	<u><u>\$ 27,403,039</u></u>	<u><u>\$ 19,503,787</u></u>	<u><u>\$ 17,000,481</u></u>

Source: City of Louisville basic financial statements.  
(1) Accrual basis of accounting.

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$	3,251,988	\$ 2,867,010	\$ 2,372,382	\$ 1,986,625	\$ 1,571,996
	1,011,949	754,129	649,066	683,647	630,692
	<u>1,842,352</u>	<u>1,627,341</u>	<u>1,881,609</u>	<u>1,548,400</u>	<u>1,158,963</u>
	<u>6,106,289</u>	<u>5,248,480</u>	<u>4,903,057</u>	<u>4,218,672</u>	<u>3,361,651</u>
	7,415,753	7,134,730	5,702,061	5,537,295	3,071,538
	<u>1,706,905</u>	<u>1,432,666</u>	<u>1,870,595</u>	<u>1,397,899</u>	<u>2,356,648</u>
	<u>9,122,658</u>	<u>8,567,396</u>	<u>7,572,656</u>	<u>6,935,194</u>	<u>5,428,186</u>
	10,667,741	10,001,740	8,074,443	7,523,920	4,643,534
	1,011,949	754,129	649,066	683,647	630,692
	<u>3,549,257</u>	<u>3,060,007</u>	<u>3,752,204</u>	<u>2,946,299</u>	<u>3,515,611</u>
\$	<u>15,228,947</u>	<u>13,815,876</u>	<u>12,475,713</u>	<u>11,153,866</u>	<u>8,789,837</u>

**CITY OF LOUISVILLE, OHIO**

**Changes in Net Position (1)**

**Last Ten Years**

	<u>2014</u>	<u>2013</u>	<u>2012 (2)</u>	<u>2011</u>	<u>2010</u>
<b>Expenses</b>					
Governmental Activities:					
General government	\$ 1,181,784	\$ 1,063,115	\$ 1,257,674	\$ 1,041,834	\$ 891,233
Security of persons and property	2,398,630	2,169,438	2,179,718	2,008,185	2,183,465
Public health and welfare	81,088	79,746	66,050	65,093	50,860
Transportation	1,068,168	1,014,335	675,174	519,001	681,247
Community environment	295,526	204,758	160,529	169,936	147,504
Basic utility services	-	-	-	-	-
Leisure time activities	205,010	209,294	192,361	234,722	214,946
Other	-	-	-	-	-
Interest and fiscal charges	7,611	11,125	7,464	16,096	17,085
Total governmental activities expenses	<u>5,237,817</u>	<u>4,751,811</u>	<u>4,538,970</u>	<u>4,054,867</u>	<u>4,186,340</u>
Business-Type Activities:					
Water	1,151,358	1,103,801	1,161,768	1,144,617	1,199,786
Sewer	1,092,329	1,095,660	1,113,201	1,082,752	1,074,184
Storm water	-	-	86,353	90,263	60,182
Total business-type activities	<u>2,243,687</u>	<u>2,199,461</u>	<u>2,361,322</u>	<u>2,317,632</u>	<u>2,334,152</u>
Total primary government expenses	<u>\$ 7,481,504</u>	<u>\$ 6,951,272</u>	<u>\$ 6,900,292</u>	<u>\$ 6,372,499</u>	<u>\$ 6,520,492</u>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for services					
General government	\$ 238,853	\$ 232,077	\$ 434,958	\$ 391,958	\$ 234,515
Security of persons and property	282,619	384,506	322,745	284,646	329,559
Transportation	142,775	137,923	10,375	8,142	-
Community environment	49,813	42,119	7,739	4,470	4,535
Leisure time activities	7,005	8,153	5,590	6,058	31,227
Operating grants, contributions and interest	486,861	472,525	927,554	457,775	684,907
Capital grants and contributions	21,175	133,801	4,992,360	1,330,182	405,488
Total governmental activities program revenues	<u>1,229,101</u>	<u>1,411,104</u>	<u>6,701,321</u>	<u>2,483,231</u>	<u>1,690,231</u>
Business-Type Activities:					
Charges for services					
Water	1,140,104	1,045,752	996,464	950,304	863,578
Sewer	1,090,972	1,027,080	994,360	938,589	882,329
Storm water	-	-	139,494	114,048	130,395
Operating grants, contributions and interest	-	9,940	1,392,596	126,853	-
Capital grants and contributions	-	-	-	-	385,583
Total business-type activities program revenues	<u>2,231,076</u>	<u>2,082,772</u>	<u>3,522,914</u>	<u>2,129,794</u>	<u>2,261,885</u>
Total primary government program revenues	<u>\$ 3,460,177</u>	<u>\$ 3,493,876</u>	<u>\$ 10,224,235</u>	<u>\$ 4,613,025</u>	<u>\$ 3,952,116</u>
<b>Net (expense)/revenue</b>					
Governmental activities	\$ (4,008,716)	\$ (3,340,707)	\$ 2,162,351	\$ (1,571,636)	\$ (2,496,109)
Business-type activities	(12,611)	(116,689)	1,161,592	(187,838)	(72,267)
Total primary government net expense	<u>\$ (4,021,327)</u>	<u>\$ (3,457,396)</u>	<u>\$ 3,323,943</u>	<u>\$ (1,759,474)</u>	<u>\$ (2,568,376)</u>

(Continued)

**CITY OF LOUISVILLE, OHIO**

**Changes in Net Position (1)**

**Last Ten Years**

	<u>2014</u>	<u>2013</u>	<u>2012 (2)</u>	<u>2011</u>	<u>2010</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental Activities:					
Property taxes levied for:					
General purposes	\$ 348,892	\$ 345,077	\$ 376,095	\$ 248,169	\$ 496,221
Income tax levied for:					
General purposes	3,214,022	3,007,404	2,817,361	2,663,045	2,497,694
Grants and entitlements not restricted to specific programs	234,565	362,979	412,228	499,385	363,559
Gain on sale of capital assets	1,206	-	-	-	-
Investment earnings	1,798	380	1,485	1,629	2,967
Other	32,981	104,350	23,288	6,541	136,573
Transfers	-	-	(604,950)	67,421	112,950
Total governmental activities	<u>3,833,464</u>	<u>3,820,190</u>	<u>3,025,507</u>	<u>3,486,190</u>	<u>3,609,964</u>
Business-Type Activities:					
Income tax levied for:					
Water utility services	601,286	505,613	473,485	408,241	262,921
Sewer utility services	469,956	496,858	465,638	478,852	569,643
Investment earnings	-	-	98	-	-
Grants and entitlements not restricted to specific programs	-	-	-	-	-
Gain on sale of capital assets	-	-	-	-	-
Capital contributions	-	-	-	-	-
Other	-	-	5,631	7,398	10,332
Transfers	-	-	604,950	(67,421)	(112,950)
Total business-type activities	<u>1,071,242</u>	<u>1,002,471</u>	<u>1,549,802</u>	<u>827,070</u>	<u>729,946</u>
Total primary government	<u>\$ 4,904,706</u>	<u>\$ 4,822,661</u>	<u>\$ 4,575,309</u>	<u>\$ 4,313,260</u>	<u>\$ 4,339,910</u>
<b>Change in net position</b>					
Governmental activities	\$ (175,252)	\$ 479,483	\$ 5,187,858	\$ 1,914,554	\$ 1,113,855
Business-type activities	1,058,631	885,782	2,711,394	639,232	657,679
Total primary government	<u>\$ 883,379</u>	<u>\$ 1,365,265</u>	<u>\$ 7,899,252</u>	<u>\$ 2,553,786</u>	<u>\$ 1,771,534</u>

Source: City of Louisville basic financial statements.

(1) Accrual basis of accounting.

(2) The storm water fund was moved to governmental activities in 2013.

**CITY OF LOUISVILLE, OHIO**

**Changes in Net Position (1)**

**Last Ten Years**

**Continued**

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Expenses</b>					
Governmental Activities:					
General government	\$ 907,759	\$ 1,001,777	\$ 709,418	\$ 795,848	\$ 818,463
Security of persons and property	2,086,776	2,137,745	2,284,434	2,079,266	1,790,354
Public health and welfare	77,436	44,190	18,274	55,143	51,182
Transportation	512,414	919,320	762,015	573,215	777,963
Community environment	204,539	203,848	193,968	210,431	179,959
Basic utility services	-	-	-	-	3,323
Leisure time activities	377,890	414,988	375,795	412,879	384,713
Other	-	-	-	46,864	75,999
Interest and fiscal charges	21,268	15,826	36,998	31,232	44,398
Total governmental activities expenses	<u>4,188,082</u>	<u>4,737,694</u>	<u>4,380,902</u>	<u>4,204,878</u>	<u>4,126,354</u>
Business-Type Activities:					
Water	1,020,190	969,468	958,590	1,002,351	974,699
Sewer	1,059,981	1,198,911	972,275	936,774	873,695
Storm water	-	-	-	-	-
Total business-type activities	<u>2,080,171</u>	<u>2,168,379</u>	<u>1,930,865</u>	<u>1,939,125</u>	<u>1,848,394</u>
Total primary government expenses	<u>\$ 6,268,253</u>	<u>\$ 6,906,073</u>	<u>\$ 6,311,767</u>	<u>\$ 6,144,003</u>	<u>\$ 5,974,748</u>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for services					
General government	\$ 202,740	\$ 218,902	\$ 166,347	\$ 153,256	\$ 194,949
Security of persons and property	359,129	292,330	219,194	283,904	269,294
Transportation	2,655	3,261	-	-	-
Community environment	5,740	4,126	7,887	21,500	25,975
Leisure time activities	78,195	69,806	83,516	100,634	97,213
Operating grants, contributions and interest	551,468	717,972	846,837	547,487	673,568
Capital grants and contributions	206,169	101,973	-	-	189,505
Total governmental activities program revenues	<u>1,406,096</u>	<u>1,408,370</u>	<u>1,323,781</u>	<u>1,106,781</u>	<u>1,450,504</u>
Business-Type Activities:					
Charges for services					
Water	797,045	756,040	735,974	671,160	633,311
Sewer	974,631	943,715	936,872	882,147	776,018
Storm water	-	-	-	-	-
Operating grants, contributions and interest	-	-	-	-	396,640
Capital grants and contributions	92,696	-	-	-	-
Total business-type activities program revenues	<u>1,864,372</u>	<u>1,699,755</u>	<u>1,672,846</u>	<u>1,553,307</u>	<u>1,805,969</u>
Total primary government program revenues	<u>\$ 3,270,468</u>	<u>\$ 3,108,125</u>	<u>\$ 2,996,627</u>	<u>\$ 2,660,088</u>	<u>\$ 3,256,473</u>
<b>Net (expense)/revenue</b>					
Governmental activities	\$ (2,781,986)	\$ (3,329,324)	\$ (3,057,121)	\$ (3,098,097)	\$ (2,675,850)
Business-type activities	(215,799)	(468,624)	(258,019)	(385,818)	(42,425)
Total primary government net expense	<u>\$ (2,997,785)</u>	<u>\$ (3,797,948)</u>	<u>\$ (3,315,140)</u>	<u>\$ (3,483,915)</u>	<u>\$ (2,718,275)</u>



**CITY OF LOUISVILLE, OHIO**

**Changes in Net Position (1)**

**Last Ten Years**

**Continued**

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental Activities:					
Property taxes levied for:					
General purposes	\$ 409,330	\$ 382,049	\$ 388,416	\$ 471,201	\$ 392,154
Income tax levied for:					
General purposes	2,366,926	2,720,310	2,505,101	2,660,310	2,275,376
Grants and entitlements not restricted to specific programs	576,332	476,932	675,554	423,376	468,249
Gain on sale of capital assets	-	-	-	-	11,500
Investment earnings	3,465	35,851	80,345	123,478	61,390
Other	130,514	156,111	92,090	95,725	77,557
Transfers	153,228	84,609	-	-	(83,000)
<b>Total governmental activities</b>	<u>3,639,795</u>	<u>3,855,862</u>	<u>3,741,506</u>	<u>3,774,090</u>	<u>3,203,226</u>
Business-Type Activities:					
Income tax levied for:					
Water utility services	402,106	427,932	374,217	458,188	345,074
Sewer utility services	448,213	459,763	427,388	420,648	404,903
Investment earnings	-	-	-	-	-
Grants and entitlements not restricted to specific programs	73,970	704,787	93,876	-	-
Gain on sale of capital assets	-	-	-	3,247	-
Capital contributions	-	-	-	6,667	-
Other	-	-	-	-	-
Transfers	(153,228)	(84,609)	-	-	83,000
<b>Total business-type activities</b>	<u>771,061</u>	<u>1,507,873</u>	<u>895,481</u>	<u>888,750</u>	<u>832,977</u>
<b>Total primary government</b>	<u>\$ 4,410,856</u>	<u>\$ 5,363,735</u>	<u>\$ 4,636,987</u>	<u>\$ 4,662,840</u>	<u>\$ 4,036,203</u>
<b>Change in net position</b>					
Governmental activities	\$ 857,809	\$ 526,538	\$ 684,385	\$ 675,993	\$ 527,376
Business-type activities	555,262	1,039,249	637,462	502,932	790,552
<b>Total primary government</b>	<u>\$ 1,413,071</u>	<u>\$ 1,565,787</u>	<u>\$ 1,321,847</u>	<u>\$ 1,178,925</u>	<u>\$ 1,317,928</u>

Source: City of Louisville basic financial statements.

(1) Accrual basis of accounting.

(2) The storm water fund was moved to governmental activities in 2013.

**CITY OF LOUISVILLE, OHIO**  
**Fund Balances, Governmental Funds (1)**  
**Last Ten Years**

	<u>2014</u>	<u>2013</u>	Restated <u>2012</u>	<u>2011</u>	Restated <u>2010</u>
<b>General Fund</b>					
Nonspendable	\$ 8,490	\$ 7,810	\$ 2,272	\$ 3,141	\$ 32,564
Assigned	102,453	1,030,771	152,936	53,805	28,886
Unassigned	2,425,929	1,650,589	2,478,854	2,138,647	1,721,833
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
<b>Total general fund</b>	<u>\$ 2,536,872</u>	<u>\$ 2,689,170</u>	<u>\$ 2,634,062</u>	<u>\$ 2,195,593</u>	<u>\$ 1,783,283</u>
<b>All Other Governmental Funds</b>					
Nonspendable	\$ 52,442	\$ 63,643	\$ 65,191	\$ 16,522	\$ 122,502
Restricted	434,601	558,624	434,006	452,329	495,281
Committed	350,370	348,895	365,060	183,195	192,040
Unassigned	-	-	(206,796)	(83,585)	(4,993)
Reserved	-	-	-	-	-
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Debt service funds	-	-	-	-	-
<b>Total all other governmental funds</b>	<u>\$ 837,413</u>	<u>\$ 971,162</u>	<u>\$ 657,461</u>	<u>\$ 568,461</u>	<u>\$ 804,830</u>

Source: City of Louisville basic financial statements.  
(1) Modified accrual basis of accounting.

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
46,232	123,510	72,746	68,818	112,984
<u>1,570,808</u>	<u>1,313,692</u>	<u>1,763,654</u>	<u>1,285,317</u>	<u>1,028,901</u>
<u>\$ 1,617,040</u>	<u>\$ 1,437,202</u>	<u>\$ 1,836,400</u>	<u>\$ 1,354,135</u>	<u>\$ 1,141,885</u>

\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
124,347	29,837	58,627	99,256	131,692
384,404	430,865	358,102	346,350	306,148
49,130	139,975	91,218	59,769	63,219
16,516	9,721	9,721	18,216	3,702
<u>\$ 574,397</u>	<u>\$ 610,398</u>	<u>\$ 517,668</u>	<u>\$ 523,591</u>	<u>\$ 504,761</u>

**CITY OF LOUISVILLE, OHIO**  
**Changes in Fund Balance, Governmental Funds (1)**  
**Last Ten Years**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b><u>Revenues</u></b>										
Taxes	\$ 3,551,081	\$ 3,369,640	\$ 3,131,479	\$ 2,955,928	\$ 2,959,442	\$ 2,816,445	\$ 2,879,462	\$ 2,994,049	\$ 2,916,779	\$ 2,731,169
Charges for services	569,033	573,919	555,012	489,370	558,729	561,915	507,209	443,924	437,632	455,542
Fines, licenses and permits	197,463	184,963	179,437	182,907	137,544	154,015	124,224	101,463	106,558	116,994
Intergovernmental revenues	745,403	1,368,270	4,024,929	2,169,197	1,721,226	1,003,338	1,073,524	1,344,029	897,125	1,228,092
Investment income	1,909	392	1,588	1,777	3,484	18,365	92,687	152,328	127,094	66,940
Contributions and donations	4,050	5,025	14,981	10,680	14,356	14,200	12,363	36,400	66,818	72,016
Rentals	-	-	-	-	11,307	24,193	15,518	23,351	19,132	13,139
Other	34,729	108,625	74,677	47,697	75,153	52,330	205,464	160,205	63,746	67,347
Total revenues	<u>5,103,668</u>	<u>5,610,834</u>	<u>7,982,103</u>	<u>5,857,556</u>	<u>5,481,241</u>	<u>4,644,801</u>	<u>4,910,451</u>	<u>5,255,749</u>	<u>4,634,884</u>	<u>4,751,239</u>
<b><u>Expenditures</u></b>										
General government	1,116,650	1,013,492	1,187,652	883,541	847,125	883,666	967,127	674,596	753,371	771,093
Security of persons and property	2,189,232	2,004,392	2,019,392	1,878,556	2,055,272	1,981,918	1,991,839	2,186,734	1,907,567	1,651,460
Public health and welfare	81,088	79,746	66,050	65,093	50,860	77,436	44,190	18,274	55,143	51,182
Transportation	791,766	768,679	567,702	440,086	610,206	457,680	852,425	657,354	497,941	722,731
Community environment	286,094	196,848	158,639	149,141	151,145	211,481	205,416	194,113	210,860	171,397
Basic utility services	-	-	-	-	-	-	-	-	-	3,095
Leisure time activities	128,965	136,631	123,443	130,297	149,882	335,071	346,014	345,696	330,830	333,920
Other	-	-	-	-	-	-	-	-	46,864	75,999
Capital outlay	1,028,059	941,200	3,575,978	2,173,898	1,098,608	505,922	1,011,044	591,752	318,579	352,105
Debt service:										
Principal retirement	156,500	114,352	88,377	67,415	104,290	100,144	23,000	73,814	250,603	275,457
Interest and fiscal charges	7,987	11,539	7,553	12,798	17,177	21,355	15,908	37,074	32,046	-
Issuance costs	-	-	-	5,873	-	-	-	-	-	-
Total expenditures	<u>5,786,341</u>	<u>5,266,879</u>	<u>7,794,786</u>	<u>5,806,698</u>	<u>5,084,565</u>	<u>4,574,673</u>	<u>5,456,963</u>	<u>4,779,407</u>	<u>4,403,804</u>	<u>4,408,439</u>
Excess of revenues over (under) expenditures	<u>(682,673)</u>	<u>343,955</u>	<u>187,317</u>	<u>50,858</u>	<u>396,676</u>	<u>70,128</u>	<u>(546,512)</u>	<u>476,342</u>	<u>231,080</u>	<u>342,800</u>
<b><u>Other financing sources (Uses)</u></b>										
Bonds issued	-	-	-	235,000	-	-	-	-	-	-
Inception of capital lease	377,126	-	190,000	120,000	-	-	155,434	-	-	-
Premium on bonds issued	-	-	-	2,301	-	-	-	-	-	-
Sale of capital assets	19,500	24,854	-	-	-	73,709	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	(232,218)	-	-	-	-	-	-
Transfers in	471,700	316,620	282,250	415,866	449,260	445,788	657,017	424,635	511,600	-
Transfer out	(471,700)	(316,620)	(282,250)	(415,866)	(449,260)	(445,788)	(572,408)	(424,635)	(511,600)	-
Total other financing sources (uses)	<u>396,626</u>	<u>24,854</u>	<u>190,000</u>	<u>125,083</u>	<u>-</u>	<u>73,709</u>	<u>240,043</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (286,047)</u>	<u>\$ 368,809</u>	<u>\$ 377,317</u>	<u>\$ 175,941</u>	<u>\$ 396,676</u>	<u>\$ 143,837</u>	<u>\$ (306,469)</u>	<u>\$ 476,342</u>	<u>\$ 231,080</u>	<u>\$ 342,800</u>
Debt service as a percentage of noncapital expenditures	3.5%	2.9%	2.3%	2.2%	3.0%	3.0%	0.9%	2.6%	6.9%	6.8%

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Source: City of Louisville basic financial statements.  
(1) Accrual basis of accounting.

**CITY OF LOUISVILLE, OHIO**  
**Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Collection Years**

Collection Year	Real Property (1)		Public Utility (2)		Tangible Personal Property (3)		Total		Weighted Average Tax Rate
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2014	\$ 138,789,440	\$ 396,541,257	\$ 3,946,340	\$ 10,134,919	\$ -	\$ -	\$ 142,735,780	\$ 406,676,176	34.75%
2013	134,678,410	384,795,457	3,775,250	9,695,528	-	-	138,453,660	394,490,986	34.75%
2012	151,437,700	432,679,143	3,541,180	9,094,394	-	-	154,978,880	441,773,537	34.79%
2011	150,983,120	431,380,343	3,386,030	8,695,941	-	-	154,369,150	440,076,284	34.80%
2010	150,819,270	430,912,200	3,202,410	8,224,371	102,620	205,240	154,124,300	439,341,811	34.80%
2009	157,324,730	449,499,229	3,145,410	8,077,985	201,070	2,010,700	160,671,210	459,587,913	34.67%
2008	155,453,660	444,153,314	3,045,550	7,821,526	4,648,576	7,437,722	163,147,786	459,412,562	34.36%
2007	153,045,720	437,273,486	3,631,830	9,327,200	8,283,620	66,268,960	164,961,170	512,869,645	30.46%
2006	136,070,320	388,772,343	3,691,530	9,480,520	11,458,776	61,113,472	151,220,626	459,366,335	30.97%
2005	132,639,260	378,969,314	3,689,360	4,192,455	11,334,888	47,228,700	147,663,508	430,390,469	33.12%

Source: Stark County Auditor

- (1) Real estate value is assessed at 35% of appraised market value.
- (2) Public utility personal property is assessed at 88% of true value for 2005, for 2006-2014 half at 88% the other half at 25% of true value.
- (3) Tangible personal property is assessed at 24% for 2005, 18.75% for 2006, 12.5% for 2007, 6.25% for 2008 and 0% for 2009-2014.

**CITY OF LOUISVILLE, OHIO**  
**Property Tax Levies and Collections**  
**Last Ten Calendar Years**

<u>Year</u>	<u>Current Tax Levy</u>	<u>(1) Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Outstanding Delinquent Taxes to Current Tax Levy</u>	<u>Total Direct Tax Rate</u>
2014	\$ 399,609	\$ 390,425	97.70%	\$ 14,767	3.70%	\$ 79.00
2013	387,670	379,681	97.94%	14,810	3.82%	73.70
2012	433,912	424,825	97.91%	14,414	3.32%	71.20
2011	432,205	421,559	97.54%	19,526	4.52%	70.70
2010	431,515	423,913	98.24%	21,005	4.87%	69.70
2009	446,879	437,592	97.92%	49,380	11.05%	69.20
2008	456,814	445,017	97.42%	19,950	4.37%	69.30
2007	461,891	449,811	97.38%	8,861	1.92%	69.90
2006	423,418	413,019	97.54%	6,855	1.62%	70.90
2005	413,458	404,521	97.84%	7,383	1.79%	72.30

Source: Stark County Auditor

(1) Represents amounts collected by the County for the City during the year indicated.

**CITY OF LOUISVILLE, OHIO**  
**Schedules of Principal Taxpayers - Real Property**  
**Current Year and Nine Years Ago**

	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
<b><u>Taxpayer</u></b>						
Chesapeake Land Development Co LLC	\$ 2,490,570	1	1.79%	\$ -		0.00%
HP Products Inc.	1,714,740	2	1.24%	3,782,460	2	2.85%
Arc Ralvlohoool LLC	1,577,450	3	1.14%	-		0.00%
Jewel Acquisition LLC	1,292,500	4	0.93%	5,242,620	1	3.95%
Louisville Ventures LTD	1,263,900	5	0.91%	1,205,710	3	0.91%
Groffre Investments	628,840	6	0.45%	-		0.00%
CRC Ohio Properties LLC	525,000	7	0.38%	-		0.00%
Aultman Health Foundation	498,380	8	0.36%	-		0.00%
Metzger J B Co.	477,150	9	0.34%	-		0.00%
CNS Industries	383,070	10	0.28%	-		0.00%
Transporation Center of Louisville	-		0.00%	661,250	7	0.50%
Peters Frederick K & Judith R	-		0.00%	610,000	8	0.46%
McKinley Development Company LTD	-		0.00%	1,026,740	4	0.77%
Rhodes Roy T	-		0.00%	744,560	5	0.56%
Parksite, Inc.	-		0.00%	704,530	6	0.53%
Total of above	<u>\$ 10,851,600</u>		<u>7.82%</u>	<u>\$ 13,977,870</u>		<u>10.54%</u>
Total City	<u>\$ 138,789,440</u>			<u>\$ 132,639,260</u>		

Source: Stark County Auditor

**CITY OF LOUISVILLE, OHIO**  
**Schedules of Principal Taxpayers - Public Utility**  
**Current Year and Nine Years Ago**

	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
<b><u>Taxpayer</u></b>						
Ohio Power	\$ 3,721,100	1	94.29%	\$ 2,383,670	1	64.61%
East Ohio Gas Co.	225,240	2	5.71%	-		0.00%
Ohio Bell Telephone Co.	-		0.00%	745,800	2	20.21%
Total of above	<u>\$ 3,946,340</u>		<u>100.00%</u>	<u>\$ 3,129,470</u>		<u>84.82%</u>
Total City	<u>\$ 3,946,340</u>			<u>\$ 3,689,360</u>		

Source: Stark County Auditor



**CITY OF LOUISVILLE, OHIO**  
**Income Tax Rates and Collections**  
**Last Ten Calendar Years**

<u>Tax Year</u>	<u>Tax Rate</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes From Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes From Individuals</u>	<u>Percentage of Taxes from Individuals</u>	<u>Percentage Change from Prior Year</u>
2014	2.00%	\$ 4,222,348	\$ 2,714,872	64.30%	\$ 174,282	4.13%	\$ 1,333,194	31.57%	5.89%
2013	2.00%	3,987,405	2,417,243	60.62%	260,830	6.54%	1,309,333	32.84%	8.54%
2012	2.00%	3,673,573	2,283,392	62.16%	217,054	5.91%	1,173,127	31.93%	3.85%
2011	2.00%	3,537,290	2,160,932	61.09%	218,115	6.17%	1,158,243	32.74%	7.29%
2010	2.00%	3,296,913	1,977,803	59.99%	237,806	7.21%	1,081,304	32.80%	0.83%
2009	2.00%	3,269,768	1,907,604	58.34%	206,364	6.31%	1,155,800	35.35%	-5.45%
2008	2.00%	3,458,404	1,998,918	57.80%	251,892	7.28%	1,207,593	34.92%	-0.15%
2007	2.00%	3,463,645	1,898,430	54.81%	280,748	8.11%	1,284,467	37.08%	3.93%
2006	2.00%	3,332,796	1,849,175	55.48%	207,591	6.23%	1,276,031	38.29%	14.51%
2005	2.00%	2,910,456	1,755,042	60.30%	161,615	5.55%	1,059,353	36.40%	0.36%

Source: City income tax records.

**CITY OF LOUISVILLE, OHIO**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Years**

Fiscal Year	Governmental Activities (1)			Business-Type Activities (1)				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Leases	Loans	General Obligation Bonds	OPWC Loans	OWDA Loans	Capital Leases			
2014	\$ 186,214	\$ 352,862	\$ -	\$ 889,133	\$ 264,272	\$ 35,042	\$ 151,012	\$ 1,878,535	0.82%	\$204
2013	210,550	108,236	109,571	1,032,882	288,420	37,684	198,890	1,986,233	0.91%	216
2012	234,924	182,208	219,142	1,478,711	336,712	40,224	57,476	2,549,397	1.18%	278
2011	237,301	78,585	-	1,808,224	385,004	42,666	112,872	2,664,652	1.23%	290
2010	254,000	-	-	2,122,030	433,296	45,013	225,145	3,079,484	1.42%	335
2009	279,000	79,290	-	2,494,636	481,588	47,270	115,392	3,497,176	1.67%	393
2008	303,000	155,434	-	2,845,477	529,880	49,439	221,670	4,104,900	1.96%	461
2007	326,000	-	-	3,179,670	578,172	51,525	-	4,135,367	1.46%	464
2006	348,000	51,814	-	3,492,388	626,464	54,503	-	4,573,169	1.77%	514
2005	495,000	155,417	-	3,792,687	674,756	55,457	-	5,173,317	1.99%	581

(1) Details regarding the City's outstanding debt can be found in Note 9 in the current financial statements.

Source: City of Louisville basic financial statements.

**CITY OF LOUISVILLE, OHIO**  
**Ratios of General Bonded Debt Outstanding (1)**  
**Last Ten Years**

<u>General Bonded Debt Outstanding</u>					
<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Outstanding Debt Per Capita</u>	<u>Outstanding Debt to Personal Income</u>	
2014	\$ 1,075,347	0.75%	\$ 117.06	0.50%	
2013	1,243,432	0.90%	135.36	0.58%	
2012	1,713,635	1.11%	186.55	0.80%	
2011	2,045,525	1.33%	222.68	0.94%	
2010	2,376,030	1.54%	258.66	1.09%	
2009	2,773,636	1.73%	311.50	1.33%	
2008	3,148,477	1.93%	353.60	1.51%	
2007	3,505,670	2.13%	393.72	1.24%	
2006	3,840,388	2.54%	431.31	1.49%	
2005	4,287,687	2.90%	481.55	1.65%	

Source: City of Louisville basic financial statements.

(1) Details regarding the City's outstanding debt can be found in Note 9 in the current financial statements.

**CITY OF LOUISVILLE, OHIO**  
**Legal Debt Margin Information**  
**Last Ten Years**

<b>Legal Debt Margin Calculation for Year Ending December 31, 2014</b>	<b>Unvoted</b>	<b>Overall</b>
Total assessed valuation	\$ 142,735,780	142,735,780
Debt limitation - 5.5% of assessed valuation	<u>7,850,468</u>	
Debt limitation - 10.5% of assessed valuation		<u>14,987,257</u>
Debt applicable to limitation:		
Total bonded debt and loans	1,374,661	1,374,661
Exempt debt:		
OWDA loans	35,042	35,042
OPWC loans	264,272	264,272
Debt payable from income tax	1,075,347	1,075,347
Total debt applicable to limitation	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 7,850,468</u>	<u>14,987,257</u>

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	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Debt limit	\$ 15,504,668	\$ 15,878,166	\$ 17,320,923	\$ 17,130,518	\$ 16,870,477	\$ 16,183,052	\$ 16,208,761	\$ 16,272,872	\$ 14,537,634	\$ 14,987,257
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	15,504,668	15,878,166	17,320,923	17,130,518	16,870,477	16,183,052	16,208,761	16,272,872	14,537,634	14,987,257
Total net debt applicable to limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: City of Louisville basic financial statements.

**CITY OF LOUISVILLE, OHIO**  
**Direct and Overlapping Governmental Activities Debt**  
**December 31, 2014**

<b>Governmental Unit</b>	<u>Debt Outstanding</u>	<u>Percentage applicable to City (1)</u>	<u>Amount applicable to City</u>
Direct - City of Louisville:			
General Obligation Bonds	\$ 186,214	100.00%	\$ 186,214
Capital Leases	352,862	100.00%	<u>352,862</u>
Total direct debt			<u>539,076</u>
Overlapping:			
Louisville Schools	28,005,000	44.98%	12,596,649
County of Stark	24,473,644	2.17%	<u>531,078</u>
Total overlapping debt			<u>13,127,727</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 13,666,803</u></u>

Source: Stark County Auditor's Office and Louisville City Schools

(1) Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

**CITY OF LOUISVILLE, OHIO**

**Ratio of Outstanding General Obligation Debt to Assessed Value and per Capita  
and Ratio of Annual Debt Service Expenditures for General Bonded Debt  
to Total General Governmental Expenditures and  
Revenue Bond Coverage  
Last Ten Years**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b><u>General Obligation Debt</u></b>					
Assessed value	\$ 142,735,780	\$ 138,453,660	\$ 154,978,880	\$ 154,369,150	\$ 154,124,300
Population	9,186	9,186	9,186	9,186	9,186
Debt outstanding	\$ 1,075,347	\$ 1,353,003	\$ 1,932,777	\$ 2,022,301	\$ 2,395,000
Ratio of debt to assessed value	0.75%	0.98%	1.25%	1.31%	1.55%
Debt per capita	\$ 117.06	\$ 147.29	\$ 210.40	\$ 220.15	\$ 260.72
<b><u>General Bonded Debt</u></b>					
Debt service	\$ 28,725	\$ 29,205	\$ 6,954	\$ 52,883	\$ 38,898
General governmental expenditures	\$ 5,786,341	\$ 5,266,879	\$ 7,794,786	\$ 5,806,698	\$ 5,084,565
Ratio of debt service to general governmental expenditures	0.50%	0.55%	0.09%	0.91%	0.77%
<b><u>Water Revenue Bond</u></b>					
Revenues <sup>1</sup>	\$ 1,741,390	\$ 1,556,331	\$ 1,471,978	\$ 1,365,943	\$ 1,152,855
Operating expenses <sup>2</sup>	\$ 879,951	\$ 839,301	\$ 917,703	\$ 866,865	\$ 933,926
Net revenue available for debt service	\$ 861,439	\$ 717,030	\$ 554,275	\$ 499,078	\$ 218,929
Debt service requirements	-	-	-	-	-
Coverage	100.00%	100.00%	100.00%	100.00%	100.00%

Notes: <sup>1</sup> Total revenue including local taxes and interest. <sup>2</sup> Total operating expenses exclusive of depreciation.

Source: City of Louisville basic financial statements.

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
160,671,210	163,147,786	164,961,170	151,220,626	147,663,508
8,904	8,904	8,904	8,904	8,904
2,805,000	3,195,000	3,570,000	3,925,000	4,395,000
1.75	1.96	2.16	2.60	2.98
315	359	401	440.81	493.60
38,930	38,907	57,495	173,587	175,887
4,574,673	5,456,963	4,779,407	4,403,804	4,408,439
0.01	0.71	1.20	3.94	3.99
1,199,151	1,152,543	1,110,191	1,129,348	978,385
742,980	636,032	706,800	695,689	680,183
456,171	516,511	403,391	433,659	298,202
-	-	-	-	-
100.00	100.00	100.00	100.00	100.00

**CITY OF LOUISVILLE, OHIO**  
**Schedules of Principal Employers**  
**Current Year and Nine Years Ago**

<u>Employer</u>	<u>Industry</u>	2014			2005		
		<u>Employees</u>	<u>Rank</u>	<u>Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Employment</u>
Louisville Board of Education	Public education	584	1	14.52%	387	2	16.63%
HP Products Inc.	Specialty tubing	380	2	9.45%	406	1	17.45%
St. Joseph's Hospice	Hospice facility	296	3	7.36%	235	3	10.10%
Maxim Petroleum/Pilot	Petroleum haulers	238	4	5.92%	-		0.00%
J&J Foods LLC	Grocery	158	5	3.93%	-		0.00%
J&L Specialty Steel, Inc.	Stainless steel	150	6	3.73%	-		0.00%
Chesapeake	Petroleum Operations	111	7	2.76%	-		0.00%
City of Louisville	Municipal government	99	8	2.46%	88	7	3.78%
St Thomas Aquinas	Private education	84	9	2.09%	119	6	5.11%
OTC Transformer	Transformer rebuilding	74	10	1.84%	-		0.00%
Midlake Products	Manufacturing	-		0.00%	79	8	3.39%
Washita Valley Enter	Petroleum haulers	-		0.00%	-		0.00%
Tamarkin, Inc.	Grocery	-		0.00%	128	4	5.50%
Jewel Acquisition LLC	Steel	-		0.00%	128	5	5.50%
Trilogy Plastics	Plastics manufacturing	-		0.00%	76	9	3.27%
Montrose Chrysler	Car dealership	-		0.00%	64	10	2.75%
Total Top Ten Employers		<u>2,174</u>		<u>54.04%</u>	<u>1,710</u>		<u>73.49%</u>
Total employment within the City		<u>4,023</u>			<u>2,327</u>		

Source: City of Louisville



**CITY OF LOUISVILLE, OHIO**  
**Demographic and Economic Statistics**  
**Last Ten Years**

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (5)</u>	<u>Personal Income Per Capita (3)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate (3)</u>	
					<u>Stark County</u>	<u>State of Ohio</u>
2014	9,186	\$229,199,886	\$24,951	3,065	4.6%	4.7%
2013	9,186	218,075,640	23,740	3,110	6.9%	6.6%
2012	9,186	215,384,142	23,447	3,192	6.7%	7.6%
2011	9,186	216,918,204	23,614	3,215	8.1%	7.6%
2010	9,186	217,340,760	23,660	3,260	11.3%	10.1%
2009	8,904	208,923,456	23,464	3,199	8.0%	7.7%
2008	8,904	208,923,456	23,464	3,170	8.0%	7.7%
2007	8,904	283,147,200	31,800	3,209	6.2%	5.8%
2006	8,904	257,788,608	28,952	3,050	6.2%	5.5%
2005	8,904	260,317,344	29,236	3,239	5.9%	5.9%

(1) Source: U. S. Census

(a) Year 2005 - 2009, 2000 Federal Census

(b) Year 2010 - 2014, 2010 Federal Census

(2) Source: Ohio Department of Education

(3) Source: Ohio Department of Job and Family Services

(4) Source: Stark County Auditor

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

Note: Information directly related the City of Louisville is not available.

**CITY OF LOUISVILLE, OHIO**

**Operating Indicators by Function/Program**

**Last Ten Years**

Function/Program	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>General government</b>					
Council and clerk					
Number of legislation passed	64	63	60	55	76
Number of planning commission docket items	9	15	21	15	9
Zoning board of appeals docket items	9	9	10	15	10
Finance Department					
Number of W-2's issued	99	102	101	100	107
Number of checks issued	2,256	2,125	2,171	1,965	2,327
Amount of checks paid	\$ 4,422,424	\$ 5,023,591	\$ 6,448,318	\$ 4,295,131	5,333,471
Interest earnings for fiscal year (cash basis)	\$ 1,909	\$ 393	\$ 1,896	\$ 1,469	6,242
General fund year end cash balances	\$ 2,108,631	\$ 2,231,635	\$ 1,027,817	\$ 619,763	1,378,449
Income tax fund year end cash balances	\$ -	\$ -	\$ -	\$ -	-
Water revenue fund year end cash balances	\$ 827,630	\$ 690,658	\$ 513,860	\$ 424,203	366,130
Sewer revenue fund year end cash balances	\$ 800,457	\$ 624,099	\$ 488,286	\$ 313,473	203,009
Property tax revenue	\$ 362,778	\$ 329,344	\$ 397,244	\$ 390,212	414,335
Income Tax Department					
Number of individual returns	3,648	3,790	3,366	3,286	3,323
Number of business returns	517	536	500	457	464
Number of business withholding accounts	678	666	662	384	381
Income tax receipts collected	\$ 4,222,348	\$ 3,987,405	\$ 3,673,573	\$ 3,537,290	3,296,913
Building Department Indicators					
Residential permits issued	9	9	2	3	4
Estimated value of residential permits	\$ 1,901,958	\$ 2,099,864	\$ 360,000	\$ 1,243,771	720,000
Commercial/institutional permits issued	1	1	4	2	5
Estimated value of commercial/insitutional	\$ 4,000,000	\$ 845,000	\$ 13,285,000	\$ 686,076	35,684,160
Total zoning permit fees	5,221	5,864	7,034	4,470	4,535
<b>Security of persons &amp; property</b>					
Police					
Total calls for services	5,624	5,769	6,413	5,495	4,486
number of traffic citations issued	578	556	661	438	555
number of criminal arrests	183	261	416	391	388
number of accident reports completed	193	170	200	207	181
Motor vehicle accidents	193	170	200	207	181
Gasoline costs of fleet	\$ 43,480	\$ 40,364	\$ 39,515	\$ 40,318	29,637
Fire					
EMS calls	1,003	1,100	1,027	885	965
EMS collections	\$ 302,621	\$ 339,301	\$ 305,431	\$ 259,033	312,588
Fire calls	71	382	349	280	350
<b>Leisure time activities</b>					
Recreation					
Adult volleyball and softball leagues	-	-	-	-	-
Youth baseball league	-	-	-	-	-
Jump rope clinics	-	-	-	-	-
Fishing derbies (2 per year)	-	-	55	70	80
Bowling leagues (kids)	-	-	-	-	-
<b>Transportation</b>					
Amount spent on paving streets	\$ 287,510	\$ 178,693	\$ 124,875	\$ 118,087	124,325
Gasoline fuel in gallons	27,386	20,079	25,748	28,458	27,427
Cost of salt purchased	\$ 127,740	\$ 83,731	\$ 86,082	\$ 56,237	18,632
Cost of salt per ton	\$ 54	\$ 44	\$ 48	\$ 45	46
<b>Utility Departments</b>					
Total water billed (in dollars)	\$ 978,683	\$ 954,261	\$ 932,046	\$ 881,575	765,648
Total sewer billed (in dollars)	\$ 1,065,724	\$ 1,026,263	\$ 995,861	\$ 904,161	864,779
Total storm water billed (in dollars)	\$ 139,945	\$ 138,938	\$ 138,683	\$ 108,242	111,044
Water bills issued	21,468	21,462	21,559	21,865	21,485
Average water treated daily (million gallons/day)	821,000	974,000	850,000	843,835	864,000
Total flow of wastewater treatment plant (millions of gallons)	576.7	480.2	438.5	615	476
Average daily flow (millions of gallons per day)	1.6	1.3	1.2	2	1
Tons of dry sludge removed	166.25	201.00	87.49	159	157

Source: City of Louisville

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
73	58	66	53	60
17	16	30	21	17
12	8	25	3	13
120	118	116	112	116
2,585	2,718	2,591	2,558	2,555
3,483,854	5,580,210	3,538,207	3,568,564	2,934,428
22,487	94,094	146,200	126,993	67,438
1,275,097	377,761	686,697	526,675	426,293
-	651,097	714,309	363,547	265,554
251,353	138,146	111,487	96,579	72,964
132,385	35,888	643,743	475,245	334,587
448,812	388,954	472,997	465,349	441,153
3,378	3,201	3,377	4,806	4,740
442	422	449	260	272
500	485	446	432	381
3,221,415	3,548,403	3,463,645	3,301,769	2,906,533
6	8	19	31	63
1,004,900	1,303,780	3,876,895	5,194,200	9,623,405
3	1	-	1	-
1,519,000	2,210,358	4,500,000	1,200,000	-
4,413	5,096	6,826	5,189	6,463
4,052	4,070	4,121	4,212	4,012
507	455	593	814	839
266	236	264	-	-
179	184	192	170	211
179	184	192	2	-
21,612	33,243	24,939	25,114	19,567
916	798	919	710	752
323,875	270,048	187,866	205,904	204,797
473	561	325	319	335
300	300	250	250	250
800	800	800	900	900
100	100	60	60	60
80	80	60	40	100
60	60	50	11	28
90,786	320,000	149,480	138,363	240,436
24,564	22,581	22,119	28,286	30,530
38,045	44,995	43,950	30,105	45,244
47	34	34	32	32
736,910	664,630	641,529	574,834	526,164
866,087	800,908	796,070	680,415	698,895
111,426	111,332	110,460	107,816	-
21,508	21,457	21,426	21,251	20,744
931,000	990,000	960,330	960,330	960,330
500	500	541	548	566
2	2	2	2	2
225	182	191	526	121

**CITY OF LOUISVILLE, OHIO**

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

Function/Program	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>General government</b>									
City Manager	2.70	2.80	2.80	2.00	2.00	2.00	2.00	2.00	2.00
Finance	4.50	4.50	4.50	3.50	4.00	4.50	4.50	4.50	4.50
Law	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Planning	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Council	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Civil service	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.50
<b>Security of persons and property</b>									
Police	15.50	15.00	14.00	14.50	11.50	12.50	12.00	12.00	12.00
Fire and EMS	13.00	11.00	12.00	12.00	14.00	14.50	15.00	15.00	15.00
Dispatchers	0.00	0.00	0.00	0.00	0.00	5.50	5.50	5.50	5.50
Administration	1.00	1.00	0.50	0.50	0.50	0.00	0.50	0.50	0.50
School crossing guards	5.00	4.50	4.50	3.00	2.50	4.00	5.50	5.50	5.50
<b>Leisure time activities: Recreation</b>									
Parks	3.00	4.50	7.00	6.00	6.00	6.00	9.50	9.50	9.50
<b>Community environment</b>									
Building	1.80	2.80	3.00	3.00	2.00	2.50	4.50	4.50	4.50
<b>Transportation</b>									
Service	7.50	4.00	3.00	3.00	3.00	8.00	6.00	6.00	6.00
<b>Basic utility services</b>									
Water	3.75	5.00	5.00	5.00	4.50	1.50	4.50	4.50	4.50
Sewer	<u>2.75</u>	<u>5.00</u>	<u>5.00</u>	<u>4.50</u>	<u>4.00</u>	<u>4.00</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>
Totals:	<u>66.00</u>	<u>63.60</u>	<u>64.80</u>	<u>60.50</u>	<u>57.50</u>	<u>68.50</u>	<u>76.00</u>	<u>76.50</u>	<u>76.50</u>

Source: City Payroll Department W2 Audit Listing

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year end.

(1) Information prior to 2006 is not available

**CITY OF LOUISVILLE, OHIO**  
**Capital Assets Statistics by Function/Program**  
**Last Ten Years**

Function/Program	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>General Government</b>										
Square footage occupied	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	15,000	15,000
Administrative vehicles	1	1	4	4	4	4	4	4	4	4
Inspection vehicles	1	1	1	1	1	1	1	1	1	1
<b>Security: Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Square footage of building	1,200	1,200	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Vehicles	11	12	11	13	11	10	10	8	8	8
<b>Security: Fire</b>										
Stations	2	2	2	2	2	2	2	1	1	1
Number of fire hydrants	564	577	644	611	611	534	534	300	300	300
Square footage of building	4,500	4,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Vehicles	9	8	8	8	8	9	9	8	5	5
<b>Leisure time activities: Recreation</b>										
Number of parks	7	7	7	7	7	7	7	7	7	7
Total park acreage	126	126	126	126	126	126	126	126	126	126
Number of libraries	1	1	1	1	1	1	1	1	1	1
Number of baseball diamonds	8	8	8	8	8	8	8	8	8	8
Number of soccer fields	7	7	7	7	7	7	7	7	7	7
Vehicles	3	5	8	5	0	1	1	1	1	1
<b>Tranportation services</b>										
Streets (miles)	55.7	55.7	55.7	55.0	55.0	55.0	55.0	55.0	55.0	52.9
Number of streetlights	857	857	857	687	687	687	687	687	687	687
Number of traffic lights	9	9	7	7	7	7	7	7	7	7
Service vehicles	13	11	13	21	21	21	18	18	18	18
Storm sewers (miles)	42.1	42.1	42.1	40	40	40	40	40	40	40
<b>Sewer Department</b>										
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Sanitary sewers (miles)	42.3	42.3	42.3	42	42	42	42	42	42	42
Vehicles	2	4	2	2	2	2	2	2	2	2
<b>Water Department</b>										
Water lines (miles)	53.3	53.3	53.3	52	52	52	52	52	52	52
Vehicles	2	4	1	1	1	1	2	2	2	2

Source: City of Louisville





# Dave Yost • Auditor of State

CITY OF LOUISVILLE

STARK COUNTY

## CLERK'S CERTIFICATION

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
SEPTEMBER 22, 2015