



OHIO AUDITOR OF STATE  
**KEITH FABER**





CITY OF LOUISVILLE  
STARK COUNTY

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Attachment: Annual Comprehensive Financial Report

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# OHIO AUDITOR OF STATE KEITH FABER



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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 South 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, each major fund, the discretely presented component unit, and the aggregate remaining fund information of the City of Louisville, Stark County, (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 27, 2021. We noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the City.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinion 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. Therefore, unidentified material weaknesses or significant deficiencies may exist. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a significant deficiency. We consider finding 2020-001 to be a significant deficiency.

***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 financial statements. 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*.

***City's Response to Findings***

The City's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not subject the City's response to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

***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 report is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio

December 27, 2021

CITY OF LOUISVILLE  
STARK COUNTY

SCHEDULE OF FINDINGS  
DECEMBER 31, 2020

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

Financial Reporting

FINDING NUMBER 2020-001

SIGNIFICANT DEFICIENCY

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16. Governmental Accounting Standards Board (GASB) Cod. 1100 paragraph .101 states a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

Sound financial reporting is the responsibility of the Finance Director and City Council and is essential to ensure the information provided to the readers of the financial statements is complete and accurate. The City did not have policies and procedures in place for a certain financial statement account, which led to the following proposed reclassification and adjustments to the financial statements.

- Accounts payable and transportation expenditures in the major street construction, maintenance and repair fund and other governmental funds were over stated by \$37,820 and \$3,067, respectively. Accounts payable and transportation expenses in governmental activities were overstated by \$40,887. The financial statements were updated to reflect these adjustments.
- Accounts payable was overstated in the major water fund and business type activities by \$79,645. Construction in progress and nondepreciable capital assets were overstated in the major water fund and business-type activities, respectively, by \$79,645. Net investment in capital assets and unrestricted net position were overstated and understated, respectively, in the major water fund and business-type activities by \$79,645. The financial statements were updated to reflect these adjustments.

To help ensure the City's financial statements are accurate, the City should adopt policies and procedures to identify and correct errors. The City should review the financial statements prior to submission for audit.

**Official's Response:**

We did not receive a response from Officials to this finding.

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# City of Louisville, Ohio

## Comprehensive Annual Financial Report



For the year ended  
December 31, 2020



# CITY OF LOUISVILLE, OHIO

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Comprehensive Annual Financial Report

Year Ended December 31, 2020

Prepared By: Department of Finance



***City of Louisville, Ohio***  
**Comprehensive Annual Financial Report**  
**Year Ended December 31, 2020**

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**City of Louisville, Ohio**  
**Comprehensive Annual Financial Report**  
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***City of Louisville, Ohio***  
**Comprehensive Annual Financial Report**  
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## INTRODUCTORY SECTION





## Department of Finance

December 27, 2021

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

We are pleased to present our 2020 Comprehensive Annual Financial Report for the City of Louisville for your review. This report, for the year ended December 31, 2020, 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 City prepare and publish their financial statements in accordance with generally accepted accounting principles (GAAP) and have at a minimum a biennial audit. The City chooses to have an annual audit and this report is published to fulfill that requirement for the year ended December 31, 2020.

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 controls 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 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. The Auditor of State of Ohio performed these services and has issued an unmodified ("clean") opinion on the City's financial statements for the year ended December 31, 2020. The Independent Auditor's 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 Auditor's 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's 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 (Ohio Constitution Article XVIII) 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 Dominion 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 residents (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: property, fleet, general liability, public officials’ liability, police professional liability, paramedic liability, employee medical, dental, vision, prescription and life insurances, 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 Spectrum.

A quality education for our children is provided by the Louisville City School District. The individual schools have 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, Northeast Ohio Medical University, Walsh University, Malone University and the Stark State College.

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 an additional acute-care hospital located in the County: Alliance Community Hospital (184 beds). Heartland Behavioral Healthcare Hospital, a 157-bed public adult psychiatric hospital operated by the State, is also located in the County.

The YMCA 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 and 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, skate park, ice rink, splash pad, 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, 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, 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.

### ***Relevant Financial Policies***

It is the mission of the City to develop, maintain and implement financial accounting policies and procedures and protect and optimize the financial resources of the City. The City provides a sound accounting system for safeguarding the City's assets through recording and reporting of financial transactions according to mandated laws and guidelines of the Federal law, Ohio Revised Codes, GAAP, and the City's Codified Ordinances. The department goals are to develop sound fiscal policies, provide solid financial management for the City, maintain reserves and fiscal integrity, and protect the assets of the citizens of Louisville.

The City's positive financial position and outlook are largely due to alignment of the City's budget with the strategies identified in the City's Comprehensive Plan ("Plan"). The 2000 Plan was updated in 2016, and outlines the City's vision and strategies for community services and facilities, housing, economic development, land use and infrastructure. The Plan serves as a resourceful guide for Council and management to responsibly and efficiently allocate the City resources. In 2019, the City obtained feedback and began creating strategies to implement the Plan with appropriate methodologies to foster economic development, improve facilities and services, and increase connectivity and collaboration within the community.

The City's investment policy, as updated in 2019, is to invest public funds in a manner which will ensure the preservation of capital while providing the highest investment return with the maximum security, meeting the daily cash flow needs of the City, and conforming to all State and local statutes governing the investment of public funds.

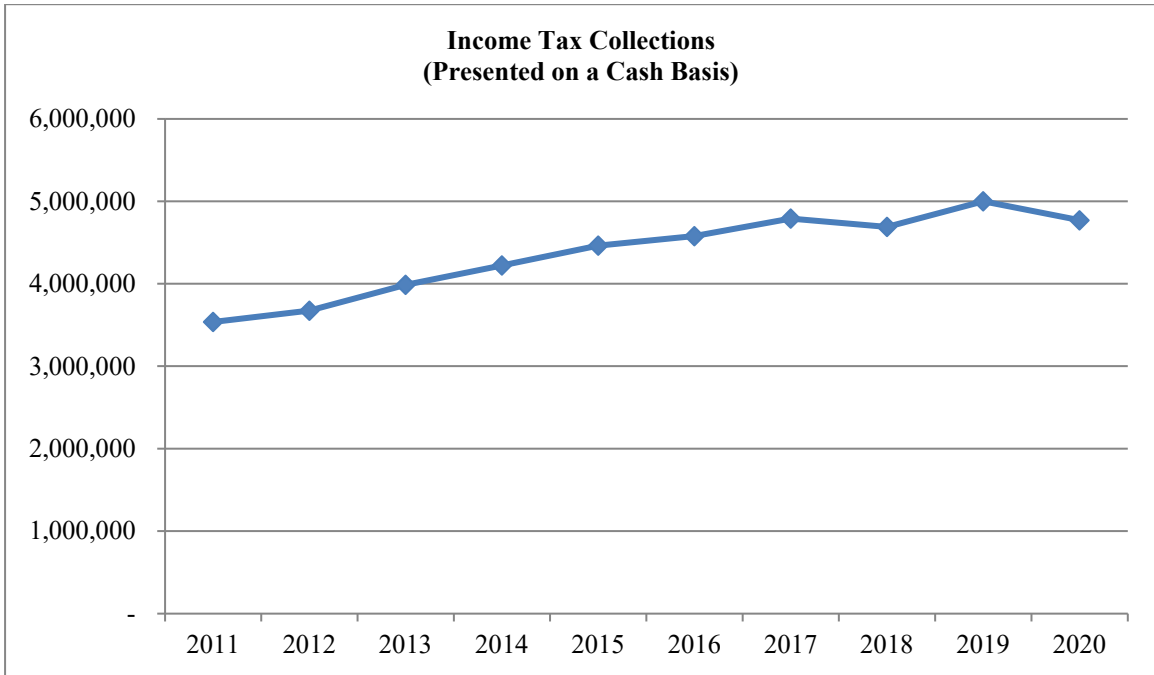
### ***Local Economy***

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. Following the adoption of a Comprehensive Land Use Plan in 2016, the Louisville Community Reinvestment Area was expanded to incentivize investment as well as the development of 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 Chapters 191 and 192 of the City's Codified Ordinances 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 78% 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's general fund is property tax. Louisville is a growing community and property tax revenue has fluctuated 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>
2011	373,338	(0.96) %
2012	386,280	3.47
2013	329,343	(14.74)
2014	362,778	10.15
2015	356,032	(1.86)
2016	420,399	18.08
2017	405,928	(3.44)
2018	401,273	(1.15)
2019	459,090	14.41
2020	464,500	1.18

***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, capital leases and keeping debt levels low, it provides the City the opportunity to borrow in low interest environments. By continuing to pay down its debt, the City paid \$539,197 in debt principal in 2020.

### ***Major Initiatives***

The City continues to explore annexation options. At the request of property owners outside but adjacent to the City, the City annexed 135.659 acres in 2014. Water and sewer utilities were extended to these properties in 2015, and the owners plan to develop the land with businesses as allowed by the City's zoning code. The comprehensive Land Use Plan identified areas for growth and the City continues to plan for additional utility extensions to serve these areas.

The City received grants and other funds to develop the Beck Industrial Commerce Center. Upon completion of development in 2013, Chesapeake, a major oil and gas company, purchased the entire industrial park and relocated its regional headquarters to the site. In 2019, Encino Energy purchased the entire industrial park from Chesapeake. The complex includes 80 acres housing a five-story office 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. In 2020 the entire park including the building was sold to Groffre Investments. Encino Energy continues to lease space within the facility. The Beck Industrial Commerce Center property aids the City in improving its economic development by revitalizing non-residential resources, encouraging office 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.

The City partnered with JENCAR Developers Inc., property owners of vacant land located at the intersection of US 62 and Broadway. During 2016, the City extended water lines and constructed and installed a sanitary package duplex pump station, force main and gravity sewer lines to serve the future sanitary needs of this area. JENCAR is currently developing the land with Redwood Living's distinctive single-story apartment rental homes, along with future retail businesses.

In 2016, the City applied for and received notification of award from Ohio Public Works Commission for a \$1,500,000, thirty-year, zero-percent loan to assist with replacing the final clarifiers at the wastewater treatment plant; (\$1,267,592.56 final loan amount). Total cost of this project was estimated at \$3,548,188, with completion in 2019. The City's local share of \$2,048,188 will be funded with utility income tax.

In 2018, the City applied for and received notification of award from the Ohio Public Works Commission for a \$207,00 grant and a \$1,173,000, thirty-year, zero-percent loan to assist with the Water Treatment Plant improvement project. The remainder of the project is funded by thirty-year low interest loan through the Ohio Water Development Authority. This project is currently under construction and is expected to be completed in 2021.

During 2020, expenditures included miscellaneous other roadway repairs including crack sealing, concrete roadway replacement program, and asphalt roadway repairs throughout the City; an annual asphalt pavement replacement program, a city sidewalk replacement program, and a curb replacement program were put on hold until 2021 due to COVID-19 budget concerns. The City was able to utilize funds from the water, sanitary sewer, and storm sewer funds for the replacement of water lines and fire hydrants and appurtenances. The City completed the waste water treatment plant clarifier project totaling \$2,985,345 to help remove solid particulates and suspended solids from the liquid for clarification. The City also installed approximately 1,500 feet of new storm sewer lines and 14 catch basins on Edmar St., as well as various other storm sewer projects at multiple locations throughout the City.

### *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, 2019. 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 whose contents conform to program standards. The Comprehensive Annual Financial Report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. 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,



Sonja Herwick  
Finance Director

***City of Louisville, Ohio***

Public Officials Roster

December 31, 2020

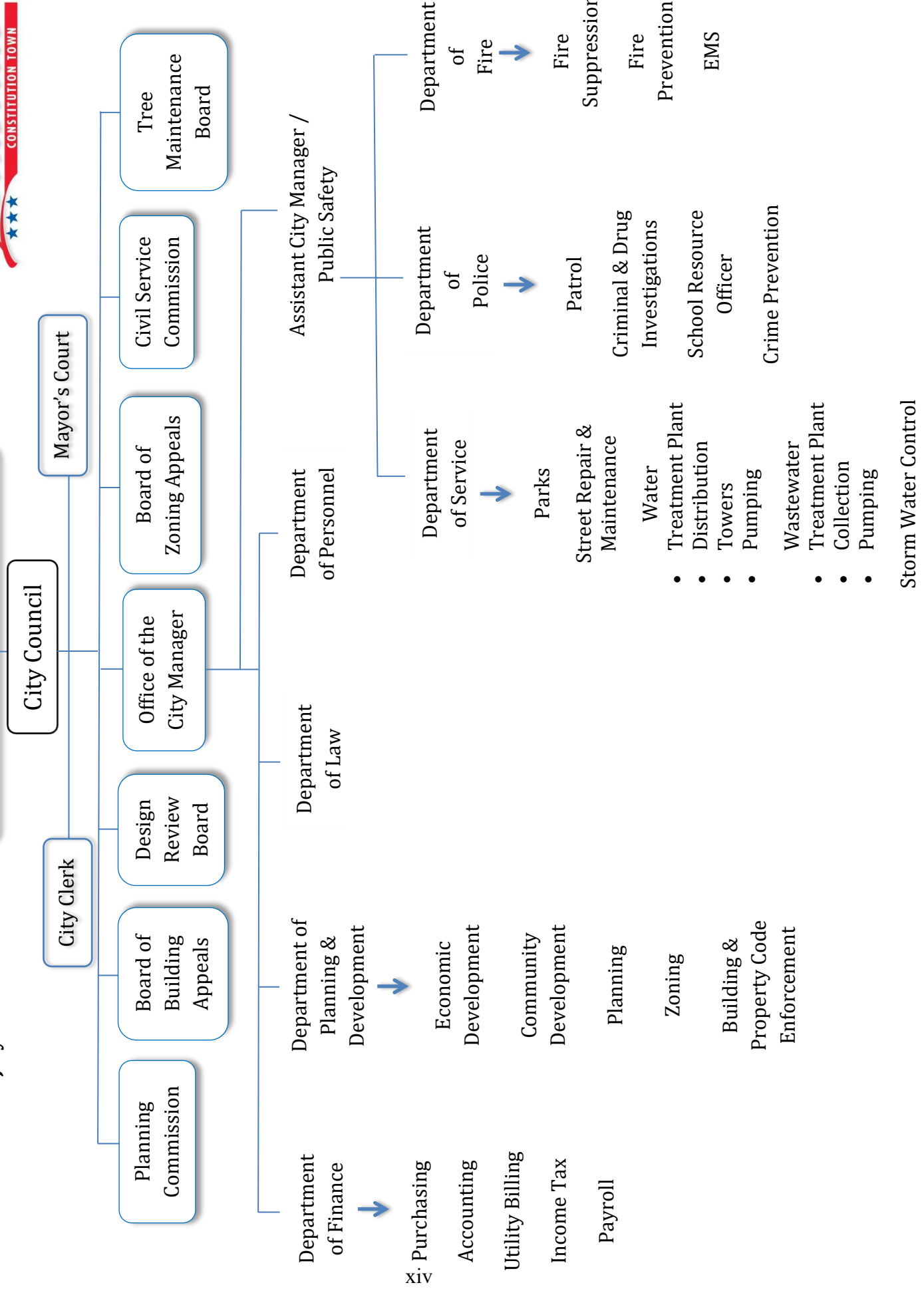
**Elected Officials**

Patricia Fallot	Mayor – Councilmember
Joan Aljancic	Councilmember
Dick Slackford	Councilmember
Richard Guiley	Councilmember
Corey Street	Councilmember

**Appointed Officials**

Larry Collins .....	City Manager
Andrew Turowski .....	Assistant City Manager/Police Chief
Tiffany Justice.....	City Clerk
Sonja Herwick .....	Finance Director
Robert Duffrin .....	Law Director
Rodney Bordner.....	Fire Chief
Daniel Millsap .....	Service Director
Vincent Marion.....	Director of Planning & Development
Magan Denzer.....	Deputy City Clerk

# Citizens of Louisville





Government Finance Officers Association

Certificate of  
Achievement  
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Reporting

Presented to

**City of Louisville  
Ohio**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

December 31, 2019

*Christopher P. Morill*

Executive Director/CEO



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## FINANCIAL SECTION





# OHIO AUDITOR OF STATE KEITH FABER



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

## INDEPENDENT AUDITOR'S REPORT

City of Louisville  
Stark County  
215 South 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, each major fund and the discretely presented component unit 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, 2020, 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 such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the discretely presented component unit and the aggregate remaining fund information of the City, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Street, Construction, Maintenance and Repair Funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 20 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City. We did not modify our opinion regarding this matter.

### **Other Matters**

#### *Required Supplementary Information*

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

#### *Supplementary and Other Information*

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

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the 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 this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

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

In accordance with *Government Auditing Standards*, we will also issue our report dated December 27, 2021, 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.



Keith Faber  
Auditor of State  
Columbus, Ohio

December 27, 2021

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***City of Louisville, Ohio***  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**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 year ended December 31, 2020. 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 2020 are as follows:

- The total net position of the City increased \$2,032,710. Net position of governmental activities increased \$135,405, which represents a 1.1% increase over 2019. Net position of business-type activities increased \$1,897,305 or 9.5% from 2019.
- General revenues for governmental activities, accounted for \$4,784,307 or 68.7% of total governmental activities revenue. Program specific revenues accounted for \$2,176,935 or 31.3% of total governmental activities revenue.
- The City had \$6,825,837 in expenses related to governmental activities; only \$2,176,935 of these expenses were offset by program specific charges for services and sales and operating grants, contributions and interest. General revenues of \$4,784,307 were adequate to provide for these programs.
- The general fund, the City's largest and a major governmental fund, had revenues of \$4,994,163 in 2020, or 73.4% of total governmental funds. Expenditures of the general fund were \$4,049,170, or 65.5% of total governmental funds. The general fund balance increased \$465,593 or 14.2% in 2020.
- During 2020, the City had an inception of capital lease in the amount of \$141,225 for the acquisition of medical truck.

**Using this Comprehensive Annual Financial Report**

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 two major governmental funds and two major business-type funds.

***City of Louisville, Ohio***  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**Unaudited**

**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 2020"? These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources 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 and the street construction, maintenance and repair fund. An analysis of the City's major governmental funds begins on page 14.

***City of Louisville, Ohio***  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**Unaudited**

***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 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 fund, which was 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 94-97 in this report. The basic governmental fund financial statements can be found on pages 22-27 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 28-31 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 32-78 of this report.

***Other Information***

In addition to the basic financial statements and accompanying notes, this report also presents the required supplementary information which can be found on pages 80-88 and the combining and individual fund statements and schedules, which can be found beginning on page 92 of this report.

**Government-wide Financial Analysis**

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

**City of Louisville, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**Unaudited**

Table 1 below provides a summary of the City's net position for 2020 compared to 2019:

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Assets</u>						
Current and other assets	\$ 7,809,306	\$ 6,923,891	\$ 10,189,153	\$ 8,539,402	\$ 17,998,459	\$ 15,463,293
Capital assets	<u>12,507,938</u>	<u>12,858,310</u>	<u>16,571,064</u>	<u>14,640,149</u>	<u>29,079,002</u>	<u>27,498,459</u>
Total assets	<u>20,317,244</u>	<u>19,782,201</u>	<u>26,760,217</u>	<u>23,179,551</u>	<u>47,077,461</u>	<u>42,961,752</u>
<u>Deferred outflows of resources</u>						
Pension	848,015	1,673,305	114,006	299,107	962,021	1,972,412
OPEB	<u>491,257</u>	<u>351,293</u>	<u>88,194</u>	<u>44,987</u>	<u>579,451</u>	<u>396,280</u>
Total deferred outflows of resources	<u>1,339,272</u>	<u>2,024,598</u>	<u>202,200</u>	<u>344,094</u>	<u>1,541,472</u>	<u>2,368,692</u>
<u>Liabilities</u>						
Other liabilities	312,738	358,911	190,976	122,453	503,714	481,364
Long-term liabilities:						
Due within one year	509,296	405,366	309,876	337,047	819,172	742,413
Due within more than one year:						
Net pension liability	4,429,395	5,543,467	721,007	1,017,728	5,150,402	6,561,195
Net OPEB liability	1,621,418	1,512,444	542,389	515,191	2,163,807	2,027,635
Other amounts	<u>618,944</u>	<u>761,264</u>	<u>3,027,718</u>	<u>1,476,332</u>	<u>3,646,662</u>	<u>2,237,596</u>
Total liabilities	<u>7,491,791</u>	<u>8,581,452</u>	<u>4,791,966</u>	<u>3,468,751</u>	<u>12,283,757</u>	<u>12,050,203</u>
<u>Deferred inflows of resources</u>						
Property taxes	460,765	447,578	-	-	460,765	447,578
Pension	679,609	97,600	164,537	21,747	844,146	119,347
OPEB	<u>328,376</u>	<u>119,599</u>	<u>79,304</u>	<u>3,842</u>	<u>407,680</u>	<u>123,441</u>
Total deferred inflows of resources	<u>1,468,750</u>	<u>664,777</u>	<u>243,841</u>	<u>25,589</u>	<u>1,712,591</u>	<u>690,366</u>
<u>Net Position</u>						
Net investment in capital assets	11,862,588	12,151,973	13,375,903	12,942,821	25,238,491	25,094,794
Restricted	1,579,733	1,296,951	-	-	1,579,733	1,296,951
Unrestricted	<u>(746,346)</u>	<u>(888,354)</u>	<u>8,550,707</u>	<u>7,086,484</u>	<u>7,804,361</u>	<u>6,198,130</u>
Total net position	<u>\$ 12,695,975</u>	<u>\$ 12,560,570</u>	<u>\$ 21,926,610</u>	<u>\$ 20,029,305</u>	<u>\$ 34,622,585</u>	<u>\$ 32,589,875</u>



***City of Louisville, Ohio***  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**Unaudited**

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2020, the City's assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$34,622,585. This amounts to \$12,695,975 in governmental activities and \$21,926,610 in business-type activities.

The largest portion of the City's net position, 72.9%, reflects its investment in capital assets less any related debt used to acquire those assets. Capital assets include land, right of ways, land improvements, buildings and improvements, machinery and equipment, vehicles, infrastructure, and construction in progress. Capital assets, net of related debt to acquire the assets at December 31, 2020, were \$25,238,491. 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, 2020, the City is able to report positive balances of the three categories of net position, for the government as a whole.

A portion of the City's governmental net position, \$1,579,733 or 12.4%, represent resources that are subject to external restrictions on how they may be used. Of total restricted net position, \$30,307 for debt service, \$1,275,558 for transportation, \$20,641 for safety services programs, \$235,890 for capital projects and \$17,337 for other purposes. The remaining deficit balance of governmental unrestricted net position of \$746,346 is not available to meet the City's ongoing obligations to citizens and creditors.

The City's statement of activities prepared on an accrual basis of accounting includes an annual pension expense and annual OPEB expense equal to its proportionate share of each plan's change in net pension liability and net OPEB liability not accounted for as deferred inflows/outflows.

Table 2 shows the changes in net position for governmental and business-type activities for years 2020 and 2019.

**City of Louisville, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**Unaudited**

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

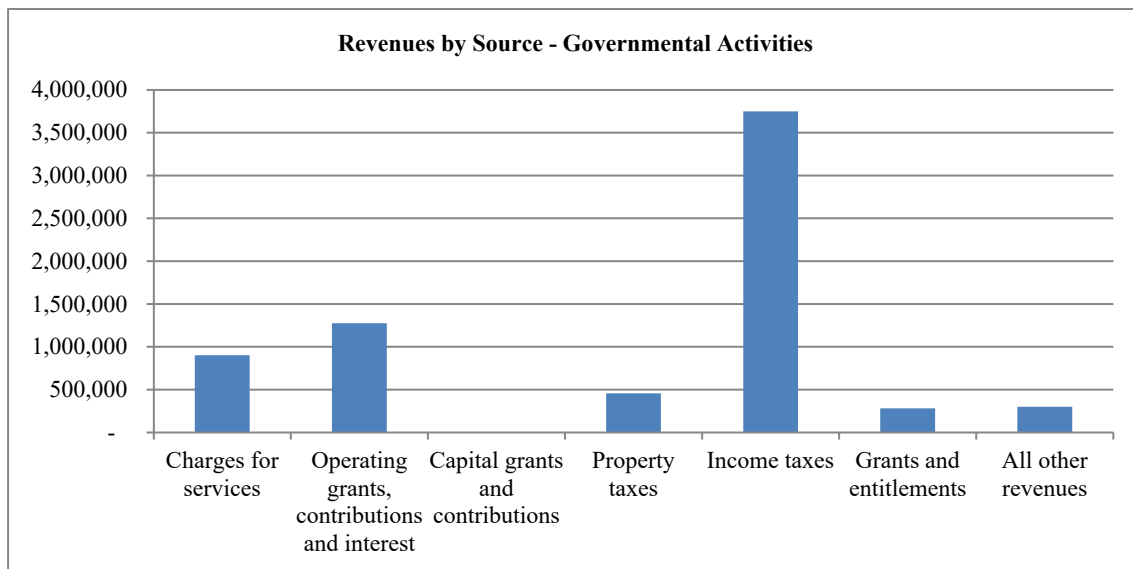
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 901,202	\$ 962,342	\$ 3,091,965	\$ 2,828,308	\$ 3,993,167	\$ 3,790,650
Operating grants, contributions and interest	1,275,733	649,395	-	-	1,275,733	649,395
Capital grants and contributions	-	75,806	207,000	9,965	207,000	85,771
General revenues:						
Property and other taxes	456,092	457,861	-	-	456,092	457,861
Municipal income taxes	3,748,356	3,794,626	1,249,842	1,264,870	4,998,198	5,059,496
Grants and entitlements	280,880	247,161	-	-	280,880	247,161
Investment earnings	290,113	309,251	-	-	290,113	309,251
Other	8,866	553,462	-	-	8,866	553,462
Total revenues	<u>\$ 6,961,242</u>	<u>\$ 7,049,904</u>	<u>\$ 4,548,807</u>	<u>\$ 4,103,143</u>	<u>\$ 11,510,049</u>	<u>\$ 11,153,047</u>
<b>Program Expenses</b>						
<i>Governmental Activities:</i>						
General government	\$ 1,494,121	\$ 1,499,084	\$ -	\$ -	\$ 1,494,121	\$ 1,499,084
Security of persons and property	3,355,203	1,608,618	-	-	3,355,203	1,608,618
Public health and welfare	72,969	74,924	-	-	72,969	74,924
Transportation	1,239,354	1,518,504	-	-	1,239,354	1,518,504
Basic utility services	484	-	-	-	484	-
Community environment	484,905	399,922	-	-	484,905	399,922
Leisure time activities	152,517	206,336	-	-	152,517	206,336
Interest and fiscal charges	26,284	29,587	-	-	26,284	29,587
<i>Business-Type Activities:</i>						
Water	-	-	1,271,667	1,431,940	1,271,667	1,431,940
Sewer	-	-	1,379,835	1,417,140	1,379,835	1,417,140
Total program expenses	<u>6,825,837</u>	<u>5,336,975</u>	<u>2,651,502</u>	<u>2,849,080</u>	<u>9,477,339</u>	<u>8,186,055</u>
Change in net position	135,405	1,712,929	1,897,305	1,254,063	2,032,710	2,966,992
Net position, beginning of year	<u>12,560,570</u>	<u>10,847,641</u>	<u>20,029,305</u>	<u>18,775,242</u>	<u>32,589,875</u>	<u>29,622,883</u>
Net position, end of year	<u>\$ 12,695,975</u>	<u>\$ 12,560,570</u>	<u>\$ 21,926,610</u>	<u>\$ 20,029,305</u>	<u>\$ 34,622,585</u>	<u>\$ 32,589,875</u>

**City of Louisville, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**Unaudited**

**Governmental Activities**

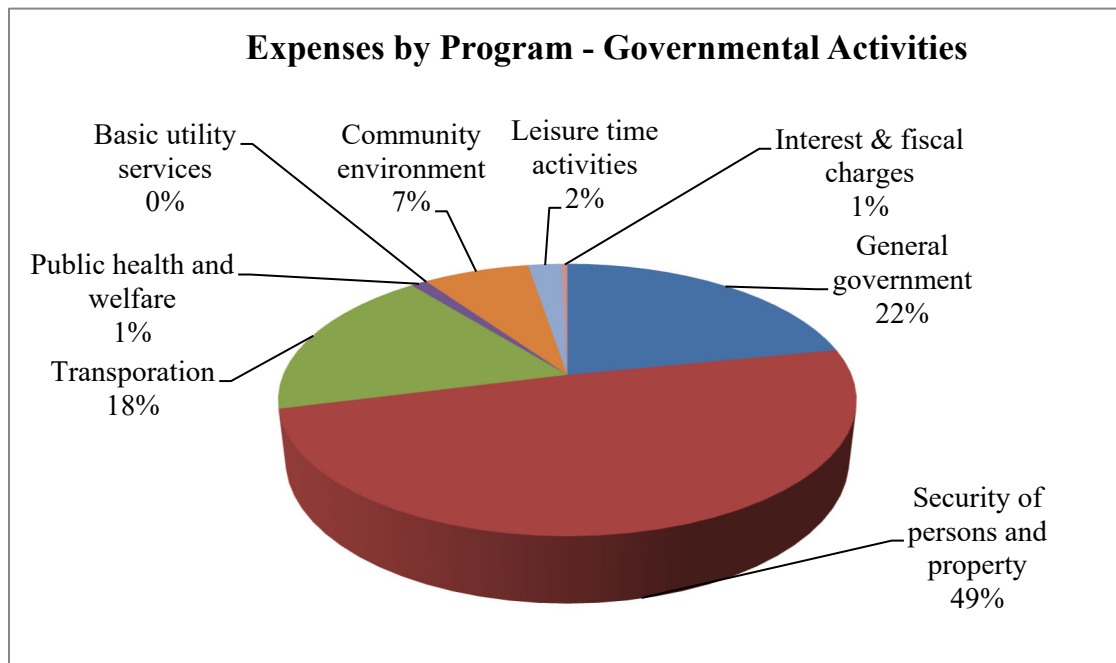
Governmental activities net position increased \$135,405 or 1.1% in 2020 from 2019. This increase was not due to any one item but rather an overall decrease in expenses and an increase in revenues. The City's funding for these governmental activities comes from a variety of sources, the most significant being the \$3,748,356 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 2020, the City received \$280,880 in unrestricted intergovernmental revenues or 4.0% of total revenues.



Program restricted charges for services and operating grants, contributions and interest represent monies the City is awarded that are required to be used for specific purposes. In 2020, the City received \$901,202 in charges for services, a combined total of \$1,275,733 in various operating grants, contributions and interest.

**City of Louisville, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**Unaudited**



The City's governmental activity expenses totaled \$6,825,837 in 2020, with security of persons and property, general government and transportation representing the largest portion of this figure at 89.2%. The City's governmental activity expenses increased by \$1,488,862 from 2019, this was mainly related to a decrease in OPEB expense.

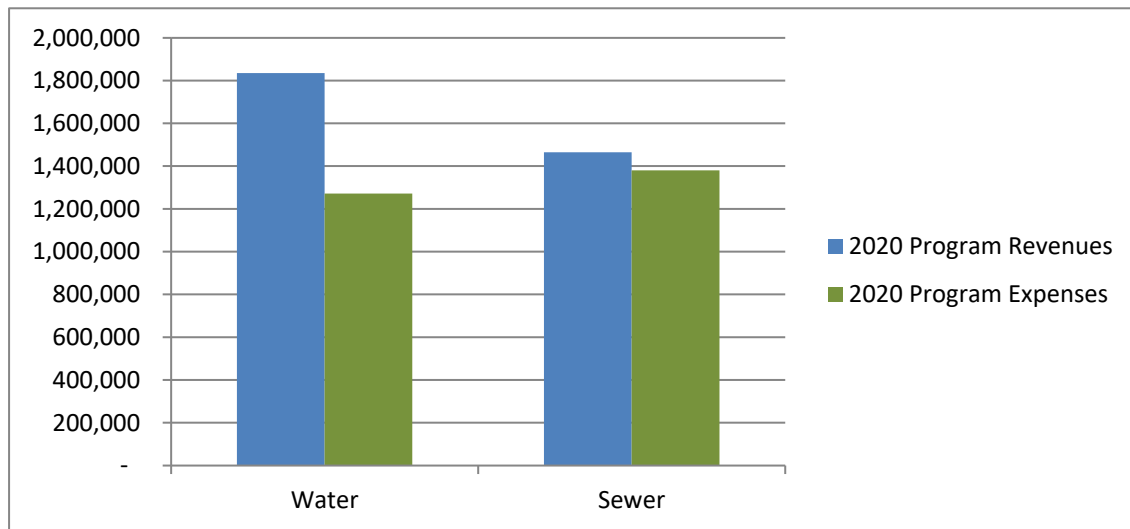
Security of persons and property, which primarily supports the operations of the City's police, fire and emergency medical services, accounts for \$3,355,203 of expenses, or 49.2% of total governmental expenses of the City. These expenses were funded by \$750,622 in charges to users of services, operating grants, contributions and interest. General government expenses, which primarily include legislative, executive and financial management, totaled \$1,494,121 or 21.9% of total governmental expenses. General government expenses were covered by \$287,923 of direct charges to users.

At \$1,239,354 or 18.2%, 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 \$872,800 in direct charges to users, operating grants, contributions and interest.

***Business-Type Activities***

The water and sewer funds represent the City's business-type activities. These programs had program revenues of \$3,298,965 and expenses of \$2,651,502 for the year 2020. Business-type activities reported an increase in net position of \$1,897,305, or 9.5% as compared to 2019. For this year, the increase in net position was attributed to an increase in charges for services and current year revenues exceeding current year expenses.

**City of Louisville, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**Unaudited**



As a result of implementing the accounting standards for pension and OPEB, the City is reporting a net pension liability, net OPEB liability, related deferred inflows of resources and an increase in expenses for the year which have a negative effect on net position. In addition, the City is reporting deferred outflows of resources related to pension and OPEB, which have a positive impact on net position. The increase in pension and OPEB expense is the difference between the contractually required contributions and the pension and OPEB expense resulting from the change in the liability that is not reported as deferred inflows or outflows. These amounts can be found in the reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities. To further explain the impact of these accounting standards on the City's net position, additional information is presented below.

	2020 Governmental <u>Activities</u>	2019 Governmental <u>Activities</u>	2020 Business-Type <u>Activities</u>	2019 Business-Type <u>Activities</u>
Deferred outflows - pension	\$ 848,015	\$ 1,673,305	\$ 114,006	\$ 299,107
Deferred outflows - OPEB	491,257	351,293	88,194	44,987
Deferred inflows - pension	(679,609)	(97,600)	(164,537)	(21,747)
Deferred inflows - OPEB	(328,376)	(119,599)	(79,304)	(3,842)
Net pension liability	(4,429,395)	(5,543,467)	(721,007)	(1,017,728)
Net OPEB liability	(1,621,418)	(1,512,444)	(542,389)	(515,191)
Impact of GASBs 68 and 75 on net position	<u>\$ (5,719,526)</u>	<u>\$ (5,248,512)</u>	<u>\$ (1,305,037)</u>	<u>\$ (1,214,414)</u>
Expenses:				
General government	97,992	211,916	-	-
Security of persons and property	286,301	(1,450,685)	-	-
Leisure time activities	6,778	23,676	-	-
Community and economic development	34,283	74,576	-	-
Transportation	45,660	98,602	-	-
Water	-	-	52,619	119,670
Sewer	-	-	38,004	86,429
Net expense impact	<u>471,014</u>	<u>\$ (1,041,915)</u>	<u>\$ 90,623</u>	<u>\$ 206,099</u>

**City of Louisville, Ohio**  
**Management’s Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**Unaudited**

For 2020, the net expense impact of 68 and 75 was \$471,014 for governmental activities and \$90,623 for business-type activities. This was for reporting the increase on the City’s proportionate share of the pension and other post-employment benefit liability for the Ohio Public Employment Retirement board and Ohio Police & Fire Pension board. This adjustment was a positive expense which increased expenses. For 2019, there was a significant expense adjustment made to police and fire expenses. This was from reporting the decrease in the City’s proportionate share of the other post-employment benefit liability of the Ohio Police & Fire Pension Fund. This adjustment was a negative expense which significantly reduced expenses for these programs.

**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, 2020, governmental funds reported a combined fund balance of \$5,989,641, an increase of \$758,673 as compared to the prior year. Of this amount \$2,714,072 or 45.3% has an unassigned fund balance that is available for spending at the discretion of the City. The remainder fund balance of \$3,275,569 consists of \$144,914 or 2.4% as nonspendable, related to materials and supplies and prepaid items that are not in spendable form; \$1,347,782 or 22.5% that is restricted for various purposes; \$789,265 or 13.2% committed for emergency service charges and storm water and \$993,608 or 16.6% assigned for next years budget and purchases on order.

The general fund is the main governmental operating fund of the City. At the end of 2020, the fund balance of the general fund was \$3,735,855, a 14.2% increase from the prior year. The reason for the increase in the general fund balance was primarily due an overall decrease in expenditures. This decrease was partially due to a decrease in capital outlay used for capital purchases.

At the end of 2020, the street construction, maintenance and repair fund balance was \$658,622, a 3.4% decrease from the prior year. The reason for the decrease in the street construction, maintenance and repair fund balance was primarily due a decrease in transfers in from 2019. Table 3 below reports year 2020 balances compared to 2019:

**Table 3**  
**Change in Fund Balance**

	Fund Balance		Increase (Decrease)	Percent Change
	December 31, 2020	December 31, 2019		
General	\$ 3,735,855	\$ 3,270,262	\$ 465,593	14.2%
Street construction, maintenance and repair	658,622	681,905	(23,283)	-3.4%
Other governmental funds	1,595,164	1,278,801	316,363	24.7%
	<u>\$ 5,989,641</u>	<u>\$ 5,230,968</u>	<u>\$ 758,673</u>	

**City of Louisville, Ohio**  
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Table 4 below assists in illustrating the changes in financial activities for the general fund for year 2020 balances compared to 2019:

**Table 4**  
**Change in Financial Activities for the General Fund**

	December 31, <u>2020</u>	December 31, <u>2019</u>	Increase (Decrease)	Percent Change
<u>Revenues:</u>				
Income tax	\$ 3,629,718	\$ 3,703,175	\$ (73,457)	-2.0%
Property and other taxes	459,209	466,399	(7,190)	-1.5%
Charges for services	139,293	142,990	(3,697)	-2.6%
Licenses and permits	169,540	174,045	(4,505)	-2.6%
Fines and forfeitures	12,936	34,098	(21,162)	-62.1%
Intergovernmental	285,713	259,143	26,570	10.3%
Investment income	290,113	309,251	(19,138)	-6.2%
Contributions and donations	4,300	41,953	(37,653)	-89.8%
Other	3,341	545,979	(542,638)	-99.4%
Total revenue	<u>\$ 4,994,163</u>	<u>\$ 5,677,033</u>	<u>\$ (682,870)</u>	
<u>Expenditures:</u>				
Current:				
General government	\$ 1,219,206	\$ 1,208,233	\$ 10,973	0.9%
Security of persons and property	2,038,738	2,409,095	(370,357)	-15.4%
Public health and welfare	72,969	74,924	(1,955)	-2.6%
Community environment	348,593	316,886	31,707	10.0%
Leisure time activities	89,689	132,755	(43,066)	-32.4%
Capital outlay	126,461	512,296	(385,835)	-75.3%
Debt service:				
Principal retirement	129,710	125,101	4,609	3.7%
Interest and fiscal charges	23,804	28,413	(4,609)	-16.2%
Total expenditures	<u>\$ 4,049,170</u>	<u>\$ 4,807,703</u>	<u>\$ (758,533)</u>	

***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.

Final general fund budgeted revenues and other financing sources decreased \$219,636, from \$4,910,600 to the final budgeted amount of \$4,690,964 for the year end December 31, 2020. This decrease was primarily for a decrease in municipal income tax revenues. This is due to the municipal tax revenues being unknown at the original budgeting process. Actual revenues were greater than the final budgeted amount by \$133,346 mainly due to an increase in municipal income taxes revenues received during the year.

***City of Louisville, Ohio***  
**Management's Discussion and Analysis**  
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Final budgeted expenditures and other financing uses were less than the original budgeted expenditures and other financing uses by \$964,553. This was mainly due to decreases in security of persons and property and transfers out from what was originally budgeted. Actual expenditures and other financing uses of \$4,643,773 for the year were \$259,845 less than the \$4,903,618 final budgeted amounts. The majority of this change was reported in general government and security of persons and property due to conservative spending.

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of 2020, the City had \$29,079,002 (net of accumulated depreciation) invested in land, right of ways, land improvements, buildings and improvements, machinery and equipment, vehicles, infrastructure and construction in progress. Of this total, \$12,507,938 was reported in governmental activities and \$16,571,064 was reported in business-type activities. Table 5 below reports the year 2020 balances compared to 2019:

**Table 5**  
**Capital Assets, at December 31**  
**(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land	\$ 486,277	\$ 486,277	\$ 352,487	\$ 352,487	\$ 838,764	\$ 838,764
Right of ways	812,350	812,350	-	-	812,350	812,350
Land improvements	200,910	238,201	-	1,437	200,910	239,638
Buildings and building improvements	999,783	1,044,977	3,091,839	3,270,306	4,091,622	4,315,283
Machinery and equipment	550,680	508,838	819,347	838,384	1,370,027	1,347,222
Vehicles	1,359,496	1,403,679	206,331	256,638	1,565,827	1,660,317
Infrastructure	8,061,302	8,363,988	8,720,813	5,981,517	16,782,115	14,345,505
Construction in progress	37,140	-	3,380,247	3,939,380	3,417,387	3,939,380
Total	<u>\$12,507,938</u>	<u>\$12,858,310</u>	<u>\$16,571,064</u>	<u>\$14,640,149</u>	<u>\$29,079,002</u>	<u>\$27,498,459</u>

The most significant change during 2020 to the amount of net capital assets was due to an increase of infrastructure from completed construction projects. See Note 7 to the basic financial statements for detail on the governmental and business-type activities capital assets.



**City of Louisville, Ohio**  
**Management’s Discussion and Analysis**  
**For the Year Ended December 31, 2020**  
**Unaudited**

**Debt Administration**

At December 31, 2020, the City had total long-term debt outstanding of \$3,884,914. Of this total, \$468,132 is due within one year and \$3,416,782 is due in more than one year.

**Table 6**  
**Outstanding Debt, at December 31**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
General obligation bonds	\$ 28,045	\$ 56,135	\$ 112,316	\$ 224,948	\$ 140,361	\$ 281,083
OPWC loans	-	-	2,205,172	1,339,230	2,205,172	1,339,230
OWDA loan	-	-	877,673	49,488	877,673	49,488
Capital leases	661,708	737,338	-	83,662	661,708	821,000
Total	<u>\$ 689,753</u>	<u>\$ 793,473</u>	<u>\$ 3,195,161</u>	<u>\$ 1,697,328</u>	<u>\$ 3,884,914</u>	<u>\$ 2,490,801</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 \$30,555.

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

At December 31, 2020 the City’s overall legal debt margin was \$19,625,230, with an unvoted debt margin of \$10,279,882. The City’s credit rating remained unchanged in 2020 as compared to 2019. 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 Sonja Herwick, 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, 2020**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Louisville Community Improvement Corporation
<u>Assets:</u>				
Equity in pooled cash and cash equivalents	\$ 5,434,019	\$ 9,122,590	\$ 14,556,609	\$ 211,285
Receivables:				
Income tax	1,171,931	390,644	1,562,575	-
Property and other taxes	481,280	-	481,280	-
Accounts	180,497	666,167	846,664	-
Accrued interest	22,819	-	22,819	-
Due from other governments	373,846	-	373,846	-
Materials and supplies inventory	100,963	1,679	102,642	-
Loans receivable	-	-	-	3,056
Prepaid items	43,951	8,073	52,024	445
Land held for resale	-	-	-	111,252
Nondepreciable capital assets	1,335,767	3,732,734	5,068,501	-
Depreciable capital assets, net	11,172,171	12,838,330	24,010,501	-
Total assets	<u>20,317,244</u>	<u>26,760,217</u>	<u>47,077,461</u>	<u>326,038</u>
<u>Deferred outflows of resources:</u>				
Pension	848,015	114,006	962,021	-
OPEB	491,257	88,194	579,451	-
Total deferred outflows of resources	<u>1,339,272</u>	<u>202,200</u>	<u>1,541,472</u>	<u>-</u>
<u>Liabilities:</u>				
Accounts payable	74,603	123,710	198,313	-
Accrued wages and benefits	145,780	47,310	193,090	-
Due to other governments	71,111	16,026	87,137	-
Undistributed monies	2,835	-	2,835	-
Income tax refunds payable	7,705	2,568	10,273	-
Accrued interest payable	9,423	234	9,657	-
Claims payable	1,281	1,128	2,409	-
Long-term liabilities:				
Due within one year	509,296	309,876	819,172	-
Due in more than one year:				
Net pension liability	4,429,395	721,007	5,150,402	-
Net OPEB liability	1,621,418	542,389	2,163,807	-
Other amounts due in more than one year	618,944	3,027,718	3,646,662	-
Total liabilities	<u>7,491,791</u>	<u>4,791,966</u>	<u>12,283,757</u>	<u>-</u>
<u>Deferred inflows of resources:</u>				
Property taxes	460,765	-	460,765	-
Pension	679,609	164,537	844,146	-
OPEB	328,376	79,304	407,680	-
Total deferred inflows of resources	<u>1,468,750</u>	<u>243,841</u>	<u>1,712,591</u>	<u>-</u>
<u>Net position:</u>				
Net investment in capital assets	11,862,588	13,375,903	25,238,491	-
Restricted for:				
Capital projects	235,890	-	235,890	-
Debt service	30,307	-	30,307	-
Transportation	1,275,558	-	1,275,558	-
Safety services	20,641	-	20,641	-
Other purposes	17,337	-	17,337	24,383
Unrestricted	(746,346)	8,550,707	7,804,361	301,655
Total net position	<u>\$ 12,695,975</u>	<u>\$ 21,926,610</u>	<u>\$ 34,622,585</u>	<u>\$ 326,038</u>

See accompanying notes to the basic financial statements.

**City of Louisville, Ohio**  
**Statement of Activities**  
**For the Year Ended December 31, 2020**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions
<u>Governmental Activities:</u>				
General government	\$ 1,494,121	\$ 163,985	\$ 123,938	\$ -
Security of persons and property	3,355,203	359,373	391,249	-
Public health and welfare	72,969	-	-	-
Transportation	1,239,354	208,218	664,582	-
Basic utility services	484	-	484	-
Community environment	484,905	169,061	95,247	-
Leisure time activities	152,517	565	233	-
Interest and fiscal charges	26,284	-	-	-
Total governmental activities	<u>6,825,837</u>	<u>901,202</u>	<u>1,275,733</u>	<u>-</u>
<u>Business-Type Activities:</u>				
Water	1,271,667	1,627,621	-	207,000
Sewer	1,379,835	1,464,344	-	-
Total business-type activities	<u>2,651,502</u>	<u>3,091,965</u>	<u>-</u>	<u>207,000</u>
Total primary government	<u>\$ 9,477,339</u>	<u>\$ 3,993,167</u>	<u>\$ 1,275,733</u>	<u>\$ 207,000</u>
<u>Component Unit:</u>				
LCIC	<u>\$ 10,191</u>	<u>\$ 24,308</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  
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				
Primary Government			Component Unit	
Governmental Activities	Business-Type Activities	Total	Louisville Community Improvement Corporation	
\$ (1,206,198)	\$ -	\$ (1,206,198)	\$ -	-
(2,604,581)	-	(2,604,581)	-	-
(72,969)	-	(72,969)	-	-
(366,554)	-	(366,554)	-	-
-	-	-	-	-
(220,597)	-	(220,597)	-	-
(151,719)	-	(151,719)	-	-
(26,284)	-	(26,284)	-	-
<u>(4,648,902)</u>	<u>-</u>	<u>(4,648,902)</u>		<u>-</u>
-	562,954	562,954	-	-
-	84,509	84,509	-	-
-	647,463	647,463	-	-
<u>(4,648,902)</u>	<u>647,463</u>	<u>(4,001,439)</u>		<u>-</u>
-	-	-		14,117
456,092	-	456,092	-	-
3,748,356	-	3,748,356	-	-
-	727,927	727,927	-	-
-	521,915	521,915	-	-
280,880	-	280,880	-	-
290,113	-	290,113	1,273	-
8,866	-	8,866	-	-
<u>4,784,307</u>	<u>1,249,842</u>	<u>6,034,149</u>		<u>1,273</u>
135,405	1,897,305	2,032,710		15,390
<u>12,560,570</u>	<u>20,029,305</u>	<u>32,589,875</u>		<u>310,648</u>
<u>\$ 12,695,975</u>	<u>\$ 21,926,610</u>	<u>\$ 34,622,585</u>	<u>\$</u>	<u>326,038</u>

**City of Louisville, Ohio**

**Balance Sheet**

**Governmental Funds**

**December 31, 2020**

	General	Street Construction, Maintenance and Repair	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 3,437,304	\$ 508,575	\$ 1,488,140	\$ 5,434,019
<b>Receivables:</b>				
Income tax	1,171,931	-	-	1,171,931
Property and other taxes	481,280	-	-	481,280
Accounts	31,211	-	149,286	180,497
Accrued interest	22,819	-	-	22,819
Due from other governments	103,827	244,540	25,479	373,846
Materials and supplies inventory	-	93,391	7,572	100,963
Prepaid items	28,175	4,572	11,204	43,951
<b>Total assets</b>	<b>\$ 5,276,547</b>	<b>\$ 851,078</b>	<b>\$ 1,681,681</b>	<b>\$ 7,809,306</b>
<b>Liabilities, deferred inflows of resources and fund balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 67,617	\$ 41,333	\$ 6,540	\$ 115,490
Accrued wages and benefits	117,971	18,848	8,961	145,780
Due to other governments	56,085	5,467	9,559	71,111
Undistributed monies	2,835	-	-	2,835
Income tax refunds payable	7,705	-	-	7,705
Claims payable	821	460	-	1,281
<b>Total liabilities</b>	<b>253,034</b>	<b>66,108</b>	<b>25,060</b>	<b>344,202</b>
<b>Deferred inflows of resources:</b>				
Property taxes	460,765	-	-	460,765
Unavailable revenue - other	811,761	164,168	64,524	1,040,453
Unavailable revenue - delinquent property taxes	15,132	-	-	15,132
<b>Total deferred inflows of resources</b>	<b>1,287,658</b>	<b>164,168</b>	<b>64,524</b>	<b>1,516,350</b>
<b>Fund balances:</b>				
Nonspendable	28,175	97,963	18,776	144,914
Restricted	-	522,839	784,056	1,306,895
Committed	-	-	789,265	789,265
Assigned	993,608	-	-	993,608
Unassigned	2,714,072	-	-	2,714,072
<b>Total fund balances</b>	<b>3,735,855</b>	<b>620,802</b>	<b>1,592,097</b>	<b>5,948,754</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 5,276,547</b>	<b>\$ 851,078</b>	<b>\$ 1,681,681</b>	<b>\$ 7,809,306</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, 2020**

Total governmental fund balances \$ 5,948,754

*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 the funds. 12,507,938

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	\$ 15,132	
Income taxes	732,978	
Intergovernmental	250,542	
Charges for services	51,213	
Other	5,720	
Total	<u>1,055,585</u>	1,055,585

The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the funds:

Deferred outflows - pension	\$ 848,015	
Deferred inflows - pension	(679,609)	
Net pension liability	(4,429,395)	
Deferred outflows - OPEB	491,257	
Deferred inflows - OPEB	(328,376)	
Net OPEB liability	<u>(1,621,418)</u>	
Total		(5,719,526)

Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds. (9,423)

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

General obligation bonds	\$ (28,000)	
Premium on bonds	(45)	
Capital lease payable	(661,708)	
Compensated absences	(407,932)	
Police pension liability	<u>(30,555)</u>	
Total		<u>(1,128,240)</u>

Net position of governmental activities \$ 12,655,088

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, 2020**

	General	Street Construction, Maintenance and Repair	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Income tax	\$ 3,629,718	\$ -	\$ -	\$ 3,629,718
Property and other taxes	459,209	-	-	459,209
Charges for services	139,293	-	546,025	685,318
Licenses and permits	169,540	-	-	169,540
Fines and forfeitures	12,936	-	2,217	15,153
Intergovernmental	285,713	491,445	742,721	1,519,879
Investment income	290,113	-	25,757	315,870
Contributions and donations	4,300	400	-	4,700
Other	3,341	528	-	3,869
Total revenue	<u>4,994,163</u>	<u>492,373</u>	<u>1,316,720</u>	<u>6,803,256</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	1,219,206	-	93,667	1,312,873
Security of persons and property	2,038,738	-	695,526	2,734,264
Public health and welfare	72,969	-	-	72,969
Basic utility services	-	-	484	484
Transportation	-	652,388	146,071	798,459
Community environment	348,593	-	95,247	443,840
Leisure time activities	89,689	-	233	89,922
Capital outlay	126,461	34,607	339,845	500,913
<b>Debt service:</b>				
Principal retirement	129,710	39,140	76,005	244,855
Interest and fiscal charges	23,804	2,341	1,971	28,116
Total expenditures	<u>4,049,170</u>	<u>728,476</u>	<u>1,449,049</u>	<u>6,226,695</u>
Excess of revenues over (under) expenditures	<u>944,993</u>	<u>(236,103)</u>	<u>(132,329)</u>	<u>576,561</u>
<b>Other financing sources (uses):</b>				
Inception of capital lease	-	-	141,225	141,225
Transfers - in	-	175,000	304,400	479,400
Transfers - out	(479,400)	-	-	(479,400)
Total other financing sources (uses)	<u>(479,400)</u>	<u>175,000</u>	<u>445,625</u>	<u>141,225</u>
Net change in fund balance	465,593	(61,103)	313,296	717,786
Fund balances at beginning of year	<u>3,270,262</u>	<u>681,905</u>	<u>1,278,801</u>	<u>5,230,968</u>
Fund balances at end of year	<u>\$ 3,735,855</u>	<u>\$ 620,802</u>	<u>\$ 1,592,097</u>	<u>\$ 5,948,754</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, 2020**

Net change in fund balances - Total governmental funds \$ 717,786

*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	\$ 500,913	
Depreciation expense	(851,285)	
Excess of capital outlay over depreciation expense		(350,372)

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	\$ (3,117)	
Income taxes	118,638	
Intergovernmental	21,015	
Charges for services	20,225	
Other	1,225	
Net change in deferred inflows of resources during the year		157,986

Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows.

Pension		385,791
OPEB		5,614

Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.

Pension		(679,018)
OPEB		(183,401)

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	\$ (66,834)	
Decrease in police pension liability	1,504	
Decrease in accrued interest	1,742	
Amortization of premium	90	
Total additional expenditures		(63,498)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 28,000

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. 216,855

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. (141,225)

Change in net position of governmental activities \$ 94,518

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, 2020**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Municipal income tax	\$ 3,687,000	\$ 3,465,618	\$ 3,583,099	\$ 117,481
Property and other taxes	461,850	464,500	464,500	-
Charges for services	144,775	132,416	139,293	6,877
Licenses and permits	165,300	164,909	169,061	4,152
Fines and forfeitures	32,000	13,050	12,966	(84)
Intergovernmental	252,000	277,112	285,283	8,171
Interest	140,000	160,653	161,421	768
Contributions and donations	6,000	4,300	4,300	-
Other	7,175	906	905	(1)
<b>Total revenues</b>	<b>4,896,100</b>	<b>4,683,464</b>	<b>4,820,828</b>	<b>137,364</b>
<b>Expenditures:</b>				
Current:				
General government	1,522,812	1,365,568	1,301,814	63,754
Security of persons and property	3,071,622	2,442,315	2,294,648	147,667
Public health and welfare	117,261	93,493	81,123	12,370
Community environment	411,684	393,279	373,457	19,822
Leisure time activities	211,892	126,063	109,849	16,214
<b>Total expenditures</b>	<b>5,335,271</b>	<b>4,420,718</b>	<b>4,160,891</b>	<b>259,827</b>
Excess of revenues over (under) expenditures	(439,171)	262,746	659,937	397,191
Other financing sources (uses):				
Sale of capital assets	11,000	4,000	-	(4,000)
Transfers - in	3,500	3,500	3,482	(18)
Transfers - out	(532,900)	(482,900)	(482,882)	18
<b>Total other financing sources (uses)</b>	<b>(518,400)</b>	<b>(475,400)</b>	<b>(479,400)</b>	<b>(4,000)</b>
Net change in fund balance	(957,571)	(212,654)	180,537	393,191
Fund balance at beginning of year	2,557,172	2,557,172	2,557,172	-
Prior year encumbrances appropriated	321,671	321,671	321,671	-
<b>Fund balance at end of year</b>	<b>\$ 1,921,272</b>	<b>\$ 2,666,189</b>	<b>\$ 3,059,380</b>	<b>\$ 393,191</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, 2020**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ 507,000	\$ 498,065	\$ 496,493	\$ (1,572)
Contributions and donations	1,000	-	400	400
Other	2,000	528	528	-
Total revenues	510,000	498,593	497,421	(1,172)
<u>Expenditures:</u>				
Current:				
Transportation	917,225	802,502	767,871	34,631
Excess of revenues under expenditures	(407,225)	(303,909)	(270,450)	33,459
Other financing sources:				
Transfers - in	175,000	175,000	175,000	-
Net change in fund balance	(232,225)	(128,909)	(95,450)	33,459
Fund balance at beginning of year	425,669	425,669	425,669	-
Prior year encumbrances appropriated	57,225	57,225	57,225	-
Fund balance at end of year	\$ 250,669	\$ 353,985	\$ 387,444	\$ 33,459

See accompanying notes to the basic financial statements.

**City of Louisville, Ohio**  
**Statement of Fund Net Position**  
**Proprietary Funds**  
**December 31, 2020**

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Total
<u>Assets:</u>			
Current assets:			
Equity in pooled cash and cash equivalents	\$ 4,190,992	\$ 4,931,598	\$ 9,122,590
Receivables:			
Income tax	234,386	156,258	390,644
Accounts	341,078	325,089	666,167
Materials and supplies inventory	1,198	481	1,679
Prepaid items	4,044	4,029	8,073
Total current assets	4,771,698	5,417,455	10,189,153
Noncurrent assets:			
Capital assets:			
Land	252,779	99,708	352,487
Construction in progress	3,024,102	435,790	3,459,892
Depreciable capital assets, net	5,375,804	7,462,526	12,838,330
Total noncurrent assets	8,652,685	7,998,024	16,650,709
Total assets	13,424,383	13,415,479	26,839,862
<u>Deferred outflows of resources:</u>			
Pension	66,197	47,809	114,006
OPEB	51,209	36,985	88,194
Total deferred outflows of resources	117,406	84,794	202,200
<u>Liabilities:</u>			
Current liabilities:			
Accounts payable	144,311	59,044	203,355
Accrued wages and benefits	23,135	24,175	47,310
Due to other governments	7,885	8,141	16,026
Income tax refunds payable	1,541	1,027	2,568
Accrued interest payable	187	47	234
Claims payable	564	564	1,128
Compensated absences payable	50,210	40,281	90,491
OPWC loans payable	43,429	42,253	85,682
OWDA loans payable	21,703	-	21,703
General obligation bonds payable	89,600	22,400	112,000
Total current liabilities	382,565	197,932	580,497
Long-term liabilities:			
Compensated absences payable	28,116	23,826	51,942
OPWC loans payable, net of current portion	936,404	1,183,086	2,119,490
OWDA loans payable, net of current portion	855,970	-	855,970
General obligation bonds payable, net of current portion	189	127	316
Net pension liability	418,649	302,358	721,007
Net OPEB liability	314,936	227,453	542,389
Total long-term liabilities	2,554,264	1,736,850	4,291,114
Total liabilities	2,936,829	1,934,782	4,871,611

**City of Louisville, Ohio**  
**Statement of Fund Net Position**  
**Proprietary Funds**  
**December 31, 2020**  
**(Continued)**

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Total
<u>Deferred inflows of resources:</u>			
Pension	95,537	69,000	164,537
OPEB	46,047	33,257	79,304
Total deferred inflows of resources	141,584	102,257	243,841
<u>Net position:</u>			
Net investment in capital assets	6,705,390	6,750,158	13,455,548
Unrestricted	3,757,986	4,713,076	8,471,062
Total net position	\$ 10,463,376	\$ 11,463,234	\$ 21,926,610

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, 2020**

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Total
<u>Operating revenues:</u>			
Charges for services	\$ 1,623,021	\$ 1,461,044	\$ 3,084,065
Tap-in fees	4,600	3,300	7,900
Total operating revenues	<u>1,627,621</u>	<u>1,464,344</u>	<u>3,091,965</u>
<u>Operating expenses:</u>			
Personal services	428,609	446,760	875,369
Fringe benefits	183,398	173,581	356,979
Contractual services	301,378	346,378	647,756
Supplies and materials	62,997	68,444	131,441
Depreciation	288,883	341,208	630,091
Total operating expenses	<u>1,265,265</u>	<u>1,376,371</u>	<u>2,641,636</u>
Operating income	<u>362,356</u>	<u>87,973</u>	<u>450,329</u>
<u>Nonoperating revenues (expenses):</u>			
Municipal income tax	727,927	521,915	1,249,842
Interest and fiscal charges	(6,402)	(3,464)	(9,866)
Total nonoperating revenues (expenses)	<u>721,525</u>	<u>518,451</u>	<u>1,239,976</u>
Income before capital contributions and transfers	<u>1,083,881</u>	<u>606,424</u>	<u>1,690,305</u>
Capital contributions	207,000	-	207,000
Transfers - in	-	510,775	510,775
Transfers - out	(510,775)	-	(510,775)
Total capital contributions and transfers	<u>(303,775)</u>	<u>510,775</u>	<u>207,000</u>
Change in net position	780,106	1,117,199	1,897,305
Net position at beginning of year	<u>9,683,270</u>	<u>10,346,035</u>	<u>20,029,305</u>
Net position at end of year	<u>\$ 10,463,376</u>	<u>\$ 11,463,234</u>	<u>\$ 21,926,610</u>

See accompanying notes to the basic financial statements.

**City of Louisville, Ohio**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2020**

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Total
Cash flows from operating activities:			
Cash received from customers	\$ 1,581,750	\$ 1,424,335	\$ 3,006,085
Cash payments for employee services and benefits	(529,786)	(545,243)	(1,075,029)
Cash payments to suppliers for goods and services	(361,305)	(413,001)	(774,306)
Net cash provided by operating activities	<u>690,659</u>	<u>466,091</u>	<u>1,156,750</u>
Cash flows from noncapital financing activities:			
Transfers to other funds	(510,775)	-	(510,775)
Transfers from other funds	-	510,775	510,775
Income taxes received	708,195	486,560	1,194,755
Net cash provided by noncapital financing activities	<u>197,420</u>	<u>997,335</u>	<u>1,194,755</u>
Cash flows from capital and related financing activities:			
Loan issued	1,790,581	-	1,790,581
Capital grant	207,000	-	207,000
Interest paid on bonds and loans	(16,825)	(3,764)	(20,589)
Principal payment on bonds and loans and capital lease	(143,801)	(148,315)	(292,116)
Acquisition of capital assets	(2,297,107)	(204,193)	(2,501,300)
Net cash used for capital and related financing activities	<u>(460,152)</u>	<u>(356,272)</u>	<u>(816,424)</u>
Net increase in cash and cash equivalents	427,927	1,107,154	1,535,081
Cash and cash equivalents at beginning of year	3,763,065	3,824,444	7,587,509
Cash and cash equivalents at end of year	<u>\$ 4,190,992</u>	<u>\$ 4,931,598</u>	<u>\$ 9,122,590</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 362,356	\$ 87,973	\$ 450,329
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	288,883	341,208	630,091
Change in assets, deferred outflows, liabilities and inflows of resources:			
(Increase) decrease in assets and deferred outflows of resources:			
Accounts receivable	(45,871)	(40,009)	(85,880)
Materials and supplies inventory	1,178	2,867	4,045
Prepaid items	911	1,012	1,923
Deferred outflows of resources - pension/OPEB	82,390	59,504	141,894
Increase (decrease) in liabilities and deferred inflows of resources:			
Accounts payable	2,299	(694)	1,605
Claims payable	323	215	538
Accrued wages and benefits	11,537	19,961	31,498
Compensated absences	14,358	12,024	26,382
Due to other governments	2,066	3,530	5,596
Net pension liability	(172,290)	(124,431)	(296,721)
Net OPEB liability	15,793	11,405	27,198
Deferred inflows of resources - pension/OPEB	126,726	91,526	218,252
Net cash provided by operating activities	<u>\$ 690,659</u>	<u>\$ 466,091</u>	<u>\$ 1,156,750</u>

See accompanying notes to the basic financial statements.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

**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, 2020**

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 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 are 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.

**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 and deferred inflows of resources is reported as fund balance. The City's major governmental funds are the general fund and the street construction, maintenance and repair fund.

*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.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

*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.

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, 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.

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

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

Like the government-wide statements, all proprietary funds and the component unit are accounted for on a flow of economic resources measurement focus. All assets, liabilities, deferred outflows of resources and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement revenues, expenses and changes in fund net position present 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.

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. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension and other postemployment benefits (OPEB). The deferred outflows of resources related to pension and OPEB are explained in Notes 14 and 15.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

In addition to liabilities, the statements of net position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized 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, 2020, but which were levied to finance fiscal year 2021 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, intergovernmental grants, and charges for services. These amounts are deferred and recognized as inflows of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position and the proprietary funds statement of fund net position. (See Notes 14 and 15)

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, 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.

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 or less than the prior estimates and the budget commission finds 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 2020.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

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 appropriations 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 an 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 and within each department, the amount for personal services. 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.

During 2020, investments were limited to interest in the State Treasury Asset Reserve of Ohio (STAR Ohio), certificates of deposits, commercial paper and government-sponsored enterprise investments. The government-sponsored enterprise (GSE) investments, which are not backed by the full faith and credit of the federal government, were held as investments at year-end by the City. The GSE investments held were issued from Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Federal National Mortgage Association (FNMA) and Federal Home Loan Mortgage Corporation (FHLMC). 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.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

The City's investment in the State Treasury Asset Reserve of Ohio (STAR Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company and is recognized as an external investment pool by the City. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For 2020, there were no limitation or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice is appreciated 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

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, 2020 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.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

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 acquisition 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 activities 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.

All reported capital assets are depreciated except for land, right of ways 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>	<u>Governmental and Business-Type Activities 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. Pension and Other Postemployment Benefits (OPEB)**

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

The current accounting standard requires Cities to report their proportionate share of the net pension/OPEB liability using the earning approach to pension and OPEB accounting instead of the funding approach as previously used. The funding approach limited pension and postemployment costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension/OPEB liability. Under the new standards, the net pension/OPEB liability equals the City's proportionate share of each plan's collective present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service minus plan assets available to pay these benefits.

Pension and OPEB obligations, whether funded or unfunded, are part of the employment exchange. The employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. The unfunded portion of this benefit of exchange is a liability of the City. However, the City is not responsible for key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension/OPEB benefits with the employer. Benefit provisions and both employer and employee contribution rates are determined by State statute. The employee and employer enter the employment exchange with the knowledge that the exchange is limited by law. The pension system is responsible for the administration of the pension and OPEB plans.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

There is no repayment schedule for the net pension/OPEB liability. The City has no control over the changes in the benefits, contributions rates, and return on investments affecting the balance of the liabilities. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not identify the responsible party for the unfunded portion. Due to the unique nature of how the pension/OPEB liability is satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

**K. 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.

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

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

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

**M. 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, 2020**

*Restricted* – The 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* – The 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.

**N. Contributions of Capital**

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

**O. 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, 2020**

**P. 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.

**Q. 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 column 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.

**R. 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 includes amounts to provide general government services. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**S. 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.

**T. 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, 2020**

**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 fund and all other governmental funds are as follows:

Fund Balances	General	Street Construction, Maintenance and Repair	Other Governmental Funds	Total Governmental Funds
<u>Nonspendable</u>				
Materials and supplies inventory	\$ -	\$ 93,391	\$ 7,572	\$ 100,963
Prepays	28,175	4,572	11,204	43,951
Total nonspendable	<u>28,175</u>	<u>97,963</u>	<u>18,776</u>	<u>144,914</u>
<u>Restricted for</u>				
Streets and highways	-	560,659	482,890	1,043,549
Court activities	-	-	17,337	17,337
Police services	-	-	20,641	20,641
Capital improvements	-	-	235,890	235,890
Debt service payments	-	-	30,365	30,365
Total restricted	<u>-</u>	<u>560,659</u>	<u>787,123</u>	<u>1,347,782</u>
<u>Committed</u>				
Fire and EMS services	-	-	203,391	203,391
Storm water	-	-	585,874	585,874
Total committed	<u>-</u>	<u>-</u>	<u>789,265</u>	<u>789,265</u>
<u>Assigned</u>				
General government	45,650	-	-	45,650
Security of persons and property	20,614	-	-	20,614
Public health and welfare	8,154	-	-	8,154
Community environment	3,869	-	-	3,869
Leisure time activities	14,625	-	-	14,625
Next year's budget	900,696	-	-	900,696
Total assigned	<u>993,608</u>	<u>-</u>	<u>-</u>	<u>993,608</u>
Unassigned	<u>2,714,072</u>	<u>-</u>	<u>-</u>	<u>2,714,072</u>
Total fund balances	<u>\$ 3,735,855</u>	<u>\$ 658,622</u>	<u>\$ 1,595,164</u>	<u>\$ 5,989,641</u>

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

**NOTE 3 - BUDGETARY BASIS OF ACCOUNTING**

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While reporting financial position, results of operations, and changes in fund balance 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.

The statement of revenues, expenditures, and changes in fund balances - budget (Non-GAAP basis) and actual presented for the general fund and street construction, maintenance and repair 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).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and the street construction, maintenance and repair fund.

Net Change in Fund Balance		
	<u>General</u>	Street Construction, Maintenance and Repair
GAAP Basis	\$ 465,593	\$ (23,283)
Revenue accruals	(169,853)	5,048
Expenditure accruals	27,701	43,916
Encumbrances (Budget Basis) outstanding at year end	<u>(142,904)</u>	<u>(121,131)</u>
Budget Basis	<u>\$ 180,537</u>	<u>\$ (95,450)</u>

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

**NOTE 4 – DEPOSITS AND INVESTMENTS**

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**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 Treasury Asset Reserve (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. The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose fair value at all times shall be at least one hundred five percent of the deposits being secured. If the institution participates in the Ohio Pooled Collateral System (OPCS), the total fair value of the securities pledged can be one hundred two percent or lower if permitted by the Treasurer of State.

The City's financial institution participates in the OPCS and was approved for a reduced collateral floor of 50 percent. At year-end, the carrying amount of the City's deposits was \$4,283,149, and \$1,464,314 of the City's total bank balance of \$4,559,680 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized.

**B. Investments**

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

**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

Investment Type	Fair Value	Percentage of Investments	Investment Maturities (in years)		
			< 1 year	< 2 years	2-5 years
Federal Home Loan Mortgage Corporation Bonds	\$ 1,298,945	12.64%	\$ -	\$ -	\$ 1,298,945
Federal Farm Credit Bank Bonds	475,813	4.63%	-	-	475,813
Federal National Mortgage Association Bonds	1,216,874	11.85%	266,423	-	950,451
Commerical paper	1,372,661	13.36%	1,372,661	-	-
Negotiable certificates of deposit	4,492,533	43.73%	703,003	1,723,493	2,066,037
STAR Ohio	750,597	7.31%	750,597	-	-
Government obligation mutual sweep	665,627	6.48%	665,627	-	-
Total investments	<u>\$ 10,273,050</u>	<u>100.00%</u>	<u>\$ 3,758,311</u>	<u>\$ 1,723,493</u>	<u>\$ 4,791,246</u>

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The preceding table identifies the City's recurring fair value measurement as of December 31, 2020. As previously discussed, Star Ohio is reported at its net asset value. The City's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

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 2020 amounted to \$290,113, which includes \$225,368 assigned from other City funds.

Custodial Credit Risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. All financial institutions and broker/dealers who desire to become qualified for investment transactions with the City must meet a set of prescribed standards and be periodically reviewed. The investments in the Federal Home Loan Mortgage Corporation (FHLMC), Federal Farm Credit Bank (FFCB) and Federal National Mortgage Association (FNMA) are held by the counterparty's trust department or agent and not in the City's name. All of the City's negotiable certificates of deposit are registered securities.

Interest Rate Risk - In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio in years, unless matched to a specific obligation of debt of the City.

Credit Risk - The City's investment policy limits its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The City's investments in FHLMC, FFCB and FNMA have an Aaa credit rating from Moody's. The City's investment in STAR Ohio has an AAAM credit rating from S&P. The City's investments in commercial paper and negotiable certificates of deposit were not rated or the ratings were unavailable.

**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

**Component Unit**

Deposits

The carrying amount of the Louisville Community Improvement Corporation’s deposits was \$211,285 and the bank balance was \$211,285 at December 31, 2020. Of the bank balances, none of the monies were collateralized with securities held by the pledging financial institution’s trust department or agent but not in the Corporation’s name.

**NOTE 5 - RECEIVABLES**

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Receivables at December 31, 2020 for governmental funds consisted primarily of municipal income taxes, property and other taxes, amounts due from other governments and accounts.

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	\$ 234,006
Homestead and rollback	32,069
Local government	71,758
Motor vehicle tax	30,362
Permissive sales tax	<u>5,651</u>
Total	<u>\$ 373,846</u>

**NOTE 6 – INTERFUND TRANSFERS**

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Interfund transfers for governmental funds for the year ended December 31, 2020, consisted of the following:

<u>Transfer to</u>	<u>Transfer from</u> <u>General</u> <u>fund</u>
Street Construction, Maintenance and Repair fund	\$ 175,000
Other governmental funds	<u>304,400</u>
Total transfers	<u>\$ 479,400</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.

**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
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**NOTE 7 - CAPITAL ASSETS**

Governmental Activities: The summary of the governmental capital asset activity as of December 31, 2020 follows:

<u>Governmental activities</u>	<u>Balance</u> <u>12/31/2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2020</u>
Capital assets, not being depreciated:				
Land	\$ 486,277	\$ -	\$ -	\$ 486,277
Right of ways	812,350	-	-	812,350
Construction in progress	-	37,140	-	37,140
Total capital assets, not being depreciated	<u>1,298,627</u>	<u>37,140</u>	<u>-</u>	<u>1,335,767</u>
Capital assets, being depreciated:				
Land improvements	963,767	4,000	-	967,767
Buildings and building improvements	2,237,319	19,051	-	2,256,370
Machinery and equipment	1,088,132	128,946	-	1,217,078
Vehicles	3,451,876	234,102	-	3,685,978
Infrastructure	10,927,159	77,674	-	11,004,833
Total capital assets, being depreciated	<u>18,668,253</u>	<u>463,773</u>	<u>-</u>	<u>19,132,026</u>
Less accumulated depreciation:				
Land improvements	(725,566)	(41,291)	-	(766,857)
Buildings and building improvements	(1,192,342)	(64,245)	-	(1,256,587)
Machinery and equipment	(579,294)	(87,104)	-	(666,398)
Vehicles	(2,048,197)	(278,285)	-	(2,326,482)
Infrastructure	(2,563,171)	(380,360)	-	(2,943,531)
Total accumulated depreciation	<u>(7,108,570)</u>	<u>(851,285)</u>	<u>-</u>	<u>(7,959,855)</u>
Total capital assets being depreciated, net	<u>11,559,683</u>	<u>(387,512)</u>	<u>-</u>	<u>11,172,171</u>
Governmental activities capital assets, net	<u>\$ 12,858,310</u>	<u>\$ (350,372)</u>	<u>\$ -</u>	<u>\$ 12,507,938</u>

Depreciation Expense: Depreciation expense charged to governmental functions for the year ending December 31, 2020 is as follows:

	<u>Amount</u>
General government	\$ 71,486
Security of persons and property	300,303
Transportation	424,942
Leisure time activities	54,554
	<u>\$ 851,285</u>

Business-type Activities: The summary of the business-type activities' capital asset activity as of December 31, 2020 follows:



**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

	Balance <u>12/31/2019</u>	Increases	Decreases	Balance <u>12/31/2020</u>
<b><u>Business-type activities</u></b>				
Capital assets, not being depreciated:				
Land	\$ 352,487	\$ -	\$ -	\$ 352,487
Construction in progress	<u>3,939,380</u>	<u>2,426,212</u>	<u>(2,985,345)</u>	<u>3,380,247</u>
Total capital assets, not being depreciated	<u>4,291,867</u>	<u>2,426,212</u>	<u>(2,985,345)</u>	<u>3,732,734</u>
Capital assets, being depreciated:				
Land improvements	73,970	-	-	73,970
Buildings and building improvements	9,011,137	-	-	9,011,137
Machinery and equipment	1,101,239	84,773	-	1,186,012
Vehicles	623,280	8,871	-	632,151
Infrastructure	<u>13,229,449</u>	<u>3,026,495</u>	-	<u>16,255,944</u>
Total capital assets, being depreciated	<u>24,039,075</u>	<u>3,120,139</u>	-	<u>27,159,214</u>
Less accumulated depreciation:				
Land improvements	(72,533)	(1,437)	-	(73,970)
Buildings and building improvements	(5,740,831)	(178,467)	-	(5,919,298)
Machinery and equipment	(262,855)	(103,810)	-	(366,665)
Vehicles	(366,642)	(59,178)	-	(425,820)
Infrastructure	<u>(7,247,932)</u>	<u>(287,199)</u>	-	<u>(7,535,131)</u>
Total accumulated depreciation	<u>(13,690,793)</u>	<u>(630,091)</u>	-	<u>(14,320,884)</u>
Total capital assets being depreciated, net	<u>10,348,282</u>	<u>2,490,048</u>	-	<u>12,838,330</u>
Business-type activities capital assets, net	<u>\$ 14,640,149</u>	<u>\$ 4,916,260</u>	<u>\$ (2,985,345)</u>	<u>\$ 16,571,064</u>

**Depreciation Expense:** Depreciation expense charged to business-type activities for the year ending December 31, 2020 is as follows:

	<u>Amount</u>
Water	\$ 288,883
Sewer	<u>341,208</u>
Total	<u>\$ 630,091</u>

**NOTE 8 - COMPENSATED ABSENCES**

City employees earn vacation leave at varying rates based upon length of service, from two to six weeks per year. Vacation is required to be taken within two years 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 of Louisville, Ohio**  
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**For the Year Ended December 31, 2020**

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**

Governmental Activities: A summary of the governmental activities' debt and other long-term obligations as of December 31, 2020 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>Governmental activities</u></b>					
<b><u>General obligation bonds</u></b>					
2011 Refunding bonds	\$ 56,000	\$ -	\$ (28,000)	\$ 28,000	\$ 28,000
2011 Refunding premium	135	-	(90)	45	-
Total general obligation bonds	<u>56,135</u>	<u>-</u>	<u>(28,090)</u>	<u>28,045</u>	<u>28,000</u>
<b><u>Other long-term obligations</u></b>					
Police pension liability, 4.25%	32,059	-	(1,504)	30,555	1,569
Compensated absences	341,098	273,846	(207,012)	407,932	258,980
Capital leases	737,338	141,225	(216,855)	661,708	220,747
Net pension liability:					
OPERS	2,265,268	-	(660,448)	1,604,820	-
OP&F	3,278,199	-	(453,624)	2,824,575	-
Net OPEB liability:					
OPERS	1,146,717	60,536	-	1,207,253	-
OP&F	<u>365,727</u>	<u>48,438</u>	<u>-</u>	<u>414,165</u>	<u>-</u>
Total other long-term obligations	<u>8,166,406</u>	<u>524,045</u>	<u>(1,539,443)</u>	<u>7,151,008</u>	<u>481,296</u>
Total governmental activities	<u>\$ 8,222,541</u>	<u>\$ 524,045</u>	<u>\$ (1,567,533)</u>	<u>\$ 7,179,053</u>	<u>\$ 509,296</u>

**City of Louisville, Ohio**  
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Business-type Activities: A summary of the business-type activities' debt and other long-term obligations as of December 31, 2020 follows:

	Balance January 1	Additions	Reductions	Amount Outstanding December 31	Amount Due in One Year
<b><u>Business-type activities</u></b>					
<b><u>General obligation bonds</u></b>					
2011 Refunding bonds	\$ 224,000	\$ -	\$ (112,000)	\$ 112,000	\$ 112,000
Unamortized premium	948	-	(632)	316	-
Total general obligation bonds	224,948	-	(112,632)	112,316	112,000
<b><u>Other long-term obligations</u></b>					
2020 Ohio Public Works					
Commission Loan 0%	-	932,074	-	932,074	19,550
2001 Ohio Public Works					
Commission Loan 0%	71,638	-	(23,879)	47,759	23,879
2018 Ohio Public Works					
Commission Loan 0%	1,267,592	-	(42,253)	1,225,339	42,253
2005 Ohio Water Development					
Authority Loan 3.98%	20,152	-	(20,152)	-	-
2018 Ohio Water Development					
Authority Loan 0%	10,170	-	(10,170)	-	-
2019 Ohio Water Development					
Authority Loan 0%	19,166	858,507	-	877,673	21,703
Compensated absences	116,051	96,254	(69,872)	142,433	90,491
Capital lease	83,662	-	(83,662)	-	-
Net pension liability:					
OPERS - Water portion	590,939	-	(172,290)	418,649	-
OPERS - Sewer portion	426,789	-	(124,431)	302,358	-
Net OPEB liability:					
OPERS - Water portion	299,143	15,793	-	314,936	-
OPERS - Sewer portion	216,048	11,405	-	227,453	-
Total other long-term obligations	3,121,350	1,914,033	(546,709)	4,488,674	197,876
Total business-type activities	\$ 3,346,298	\$ 1,914,033	\$ (659,341)	\$ 4,600,990	\$ 309,876

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.

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.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
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Loans: The 2020 OPWC loan outstanding has not yet been finalized but will require equal payments over thirty years for a water treatment plant improvements project. The City made a draw down of \$932,074 on this loan during the year. The 2001 \$47,759 OPWC loan outstanding is an interest-free loan for a water tower, and requires equal payments over twenty years. The 2018 \$1,225,339 OPWC interest free loan outstanding will require equal payments over thirty years for the wastewater treatment clarifier project. The 2005 Ohio Water Development Authority (OWDA) loan for the East Well Field conversion and raw water main final payment of \$20,152 was made during the year. The 2018 OWDA loan for the water treatment plant project final payment of \$10,170 was paid during the year. The 2019 OWDA loan is in the planning phase for a water treatment plant improvement project and has not yet been finalized. The City made a draw down of \$858,507 on this loan during the year.

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.

Normally the City would pay net pension/OPEB liability obligations from the fund benefitting from employee services. However, in Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB against the public employer.

The annual requirements to amortize all bonded debt and loans as of December 31, 2020, including interest payments of \$700 and \$291,743, respectively for governmental and business-type activities, are as follows:

Governmental Activities:

	General Obligation Debt		Police Pension
	Principal	Interest	Installment
2021	\$ 28,000	\$ 700	\$ 1,569
2022	-	-	1,636
2023	-	-	1,706
2024	-	-	1,780
2025	-	-	1,856
2026-2030	-	-	10,548
2031-2035	-	-	11,460
	<u>\$ 28,000</u>	<u>\$ 700</u>	<u>\$ 30,555</u>

**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

Business-type Activities:

	General Obligation Debt		OWDA Loans		OPWC Loans *
	Principal	Interest	Principal	Interest	Principal
2021	\$ 112,000	\$ 2,800	\$ 21,703	\$ 17,184	\$ 85,682
2022	-	-	22,133	16,754	105,232
2023	-	-	22,571	16,316	81,353
2024	-	-	23,018	15,869	81,353
2025	-	-	23,474	15,413	81,353
2026-2030	-	-	124,526	69,910	406,765
2031-2035	-	-	137,350	57,086	406,765
2036-2040	-	-	151,495	42,941	406,765
2041-2045	-	-	167,096	27,339	406,765
2046-2050	-	-	184,307	10,131	364,512
2051	-	-	-	-	19,553
	<u>\$ 112,000</u>	<u>\$ 2,800</u>	<u>\$ 877,673</u>	<u>\$ 288,943</u>	<u>\$ 2,446,098</u>

\* This OPWC schedule includes the final draw of \$240,926.

**NOTE 10 – CAPITALIZED LEASE**

During 2020, the City entered into a capital lease for the acquisition of an ambulance. In a prior year, the City entered into a capital lease for the acquisition of an aerial ladder truck, a dump truck and for radios 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 capital assets consisting of vehicles have been capitalized in the amount of \$1,182,704. The depreciation expense of these assets is reported within governmental 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.

For the business-type activities, capital assets consisting of equipment have been capitalized in the statement of net position in the amount of \$169,968. The final lease payment of \$83,662 was paid from the sewer fund during the year.

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, 2020:

***City of Louisville, Ohio***  
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<u>Year</u>	Lease Payments Governmental <u>Activities</u>
2021	\$ 243,569
2022	155,950
2023	107,374
2024	107,374
2025	<u>107,374</u>
Total minimum lease payments	721,641
Less: amount representing interest	<u>(59,933)</u>
Total	<u>\$ 661,708</u>

**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. 2020 public utility property taxes became a lien December 31, 2019, are levied after October 1, 2020, and are collected in 2021 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, 2020 and for which there is an enforceable legal claim. In the governmental funds, the current portion of the receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2020 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, 2020, was \$2.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2019 property tax receipts were based are as follows:

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

<u>Property Category</u>	<u>Valuations for 2020 Collections</u>	
	<u>Assessed Value</u>	<u>Percent</u>
<u>Real Property</u>		
Residential and agricultural	\$ 146,623,610	78.45 %
Commercial and industrial	35,277,150	18.87
Public utilities	<u>5,006,190</u>	<u>2.68</u>
Total	<u>\$ 186,906,950</u>	<u>100.00 %</u>

**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% (up to a 2% rate) on income tax earned outside the City and paid to another municipality.

**NOTE 13 - CONTINGENCIES**

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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.

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

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

**NOTE 14 - DEFINED BENEFIT PENSION PLANS**

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Net pension liability

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

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

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

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

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



**City of Louisville, Ohio**  
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**For the Year Ended December 31, 2020**

Ohio Public Employees Retirement System

Plan Description – City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. 1.) The traditional pension plan (TP) - a cost-sharing, multiple-employer defined benefit pension plan. 2.) The member-directed plan (MD) - a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Members accumulate retirement assets equal to the value of the member and (vested) employer contributions, plus any investment earnings thereon. 3.) The combined plan (CP) - a cost-sharing, multiple-employer defined benefit pension plan. Employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the MD. While members (e.g. City employees) may elect the MD and the CP, substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional plan.

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

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

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

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

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

***City of Louisville, Ohio***  
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Once a benefit recipient retiring under the Traditional Plan has received benefits for 12 months, an annual cost-of-living adjustment (COLA) is provided on the member’s base benefit. Members retiring under the Combined Plan receive a cost-of-living adjustment on the defined benefit portion of their retirement benefit. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent. Additionally, a death benefit of \$500-\$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Traditional and Combined Plan.

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

	<u>State and Local</u>
<b>2020 Statutory maximum contribution rates</b>	
Employer	14.00 %
Employee	10.00 %
<b>2020 Actual contribution rates</b>	
Employer:	
Pension	14.00 %
Post-employment health care benefits	-
Total employer	<u>14.00 %</u>
Employee	<u>10.00 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$243,536 for 2020. Of this amount, \$35,364 is reported as due to other governments.

Ohio Police and Fire Pension Fund

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

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

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

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

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3% or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3% of their base pension or disability benefit.

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

	<u>Police</u>	<u>Firefighters</u>
<b>2020 Statutory maximum contribution rates</b>		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
<b>2020 Actual contribution rates</b>		
Employer:		
Pension	19.00%	23.50%
Post-employment health care benefits	<u>0.50%</u>	<u>0.50%</u>
Total employer	<u>19.50%</u>	<u>24.00%</u>
Employee	12.25%	12.25%

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
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Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$217,751 for 2020. Of this amount, \$32,925 is reported as due to other governments.

In addition to current contributions, the City pays installments on a specific liability of the City incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2020, the specific liability of the City was \$30,555 payable in semi-annual payments through the year 2035.

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

The net pension liability for OPERS was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2019, and was determined by rolling forward the total pension liability as of January 1, 2019, to December 31, 2019. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the net pension liability - prior measurement date	0.011987%	0.040161%	
Proportion of the net pension liability - current measurement date	<u>0.011767%</u>	<u>0.041929%</u>	
Change in proportionate share	<u>-0.000220%</u>	<u>0.001768%</u>	
Proportionate share of the net pension liability	\$ 2,325,827	\$ 2,824,575	\$ 5,150,402
Pension expense	\$ 344,075	\$ 441,609	\$ 785,684

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**City of Louisville, Ohio**  
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	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ -	\$ 106,920	\$ 106,920
Changes of assumptions	124,226	69,336	193,562
Changes in proportion and differences between City contributions and proportionate share of contributions	-	200,252	200,252
City contributions subsequent to the measurement date	<u>243,536</u>	<u>217,751</u>	<u>461,287</u>
Total deferred outflows of resources	<u>\$ 367,762</u>	<u>\$ 594,259</u>	<u>\$ 962,021</u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ 29,407	\$ 145,674	\$ 175,081
Net difference between projected and actual earnings on pension plan investments	463,950	136,450	600,400
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>37,408</u>	<u>31,257</u>	<u>68,665</u>
Total deferred inflows of resources	<u>\$ 530,765</u>	<u>\$ 313,381</u>	<u>\$ 844,146</u>

\$461,287 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Year ending December 31:			
2021	\$ (81,344)	\$ 53,539	\$ (27,805)
2022	(160,189)	24,444	(135,745)
2023	19,212	89,054	108,266
2024	(184,218)	(99,684)	(283,902)
2025	<u>-</u>	<u>(4,226)</u>	<u>(4,226)</u>
Total	<u>\$ (406,539)</u>	<u>\$ 63,127</u>	<u>\$ (343,412)</u>

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**Actuarial Assumptions - OPERS**

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Experience study	5 - year period ended December 31, 2015
Wage inflation	3.25 percent
Future salary increases, including inflation -Traditional plan COLA or Ad Hoc COLA	3.25 percent to 10.75 percent Pre January 7, 2013 retirees, 3.00 percent, simple Post January 7, 2013 retirees, 1.40 percent, simple through 2020, then 2.15 percent, simple
Investment rate of return	7.20 percent
Actuarial cost method	Individual entry age

Mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant mortality tables were used, adjusted for mortality improvement back to the observation period base year of 2006 and then established the base year as 2015. For females, Healthy Annuitant mortality tables were used, adjusted for mortality improvement back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

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

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 17.2 percent for 2019.

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The allocation of investment assets within the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2019 and the long-term expected real rates of return:

<u>Asset class</u>	<u>Target allocation</u>	<u>Weighted average long-term expected real rate of return (arithmetic)</u>
Fixed income	25.00%	1.83%
Domestic equities	19.00%	5.75%
Real estate	10.00%	5.20%
Private equity	12.00%	10.70%
International equities	21.00%	7.66%
Other investments	<u>13.00%</u>	<u>4.98%</u>
Total	<u>100.00%</u>	<u>5.61%</u>

**Discount Rate** The discount rate used to measure the total pension liability was 7.2 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	<u>1% Decrease (6.20%)</u>	<u>Current discount rate (7.20%)</u>	<u>1% Increase (8.20%)</u>
City's proportionate share of the net pension liability	\$ 3,836,042	\$ 2,325,827	\$ 968,189

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**Actuarial Assumptions – OP&F**

OP&F’s total pension liability as of December 31, 2019 is based on the results of an actuarial valuation date of January 1, 2019, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2019, are presented below:

Valuation date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial cost method	Entry age normal
Investment rate of return	8.00 percent
Projected salary increases	3.75 percent to 10.50 percent
Payroll increases	3.25 percent
Inflation assumptions	2.75 percent
Cost of living adjustments	2.20 percent and 3.00 percent

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

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

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

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

The most recent experience study was completed December 31, 2016.



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The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2019 are summarized below:

<u>Asset class</u>	<u>Target allocation</u>	<u>Long-term expected real rate of return</u>
Cash and cash equivalents	0.00%	1.00%
Domestic equity	16.00%	5.40%
Non-US equity	16.00%	5.80%
Private markets	8.00%	8.00%
Core fixed income *	23.00%	2.70%
High yield	7.00%	4.70%
Private credit	5.00%	5.50%
U.S. inflation linked bonds*	17.00%	2.50%
Master limited partnerships	8.00%	6.60%
Real assets	8.00%	7.40%
Real estate	<u>12.00%</u>	6.40%
 Total	 <u>120.00%</u>	

Note: Assumptions are geometric

\* Levered 2x.

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

**Discount Rate** The total pension liability was calculated using the discount rate of 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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***Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

	1% Decrease <u>(7.00%)</u>	Current discount rate <u>(8.00%)</u>	1% Increase <u>(9.00%)</u>
City's proportionate share of the net pension liability	\$ 3,914,762	\$ 2,824,575	\$ 1,912,741

**NOTE 15 - POSTEMPLOYMENT BENEFITS**

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Net OPEB liability

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

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

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

Ohio Public Employees Retirement System

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member-directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Comprehensive Annual Financial Report referenced below for additional information.

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

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2020. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2020 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2020.

Ohio Police and Fire Pension Fund

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment healthcare plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, and Medicare Part B premiums to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

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

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

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2020, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$5,614 for 2020. Of this amount, \$849 is reported as due to other governments.

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019, by incorporating the expected value of health care cost accruals, the actual health care payments, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2019, and was determined by rolling forward the total OPEB liability as of January 1, 2019, to December 31, 2019. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the net OPEB liability - prior measurement date	0.012747%	0.040161%	
Proportion of the net OPEB liability - current measurement date	<u>0.012667%</u>	<u>0.041929%</u>	
Change in proportionate share	<u>-0.000080%</u>	<u>0.001768%</u>	
Proportionate share of the net OPEB liability	\$ 1,749,642	\$ 414,165	\$ 2,163,807
OPEB expense	\$ 191,780	\$ 51,074	\$ 242,854

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

**City of Louisville, Ohio**  
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	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ 47	\$ -	\$ 47
Changes of assumptions	276,950	242,138	519,088
Changes in proportion and differences between City contributions and proportionate share of contributions	7,502	47,200	54,702
City contributions subsequent to the measurement date	<u>-</u>	<u>5,614</u>	<u>5,614</u>
Total deferred outflows of resources	<u>\$ 284,499</u>	<u>\$ 294,952</u>	<u>\$ 579,451</u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ 160,013	\$ 44,539	\$ 204,552
Net difference between projected and actual earnings on OPEB plan investments	89,091	19,058	108,149
Changes of assumptions	-	88,264	88,264
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>6,715</u>	<u>-</u>	<u>6,715</u>
Total deferred inflows of resources	<u>\$ 255,819</u>	<u>\$ 151,861</u>	<u>\$ 407,680</u>

\$5,614 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Year ending December 31:			
2021	\$ 47,909	\$ 24,916	\$ 72,825
2022	18,770	24,916	43,686
2023	71	28,825	28,896
2024	(38,070)	22,661	(15,409)
2025	-	24,543	24,543
Thereafter	<u>-</u>	<u>11,616</u>	<u>11,616</u>
Total	<u>\$ 28,680</u>	<u>\$ 137,477</u>	<u>\$ 166,157</u>

***Actuarial Assumptions - OPERS***

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

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Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Experience study	5 - year period ended December 31, 2015
Wage inflation	3.25 percent
Projected salary increases	3.25 to 10.75 percent (includes wage inflation at 3.25 percent)
Single discount rate:	
Current measurement date	3.16 percent
Prior measurement date	3.96 percent
Investment rate of return	6.00 percent
Municipal bond rate	2.75 percent
Health care cost trend rate	10.50 percent, initial 3.50 percent, ultimate in 2030
Actuarial cost method	Individual entry age normal

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

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

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is 19.7 percent for 2019.

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The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2019 and the long-term expected real rates of return:

<u>Asset class</u>	<u>Target allocation</u>	<u>Weighted average long-term expected real rate of return (arithmetic)</u>
Fixed income	36.00%	1.53%
Domestic equities	21.00%	5.75%
Real estate investment trust	6.00%	5.69%
International equities	23.00%	7.66%
Other investments	<u>14.00%</u>	<u>4.90%</u>
Total	<u>100.00%</u>	<u>4.55%</u>

**Discount Rate** A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.75 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

**Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate**  
The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.16 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.16 percent) or one percentage point higher (4.16 percent) than the current rate:

	<u>1% Decrease (2.16%)</u>	<u>Current discount rate (3.16%)</u>	<u>1% Increase (4.16%)</u>
Proportionate share of the net OPEB liability	\$ 2,289,687	\$ 1,749,642	\$ 1,317,241



**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

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

	<u>1% Decrease</u>	Current health care cost trend rate <u>assumption</u>	<u>1% Increase</u>
Proportionate share of the net OPEB liability	\$1,698,011	\$1,749,642	\$1,800,614

Retiree health care valuations use a health care cost-trend assumption with changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2020 is 10.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

***Actuarial Assumptions – OP&F***

OP&F’s total OPEB liability as of December 31, 2019 is based on the results of an actuarial valuation date of January 1, 2019, rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

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

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

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

Valuation date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial cost method	Entry age normal
Investment rate of return	8.00 percent
Projected salary increases	3.75 percent to 10.50 percent
Payroll growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.50 percent
Single discount rate:	
Current measurement date	3.56 percent
Prior measurement date	4.66 percent
Cost of living adjustments	3.00 percent simple; 2.20 percent simple for increases based on the lesser of the increase in CPI and 3.00 percent

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

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

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

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

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

The OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 14.

**City of Louisville, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

**Discount Rate** For 2019, the total OPEB liability was calculated using the discount rate of 3.56 percent. For 2018, the total OPEB liability was calculated using the discount rate of 4.66 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OP&F’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.75 percent at December 31, 2019 and 4.13 percent at December 31, 2018 was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.56 percent for 2019 and 4.66 percent for 2018. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments until 2034. The long-term expected rate of return on health care investments was applied to projected costs through 2033, and the municipal bond rate was applied to all health care costs after that date.

**Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate** Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 3.56 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.56 percent), or one percentage point higher (4.56 percent) than the current rate.

	1% Decrease <u>(2.56%)</u>	Current discount rate <u>(3.56%)</u>	1% Increase <u>(4.56%)</u>
City's proportionate share of the net OPEB liability	\$ 513,539	\$ 414,165	\$ 331,593

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

**Changes between Measurement Date and Report Date** There was a decrease in the discount rate from 4.66 percent at the prior measurement date to 3.56 percent at the current measurement date. There are no changes to benefit terms.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

**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 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 City's settled claims have not exceeded insurance coverage and has not had any reduction in insurance coverage in the past three years.

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 a \$50 per person deductible, and no deductible for the vision plan. 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 \$2,409 reported in the funds at December 31, 2020 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 2020 and 2019 were:

	Year ended <u>12/31/2020</u>	Year ended <u>12/31/2019</u>
Unpaid claims, beginning of fiscal year	\$ 1,589	\$ 3,030
Incurred claims (including IBNRs)	31,429	36,589
Claim payments	<u>(30,609)</u>	<u>(38,030)</u>
Unpaid claims, end of fiscal year	<u>\$ 2,409</u>	<u>\$ 1,589</u>

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

**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. During 2020, the City did not contribute to the Council. Financial statements of the Council can be obtained from the Stark County Council of Governments P.O. Box 21451, Canton, Ohio 44701-1451.

**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.

*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. Complete financial statements can be obtained from the Louisville Community Improvement Corporation.

**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 Huntington National 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, 2020 the two series of Healthcare and Housing Facility Bonds outstanding have been paid in full. The final aggregate principal amount of \$855,000 was paid during the year.

***City of Louisville, Ohio***  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2020**

**NOTE 20 – CORONAVIROUS 2019 (COVID-19)**

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The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The City's investment portfolio and the investments of the pension and other employee benefit plan in which the City participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

**Required Supplementary Information**

**City of Louisville, Ohio**  
**Required Supplementary Information**  
**Schedule of the City's Proportionate Share of the Net Pension Liability**  
**Last Seven Years (1)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Ohio Public Employees Retirement System - Traditional Plan</b>				
City's proportion of the net pension liability	0.011767%	0.011987%	0.012143%	0.012323%
City's proportionate share of the net pension liability	\$ 2,325,827	\$ 3,282,996	\$ 1,905,001	\$ 2,798,344
City's covered payroll	\$ 1,655,643	\$ 1,798,886	\$ 1,626,715	\$ 1,570,433
City's proportionate share of the net pension liability as a percentage of its covered payroll	140.48%	182.50%	117.11%	178.19%
Plan fiduciary net position as a percentage of total pension liability	84.17%	74.70%	84.66%	77.25%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Ohio Police and Fire Pension Fund</b>				
City's proportion of the net pension liability	0.040161%	0.040161%	0.039510%	0.039082%
City's proportionate share of the net pension liability	\$ 2,824,575	\$ 3,278,199	\$ 2,424,929	\$ 2,475,410
City's covered payroll	\$ 979,049	\$ 963,972	\$ 885,007	\$ 846,141
City's proportionate share of the net pension liability as a percentage of its covered payroll	288.50%	340.07%	274.00%	292.55%
Plan fiduciary net position as a percentage of total pension liability	69.89%	63.07%	70.91%	68.36%

(1) Information prior to 2014 is not available and the amounts presented are as of the City's measurement date which is the prior year end.

(2) Restated during 2015.



2016	2015	2014
0.011884%	0.012634%	0.012634%
\$ 2,058,459	\$ 1,523,802	\$ 1,489,384
\$ 1,446,942	\$ 1,445,233	\$ 1,397,185
142.26%	105.44%	106.60%
81.08%	86.45%	86.36%

2016	2015	2014
0.040762%	0.033764%	0.033764%
\$ 2,622,234	\$ 1,749,127	\$ 1,644,422
\$ 854,166	\$ 650,589	\$ 537,418
306.99%	268.85%	305.99%
66.77%	71.71%	72.53% (2)

**City of Louisville, Ohio**  
**Required Supplementary Information**  
**Schedule of the City's Contributions**  
**Last Eight Years (1)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Ohio Public Employees Retirement System - Traditional Plan</b>					
Contractually required contribution	\$ 243,536	\$ 231,790	\$ 251,844	\$ 211,473	\$ 188,452
Contributions in relation to contractually required contribution	<u>(243,536)</u>	<u>(231,790)</u>	<u>(251,844)</u>	<u>(211,473)</u>	<u>(188,452)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 1,739,543	\$ 1,655,643	\$ 1,798,886	\$ 1,626,715	\$ 1,570,433
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%	12.00%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Ohio Police and Fire Pension Fund</b>					
Contractually required contribution	\$ 217,751	\$ 208,048	\$ 204,844	\$ 188,064	\$ 179,805
Contributions in relation to contractually required contribution	<u>(217,751)</u>	<u>(208,048)</u>	<u>(204,844)</u>	<u>(188,064)</u>	<u>(179,805)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 1,024,711	\$ 979,049	\$ 963,972	\$ 885,007	\$ 846,141
Contributions as a percentage of covered payroll	21.25%	21.25%	21.25%	21.25%	21.25%

(1) Information prior to 2013 is not available.

<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 173,633	\$ 173,428	\$ 181,634
<u>(173,633)</u>	<u>(173,428)</u>	<u>(181,634)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,446,942	\$ 1,445,233	\$ 1,397,185
12.00%	12.00%	13.00%

<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 171,602	\$ 132,460	\$ 91,791
<u>(171,602)</u>	<u>(132,460)</u>	<u>(91,791)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 854,166	\$ 650,589	\$ 537,418
20.09%	20.36%	17.08%



***City of Louisville, Ohio***  
**Required Supplementary Information**  
**Schedule of the City's Proportionate Share of the Net OPEB Liability**  
**Last Four Years (1)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017 (2)</u>
<b>Ohio Public Employees Retirement System</b>				
City's proportion of the net OPEB liability	0.012667%	0.012747%	0.012544%	0.012765%
City's proportionate share of the net OPEB liability	\$ 1,749,642	\$ 1,661,908	\$ 1,362,186	\$ 1,289,308
City's covered payroll	\$ 1,655,643	\$ 1,798,886	\$ 1,787,600	\$ 1,764,550
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	105.68%	92.39%	76.20%	73.07%
Plan fiduciary net position as a percentage of total OPEB liability	47.80%	46.33%	54.14%	54.05%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017 (2)</u>
<b>Ohio Police and Fire Pension Fund</b>				
City's proportion of the net OPEB liability	0.041929%	0.040161%	0.039510%	0.039082%
City's proportionate share of the net OPEB liability	\$ 414,165	\$ 365,727	\$ 2,238,593	\$ 1,855,131
City's covered payroll	\$ 1,027,400	\$ 1,055,800	\$ 968,400	\$ 926,200
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	40.31%	34.64%	231.16%	200.29%
Plan fiduciary net position as a percentage of total OPEB liability	47.10%	46.57%	14.13%	15.96%

(1) Information prior to 2017 is not available and the amounts presented are as of the City's measurement date which is the prior year end.

(2) Restated during 2018.

***City of Louisville, Ohio***  
**Required Supplementary Information**  
**Schedule of the City's Contributions - OPEB**  
**Last Eight Years (1)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Ohio Public Employees Retirement System</b>					
Contractually required contribution	\$ -	\$ -	\$ -	\$ 17,876	\$ 35,291
Contributions in relation to contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>(17,876)</u>	<u>(35,291)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 1,739,543	\$ 1,655,643	\$ 1,798,886	\$ 1,787,600	\$ 1,764,550
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	1.00%	2.00%

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Ohio Police and Fire Pension Fund</b>					
Contractually required contribution	\$ 5,614	\$ 5,137	\$ 5,279	\$ 4,842	\$ 4,631
Contributions in relation to contractually required contribution	<u>(5,614)</u>	<u>(5,137)</u>	<u>(5,279)</u>	<u>(4,842)</u>	<u>(4,631)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 1,122,800	\$ 1,027,400	\$ 1,055,800	\$ 968,400	\$ 926,200
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%	0.50%

(1) Information prior to 2013 is not available.

<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 33,309	\$ 33,454	\$ 15,310
<u>(33,309)</u>	<u>(33,454)</u>	<u>(15,310)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,665,450	\$ 1,672,700	\$ 1,531,000
2.00%	2.00%	1.00%

<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 4,422	\$ 3,477	\$ 21,962
<u>(4,422)</u>	<u>(3,477)</u>	<u>(21,962)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 884,400	\$ 695,400	\$ 582,546
0.50%	0.50%	3.77%

***City of Louisville, Ohio***  
**Notes to Required Supplementary Information**  
**For the Year Ended December 31, 2020**

**Pension**

**Ohio Public Employees Retirement System (OPERS) - Traditional Plan**

Changes in benefit terms: There were no changes in benefit terms from the amounts reported.

Changes in assumptions: There was a change in methods and assumptions used in the calculation of actuarial determined contributions for 2020. See the notes to the basic financials for the methods and assumptions in this calculation.

**Ohio Police and Fire Pension Fund**

Changes in benefit terms: There were no significant changes in benefit terms during 2020.

Changes in assumptions: There was a change in methods and assumptions used in the calculation of actuarial determined contributions for 2020. See the notes to the basic financial statements for the methods and assumptions in this calculation.

**OPEB**

**Ohio Public Employees Retirement System (OPERS)**

Changes in benefit terms: There were no changes in benefit terms from the amounts reported.

Changes in assumptions: There was a change in methods and assumptions used in the calculation of actuarial determined contributions for 2020. See the notes to the basic financials for the methods and assumptions in this calculation.

**Ohio Police and Fire Pension Fund**

Changes in benefit terms: There were no significant changes in benefit terms during 2020.

Changes in assumptions: There was no change in methods and assumptions used in the calculation of actuarial determined contributions for 2020. See the notes to the basic financial statements for the methods and assumptions in this calculation.





## **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.
- Coronavirus Relief - To account for and report the State Coronavirus Relief Distribution and expenses restricted to assist with the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19).
- 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 fund is 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.

### Nonmajor Capital Projects Fund

The 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.

**City of Louisville, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2020**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 1,221,885	\$ 30,365	\$ 235,890	\$ 1,488,140
<b>Receivables:</b>				
Accounts	149,286	-	-	149,286
Due from other governments	25,479	-	-	25,479
Materials and supplies inventory	7,572	-	-	7,572
Prepaid items	11,204	-	-	11,204
Total assets	<u>\$ 1,415,426</u>	<u>\$ 30,365</u>	<u>\$ 235,890</u>	<u>\$ 1,681,681</u>
<b>Liabilities, deferred inflows of resources and fund balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 6,540	\$ -	\$ -	\$ 6,540
Accrued wages and benefits	8,961	-	-	8,961
Due to other governments	9,559	-	-	9,559
Total liabilities	<u>25,060</u>	<u>-</u>	<u>-</u>	<u>25,060</u>
<b>Deferred inflows of resources:</b>				
Unavailable revenue - other	<u>64,524</u>	<u>-</u>	<u>-</u>	<u>64,524</u>
<b>Fund balances:</b>				
Nonspendable	18,776	-	-	18,776
Restricted	517,801	30,365	235,890	784,056
Committed	789,265	-	-	789,265
Total fund balances	<u>1,325,842</u>	<u>30,365</u>	<u>235,890</u>	<u>1,592,097</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,415,426</u>	<u>\$ 30,365</u>	<u>\$ 235,890</u>	<u>\$ 1,681,681</u>

**City of Louisville, Ohio**

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

**Nonmajor Governmental Funds**

**For the Year Ended December 31, 2020**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:				
Charges for services	\$ 546,025	\$ -	\$ -	\$ 546,025
Fines and forfeitures	2,217	-	-	2,217
Intergovernmental	742,721	-	-	742,721
Investment income	25,757	-	-	25,757
Total revenue	<u>1,316,720</u>	<u>-</u>	<u>-</u>	<u>1,316,720</u>
Expenditures:				
Current:				
General government	93,667	-	-	93,667
Security of persons and property	695,526	-	-	695,526
Basic utility services	484	-	-	484
Transportation	146,071	-	-	146,071
Community environment	95,247	-	-	95,247
Leisure time activities	233	-	-	233
Capital outlay	339,845	-	-	339,845
Debt service:				
Principal retirement	48,005	28,000	-	76,005
Interest and fiscal charges	571	1,400	-	1,971
Total expenditures	<u>1,419,649</u>	<u>29,400</u>	<u>-</u>	<u>1,449,049</u>
Excess of revenues (under) expenditures	<u>(102,929)</u>	<u>(29,400)</u>	<u>-</u>	<u>(132,329)</u>
Other financing sources:				
Inception of capital lease	141,225	-	-	141,225
Transfers - in	275,000	29,400	-	304,400
Total other financing sources	<u>416,225</u>	<u>29,400</u>	<u>-</u>	<u>445,625</u>
Net change in fund balance	313,296	-	-	313,296
Fund balances at beginning of year	<u>1,012,546</u>	<u>30,365</u>	<u>235,890</u>	<u>1,278,801</u>
Fund balances at end of year	<u>\$ 1,325,842</u>	<u>\$ 30,365</u>	<u>\$ 235,890</u>	<u>\$ 1,592,097</u>

**City of Louisville, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2020**

	State Highway Fund	Motor Vehicle License Fund	Mayor's Court Computerization Fund	Emergency Services Charges Fund
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 100,569	\$ 370,437	\$ 17,337	\$ 170,953
<b>Receivables:</b>				
Accounts	-	-	-	104,176
Due from other governments	19,828	5,651	-	-
Materials and supplies inventory	7,572	-	-	-
Prepaid items	273	-	-	10,931
Total assets	<u>\$ 128,242</u>	<u>\$ 376,088</u>	<u>\$ 17,337</u>	<u>\$ 286,060</u>
<b>Liabilities, deferred inflows of resources and fund balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 3,351	\$ -	\$ -	\$ 3,189
Accrued wages and benefits	-	-	-	8,961
Due to other governments	-	-	-	8,375
Total liabilities	<u>3,351</u>	<u>-</u>	<u>-</u>	<u>20,525</u>
<b>Deferred inflows of resources:</b>				
Unavailable revenue - other	<u>13,311</u>	<u>-</u>	<u>-</u>	<u>51,213</u>
<b>Fund balances:</b>				
Nonspendable	7,845	-	-	10,931
Restricted	103,735	376,088	17,337	-
Committed	-	-	-	203,391
Total fund balances	<u>111,580</u>	<u>376,088</u>	<u>17,337</u>	<u>214,322</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 128,242</u>	<u>\$ 376,088</u>	<u>\$ 17,337</u>	<u>\$ 286,060</u>

Law Enforcement Education Fund	Law Enforcement Trust Fund	Coronavirus Relief Fund	Storm Water Fund	Total Nonmajor Special Revenue Funds
\$ 2,753	\$ 17,888	\$ -	\$ 541,948	\$ 1,221,885
-	-	-	45,110	149,286
-	-	-	-	25,479
-	-	-	-	7,572
-	-	-	-	11,204
<u>\$ 2,753</u>	<u>\$ 17,888</u>	<u>\$ -</u>	<u>\$ 587,058</u>	<u>\$ 1,415,426</u>
\$ -	\$ -	\$ -	\$ -	\$ 6,540
-	-	-	-	8,961
-	-	-	1,184	9,559
-	-	-	1,184	25,060
-	-	-	-	64,524
-	-	-	-	18,776
2,753	17,888	-	-	517,801
-	-	-	585,874	789,265
<u>2,753</u>	<u>17,888</u>	<u>-</u>	<u>585,874</u>	<u>1,325,842</u>
<u>\$ 2,753</u>	<u>\$ 17,888</u>	<u>\$ -</u>	<u>\$ 587,058</u>	<u>\$ 1,415,426</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, 2020**

	State Highway Fund	Motor Vehicle License Fund	Mayor's Court Computerization Fund	Emergency Services Charges Fund
<b>Revenues:</b>				
Charges for services	\$ -	\$ -	\$ -	\$ 338,335
Fines and forfeitures	-	-	1,404	-
Intergovernmental	40,183	87,625	-	18,015
Investment income	-	25,757	-	-
Total revenue	<u>40,183</u>	<u>113,382</u>	<u>1,404</u>	<u>356,350</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	-	-	-	-
Security of persons and property	-	-	-	337,691
Basic utility services	-	-	-	-
Transportation	28,491	37,665	-	-
Community environment	-	-	-	-
Leisure time activities	-	-	-	-
Capital outlay	1,115	-	-	141,225
<b>Debt service:</b>				
Principal retirement	-	-	-	48,005
Interest and fiscal charges	-	-	-	571
Total expenditures	<u>29,606</u>	<u>37,665</u>	<u>-</u>	<u>527,492</u>
Excess of revenues over (under) expenditures	<u>10,577</u>	<u>75,717</u>	<u>1,404</u>	<u>(171,142)</u>
<b>Other financing sources:</b>				
Inception of capital lease	-	-	-	141,225
Transfers - in	-	275,000	-	-
Total other financing sources	<u>-</u>	<u>275,000</u>	<u>-</u>	<u>141,225</u>
Net change in fund balance	10,577	350,717	1,404	(29,917)
Fund balances at beginning of year	<u>101,003</u>	<u>25,371</u>	<u>15,933</u>	<u>244,239</u>
Fund balances at end of year	<u>\$ 111,580</u>	<u>\$ 376,088</u>	<u>\$ 17,337</u>	<u>\$ 214,322</u>



Law Enforcement Education Fund	Law Enforcement Trust Fund	Coronavirus Relief Fund	Storm Water Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ 207,690	\$ 546,025
738	75	-	-	2,217
-	-	596,898	-	742,721
-	-	-	-	25,757
<u>738</u>	<u>75</u>	<u>596,898</u>	<u>207,690</u>	<u>1,316,720</u>
-	-	93,667	-	93,667
-	1,000	356,835	-	695,526
-	-	484	-	484
-	-	3,762	76,153	146,071
-	-	95,247	-	95,247
-	-	233	-	233
-	63,802	46,670	87,033	339,845
-	-	-	-	48,005
-	-	-	-	571
<u>-</u>	<u>64,802</u>	<u>596,898</u>	<u>163,186</u>	<u>1,419,649</u>
<u>738</u>	<u>(64,727)</u>	<u>-</u>	<u>44,504</u>	<u>(102,929)</u>
-	-	-	-	141,225
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>275,000</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>416,225</u>
738	(64,727)	-	44,504	313,296
<u>2,015</u>	<u>82,615</u>	<u>-</u>	<u>541,370</u>	<u>1,012,546</u>
<u>\$ 2,753</u>	<u>\$ 17,888</u>	<u>\$ -</u>	<u>\$ 585,874</u>	<u>\$ 1,325,842</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, 2020**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Municipal income tax	\$ 3,687,000	\$ 3,465,618	\$ 3,583,099	\$ 117,481
Property and other taxes	461,850	464,500	464,500	-
Charges for services	144,775	132,416	139,293	6,877
Licenses and permits	165,300	164,909	169,061	4,152
Fines and forfeitures	32,000	13,050	12,966	(84)
Intergovernmental	252,000	277,112	285,283	8,171
Interest	140,000	160,653	161,421	768
Contributions and donations	6,000	4,300	4,300	-
Other	7,175	906	905	(1)
<b>Total revenues</b>	<b>4,896,100</b>	<b>4,683,464</b>	<b>4,820,828</b>	<b>137,364</b>
<b>Expenditures:</b>				
Current:				
General government				
Office of city council				
Personal services	41,612	41,612	36,867	4,745
Operations and maintenance	21,648	18,122	17,590	532
<b>Total office of city council</b>	<b>63,260</b>	<b>59,734</b>	<b>54,457</b>	<b>5,277</b>
Office of the city manager				
Personal services	223,053	212,141	202,251	9,890
Operations and maintenance	184,955	133,313	127,038	6,275
<b>Total office of the city manager</b>	<b>408,008</b>	<b>345,454</b>	<b>329,289</b>	<b>16,165</b>
Department of finance and tax				
Personal services	414,554	412,804	395,867	16,937
Operations and maintenance	60,300	60,300	58,551	1,749
<b>Total department of finance and tax</b>	<b>474,854</b>	<b>473,104</b>	<b>454,418</b>	<b>18,686</b>
Mayor's court				
Personal services	16,803	8,397	7,081	1,316
Operations and maintenance	16,200	14,515	6,578	7,937
<b>Total mayor's court</b>	<b>33,003</b>	<b>22,912</b>	<b>13,659</b>	<b>9,253</b>
Civil service commission				
Operations and maintenance	33,525	22,013	15,950	6,063
Division of lands and buildings				
Operations and maintenance	162,228	136,260	135,389	871

(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, 2020**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Department of law				
Personal services	52,689	52,689	49,344	3,345
Operations and maintenance	86,210	59,291	59,291	-
Total department of law	138,899	111,980	108,635	3,345
Other administrative				
Operations and maintenance	209,035	194,111	190,017	4,094
Total general government	1,522,812	1,365,568	1,301,814	63,754
Security of persons and property				
Division of police				
Personal services	1,718,748	1,247,350	1,162,730	84,620
Operations and maintenance	470,561	426,609	399,200	27,409
Total division of police	2,189,309	1,673,959	1,561,930	112,029
Division of fire				
Personal services	375,994	322,301	292,070	30,231
Operations and maintenance	344,759	301,657	300,038	1,619
Total division of fire	720,753	623,958	592,108	31,850
Division of street lighting				
Operations and maintenance	125,500	120,383	119,162	1,221
Division of traffic control maintenance				
Operations and maintenance	20,670	14,335	13,962	373
Division of fire prevention/inspections				
Personal services	10,789	7,055	5,349	1,706
Operations and maintenance	4,601	2,625	2,137	488
Total division of fire prevention/inspections	15,390	9,680	7,486	2,194
Total security of persons and property	3,071,622	2,442,315	2,294,648	147,667
Public health and welfare				
Board of health				
Operations and maintenance	117,261	93,493	81,123	12,370
Community environment				
Division of planning and development				
Personal services	203,291	203,291	195,062	8,229
Operations and maintenance	116,203	121,513	114,502	7,011
Total division of planning and development	319,494	324,804	309,564	15,240

(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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Division of housing and building code				
Personal services	70,890	64,491	60,915	3,576
Operations and maintenance	21,300	3,984	2,978	1,006
Total division of housing and building code	92,190	68,475	63,893	4,582
Total community environment	411,684	393,279	373,457	19,822
Leisure time activities				
Division of parks				
Personal services	87,146	52,779	47,331	5,448
Operations and maintenance	85,746	64,284	53,518	10,766
Total division of parks	172,892	117,063	100,849	16,214
Special events				
Operations and maintenance	39,000	9,000	9,000	-
Total leisure time activities	211,892	126,063	109,849	16,214
Total expenditures	5,335,271	4,420,718	4,160,891	259,827
Excess of revenues over (under) expenditures	(439,171)	262,746	659,937	397,191
Other financing sources (uses):				
Sale of capital assets	11,000	4,000	-	(4,000)
Transfers - in	3,500	3,500	3,482	(18)
Transfers - out	(532,900)	(482,900)	(482,882)	18
Total other financing sources (uses)	(518,400)	(475,400)	(479,400)	(4,000)
Net change in fund balance	(957,571)	(212,654)	180,537	393,191
Fund balance at beginning of year	2,557,172	2,557,172	2,557,172	-
Prior year encumbrances appropriated	321,671	321,671	321,671	-
Fund balance at end of year	\$ 1,921,272	\$ 2,666,189	\$ 3,059,380	\$ 393,191

**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, 2020**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ 507,000	\$ 498,065	\$ 496,493	\$ (1,572)
Contributions and donations	1,000	-	400	400
Other	2,000	528	528	-
Total revenues	<u>510,000</u>	<u>498,593</u>	<u>497,421</u>	<u>(1,172)</u>
<u>Expenditures:</u>				
Current:				
Transportation				
Division of street maintenance				
Personal services	402,502	373,674	354,561	19,113
Operations and maintenance	318,291	249,470	234,376	15,094
Total division of street maintenance	<u>720,793</u>	<u>623,144</u>	<u>588,937</u>	<u>34,207</u>
Division of snow and ice removal				
Operations and maintenance	196,432	179,358	178,934	424
Total expenditures	<u>917,225</u>	<u>802,502</u>	<u>767,871</u>	<u>34,631</u>
Excess of revenues under expenditures	<u>(407,225)</u>	<u>(303,909)</u>	<u>(270,450)</u>	<u>33,459</u>
Other financing sources:				
Sale of capital assets	-	-	-	-
Transfers - in	175,000	175,000	175,000	-
Total other financing sources	<u>175,000</u>	<u>175,000</u>	<u>175,000</u>	<u>-</u>
Net change in fund balance	(232,225)	(128,909)	(95,450)	33,459
Fund balance at beginning of year	425,669	425,669	425,669	-
Prior year encumbrances appropriated	<u>57,225</u>	<u>57,225</u>	<u>57,225</u>	<u>-</u>
Fund balance at end of year	<u>\$ 250,669</u>	<u>\$ 353,985</u>	<u>\$ 387,444</u>	<u>\$ 33,459</u>

**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, 2020**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 39,500	\$ 40,743	\$ 40,592	\$ (151)
<u>Expenditures:</u>				
Current:				
Transportation				
Division of street maintenance				
Operations and maintenance	33,950	29,187	27,774	1,413
Division of snow and ice removal				
Operations and maintenance	15,970	14,783	14,748	35
Total expenditures	49,920	43,970	42,522	1,448
Net change in fund balance	(10,420)	(3,227)	(1,930)	1,297
Fund balance at beginning of year	74,656	74,656	74,656	-
Prior year encumbrances appropriated	6,920	6,920	6,920	-
Fund balance at end of year	\$ 71,156	\$ 78,349	\$ 79,646	\$ 1,297

**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, 2020**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 93,000	\$ 89,062	\$ 89,062	\$ -
Interest	5,000	22,348	22,260	(88)
Total revenues	<u>98,000</u>	<u>111,410</u>	<u>111,322</u>	<u>(88)</u>
<u>Expenditures:</u>				
Current:				
Transportation				
Division of street construction				
Operations and maintenance	375,000	37,665	37,665	-
Excess of revenues under expenditures	<u>(277,000)</u>	<u>73,745</u>	<u>73,657</u>	<u>(88)</u>
Other financing sources:				
Transfers - in	275,000	275,000	275,000	-
Net change in fund balance	(2,000)	348,745	348,657	(88)
Fund balance at beginning of year	<u>18,283</u>	<u>18,283</u>	<u>18,283</u>	<u>-</u>
Fund balance at end of year	<u>\$ 16,283</u>	<u>\$ 367,028</u>	<u>\$ 366,940</u>	<u>\$ (88)</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, 2020**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Fines and forfeitures	\$ 4,000	\$ 1,800	\$ 1,404	\$ (396)
<u>Expenditures:</u>				
Current:				
General government				
Mayor's court				
Operations and maintenance	4,000	3,115	3,115	-
Net change in fund balance	-	(1,315)	(1,711)	(396)
Fund balance at beginning of year	15,933	15,933	15,933	-
Fund balance at end of year	<u>\$ 15,933</u>	<u>\$ 14,618</u>	<u>\$ 14,222</u>	<u>\$ (396)</u>

**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, 2020**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Charges for services	\$ 397,000	\$ 342,000	\$ 346,547	\$ 4,547
Intergovernmental	4,000	18,015	18,015	-
Total revenues	<u>401,000</u>	<u>360,015</u>	<u>364,562</u>	<u>4,547</u>
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Division of emergency services				
Personal services	236,597	226,576	211,535	15,041
Operations and maintenance	201,634	170,639	172,139	(1,500)
Total expenditures	<u>438,231</u>	<u>397,215</u>	<u>383,674</u>	<u>13,541</u>
Excess of revenues over (under) expenditures	<u>(37,231)</u>	<u>(37,200)</u>	<u>(19,112)</u>	<u>18,088</u>
Other financing sources:				
Sale of capital assets	25,000	-	-	-
Net change in fund balance	(12,231)	(37,200)	(19,112)	18,088
Fund balance at beginning of year	171,050	171,050	171,050	-
Prior year encumbrances appropriated	8,431	8,431	8,431	-
Fund balance at end of year	<u>\$ 167,250</u>	<u>\$ 142,281</u>	<u>\$ 160,369</u>	<u>\$ 18,088</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, 2020**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Fines and forfeitures	\$ 1,400	\$ 800	\$ 738	\$ (62)
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Division of police				
Operations and maintenance	1,500	-	-	-
Net change in fund balance	(100)	800	738	(62)
Fund balance at beginning of year	2,015	2,015	2,015	-
Fund balance at end of year	<u>\$ 1,915</u>	<u>\$ 2,815</u>	<u>\$ 2,753</u>	<u>\$ (62)</u>

**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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and forfeitures	\$ 3,000	\$ 200	\$ 75	\$ (125)
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Division of police				
Operations and maintenance	73,000	64,802	64,802	-
Net change in fund balance	(70,000)	(64,602)	(64,727)	(125)
Fund balance at beginning of year	82,615	82,615	82,615	-
Fund balance at end of year	\$ 12,615	\$ 18,013	\$ 17,888	\$ (125)

**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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for services	\$ 200,000	\$ 201,000	\$ 204,028	\$ 3,028
<u>Expenditures:</u>				
Current:				
Transportation				
Division of storm water maintenance				
Operations and maintenance	272,372	207,374	204,143	3,231
Net change in fund balance	(72,372)	(6,374)	(115)	6,259
Fund balance at beginning of year	477,550	477,550	477,550	-
Prior year encumbrances appropriated	22,372	22,372	22,372	-
Fund balance at end of year	\$ 427,550	\$ 493,548	\$ 499,807	\$ 6,259

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Coronavirus Relief Fund**  
**For the Year Ended December 31, 2020**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ 596,898	\$ 596,898	\$ 596,898	\$ -
<u>Expenditures:</u>				
Current:				
General government				
Office of city council				
Operations and maintenance	7,104	7,104	7,104	-
Office of the city manager				
Operations and maintenance	1,664	1,664	1,664	-
Department of finance and tax				
Operations and maintenance	31,185	31,185	31,185	-
Mayor's court				
Personal services	1,303	1,303	1,303	-
Civil service commission				
Operations and maintenance	3,239	3,239	3,239	-
Division of lands and buildings				
Operations and maintenance	31,068	31,068	31,068	-
Other administrative				
Operations and maintenance	48,375	48,375	48,375	-
Total general government	123,938	123,938	123,938	-
Security of persons and property				
Division of police				
Personal services	229,519	229,519	229,519	-
Operations and maintenance	2,485	2,485	2,485	-
Total division of police	232,004	232,004	232,004	-
Division of fire				
Personal services	56,617	56,617	56,617	-
Operations and maintenance	61,855	61,855	61,855	-
Total division of fire	118,472	118,472	118,472	-

(Continued)

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Coronavirus Relief Fund**  
**For the Year Ended December 31, 2020**  
**(Continued)**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Division of emergency services				
Personal services	3,500	3,500	3,500	-
Operations and maintenance	18,132	18,132	18,132	-
Total division of emergency services	21,632	21,632	21,632	-
Division of fire prevention/inspections				
Personal services	1,126	1,126	1,126	-
Total division of fire prevention/inspections	1,126	1,126	1,126	-
Total security of persons and property	373,234	373,234	373,234	-
Transportation				
Division of street maintenance				
Operations and maintenance	3,762	3,762	3,762	-
Community environment				
Division of planning and development				
Operations and maintenance	95,247	95,247	95,247	-
Leisure time activities				
Division of parks				
Operations and maintenance	233	233	233	-
Basic utility services				
Division of wastewater treatment				
Operations and maintenance	404	404	404	-
Division of wastewater treatment				
Operations and maintenance	80	80	80	-
Total - Basic Utility Services	484	484	484	-
Total expenditures	596,898	596,898	596,898	-
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

**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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Debt service:				
Principal retirement	28,000	28,000	28,000	-
Interest and fiscal charges	1,400	1,400	1,400	-
Total expenditures	29,400	29,400	29,400	-
Excess of revenues under expenditures	(29,400)	(29,400)	(29,400)	-
Other financing sources:				
Transfers - in	29,400	29,400	29,400	-
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	30,365	30,365	30,365	-
Fund balance at end of year	\$ 30,365	\$ 30,365	\$ 30,365	\$ -



**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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Current:				
General government				
Division of lands and buildings				
Operations and maintenance	210,000	160,000	157,500	2,500
Excess of revenues under expenditures	(210,000)	(160,000)	(157,500)	2,500
Other financing sources:				
Transfers - in	50,000	-	-	-
Net change in fund balance	(160,000)	(160,000)	(157,500)	2,500
Fund balance at beginning of year	233,390	233,390	233,390	-
Fund balance at end of year	\$ 73,390	\$ 73,390	\$ 75,890	\$ 2,500

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, 2020**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Charges for services	\$ 1,644,000	\$ 1,541,269	\$ 1,577,150	\$ 35,881
Tap-in fees	20,000	4,600	4,600	-
Total revenues	1,664,000	1,545,869	1,581,750	35,881
<u>Expenses:</u>				
Personal services	446,925	423,191	417,072	6,119
Fringe benefits	175,917	137,226	114,250	22,976
Contractual services	363,898	292,938	286,368	6,570
Materials and supplies	97,061	90,369	64,882	25,487
Capital outlay	5,681,965	4,082,439	3,830,469	251,970
Total expenses	6,765,766	5,026,163	4,713,041	313,122
Operating loss	(5,101,766)	(3,480,294)	(3,131,291)	349,003
Nonoperating revenue (expenses):				
Municipal income taxes	741,440	669,035	708,195	39,160
Principal retirement	(116,775)	(543,800)	(143,801)	399,999
Interest and fiscal charges	(15,159)	(16,824)	(16,825)	(1)
Total nonoperating revenue (expenses)	609,506	108,411	547,569	439,158
Income (loss) before other financing sources (uses)	(4,492,260)	(3,371,883)	(2,583,722)	788,161
Other financing sources (uses):				
Capital contribution	-	-	207,000	207,000
Proceeds of OPWC loans	-	-	932,074	932,074
Proceeds of OWDA loans	2,751,525	106,281	858,507	752,226
Transfers - in	722,075	1,022,075	1,022,075	-
Transfers - out	(859,040)	(1,459,040)	(1,532,850)	(73,810)
Total other financing sources (uses)	2,614,560	(330,684)	1,486,806	1,817,490
Change in fund position	(1,877,700)	(3,702,567)	(1,096,916)	2,605,651
Net position at beginning of year	3,417,538	3,417,538	3,417,538	-
Prior year encumbrances appropriated	345,526	345,526	345,526	-
Net position at end of year	\$ 1,885,364	\$ 60,497	\$ 2,666,148	\$ 2,605,651

**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, 2020**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Charges for services	\$ 2,061,500	\$ 1,397,620	\$ 1,421,035	\$ 23,415
Tap-in fees	18,500	3,250	3,300	50
Total revenues	<u>2,080,000</u>	<u>1,400,870</u>	<u>1,424,335</u>	<u>23,465</u>
<u>Expenses:</u>				
Personal services	446,230	427,620	426,799	821
Fringe benefits	177,468	141,020	118,803	22,217
Contractual services	401,673	362,250	351,276	10,974
Materials and supplies	117,768	89,781	71,370	18,411
Capital outlay	7,798,494	4,803,230	4,565,162	238,068
Total expenses	<u>8,941,633</u>	<u>5,823,901</u>	<u>5,533,410</u>	<u>290,491</u>
Operating loss	<u>(6,861,633)</u>	<u>(4,423,031)</u>	<u>(4,109,075)</u>	<u>313,956</u>
Nonoperating revenue (expenses):				
Municipal income tax	486,560	486,560	486,560	-
Principal retirement	(72,400)	(72,400)	(64,653)	7,747
Interest and fiscal charges	(1,120)	(1,120)	(1,120)	-
Total nonoperating revenue (expenses)	<u>413,040</u>	<u>413,040</u>	<u>420,787</u>	<u>7,747</u>
Loss before other financing sources (uses)	<u>(6,448,593)</u>	<u>(4,009,991)</u>	<u>(3,688,288)</u>	<u>321,703</u>
Other financing sources (uses):				
Proceeds of OPWC loans	5,947,700	-	-	-
Transfers - in	136,965	1,071,965	745,775	(326,190)
Transfers - out	-	-	(235,000)	(235,000)
Total other financing sources	<u>6,084,665</u>	<u>1,071,965</u>	<u>510,775</u>	<u>(561,190)</u>
Income (loss) after transfers	<u>(363,928)</u>	<u>(2,938,026)</u>	<u>(3,177,513)</u>	<u>(239,487)</u>
Change in fund position	(363,928)	(2,938,026)	(3,177,513)	(239,487)
Net position at beginning of year	3,664,515	3,664,515	3,664,515	-
Prior year encumbrances appropriated	<u>159,928</u>	<u>159,928</u>	<u>159,928</u>	<u>-</u>
Net position at end of year	<u>\$ 3,460,515</u>	<u>\$ 886,417</u>	<u>\$ 646,930</u>	<u>\$ (239,487)</u>

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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>2020</u>	<u>2019</u>	<u>2018</u>	Restated <u>2017 (2)</u>	<u>2016</u>
<b><u>Governmental Activities</u></b>					
Net investment in capital assets	\$ 11,862,588	\$ 12,151,973	\$ 12,094,042	\$ 12,008,865	\$ 12,281,304
Restricted	1,579,733	1,296,951	1,090,384	963,782	845,644
Unrestricted	<u>(746,346)</u>	<u>(888,354)</u>	<u>(2,336,785)</u>	<u>(1,737,697)</u>	<u>1,190,011</u>
Total governmental activities net position	<u>12,695,975</u>	<u>12,560,570</u>	<u>10,847,641</u>	<u>11,234,950</u>	<u>14,316,959</u>
<b><u>Business-Type Activities</u></b>					
Net investment in capital assets	13,375,903	12,942,821	12,207,266	10,587,689	10,502,851
Unrestricted	<u>8,550,707</u>	<u>7,086,484</u>	<u>6,567,976</u>	<u>6,845,993</u>	<u>5,809,480</u>
Total business-type activities net position	<u>21,926,610</u>	<u>20,029,305</u>	<u>18,775,242</u>	<u>17,433,682</u>	<u>16,312,331</u>
<b><u>Primary Government</u></b>					
Net investment in capital assets	25,238,491	25,094,794	24,301,308	22,596,554	22,784,155
Restricted	1,579,733	1,296,951	1,090,384	963,782	845,644
Unrestricted	<u>7,804,361</u>	<u>6,198,130</u>	<u>4,231,191</u>	<u>5,108,296</u>	<u>6,999,491</u>
Total primary government net position	<u>\$ 34,622,585</u>	<u>\$ 32,589,875</u>	<u>\$ 29,622,883</u>	<u>\$ 28,668,632</u>	<u>\$ 30,629,290</u>

Source: City of Louisville basic financial statements.

(1) Accrual basis of accounting.

(2) The City implemented GASB 75 during 2018 and as a result 2017 was restated.

(3) The City implemented GASB 68 during 2015 and as a result 2014 was restated.

(4) The City reclassified the storm water fund as a governmental fund during 2013 and as a result 2012 was restated.

(5) The City implemented GASB 65 during 2012 and as a result 2011 was restated.



<u>2015</u>	Restated <u>2014 (3)</u>	<u>2013</u>	Restated <u>2012 (4)</u>	Restated <u>2011 (5)</u>
\$ 12,229,376	\$ 12,214,763	\$ 12,033,892	\$ 11,560,990	\$ 5,930,971
750,487	592,027	731,396	1,162,743	593,508
<u>1,005,040</u>	<u>763,304</u>	<u>3,360,551</u>	<u>2,922,623</u>	<u>2,604,346</u>
<u>13,984,903</u>	<u>13,570,094</u>	<u>16,125,839</u>	<u>15,646,356</u>	<u>9,128,825</u>
10,336,346	9,916,725	9,923,854	9,675,807	8,520,159
<u>4,370,633</u>	<u>3,336,946</u>	<u>2,718,611</u>	<u>2,080,876</u>	<u>1,854,803</u>
<u>14,706,979</u>	<u>13,253,671</u>	<u>12,642,465</u>	<u>11,756,683</u>	<u>10,374,962</u>
22,565,722	22,131,488	21,957,746	21,236,797	14,451,130
750,487	592,027	731,396	1,162,743	593,508
<u>5,375,673</u>	<u>4,100,250</u>	<u>6,079,162</u>	<u>5,003,499</u>	<u>4,459,149</u>
<u>\$ 28,691,882</u>	<u>\$ 26,823,765</u>	<u>\$ 28,768,304</u>	<u>\$ 27,403,039</u>	<u>\$ 19,503,787</u>

**CITY OF LOUISVILLE, OHIO**  
**Changes in Net Position (1)**  
**Last Ten Years**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Expenses</b>					
Governmental Activities:					
General government	\$ 1,494,121	\$ 1,499,084	\$ 1,316,959	\$ 1,452,835	\$ 1,045,516
Security of persons and property	3,355,203	1,608,618	3,426,558	3,042,626	2,895,871
Public health and welfare	72,969	74,924	95,667	113,804	94,167
Transportation	1,239,354	1,518,504	1,175,784	1,063,987	996,489
Community environment	484,905	399,922	298,476	308,542	261,543
Basic utility services	484	-	-	-	-
Leisure time activities	152,517	206,336	182,535	185,225	181,311
Interest and fiscal charges	26,284	29,587	35,323	33,705	26,193
Total governmental activities expenses	<u>6,825,837</u>	<u>5,336,975</u>	<u>6,531,302</u>	<u>6,200,724</u>	<u>5,501,090</u>
Business-Type Activities:					
Water	1,271,667	1,431,940	1,160,327	1,172,017	1,056,055
Sewer	1,379,835	1,417,140	1,361,080	1,011,187	958,109
Storm water	-	-	-	-	-
Total business-type activities expenses	<u>2,651,502</u>	<u>2,849,080</u>	<u>2,521,407</u>	<u>2,183,204</u>	<u>2,014,164</u>
Total primary government expenses	<u>\$ 9,477,339</u>	<u>\$ 8,186,055</u>	<u>\$ 9,052,709</u>	<u>\$ 8,383,928</u>	<u>\$ 7,515,254</u>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for services					
General government	\$ 163,985	\$ 185,434	\$ 292,143	\$ 259,659	\$ 255,490
Security of persons and property	359,373	373,112	449,375	345,998	368,166
Transportation	208,218	225,813	206,272	201,519	201,900
Community environment	169,061	172,960	65,441	57,826	56,855
Leisure time activities	565	5,023	5,910	5,198	5,545
Operating grants, contributions and interest	1,275,733	649,395	576,082	650,272	584,732
Capital grants and contributions	-	75,806	-	-	-
Total governmental activities program revenues	<u>2,176,935</u>	<u>1,687,543</u>	<u>1,595,223</u>	<u>1,520,472</u>	<u>1,472,688</u>
Business-Type Activities:					
Charges for services					
Water	1,627,621	1,469,313	1,397,230	1,270,817	1,226,405
Sewer	1,464,344	1,358,995	1,285,310	1,223,956	1,211,860
Storm water	-	-	-	-	-
Operating grants, contributions and interest	-	-	-	-	-
Capital grants and contributions	207,000	9,965	-	-	-
Total business-type activities program revenues	<u>3,298,965</u>	<u>2,838,273</u>	<u>2,682,540</u>	<u>2,494,773</u>	<u>2,438,265</u>
Total primary government program revenues	<u>\$ 5,475,900</u>	<u>\$ 4,525,816</u>	<u>\$ 4,277,763</u>	<u>\$ 4,015,245</u>	<u>\$ 3,910,953</u>
<b>Net (expense)/revenue</b>					
Governmental activities	\$ (4,648,902)	\$ (3,649,432)	\$ (4,936,079)	\$ (4,680,252)	\$ (4,028,402)
Business-type activities	647,463	(10,807)	161,133	311,569	424,101
Total primary government net expense	<u>\$ (4,001,439)</u>	<u>\$ (3,660,239)</u>	<u>\$ (4,774,946)</u>	<u>\$ (4,368,683)</u>	<u>\$ (3,604,301)</u>

**CITY OF LOUISVILLE, OHIO**

**Changes in Net Position (1)**

**Last Ten Years**

**Continued**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental Activities:					
Property taxes levied for:					
General purposes	\$ 456,092	\$ 457,861	\$ 399,997	\$ 409,494	\$ 423,129
Income tax levied for:					
General purposes	3,748,356	3,794,626	3,536,558	3,611,791	3,538,813
Grants and entitlements not restricted to specific programs	280,880	247,161	258,997	192,844	220,627
Gain on sale of capital assets	-	-	-	-	119,017
Investment earnings	290,113	309,251	168,956	71,596	22,758
Other	8,866	553,462	184,262	40,096	36,114
Transfers	-	-	-	-	-
Total governmental activities	<u>4,784,307</u>	<u>5,362,361</u>	<u>4,548,770</u>	<u>4,325,821</u>	<u>4,360,458</u>
Business-Type Activities:					
Income tax levied for:					
Water utility services	727,927	717,152	600,418	898,261	869,245
Sewer utility services	521,915	547,718	578,234	305,664	309,031
Investment earnings	-	-	-	-	-
Other	-	-	1,775	-	2,975
Transfers	-	-	-	-	-
Total business-type activities	<u>1,249,842</u>	<u>1,264,870</u>	<u>1,180,427</u>	<u>1,203,925</u>	<u>1,181,251</u>
Total primary government	<u>\$ 6,034,149</u>	<u>\$ 6,627,231</u>	<u>\$ 5,729,197</u>	<u>\$ 5,529,746</u>	<u>\$ 5,541,709</u>
<b>Change in net position</b>					
Governmental activities	\$ 135,405	\$ 1,712,929	\$ (387,309)	\$ (354,431)	\$ 332,056
Business-type activities	1,897,305	1,254,063	1,341,560	1,515,494	1,605,352
Total primary government	<u>\$ 2,032,710</u>	<u>\$ 2,966,992</u>	<u>\$ 954,251</u>	<u>\$ 1,161,063</u>	<u>\$ 1,937,408</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 as a result 2012 was restated.

**CITY OF LOUISVILLE, OHIO**  
**Changes in Net Position (1)**  
**Last Ten Years**  
**Continued**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012 (2)</u>	<u>2011</u>
<b>Expenses</b>					
Governmental Activities:					
General government	\$ 1,118,995	\$ 1,181,784	\$ 1,063,115	\$ 1,257,674	\$ 1,041,834
Security of persons and property	2,500,837	2,398,630	2,169,438	2,179,718	2,008,185
Public health and welfare	90,079	81,088	79,746	66,050	65,093
Transportation	835,810	1,068,168	1,014,335	675,174	519,001
Community environment	291,723	295,526	204,758	160,529	169,936
Basic utility services	-	-	-	-	-
Leisure time activities	201,622	205,010	209,294	192,361	234,722
Interest and fiscal charges	14,623	7,611	11,125	7,464	16,096
Total governmental activities expenses	<u>5,053,689</u>	<u>5,237,817</u>	<u>4,751,811</u>	<u>4,538,970</u>	<u>4,054,867</u>
Business-Type Activities:					
Water	1,106,846	1,151,358	1,103,801	1,161,768	1,144,617
Sewer	966,393	1,092,329	1,095,660	1,113,201	1,082,752
Storm water	-	-	-	86,353	90,263
Total business-type activities expenses	<u>2,073,239</u>	<u>2,243,687</u>	<u>2,199,461</u>	<u>2,361,322</u>	<u>2,317,632</u>
Total primary government expenses	<u>\$ 7,126,928</u>	<u>\$ 7,481,504</u>	<u>\$ 6,951,272</u>	<u>\$ 6,900,292</u>	<u>\$ 6,372,499</u>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for services					
General government	\$ 238,558	\$ 238,853	\$ 232,077	\$ 434,958	\$ 391,958
Security of persons and property	335,212	282,619	384,506	322,745	284,646
Transportation	154,036	142,775	137,923	10,375	8,142
Community environment	48,819	49,813	42,119	7,739	4,470
Leisure time activities	6,704	7,005	8,153	5,590	6,058
Operating grants, contributions and interest	577,606	486,861	472,525	927,554	457,775
Capital grants and contributions	27,250	21,175	133,801	4,992,360	1,330,182
Total governmental activities program revenues	<u>1,388,185</u>	<u>1,229,101</u>	<u>1,411,104</u>	<u>6,701,321</u>	<u>2,483,231</u>
Business-Type Activities:					
Charges for services					
Water	1,304,450	1,140,104	1,045,752	996,464	950,304
Sewer	1,242,146	1,090,972	1,027,080	994,360	938,589
Storm water	-	-	-	139,494	114,048
Operating grants, contributions and interest	-	-	9,940	1,392,596	126,853
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	<u>2,546,596</u>	<u>2,231,076</u>	<u>2,082,772</u>	<u>3,522,914</u>	<u>2,129,794</u>
Total primary government program revenues	<u>\$ 3,934,781</u>	<u>\$ 3,460,177</u>	<u>\$ 3,493,876</u>	<u>\$ 10,224,235</u>	<u>\$ 4,613,025</u>
<b>Net (expense)/revenue</b>					
Governmental activities	\$ (3,665,504)	\$ (4,008,716)	\$ (3,340,707)	\$ 2,162,351	\$ (1,571,636)
Business-type activities	473,357	(12,611)	(116,689)	1,161,592	(187,838)
Total primary government net expense	<u>\$ (3,192,147)</u>	<u>\$ (4,021,327)</u>	<u>\$ (3,457,396)</u>	<u>\$ 3,323,943</u>	<u>\$ (1,759,474)</u>

**CITY OF LOUISVILLE, OHIO**

**Changes in Net Position (1)**

**Last Ten Years**

**Continued**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012 (2)</u>	<u>2011</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental Activities:					
Property taxes levied for:					
General purposes	\$ 359,702	\$ 348,892	\$ 345,077	\$ 376,095	\$ 248,169
Income tax levied for:					
General purposes	3,318,897	3,214,022	3,007,404	2,817,361	2,663,045
Grants and entitlements not restricted to specific programs	219,958	234,565	362,979	412,228	499,385
Gain on sale of capital assets	-	1,206	-	-	-
Investment earnings	4,445	1,798	380	1,485	1,629
Other	53,186	32,981	104,350	23,288	6,541
Transfers	124,125	-	-	(604,950)	67,421
Total governmental activities	<u>4,080,313</u>	<u>3,833,464</u>	<u>3,820,190</u>	<u>3,025,507</u>	<u>3,486,190</u>
Business-Type Activities:					
Income tax levied for:					
Water utility services	729,063	601,286	505,613	473,485	408,241
Sewer utility services	374,453	469,956	496,858	465,638	478,852
Investment earnings	-	-	-	98	-
Other	560	-	-	5,631	7,398
Transfers	(124,125)	-	-	604,950	(67,421)
Total business-type activities	<u>979,951</u>	<u>1,071,242</u>	<u>1,002,471</u>	<u>1,549,802</u>	<u>827,070</u>
Total primary government	<u>\$ 5,060,264</u>	<u>\$ 4,904,706</u>	<u>\$ 4,822,661</u>	<u>\$ 4,575,309</u>	<u>\$ 4,313,260</u>
<b>Change in net position</b>					
Governmental activities	\$ 414,809	\$ (175,252)	\$ 479,483	\$ 5,187,858	\$ 1,914,554
Business-type activities	1,453,308	1,058,631	885,782	2,711,394	639,232
Total primary government	<u>\$ 1,868,117</u>	<u>\$ 883,379</u>	<u>\$ 1,365,265</u>	<u>\$ 7,899,252</u>	<u>\$ 2,553,786</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 and as a result 2012 was restated.

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Fund					
Nonspendable	\$ 28,175	\$ 34,287	\$ 42,236	\$ 37,003	\$ 36,835
Assigned	993,608	787,258	930,905	1,081,341	847,582
Unassigned	<u>2,714,072</u>	<u>2,448,717</u>	<u>2,081,866</u>	<u>1,942,340</u>	<u>1,979,422</u>
Total general fund	<u>\$ 3,735,855</u>	<u>\$ 3,270,262</u>	<u>\$ 3,055,007</u>	<u>\$ 3,060,684</u>	<u>\$ 2,863,839</u>
All Other Governmental Funds					
Nonspendable	\$ 116,739	\$ 180,346	\$ 116,327	\$ 121,187	\$ 151,126
Restricted	1,347,782	1,005,255	897,574	756,385	575,760
Committed	789,265	775,105	649,686	551,172	411,280
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 2,253,786</u>	<u>\$ 1,960,706</u>	<u>\$ 1,663,587</u>	<u>\$ 1,428,744</u>	<u>\$ 1,138,166</u>

Source: City of Louisville basic financial statements.

(1) Modified accrual basis of accounting.

(2) The City reclassified the storm water fund as a governmental fund during 2013 and as a result 2012 was restated.

<u>2015</u>	<u>2014</u>	<u>2013</u>	Restated <u>2012 (2)</u>	<u>2011</u>
\$ 9,656	\$ 8,490	\$ 7,810	\$ 2,272	\$ 3,141
534,215	102,453	1,030,771	152,936	53,805
<u>2,215,335</u>	<u>2,425,929</u>	<u>1,650,589</u>	<u>2,478,854</u>	<u>2,138,647</u>
<u>\$ 2,759,206</u>	<u>\$ 2,536,872</u>	<u>\$ 2,689,170</u>	<u>\$ 2,634,062</u>	<u>\$ 2,195,593</u>
\$ 115,007	\$ 52,442	\$ 63,643	\$ 65,191	\$ 16,522
511,700	434,601	558,624	434,006	452,329
341,992	350,370	348,895	365,060	183,195
<u>-</u>	<u>-</u>	<u>-</u>	<u>(206,796)</u>	<u>(83,585)</u>
<u>\$ 968,699</u>	<u>\$ 837,413</u>	<u>\$ 971,162</u>	<u>\$ 657,461</u>	<u>\$ 568,461</u>

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b><u>Revenues</u></b>										
Taxes	\$ 4,088,927	\$ 4,169,574	\$ 4,069,068	\$ 4,030,234	\$ 3,668,779	\$ 3,675,861	\$ 3,551,081	\$ 3,369,640	\$ 3,131,479	\$ 2,955,928
Charges for services	685,318	780,631	693,139	675,343	671,376	591,617	569,033	573,919	555,012	489,370
Fines, licenses and permits	184,693	214,934	285,800	195,144	184,758	166,889	197,463	184,963	179,437	182,907
Intergovernmental revenues	1,519,879	860,680	829,992	892,730	803,716	816,170	745,403	1,368,270	4,024,929	2,169,197
Investment income	315,870	314,323	176,039	74,339	23,924	4,664	1,909	392	1,588	1,777
Contributions and donations	4,700	42,953	8,620	7,600	9,491	8,310	4,050	5,025	14,981	10,680
Other	3,869	566,909	196,703	35,117	35,470	54,002	34,729	108,625	74,677	47,697
Total revenues	<u>6,803,256</u>	<u>6,950,004</u>	<u>6,259,361</u>	<u>5,910,507</u>	<u>5,397,514</u>	<u>5,317,513</u>	<u>5,103,668</u>	<u>5,610,834</u>	<u>7,982,103</u>	<u>5,857,556</u>
<b><u>Expenditures</u></b>										
General government	1,312,873	1,222,225	1,211,723	1,047,651	953,372	1,058,754	1,116,650	1,013,492	1,187,652	883,541
Security of persons and property	2,734,264	2,760,245	2,796,723	2,522,778	2,393,046	2,265,913	2,189,232	2,004,392	2,019,392	1,878,556
Public health and welfare	72,969	74,924	95,667	113,804	94,167	90,079	81,088	79,746	66,050	65,093
Transportation	757,572	985,549	726,615	599,030	626,022	512,457	791,766	768,679	567,702	440,086
Community environment	443,840	316,886	270,729	263,441	253,266	291,349	286,094	196,848	158,639	149,141
Basic utility services	484	-	-	-	-	-	-	-	-	-
Leisure time activities	89,922	132,755	107,188	115,646	111,898	121,746	128,965	136,631	123,443	130,297
Capital outlay	500,913	840,976	777,837	582,937	1,472,416	458,588	1,028,059	941,200	3,575,978	2,173,898
Debt service:										
Principal retirement	244,855	192,668	196,952	153,028	261,148	150,045	156,500	114,352	88,377	67,415
Interest and fiscal charges	28,116	31,402	37,116	35,486	10,733	14,962	7,987	11,539	7,553	12,798
Issuance costs	-	-	-	-	-	-	-	-	-	5,873
Total expenditures	<u>6,185,808</u>	<u>6,557,630</u>	<u>6,220,550</u>	<u>5,433,801</u>	<u>6,176,068</u>	<u>4,963,893</u>	<u>5,786,341</u>	<u>5,266,879</u>	<u>7,794,786</u>	<u>5,806,698</u>
Excess of revenues over (under) expenditures	<u>617,448</u>	<u>392,374</u>	<u>38,811</u>	<u>476,706</u>	<u>(778,554)</u>	<u>353,620</u>	<u>(682,673)</u>	<u>343,955</u>	<u>187,317</u>	<u>50,858</u>
<b><u>Other financing sources (uses)</u></b>										
Bonds issued	-	-	-	-	-	-	-	-	-	235,000
Inception of capital lease	141,225	120,000	167,838	-	921,479	-	377,126	-	190,000	120,000
Premium on bonds issued	-	-	-	-	-	-	-	-	-	2,301
Sale of capital assets	-	-	22,517	10,717	131,175	-	19,500	24,854	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	(232,218)
Transfers in	479,400	654,075	558,700	479,350	438,750	454,150	471,700	316,620	282,250	415,866
Transfers out	(479,400)	(654,075)	(558,700)	(479,350)	(438,750)	(454,150)	(471,700)	(316,620)	(282,250)	(415,866)
Total other financing sources (uses)	<u>141,225</u>	<u>120,000</u>	<u>190,355</u>	<u>10,717</u>	<u>1,052,654</u>	<u>-</u>	<u>396,626</u>	<u>24,854</u>	<u>190,000</u>	<u>125,083</u>
Net change in fund balance	<u>\$ 758,673</u>	<u>\$ 512,374</u>	<u>\$ 229,166</u>	<u>\$ 487,423</u>	<u>\$ 274,100</u>	<u>\$ 353,620</u>	<u>\$ (286,047)</u>	<u>\$ 368,809</u>	<u>\$ 377,317</u>	<u>\$ 175,941</u>
Debt service as a percentage of noncapital expenditures	4.8%	3.9%	4.3%	3.9%	5.8%	3.7%	3.5%	2.9%	2.3%	2.2%

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Source: City of Louisville basic financial statements.  
(1) Modified 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	Total City Direct Rate
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2020	\$ 181,900,760	\$ 519,716,457	\$ 5,006,190	\$ 12,856,806	\$ -	\$ -	\$ 186,906,950	\$ 532,573,263	34.76%	\$ 2.80
2019	180,535,470	515,815,629	4,651,900	11,946,925	-	-	185,187,370	527,762,554	34.77%	2.80
2018	163,564,890	467,328,257	4,495,600	11,545,518	-	-	168,060,490	478,873,775	34.76%	2.80
2017	161,336,550	460,961,571	4,155,920	10,673,158	-	-	165,492,470	471,634,729	34.77%	2.80
2016	156,526,470	447,218,486	4,128,460	10,602,636	-	-	160,654,930	457,821,122	34.77%	2.80
2015	140,134,930	400,385,514	3,943,800	10,128,395	-	-	144,078,730	410,513,909	34.75%	2.80
2014	138,789,440	396,541,257	3,946,340	10,134,919	-	-	142,735,780	406,676,176	34.75%	2.80
2013	134,678,410	384,795,457	3,775,250	9,695,528	-	-	138,453,660	394,490,985	34.75%	2.80
2012	151,437,700	432,679,143	3,541,180	9,094,394	-	-	154,978,880	441,773,537	34.79%	2.80
2011	150,983,120	431,380,343	3,386,030	8,695,941	-	-	154,369,150	440,076,284	34.80%	2.80

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 half of 2010-2019 and the other half at 25% of true value.
- (3) Tangible personal property is assessed at 0% for 2011-2020.

**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>
2020	\$ 523,136	\$ 515,302	98.50%	\$ 15,132	2.89%	\$ 76.50
2019	518,461	511,459	98.65%	18,249	3.52%	76.50
2018	470,526	456,189	96.95%	26,787	5.69%	77.00
2017	463,802	454,323	97.96%	26,394	5.69%	77.80
2016	449,790	442,776	98.44%	20,682	4.60%	77.90
2015	403,370	394,577	97.82%	15,977	3.96%	79.00
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

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**

	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
<b>Taxpayer</b>						
Covington Ridge One Llc	\$ 8,591,800	1	4.72%	\$ -		0.00%
St Joseph Care Center	7,147,800	2	3.93%	-		0.00%
Eap Ohio Llc	4,204,300	3	2.31%	-		0.00%
Hp Products Inc	1,867,560	4	1.03%	1,587,540	2	1.05%
Jewel Acquisition Llc	1,363,930	5	0.75%	1,804,200	1	1.19%
Louisville Venturesltd	1,293,490	6	0.71%	-		0.00%
Groffire Investments	928,400	7	0.51%	535,220	6	0.35%
Covington Ridge Two Llc An Ohio Liabil	926,500	8	0.51%	-		0.00%
Arc Ralvlohoool Llc	840,000	9	0.46%	-		0.00%
Crc Ohio Properties Llc	517,900	10	0.28%	594,250	4	0.39%
NOM Louisville LLC	-		0.00%	615,730	3	0.41%
Metzger J B Co.	-		0.00%	573,500	5	0.38%
CRE JV Mixed Five OH 6 Branch Holding	-		0.00%	495,930	7	0.33%
Peters Frederick K & Judith R	-		0.00%	491,260	8	0.33%
Donald W. Jr. & Sue Ann Geitgey	-		0.00%	487,100	9	0.32%
Brahler Richard V Trustee/Richard V Bral	-		0.00%	413,680	10	0.27%
Total of above	<u>\$ 27,681,680</u>		<u>15.21%</u>	<u>\$ 7,598,410</u>		<u>5.03%</u>
Total City	<u>\$ 181,900,760</u>			<u>\$ 150,983,120</u>		

Source: Stark County Auditor and 2011 City of Louisville Comprehensive Annual Financial Report

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

	2020			2011		
	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	\$ 4,717,690	1	94.24%	\$ 3,155,620	1	93.20%
East Ohio Gas Co.	283,170	2	5.66%	203,170	2	6.00%
Columbia Gas of Ohio Inc.	-	3	0.00%	20	3	0.00%
Total of above	<u>\$ 5,000,860</u>		<u>99.89%</u>	<u>\$ 3,358,810</u>		<u>99.20%</u>
Total City	<u>\$ 5,006,190</u>			<u>\$ 3,386,030</u>		

Source: Stark County Auditor and 2011 City of Louisville Comprehensive Annual Financial Report

**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>
2020	2.00%	\$ 4,777,853	\$ 2,969,858	62.16%	\$ 225,373	4.72%	\$ 1,582,622	33.12%	-4.47%
2019	2.00%	5,001,516	3,097,749	61.94%	254,308	5.08%	1,649,459	32.98%	6.66%
2018	2.00%	4,689,396	2,959,144	63.10%	181,341	3.87%	1,548,911	33.03%	-2.10%
2017	2.00%	4,790,202	2,929,582	61.16%	211,205	4.41%	1,649,415	34.43%	4.63%
2016	2.00%	4,578,245	2,783,713	60.80%	237,393	5.19%	1,557,139	34.01%	2.60%
2015	2.00%	4,462,328	2,778,171	62.26%	273,911	6.14%	1,410,246	31.60%	5.68%
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%

Source: City income tax records. The City is legally prohibited from disclosing individual revenue payers and therefore this schedule is presented as an alternative.

**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			
2020	\$ 28,045	\$ 661,708	\$ -	\$ 112,316	\$ 2,205,172	\$ 877,673	\$ -	\$ 3,884,914	1.51%	\$423
2019	56,135	737,338	-	224,948	1,339,230	49,488	83,662	2,490,801	0.96%	271
2018	83,268	783,006	-	333,884	1,263,979	23,504	-	2,487,641	1.02%	271
2017	109,443	786,120	-	439,114	119,396	26,462	-	1,480,535	0.58%	161
2016	135,660	913,148	-	594,743	167,688	29,435	51,598	1,892,272	0.75%	206
2015	160,917	227,817	-	741,749	215,980	32,294	101,925	1,480,682	0.62%	161
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

(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>	
2020	\$ 140,361	0.08%	\$ 15.28	0.05%	
2019	281,083	0.15%	30.60	0.11%	
2018	417,152	0.25%	45.41	0.17%	
2017	548,557	0.33%	59.72	0.22%	
2016	730,403	0.45%	79.51	0.29%	
2015	902,666	0.63%	98.27	0.38%	
2014	1,075,347	0.75%	117.06	0.47%	
2013	1,243,432	0.90%	135.36	0.57%	
2012	1,713,635	1.11%	186.55	0.80%	
2011	2,045,525	1.33%	222.68	0.94%	

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, 2020</b>	<b><u>Unvoted</u></b>	<b><u>Overall</u></b>
Total assessed valuation	\$ 186,906,950	\$ 186,906,950
Debt limitation - 5.5% of assessed valuation	<u>10,279,882</u>	
Debt limitation - 10.5% of assessed valuation		<u>19,625,230</u>
Debt applicable to limitation:		
Total bonded debt and loans	3,223,206	3,223,206
Exempt debt:		
OWDA loans	877,673	877,673
OPWC loans	2,205,172	2,205,172
Debt payable from income tax	140,361	140,361
Total debt applicable to limitation	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 10,279,882</u>	<u>\$ 19,625,230</u>

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	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Debt limit	\$ 16,208,761	\$ 16,272,872	\$ 14,537,634	\$ 14,987,257	\$ 15,128,267	\$ 16,868,768	\$ 17,376,709	\$ 17,646,351	\$ 19,444,674	\$ 19,625,230
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	16,208,761	16,272,872	14,537,634	14,987,257	15,128,267	16,868,768	17,376,709	17,646,351	19,444,674	19,625,230
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, 2020**

<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	\$ 28,045	100.00%	\$ 28,045
Capital Leases	661,708	100.00%	<u>661,708</u>
Total direct debt			<u>689,753</u>
Overlapping:			
Louisville Schools	23,070,000	45.29%	10,448,403
County of Stark	19,710,893	2.25%	<u>443,495</u>
Total overlapping debt			<u>10,891,898</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 11,581,651</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>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b><u>General Obligation Debt</u></b>					
Assessed value	\$ 186,906,950	\$ 185,187,370	\$ 168,060,490	\$ 165,492,470	\$ 160,654,930
Population	9,186	9,186	9,186	9,186	9,186
Debt outstanding	\$ 140,361	\$ 281,083	\$ 417,152	\$ 548,557	\$ 730,403
Ratio of debt to assessed value	0.08%	0.15%	0.25%	0.33%	0.45%
Debt per capita	\$ 15.28	\$ 30.60	\$ 45.41	\$ 59.72	\$ 79.51
<b><u>General Bonded Debt</u></b>					
Debt service	\$ 29,400	\$ 29,075	\$ 28,660	\$ 29,245	\$ 28,745
General governmental expenditures	\$ 6,185,808	\$ 6,557,630	\$ 6,220,550	\$ 5,433,801	\$ 6,176,068
Ratio of debt service to general governmental expenditures	0.48%	0.44%	0.46%	0.54%	0.47%
<b><u>Water Revenue Bond</u></b>					
Revenues <sup>1</sup>	\$ 2,562,548	\$ 2,196,430	\$ 1,997,673	\$ 1,871,656	\$ 2,095,650
Operating expenses <sup>2</sup>	\$ 982,784	\$ 1,138,626	\$ 882,604	\$ 910,838	\$ 792,924
Net revenue available for debt service	\$ 1,579,764	\$ 1,057,804	\$ 1,115,069	\$ 960,818	\$ 1,302,726
Debt service requirements	-	-	-	-	-
Coverage	100.00%	100.00%	100.00%	100.00%	100.00%

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

Source: City of Louisville basic financial statements.

	<u>2015</u>		<u>2014</u>		<u>2013</u>		<u>2012</u>		<u>2011</u>
\$	144,078,730	\$	142,735,780	\$	138,453,660	\$	154,978,880	\$	154,369,150
	9,186		9,186		9,186		9,186		9,186
\$	902,666	\$	1,075,347	\$	1,353,003	\$	1,932,777	\$	2,022,301
	0.63%		0.75%		0.98%		1.25%		1.31%
\$	98.27	\$	117.06	\$	147.29	\$	210.40	\$	220.15
\$	29,245	\$	28,725	\$	29,205	\$	6,954	\$	52,883
\$	4,963,893	\$	5,786,341	\$	5,266,879	\$	7,794,786	\$	5,806,698
	0.59%		0.50%		0.55%		0.09%		0.91%
\$	2,033,513	\$	1,741,390	\$	1,556,331	\$	1,471,978	\$	1,365,943
\$	844,251	\$	879,951	\$	839,301	\$	917,703	\$	866,865
\$	1,189,262	\$	861,439	\$	717,030	\$	554,275	\$	499,078
	-		-		-		-		-
	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>	<u>2020</u>			<u>2011</u>		
		<u>Employees</u>	<u>Rank</u>	<u>Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Employment</u>
HP Products Inc.	Specialty tubing	450	1	7.04%	326	2	12.67%
Louisville Board of Education	Public education	444	2	6.95%	399	1	15.51%
St. Joseph's Hospice	Hospice facility	259	3	4.05%	304	3	11.82%
J&J Foods LLC/Tamarkin Company	Grocery	232	4	3.63%	118	5	4.59%
Jewel Acquisition LLC/J&L Specialty Steel, Inc.	Stainless steel	136	5	2.13%	146	4	5.67%
OTC Transformer	Transformer rebuilding	113	6	1.77%	-		0.00%
City of Louisville	Municipal government	87	7	1.36%	100	7	3.89%
County of Stark	Municipal government	75	8	1.17%	-		0.00%
Encino/Chesapeake	Petroleum Operations	75	9	1.17%	-		0.00%
St Thomas Aquinas	Private education	74	10	1.16%	106	6	4.12%
Louisville Pharmacy Inc.	Pharmaceutical	-		0.00%	48	10	1.87%
Magnetic Technologies	Transformers	-		0.00%	52	9	2.02%
Midlake Products	Manufacturing	-		0.00%	77	8	2.99%
<b>Total Top Ten Employers</b>		<u>1,945</u>		<u>30.43%</u>	<u>1,676</u>		<u>65.14%</u>
<b>Total employment within the City</b>		<u>6,391</u>			<u>2,573</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 (4)</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>
2020	9,186	\$257,749,974	\$28,059	3,454	4.9%	5.3%
2019	9,186	258,466,482	\$28,137	3,189	4.5%	4.1%
2018	9,186	244,852,830	26,655	2,927	5.2%	4.8%
2017	9,186	254,939,058	27,753	2,857	5.2%	5.0%
2016	9,186	251,191,170	27,345	2,917	5.2%	4.7%
2015	9,186	237,494,844	25,854	3,053	5.1%	4.6%
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%

(1) Source: U. S. Census

(a) Year 2011 - 2019, 2010 Federal Census

(2) Source: Ohio Department of Education

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

(4) 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	2020	2019	2018	2017	2016
<b>General government</b>					
Council and clerk					
Number of legislation passed	68	57	51	41	46
Number of planning commission docket items	8	5	12	6	5
Number of zoning board of appeals docket items	10	7	6	8	6
Finance Department					
Number of W-2's issued	87	91	92	94	101
Number of checks issued	1,935	2,347	2,323	2,240	2,427
Amount of checks paid	\$ 6,689,276	\$ 7,691,751	\$ 6,352,690	\$ 3,834,480	\$ 4,213,385
Interest earnings for fiscal year (cash basis)	\$ 183,681	\$ 185,174	\$ 176,039	\$ 74,339	\$ 23,924
General fund year end cash balances	\$ 3,199,447	\$ 2,873,429	\$ 2,611,367	\$ 2,790,663	\$ 2,582,564
Water revenue fund year end cash balances	\$ 1,943,553	\$ 1,979,908	\$ 1,830,770	\$ 1,620,652	\$ 1,428,466
Sewer revenue fund year end cash balances	\$ 2,103,253	\$ 1,958,156	\$ 1,897,128	\$ 1,724,482	\$ 1,293,825
Property tax revenue	\$ 464,500	\$ 459,090	\$ 401,273	\$ 405,928	\$ 420,399
Income Tax Department					
Number of individual returns	4,324	4,349	4,295	4,293	4,322
Number of business returns	513	570	629	533	522
Number of business withholding accounts	3,811	894	814	721	789
Income tax receipts collected	\$ 4,777,853	\$ 5,001,516	\$ 4,689,396	\$ 4,790,202	\$ 4,578,245
Building Department Indicators					
Residential permits issued	4	20	19	3	7
Estimated value of residential permits	\$ 1,128,300	\$ 3,878,298	\$ 3,334,907	\$ 699,700	\$ 1,782,300
Commercial/institutional permits issued	-	7	3	2	-
Estimated value of commercial/insitutional permits	\$ -	\$ 3,813,000	\$ 390,000	\$ 535,000	\$ -
Total zoning permit fees	\$ 10,170	\$ 10,060	\$ 8,015	\$ 7,750	\$ 5,270
<b>Security of persons &amp; property</b>					
Police					
Total calls for services	4,597	5,441	5,086	5,424	5,477
Number of traffic citations issued	237	483	423	469	397
Number of criminal arrests	90	144	174	165	192
Number of accident reports completed	81	115	131	169	191
Number of motor vehicle accidents	81	115	131	169	191
Gasoline costs of fleet	\$ 24,496	\$ 29,148	\$ 31,414	\$ 28,128	\$ 27,541
Fire					
EMS calls	1,383	1,474	1,300	1,164	1,065
EMS collections	\$ 346,547	\$ 387,224	\$ 343,690	\$ 351,689	\$ 331,949
Fire calls	14	17	15	15	16
<b>Leisure time activities</b>					
Recreation					
Fishing derbies (2 per year)	-	-	-	-	-
<b>Transportation</b>					
Amount spent on paving streets	\$ 37,665	\$ 215,200	\$ 193,024	\$ 203,862	\$ 296,355
Gasoline fuel in gallons	27,796	26,572	18,101	18,055	18,331
Cost of salt purchased	\$ 121,707	\$ 108,250	\$ 86,515	\$ 36,754	\$ 78,183
Cost of salt per ton	\$ 59	\$ 74	\$ 48	\$ 55	\$ 54
<b>Utility Departments</b>					
Total water billed (in dollars)	\$ 1,272,097	\$ 1,187,686	\$ 1,124,951	\$ 1,094,401	\$ 1,066,118
Total sewer billed (in dollars)	\$ 1,417,523	\$ 1,313,933	\$ 1,241,058	\$ 1,213,172	\$ 1,188,041
Total storm water billed (in dollars)	\$ 205,069	\$ 207,553	\$ 202,192	\$ 201,040	\$ 194,166
Water bills issued	22,249	22,021	21,817	21,653	21,554
Average water treated daily (million gallons/day)	891,000	825,000	871,000	860,000	860,000
Total flow of wastewater treatment plant (millions of gallons)	519.8	586.3	614.2	564.5	476.0
Average daily flow (millions of gallons per day)	1.4	1.6	1.7	1.6	1.3
Tons of dry sludge removed	126.00	72.29	200.44	215.41	139.76

Source: City of Louisville

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
	54	64	63	60	55
	11	9	15	21	15
	12	9	9	10	15
	101	99	102	101	100
	2,776	2,256	2,125	2,171	1,965
\$	4,443,726	\$ 4,422,424	\$ 5,023,591	\$ 6,448,318	\$ 4,295,131
\$	4,664	\$ 1,909	\$ 393	\$ 1,896	\$ 1,469
\$	2,387,398	\$ 2,108,631	\$ 2,231,635	\$ 1,027,817	\$ 619,763
\$	1,158,658	\$ 827,630	\$ 690,658	\$ 513,860	\$ 424,203
\$	992,037	\$ 800,457	\$ 624,099	\$ 488,286	\$ 313,473
\$	356,032	\$ 362,778	\$ 329,344	\$ 397,244	\$ 390,212
	3,618	3,648	3,790	3,366	3,286
	544	517	536	500	457
	712	678	666	662	384
\$	4,462,328	\$ 4,222,348	\$ 3,987,405	\$ 3,673,573	\$ 3,537,290
	7	9	9	2	3
\$	1,549,400	\$ 1,901,958	\$ 2,099,864	\$ 360,000	\$ 1,243,771
	11	1	1	4	2
\$	6,600,000	\$ 4,000,000	\$ 845,000	\$ 13,285,000	\$ 686,076
\$	8,712	\$ 5,221	\$ 5,864	\$ 7,034	\$ 4,470
	5,818	5,624	5,769	6,413	5,495
	412	578	556	661	438
	178	183	261	416	391
	196	193	170	200	207
	196	193	170	200	207
\$	30,311	\$ 43,480	\$ 40,364	\$ 39,515	\$ 40,318
	1,326	1,003	1,100	1,027	885
\$	322,675	\$ 302,621	\$ 339,301	\$ 305,431	\$ 259,033
	15	19	382	349	280
	-	-	-	55	70
\$	315,518	\$ 287,510	\$ 178,693	\$ 124,875	\$ 118,087
	20,163	27,386	20,079	25,748	28,458
\$	53,990	\$ 127,740	\$ 83,731	\$ 86,082	\$ 56,237
\$	54	\$ 54	\$ 44	\$ 48	\$ 45
\$	1,012,388	\$ 978,683	\$ 954,261	\$ 932,046	\$ 881,575
\$	1,103,260	\$ 1,065,724	\$ 1,026,263	\$ 995,861	\$ 904,161
\$	140,140	\$ 139,945	\$ 138,938	\$ 138,683	\$ 108,242
	21,476	21,468	21,462	21,559	21,865
	854,000	821,000	974,000	850,000	843,835
	499.8	576.7	480.2	438.5	615
	1.4	1.6	1.3	1.2	2
	136.14	166.25	201.00	87.49	159

**CITY OF LOUISVILLE, OHIO**

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

<u>Function/Program</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>General government</b>										
City Manager	2.00	3.00	2.50	2.70	2.70	2.70	2.70	2.80	2.80	2.00
Finance	5.00	5.00	4.00	4.50	4.50	4.50	4.50	4.50	4.50	3.50
Law	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Planning	2.00	2.00	2.00	2.00	2.00	2.00	2.00	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	2.50
Civil service	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.50	0.50	0.50
<b>Security of persons and property</b>										
Police	15.00	15.00	14.50	14.00	14.50	15.00	15.50	15.00	14.00	14.50
Fire and EMS	9.50	8.50	7.00	9.00	9.50	11.00	13.00	11.00	12.00	12.00
Dispatchers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Administration	1.00	3.00	3.00	3.00	3.00	3.00	1.00	1.00	0.50	0.50
School crossing guards	3.50	3.50	3.00	5.00	5.00	5.00	5.00	4.50	4.50	3.00
<b>Leisure time activities: Recreation</b>										
Parks	3.00	3.50	3.00	4.20	4.25	4.00	3.00	4.50	7.00	6.00
<b>Community environment</b>										
Building	1.50	1.50	1.30	1.80	2.05	1.80	1.80	2.80	3.00	3.00
<b>Transportation</b>										
Service	3.50	5.00	5.00	4.75	4.50	4.50	7.50	4.00	3.00	3.00
<b>Basic utility services</b>										
Water	6.00	6.50	4.25	5.00	5.00	5.00	3.75	5.00	5.00	5.00
Sewer	6.00	6.50	5.25	3.75	4.00	4.00	2.75	5.00	5.00	4.50
Totals:	<u>61.00</u>	<u>66.00</u>	<u>57.80</u>	<u>62.70</u>	<u>64.00</u>	<u>65.50</u>	<u>66.00</u>	<u>63.60</u>	<u>64.80</u>	<u>60.50</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.



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

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>General Government</b>										
Square footage occupied	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Administrative vehicles	1	1	1	1	1	1	1	1	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	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	965	965
Vehicles	13	10	10	9	12	10	11	12	11	13
<b>Security: Fire</b>										
Stations	2	2	2	2	2	2	2	2	2	2
Number of fire hydrants	571	566	566	566	566	564	564	577	644	611
Square footage of building	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	7,500	7,500
Vehicles	8	8	9	9	9	9	9	8	8	8
<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	3	3	3	3	3	3	5	8	5
<b>Tranportation services</b>										
Streets (miles)	56.1	56.1	56.1	56.1	56.1	56.1	55.7	55.7	55.7	55.0
Number of streetlights	857	857	857	857	857	857	857	857	857	687
Number of traffic lights	9	9	9	9	9	9	9	9	7	7
Service vehicles	18	17	17	13	13	12	13	11	13	21
Storm sewers (miles)	42.6	42.5	42.1	42.1	42.1	42.1	42.1	42.1	42.1	40
<b>Sewer Department</b>										
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Sanitary sewers (miles)	42.8	42.8	42.8	42.8	42.8	42.8	42.3	42.3	42.3	42
Vehicles	3	3	3	4	3	2	2	4	2	2
<b>Water Department</b>										
Water lines (miles)	54.2	54.2	54.2	54.2	54.2	54.2	53.3	53.3	53.3	52
Vehicles	2	3	1	1	2	2	2	4	1	1

Source: City of Louisville

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# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF LOUISVILLE**

**STARK COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 1/25/2022**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)