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*ALGER & ASSOCIATES, LLC*



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CITY OF LOUISVILLE  
STARK COUNTY, OHIO

**REGULAR AUDIT**

AAA

FOR THE YEAR ENDED  
DECEMBER 31, 2010 & 2009





# Dave Yost • Auditor of State

City Council  
City of Louisville  
215 S. Mill Street  
Louisville, Ohio 44641

We have reviewed the *Independent Accountants' Report* of the City of Louisville, Stark County, prepared by Alger & Associates, LLC, for the audit period January 1, 2010 through December 31, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost  
Auditor of State

August 16, 2011

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CITY OF LOUISVILLE  
STARK COUNTY  
FOR THE YEAR ENDING DECEMBER 31, 2010

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# ALGER & ASSOCIATES, LLC

Certified Public Accountants

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

City of Louisville  
215 S. Mill Street  
Louisville, OH 44641

To the Members of Council:

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information and the discretely presented component of the City of Louisville, Stark County, Ohio (the City), as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 17, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the City's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the City's internal control over financial reporting.

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 more than a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion 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*.

We intend this report solely for the information and use of management, the audit committee, Council, and others within the City. We intend it for no one other than these specified parties.

**Alger & Associates, LLC**  
June 17, 2011

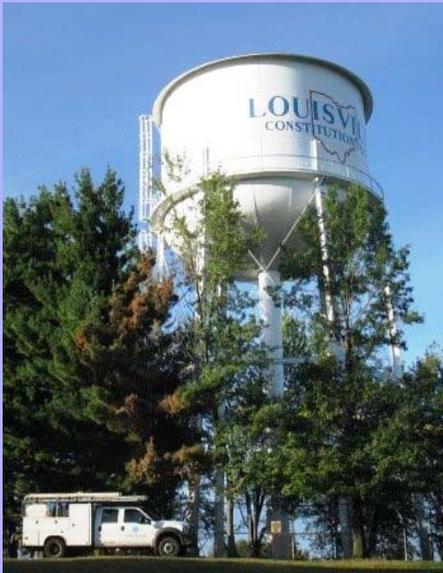
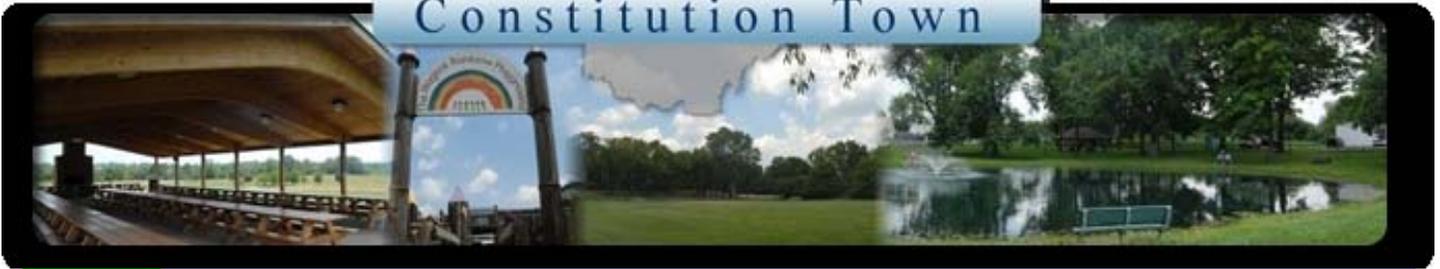
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City of

Louisville

Ohio

Constitution Town



Comprehensive

Annual Financial Report

For The Fiscal Year Ended December 31, 2010



# CITY OF LOUISVILLE, OHIO

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## Comprehensive Annual Financial Report

Year Ended December 31, 2010

PREPARED BY: DEPARTMENT OF FINANCE

Jina Alaback Lingle, Finance Director  
Laurie Tournoux, Tax Administrator  
Stacey Goe, Account Clerk  
Claudia Sell, Account Clerk  
Amy Brown, Account Clerk



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

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

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## INTRODUCTORY SECTION





## Department of Finance

June 17, 2011

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

The Comprehensive Annual Financial Report (CAFR) of the City of Louisville (the City), Ohio for the fiscal year ended December 31, 2010 is hereby submitted. This CAFR represents the official report of the City of Louisville's operations and financial position for the year ended December 31, 2010, and has been developed to accurately detail the status of the City finances to Louisville residents and elected officials, investment banks and underwriters and other interested parties. This report is presented in compliance with Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". It is intended to provide pertinent and necessary information to the citizens of Louisville.

State law requires that the City prepare their financial statements in accordance with generally accepted accounting principles (GAAP) and to have an audit at least every two years. The financial statements, at a minimum, should be the basic financial statements of the City and include the notes to those statements. Although not required by law, management of the City has decided to prepare this CAFR and to have an annual audit. A further discussion of the audit can be found later in this letter.

Responsibility for accuracy, completeness, and fairness of the presentation and for all disclosure rests with the City's management. We believe that the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included in this report.

### **Background and General Information**

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

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

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

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

The 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.

### **Reporting Entity**

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.

### **Services Provided**

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

- **SECURITY OF PERSONS AND PROPERTY** - To reduce the amounts and effect of external harms and to ensure an atmosphere of personal security from external events. This includes, but is not limited to, Police, Emergency Medical Services, and Fire Divisions 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 park areas for activities that are varied, safe, and enjoyable for individuals, groups and families.

- **COMMUNITY ENVIRONMENT**- To provide a satisfactory living environment for the citizenry, including decent housing and pleasant surroundings that are conducive to personal and family well-being. This program includes Planning, Zoning and Building Inspection.
- **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.

### **Controlling Expenditures**

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 policy, and the City Charter.

## Internal Control Structure

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that all assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

## Enterprise Operations

The City owns and operates both a water and sewer utility department. Combined operating revenue for 2010 was \$1,886,634 an increase of 6.5% from 2009's operating revenue. Operating expenses increased 14.8% from 2009, to a total of \$2,179,189.

## Economic Conditions

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

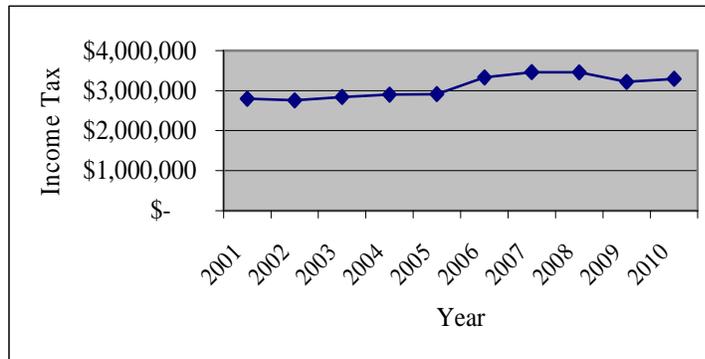
### Local Economy

Louisville was not immune to the downturn in the national economy that took place over the last half of 2008, 2009, and 2010. The City continued to closely monitor the two main revenue sources being income taxes and property taxes. The City's management considers both of these revenues indicators of the strengths or weaknesses of the local economy. In monitoring property tax revenues, the City takes in account several factors, including tax collections, the values of new construction and revaluations. Likewise with income tax, the City must take into account certain factors such as, tax collections, tax refunds, new jobs and the unemployment rate.

Income Tax Collections 2001 - 2010: The economic recovery from the recession that started in 2001 has been very sluggish. The City's financial condition finally turned around in 2006 after six years of budget reductions. This can be seen clearly with the City's income tax collections. Income tax is the City's largest revenue source.

**Income Tax Collections**  
(Presented on a Cash Basis)

<u>Year</u>	<u>Collections</u>
2001	\$ 2,796,610
2002	2,757,672
2003	2,842,964
2004	2,900,015
2005	2,910,456
2006	3,332,796
2007	3,463,645
2008	3,458,404
2009	3,221,415
2010	3,296,913



The City has experienced a local economic slowdown since 2001. Income tax collections declined for two years starting in 2001. In 2003 the City saw a 3.1% increase and continued to increase into 2005. Income tax collections at the end of 2005 were 0.2% above the 2004 level. The 2005 and 2006 increases in income tax revenue were mainly attributed to the 50% reduction of the tax credit allowance on income earned outside the City and respective taxes paid to another municipality. Effective January 1, 2007, the income tax credit allowance was changed to 60%. This volatility has resulted in close monitoring of income tax collections.

The History of Property Tax Collections: The second largest source of revenue to the City of Louisville is property tax. Louisville is a growing community and property tax revenue has grown under Ohio Law since the City levies 2.8 inside (unvoted) tax mills. However, the increase in property tax revenue is not large enough to offset the sluggish growth of income tax revenue. That fact becomes clearer when the figures below are reviewed.

<b>Property Tax Revenue</b>		
<b>(Presented on a Cash Basis)</b>		
<b>Year</b>	<b>Collections</b>	<b>Percentage Increase (Decrease)</b>
2001	\$ 381,050	13.10 %
2002	379,486	(0.41)
2003	378,806	(0.18)
2004	375,616	(0.84)
2005	404,521	7.70
2006	413,019	2.10
2007	* 449,811	8.91
2008	445,017	(1.07)
2009	437,592	(1.67)
2010	423,913	(3.13)

\* Increase due to revaluation in prior year.

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

The residential growth that the City is experiencing was predicted several years ago. As part of the 1998 goal-setting process, City Council decided to take a closer look at the way the City was developing to ensure a wise use of capital resources and to enhance service delivery for the future needs of its citizens. The City selected Northstar Planning and Design Incorporated to guide the City in this community planning process. In 2000, after months of hard work by many dedicated City and community members, the *Louisville Community Plan* was completed and approved by City Council as a strategic approach to growth management and capital project planning. This document guides City Management through decisions when formulating future budgets and considering possible capital improvements. The Director of Finance, City Manager and other management of the City work closely with local businesses, developers and other employers to be informed of changes in the local economy. As a result, the City adjusts the financial forecasts as a tool to be proactive in managing the City.

### **Financial Policy**

The City's Charter was designed several years ago with a mechanism that facilitated constructive budgeting policy. As a part of the budget process, the City Manager is required to present a statement of approved, pending and proposed capital projects to Council for the current budget year.

## **Major Initiatives**

During 2010, continuing efforts were made to upgrade services and improve the quality of life for the citizens of the City. The City has continued upgrading the wastewater treatment plant, and design of reconstruction of State Route 153, in cooperation with the Army Corps of Engineers and Ohio Department of Transportation. Another major project, which began in 2010, is the planning and pre-design phase of the Jobs-Ready Sites Project, in cooperation with private business and Ohio Department of Development to develop future manufacturing sites.

## **Risk Management**

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

## **Financial Reporting**

The City has prepared financial statements following GASB Statement No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments". GASB Statement No. 34 creates basic financial statements for reporting on the City's financial activities as follows:

- Government-wide Financial Statements
- Fund Financial Statements
- Statements of Budgetary Comparisons

As part of this model, management is responsible for preparing a Management's Discussion and Analysis of the City. This discussion follows the Independent Accountants' Report, providing an assessment of the City's finances for 2010 and a discussion of current issues affecting the City.

## **Independent Annual Audit**

The City is not legally required to obtain an independent annual audit. The minimum requirement is for the State of Ohio to perform an audit, directly or indirectly through an independent auditing firm, at least every two years. The City, consistent with the professional manner in which it has conducted its financial affairs, has chosen and funded annual audits. The City's financial statements have been audited by an independent accounting firm. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the year ended December 31, 2010, are free of material misstatement.

The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Alger & Associates, Inc., Certified Public Accountants, concluded, based upon their audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the year ended December 31, 2010 are fairly presented in conformity with GAAP. The Independent Auditor's Report is presented as the first component of the financial section of this report.

### **Certificate of Achievement**

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, 2009. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR) whose contents conform to program standards. The CAFR must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Louisville has received a Certificate of Achievement for seventeen years. 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.

### **Acknowledgments**

Preparation of this report 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 for their assistance with research and gathering pertinent information in compiling this report.

Respectfully submitted,



Jina Alaback Lingle  
Finance Director

***City of Louisville, Ohio***

Public Officials Roster

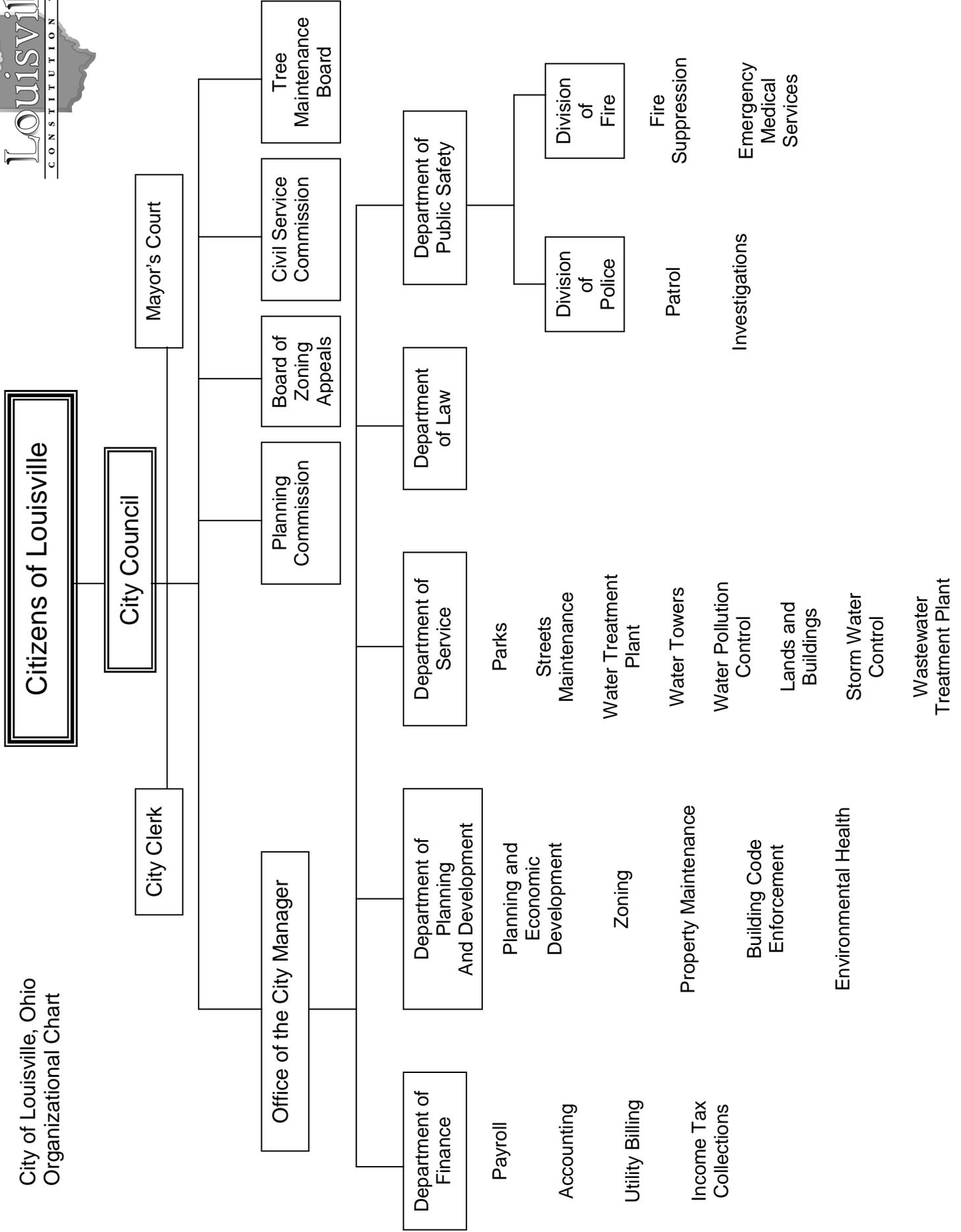
December 31, 2010

**Elected Officials**

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

**Appointed Officials**

E. Thomas Ault.....	City Manager
Jina Alaback Lingle .....	Director of Finance
Peggy Howald.....	City Clerk
Robert Duffrin .....	Law Director
James McBeath.....	Superintendent of Service
Andy Turowski .....	Chief of Police
John Fetty .....	Chief of Fire



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Louisville  
Ohio

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

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

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## FINANCIAL SECTION





# ALGER & ASSOCIATES, LLC

Certified Public Accountants

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## INDEPENDENT ACCOUNTANTS' REPORT

City of Louisville  
215 S. Mill Street  
Louisville, OH 44641

To the Members of Council:

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information and the discretely presented component unit of the City as of December 31, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the budgetary comparison for the General Fund and the Street Construction, Maintenance and Repair Fund for the year ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

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542 Ablemarle Circle  
Delaware, OH 43015  
(740) 816-2961

In accordance with *Government Auditing Standards*, we have also issued a report dated June 17, 2011 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance that report describes the scope of our testing of internal control over financial reporting and compliance and results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund statements, individual budgetary schedules and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and individual budgetary schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

**Alger & Associates, LLC**  
June 17, 2011

***City of Louisville, Ohio***  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2010**  
**Unaudited**

The management's discussion and analysis of the City of Louisville's (the "City") financial statements provides an overall review of the City's financial activities for the fiscal year ended December 31, 2010. 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 2010 are as follows:

- The total net assets of the City increased \$1,771,534. Net assets of governmental activities increased \$1,113,855, which represents an 18.2% increase over fiscal year 2009. Net assets of business-type activities increased \$657,679 or 7.2% from fiscal year 2009.
- General revenues, for governmental activities, accounted for \$3,609,964 or 68.1% of total governmental activities revenue. Program specific revenues accounted for \$1,690,231 or 31.9% of total governmental activities revenue.
- The City had \$4,186,340 in expenses related to governmental activities; \$1,690,231 of these expenses was offset by program specific charges for services and sales, operating grants, contributions and interest and capital grants and contributions. General revenues (primarily taxes) of \$3,609,964 were sufficient to offset these remaining program expenses.
- The general fund, the City's largest and major governmental fund, had revenues of \$3,739,249 in 2010, or 68.2% of total governmental funds. Expenditures of the general fund were \$3,123,746, or 61.4% of total governmental funds. The general fund balance increased \$166,243 or 10.3% in 2010.

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

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

The statement of net assets 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.

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**Reporting the City as a Whole**

***Statement of Net Assets 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 2010"? These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid. These two statements report the City's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the City as a whole, the financial position of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions and other factors.

In the statement of net assets 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, sewer and storm water 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 street construction, maintenance and repair special revenue fund. An analysis of the City's major governmental fund begins on page 10.

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***Governmental Funds***

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

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

The City maintains seventeen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements, which can be found on pages 62-66 in this report. The basic governmental fund financial statements can be found on pages 18-23 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 24-26 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 27-57 of this report.

***Other Information***

In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules, which can be found on pages 67-87 of this report.

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**Government-Wide Financial Analysis**

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

Table 1 below provides a summary of the City's net assets for 2010 compared to 2009:

**Table 1**  
**Net Assets**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<u>Assets</u>						
Current and other assets	\$ 3,859,669	\$ 3,969,266	\$ 1,977,792	\$ 1,978,591	\$ 5,837,461	\$ 5,947,857
Capital assets	<u>4,492,952</u>	<u>3,610,278</u>	<u>10,814,353</u>	<u>10,554,639</u>	<u>15,307,305</u>	<u>14,164,917</u>
Total assets	<u>8,352,621</u>	<u>7,579,544</u>	<u>12,792,145</u>	<u>12,533,230</u>	<u>21,144,766</u>	<u>20,112,774</u>
<u>Liabilities</u>						
Other liabilities	674,382	886,751	114,745	191,864	789,127	1,078,615
Long-term liabilities outstanding	<u>458,095</u>	<u>586,504</u>	<u>2,897,063</u>	<u>3,218,708</u>	<u>3,355,158</u>	<u>3,805,212</u>
Total liabilities	<u>1,132,477</u>	<u>1,473,255</u>	<u>3,011,808</u>	<u>3,410,572</u>	<u>4,144,285</u>	<u>4,883,827</u>
<u>Net Assets</u>						
Invested in capital assets, net of related debt	4,238,952	3,251,988	8,083,638	7,415,753	12,322,590	10,667,741
Restricted	916,049	1,011,949	-	-	916,049	1,011,949
Unrestricted	<u>2,065,143</u>	<u>1,842,352</u>	<u>1,696,699</u>	<u>1,706,905</u>	<u>3,761,842</u>	<u>3,549,257</u>
Total net assets	<u>\$ 7,220,144</u>	<u>\$ 6,106,289</u>	<u>\$ 9,780,337</u>	<u>\$ 9,122,658</u>	<u>\$ 17,000,481</u>	<u>\$ 15,228,947</u>

Over time, net assets can serve as a useful indicator of a government's financial position. At December 31, 2010, the City's assets exceeded liabilities by \$17,000,481. This amounts to \$7,220,144 in governmental activities and \$9,780,337 in business-type activities.

The largest portion of the City's net assets 72.5% reflects its investment in capital assets less any related debt used to acquire those assets. Capital assets include land, land improvements, buildings, machinery, equipment and vehicles, infrastructure, and construction in progress. Capital assets, net of related debt to acquire the assets at December 31, 2010, were \$12,322,590. 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.

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As of December 31, 2010, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

A portion of the City's governmental net assets, \$916,049 or 12.7%, represent resources that are subject to external restrictions on how they may be used. Of total restricted net assets \$129,975 is restricted for capital projects, \$15,452 for debt service, \$511,502 for transportation, \$233,503 for safety services programs and \$25,617 for other purposes. The remaining balance of governmental unrestricted net assets of \$2,065,143 may be used to meet the government's ongoing obligations to citizens and creditors.

Table 2 below shows the changes in net assets for governmental and business-type activities for fiscal years 2010 and 2009.

**Table 2**  
**Changes in Net Assets**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 599,836	\$ 648,459	\$ 1,876,302	\$ 1,771,676	\$ 2,476,138	\$ 2,420,135
Operating grants, contributions, and interest	684,907	551,468	385,583	-	1,070,490	551,468
Capital grants and contributions	405,488	206,169	-	92,696	405,488	298,865
General revenues:						
Property and other taxes	496,221	409,330	-	-	496,221	409,330
Municipal income taxes	2,497,694	2,366,926	832,564	850,319	3,330,258	3,217,245
Grants and entitlements	363,559	576,332	-	73,970	363,559	650,302
Investment earnings	2,967	3,465	-	-	2,967	3,465
Other	136,573	130,514	10,332	-	146,905	130,514
Total revenues	<u>5,187,245</u>	<u>4,892,663</u>	<u>3,104,781</u>	<u>2,788,661</u>	<u>8,292,026</u>	<u>7,681,324</u>

(Continued)

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**Table 2**  
**Changes in Net Assets (Continued)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<b>Program Expenses</b>						
<i>Governmental Activities:</i>						
General government	891,233	907,759	-	-	891,233	907,759
Security of persons and property	2,183,465	2,086,776	-	-	2,183,465	2,086,776
Public health and welfare	50,860	77,436	-	-	50,860	77,436
Transportation	681,247	512,414	-	-	681,247	512,414
Community environment	147,504	204,539	-	-	147,504	204,539
Leisure time activities	214,946	377,890	-	-	214,946	377,890
Interest and fiscal charges	17,085	21,268	-	-	17,085	21,268
<i>Business-Type Activities:</i>						
Water	-	-	1,199,786	1,020,190	1,199,786	1,020,190
Sewer	-	-	1,074,184	1,059,981	1,074,184	1,059,981
Storm sewer	-	-	60,182	-	60,182	-
Total program expenses	<u>4,186,340</u>	<u>4,188,082</u>	<u>2,334,152</u>	<u>2,080,171</u>	<u>6,520,492</u>	<u>6,268,253</u>
Change in net assets before transfers	<u>1,000,905</u>	<u>704,581</u>	<u>770,629</u>	<u>708,490</u>	<u>1,771,534</u>	<u>1,413,071</u>
Transfers	<u>112,950</u>	<u>153,228</u>	<u>(112,950)</u>	<u>(153,228)</u>	<u>-</u>	<u>-</u>
Change in net assets	<u>\$ 1,113,855</u>	<u>\$ 857,809</u>	<u>\$ 657,679</u>	<u>\$ 555,262</u>	<u>\$ 1,771,534</u>	<u>\$ 1,413,071</u>

***Governmental Activities***

Governmental activities net assets increased \$1,113,855 or 18.2% in 2010 over 2009. This increase was due to continued conservative spending measures. The City's funding for these governmental activities comes from a variety of sources, the most significant being the \$2,497,694 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 2010, the City received \$363,559 in unrestricted intergovernmental revenues or 6.9% of total revenues.

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Program restricted charges for services and operating and capital grants, contributions and interest represent monies the City is awarded that are required to be used for specific purposes. In 2010, the City received \$599,836 in charges for services, a combined total of \$684,907 in various operating grants, contributions and interest and \$405,488 in capital grants and contributions.

The City's governmental activity expenses totaled \$4,186,340 in 2010, with security of persons and property, general government and transportation representing the largest portion of this figure at 89.7%. The City's governmental activity expenses decreased by \$1,742 from 2009, not related to any one single event.

Security of persons and property, which primarily supports the operations of the City's police, fire and emergency medical services, accounts for \$2,183,465 of expenses, or 52.2% of total governmental expenses of the City. These expenses were funded by \$433,377 in charges to users of services and operating grants. General government expenses, which primarily include legislative, executive and financial management, totaled \$891,233 or 21.3% of total governmental expenses. General government expenses were covered by \$251,321 of direct charges to users and operating grants.

At \$681,247 or 16.3%, 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 \$969,771 in direct charges to users, operating and capital grants.

***Business-Type Activities***

The water, sewer and storm water funds represent the City's business-type activities. These programs had program revenues of \$2,261,885 and expenses of \$2,334,152 for fiscal year 2010. Business-type activities reported an increase in net assets of \$657,679, or 7.2% as compared to 2009. For this year, the increase in net assets was attributed to an increase in certain user fees and operating grants.

***Program Expenses***

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government-wide activities, the total cost of services and the net cost of services for 2010 and 2009. That is, it identifies the cost of these services supported by general revenues.

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**Table 3**  
**Program Expenses**

	<u>2010</u>		<u>2009</u>		<u>Net Change</u>	
	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
<i>Governmental Activities:</i>						
General government	\$ 891,233	\$ (639,912)	\$ 907,759	\$ (697,669)	\$ (16,526)	\$ 57,757
Security of persons and property	2,183,465	(1,750,088)	2,086,776	(1,719,435)	96,689	(30,653)
Public health and welfare	50,860	(50,860)	77,436	(77,436)	(26,576)	26,576
Transportation	681,247	288,524	512,414	105,811	168,833	182,713
Community environment	147,504	(142,969)	204,539	(78,562)	(57,035)	(64,407)
Leisure time activities	214,946	(183,719)	377,890	(293,427)	(162,944)	109,708
Interest and fiscal charges	17,085	(17,085)	21,268	(21,268)	(4,183)	4,183
<i>Business-Type Activities:</i>						
Water	1,199,786	(318,455)	1,020,190	(223,145)	179,596	(95,310)
Sewer	1,074,184	175,525	1,059,981	7,346	14,203	168,179
Storm sewer	60,182	70,663	-	-	60,182	70,663
Total expenses	<u>\$ 6,520,492</u>	<u>\$ (2,568,376)</u>	<u>\$ 6,268,253</u>	<u>\$ (2,997,785)</u>	<u>\$ 252,239</u>	<u>\$ 429,409</u>

The dependence upon general revenues for governmental activities is apparent, with 59.6% of expenses supported through taxes and other general revenues.

**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. The general fund is the main governmental operating fund of the City. At the end of 2010, the fund balance of the general fund was \$1,783,283, a 10.3% increase from the prior year. The reason for the increase in the general fund balance was primarily due to a decrease in expenses. At the end of 2010, the fund balance of the street construction, maintenance and repair fund was \$269,356, a 658.7% increase from the prior year. The reason for the increase in the street construction, maintenance and repair fund balance was primarily due to an increase in intergovernmental revenues used for the city's street construction projects

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Table 4 below reports year 2010 balances compared to 2009:

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

	Fund Balance		Increase (Decrease)	Percent Change
	December 31, 2010	December 31, 2009		
General	\$ 1,783,283	\$ 1,617,040	\$ 166,243	10.3%
Street Construction, Maintenance and Repair	269,356	35,504	233,852	658.7%
Other Governmental Funds	535,474	538,893	(3,419)	-0.6%
	<u>\$ 2,588,113</u>	<u>\$ 2,191,437</u>	<u>\$ 396,676</u>	

Table 5 below assists in illustrating the changes in financial activities for the general fund for year 2010 balances compared to 2009:

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

	December 31, 2010	December 31, 2009	Increase (Decrease)	Percent Change
<u>Revenues:</u>				
Income tax	\$ 2,491,850	\$ 2,411,065	\$ 80,785	3.4%
Property and other taxes	467,592	405,380	62,212	15.3%
Charges for services	235,554	252,025	(16,471)	-6.5%
Licenses and permits	95,826	114,544	(18,718)	-16.3%
Fines and forfeitures	3,699	2,710	989	36.5%
Intergovernmental	366,425	573,044	(206,619)	-36.1%
Investment income	2,967	17,164	(14,197)	-82.7%
Contributions and donations	8,321	12,920	(4,599)	-35.6%
Rentals	11,307	24,193	(12,886)	-53.3%
Other	55,708	42,705	13,003	30.4%
Total revenue	<u>\$ 3,739,249</u>	<u>\$ 3,855,750</u>	<u>\$ (116,501)</u>	
<u>Expenditures:</u>				
Current:				
General government	\$ 847,125	\$ 883,666	\$ (36,541)	-4.1%
Security of persons and property	1,758,457	1,735,155	23,302	1.3%
Public health and welfare	50,860	77,436	(26,576)	-34.3%
Community environment	151,145	211,481	(60,336)	-28.5%
Leisure time activities	149,882	311,834	(161,952)	-51.9%
Capital outlay	135,426	53,410	82,016	153.6%
Debt service:				
Principal retirement	29,761	28,711	1,050	3.7%
Interest and fiscal charges	1,090	2,140	(1,050)	-49.1%
Total expenditures	<u>\$ 3,123,746</u>	<u>\$ 3,303,833</u>	<u>\$ (180,087)</u>	

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***Budgeting Highlights - General Fund***

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

There most significant changes from the original budgeted revenues as compared to the final budgeted amounts was an increase of \$68,009 in intergovernmental revenue. This difference was caused by the intergovernmental revenues being unknown at the original budgeting process. Actual revenues were greater than the final budgeted amount by \$4,339 mainly due to an increase in intergovernmental revenue received during the year.

Final budgeted expenditures were less than the original budgeted expenditures by \$179,224. This was due to an overall decrease in expenditures due to the local economy. Actual expenditures of \$3,238,367 for the year were \$35,947 less than the \$3,274,314 final budgeted amounts. The majority of this change was reported in security of persons and property and general government due to conservative spending.

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of 2010, the City had \$15,307,305 (net of accumulated depreciation) invested in land, land improvements, buildings, machinery, equipment and vehicles, infrastructure, and construction in progress. Of this total, \$4,492,952 was reported in governmental activities and \$10,814,353 was reported in business-type activities. Table 6 below reports fiscal year 2010 balances compared to 2009:

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Land	\$ 197,763	\$ 197,763	\$ 312,987	\$ 312,987	\$ 510,750	\$ 510,750
Land improvements	383,501	387,379	57,548	34,763	441,049	422,142
Buildings and building improvements	754,345	760,058	4,786,490	4,963,329	5,540,835	5,723,387
Machinery, equipment and vehicles	1,118,763	1,069,062	385,465	279,430	1,504,228	1,348,492
Infrastructure	293,273	320,321	4,615,876	4,779,776	4,909,149	5,100,097
Construction in progress	1,745,307	875,695	655,987	184,354	2,401,294	1,060,049
<b>Total</b>	<b>\$ 4,492,952</b>	<b>\$ 3,610,278</b>	<b>\$ 10,814,353</b>	<b>\$ 10,554,639</b>	<b>\$ 15,307,305</b>	<b>\$ 14,164,917</b>

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The most significant change during 2010 to the amount of net capital assets was due to an increase of \$1,341,245 in construction in progress. For governmental activities an increase of \$896,612 in construction in progress was due to continuing construction projects. See Note 7 to the basic financial statements for detail on the governmental and business-type activities capital assets.

***Debt Administration***

At December 31, 2010 the City had total long-term debt outstanding of \$3,079,484. Of this total, \$592,911 is due within one year and \$2,486,573 is due in more than one year.

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
General obligation bonds	\$ 254,000	\$ 279,000	\$ 2,122,030	\$ 2,494,636	\$ 2,376,030	\$ 2,773,636
OPWC loans	-	-	433,296	481,588	433,296	481,588
OWDA loan	-	-	45,013	47,270	45,013	47,270
Capital leases	-	79,290	225,145	115,392	225,145	194,682
Total	<u>\$ 254,000</u>	<u>\$ 358,290</u>	<u>\$ 2,825,484</u>	<u>\$ 3,138,886</u>	<u>\$ 3,079,484</u>	<u>\$ 3,497,176</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 \$43,094.

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

At December 31, 2010 the City's overall legal debt margin was \$16,183,052, with an unvoted debt margin of \$8,476,837. The City's credit rating remained unchanged in 2010 as compared to 2009. See Note 9 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.

***City of Louisville, Ohio***  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2010**  
**Unaudited**

**Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Jina Alaback Lingle, 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 Assets**

**December 31, 2010**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	LCIC
<u>Assets:</u>				
Equity in pooled cash and cash equivalents	\$ 2,011,211	\$ 1,358,705	\$ 3,369,916	\$ 58,294
Receivables:				
Income tax	742,154	247,384	989,538	-
Property and other taxes	549,448	-	549,448	-
Accounts	88,241	352,075	440,316	-
Due from other governments	452,633	5,980	458,613	-
Materials and supplies inventory	11,620	6,837	18,457	-
Prepaid items	4,362	813	5,175	366
Deferred charges	-	5,998	5,998	-
Nondepreciable capital assets	1,943,070	968,974	2,912,044	30,994
Depreciable capital assets, net	2,549,882	9,845,379	12,395,261	-
<b>Total assets</b>	<b>8,352,621</b>	<b>12,792,145</b>	<b>21,144,766</b>	<b>89,654</b>
<u>Liabilities:</u>				
Accounts payable	56,885	28,427	85,312	-
Contracts payable	25,761	902	26,663	-
Accrued wages and benefits	60,745	22,194	82,939	-
Compensated absences payable	1,479	126	1,605	-
Due to other governments	95,651	39,705	135,356	-
Deferred revenue	394,480	-	394,480	-
Undistributed monies	1,965	-	1,965	-
Income tax refunds payable	35,224	11,741	46,965	-
Accrued interest payable	1,066	11,650	12,716	-
Claims payable	1,126	-	1,126	-
Long-term liabilities:				
Due within one year	111,461	607,188	718,649	-
Due in more than one year	346,634	2,289,875	2,636,509	-
<b>Total liabilities</b>	<b>1,132,477</b>	<b>3,011,808</b>	<b>4,144,285</b>	<b>-</b>
<u>Net assets:</u>				
Invested in capital assets				
net of related debt, where applicable	4,238,952	8,083,638	12,322,590	30,994
Restricted for:				
Capital projects	129,975	-	129,975	-
Debt service	15,452	-	15,452	-
Transportation	511,502	-	511,502	-
Safety services	233,503	-	233,503	-
Other purposes	25,617	-	25,617	-
Unrestricted	2,065,143	1,696,699	3,761,842	58,660
<b>Total net assets</b>	<b>\$ 7,220,144</b>	<b>\$ 9,780,337</b>	<b>\$ 17,000,481</b>	<b>\$ 89,654</b>

See accompanying notes to the basic financial statements.

**City of Louisville, Ohio**  
**Statement of Activities**  
**For the Year Ended December 31, 2010**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions
<u>Governmental Activities:</u>				
General government	\$ 891,233	\$ 234,515	\$ 16,806	\$ -
Security of persons and property	2,183,465	329,559	103,818	-
Public health and welfare	50,860	-	-	-
Transportation	681,247	-	564,283	405,488
Community environment	147,504	4,535	-	-
Leisure time activities	214,946	31,227	-	-
Interest and fiscal charges	17,085	-	-	-
Total governmental activities	<u>4,186,340</u>	<u>599,836</u>	<u>684,907</u>	<u>405,488</u>
<u>Business-Type Activities:</u>				
Water	1,199,786	863,578	17,753	-
Sewer	1,074,184	882,329	367,380	-
Storm water	60,182	130,395	450	-
Total business-type activities	<u>2,334,152</u>	<u>1,876,302</u>	<u>385,583</u>	<u>-</u>
Total primary government	<u>\$ 6,520,492</u>	<u>\$ 2,476,138</u>	<u>\$ 1,070,490</u>	<u>\$ 405,488</u>
<u>Component Unit:</u>				
LCIC	<u>\$ 1,125</u>	<u>\$ -</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  
Transfers  
Total general revenues and transfers

Change in net assets

Net assets, beginning of year  
Net assets, end of year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	LCIC
\$ (639,912)	\$ -	\$ (639,912)	\$ -
(1,750,088)	-	(1,750,088)	-
(50,860)	-	(50,860)	-
288,524	-	288,524	-
(142,969)	-	(142,969)	-
(183,719)	-	(183,719)	-
(17,085)	-	(17,085)	-
<u>(2,496,109)</u>	<u>-</u>	<u>(2,496,109)</u>	<u>-</u>
-	(318,455)	(318,455)	-
-	175,525	175,525	-
-	70,663	70,663	-
-	(72,267)	(72,267)	-
<u>(2,496,109)</u>	<u>(72,267)</u>	<u>(2,568,376)</u>	<u>-</u>
-	-	-	(1,125)
496,221	-	496,221	-
2,497,694	-	2,497,694	-
-	262,921	262,921	-
-	569,643	569,643	-
363,559	-	363,559	-
2,967	-	2,967	55
136,573	10,332	146,905	-
112,950	(112,950)	-	-
<u>3,609,964</u>	<u>729,946</u>	<u>4,339,910</u>	<u>55</u>
1,113,855	657,679	1,771,534	(1,070)
6,106,289	9,122,658	15,228,947	90,724
<u>\$ 7,220,144</u>	<u>\$ 9,780,337</u>	<u>\$ 17,000,481</u>	<u>\$ 89,654</u>

**City of Louisville, Ohio**

**Balance Sheet**

**Governmental Funds**

**December 31, 2010**

	General	Street Construction, Maintenance and Repair	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 1,380,414	\$ 138,475	\$ 492,322	\$ 2,011,211
<b>Receivables:</b>				
Income tax	742,154	-	-	742,154
Property and other taxes	549,448	-	-	549,448
Accounts	-	1,645	86,596	88,241
Interfund	21,374	-	-	21,374
Due from other governments	152,924	256,559	43,150	452,633
Materials and supplies inventory	-	11,620	-	11,620
Prepaid items	3,678	633	51	4,362
<b>Total assets</b>	<b>\$ 2,849,992</b>	<b>\$ 408,932</b>	<b>\$ 622,119</b>	<b>\$ 3,881,043</b>
<b>Liabilities:</b>				
Accounts payable	\$ 45,972	\$ 6,748	\$ 4,165	\$ 56,885
Contracts payable	-	7,860	17,901	25,761
Interfund payable	-	-	21,374	21,374
Accrued wages and benefits	47,963	7,435	5,347	60,745
Compensated absences payable	1,479	-	-	1,479
Due to other governments	78,675	11,472	5,504	95,651
Deferred revenue	854,305	106,061	32,354	992,720
Undistributed monies	1,965	-	-	1,965
Income tax refunds payable	35,224	-	-	35,224
Claims and judgments payable	1,126	-	-	1,126
<b>Total liabilities</b>	<b>1,066,709</b>	<b>139,576</b>	<b>86,645</b>	<b>1,292,930</b>
<b>Fund balances:</b>				
Reserved for encumbrances	28,886	18,963	91,235	139,084
Reserved for inventory	-	11,620	-	11,620
Reserved for prepaid items	3,678	633	51	4,362
Unreserved, undesignated, Reported in:				
General fund	1,750,719	-	-	1,750,719
Special revenue funds	-	238,140	388,540	626,680
Debt service fund	-	-	16,518	16,518
Capital projects fund	-	-	39,130	39,130
<b>Total fund balances</b>	<b>1,783,283</b>	<b>269,356</b>	<b>535,474</b>	<b>2,588,113</b>
<b>Total liabilities and fund balances</b>	<b>\$ 2,849,992</b>	<b>\$ 408,932</b>	<b>\$ 622,119</b>	<b>\$ 3,881,043</b>

See accompanying notes to the basic financial statements.

**City of Louisville, Ohio**

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

Total governmental fund balances \$ 2,588,113

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

Capital assets used in governmental activities are not financial  
resources and therefore are not reported in funds. 4,492,952

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

Property and other taxes	\$ 52,528	
Income taxes	330,772	
Intergovernmental	191,319	
Charges for services	23,621	
Total	<u>598,240</u>	598,240

Accrued interest payable is not due and payable in the current  
period and therefore is not reported in the funds. (1,066)

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

General obligation bonds	\$ (254,000)	
Compensated absences	(161,001)	
Police pension liability	(43,094)	
Total	<u>(458,095)</u>	(458,095)

Net assets of governmental activities \$ 7,220,144

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, 2010**

	General	Street Construction, Maintenance and Repair	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Income tax	\$ 2,491,850	\$ -	\$ -	\$ 2,491,850
Property and other taxes	467,592	-	-	467,592
Charges for services	235,554	-	323,175	558,729
Licenses and permits	95,826	-	23,490	119,316
Fines and forfeitures	3,699	-	14,529	18,228
Intergovernmental	366,425	1,034,640	320,161	1,721,226
Investment income	2,967	-	517	3,484
Contributions and donations	8,321	-	6,035	14,356
Rentals	11,307	-	-	11,307
Other	55,708	14,496	4,949	75,153
Total revenue	<u>3,739,249</u>	<u>1,049,136</u>	<u>692,856</u>	<u>5,481,241</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	847,125	-	-	847,125
Security of persons and property	1,758,457	-	296,815	2,055,272
Public health and welfare	50,860	-	-	50,860
Transportation	-	445,135	165,071	610,206
Community environment	151,145	-	-	151,145
Leisure time activities	149,882	-	-	149,882
Capital outlay	135,426	704,999	258,183	1,098,608
<b>Debt service:</b>				
Principal retirement	29,761	-	74,529	104,290
Interest and fiscal charges	1,090	-	16,087	17,177
Total expenditures	<u>3,123,746</u>	<u>1,150,134</u>	<u>810,685</u>	<u>5,084,565</u>
Excess of revenues over (under) expenditures	<u>615,503</u>	<u>(100,998)</u>	<u>(117,829)</u>	<u>396,676</u>
<b>Other financing sources (uses):</b>				
Transfers - in	-	334,850	114,410	449,260
Transfers - out	(449,260)	-	-	(449,260)
Total other financing sources (uses)	<u>(449,260)</u>	<u>334,850</u>	<u>114,410</u>	<u>-</u>
Net change in fund balance	166,243	233,852	(3,419)	396,676
Fund balances at beginning of year	1,617,040	35,504	538,893	2,191,437
Fund balances at end of year	<u>\$ 1,783,283</u>	<u>\$ 269,356</u>	<u>\$ 535,474</u>	<u>\$ 2,588,113</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, 2010**

Net change in fund balances - Total governmental funds \$ 396,676

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

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

In the current period, these amounts are:

Capital outlay	\$	1,098,608	
Capital assets transferred		112,950	
Depreciation expense		(290,813)	
Excess of capital outlay and capital contributions over depreciation expense			920,745

Governmental funds only report the disposal of capital assets to the extent proceeds are received  
from the sale. In the statement of activities, a gain or loss is reported for each disposal. (38,071)

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	\$	28,628	
Income taxes		5,843	
Intergovernmental		(300,910)	
Charges for services		(27,557)	
Net change in deferred revenues during the year			(293,996)

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:

Decrease in compensated absences	\$	23,131	
Decrease in police pension liability		988	
Decrease in accrued interest		92	
Total additional expenditures			24,211

Repayment of bond and loan principal is an expenditure in the governmental funds, but the  
repayment reduces long-term liabilities in the statement of net assets. 25,000

Some capital additions were financed through capital leases. In governmental funds, a capital  
lease arrangement is considered a source of financing, but in the statement of net assets,  
the lease obligation is reported as a liability. 79,290

Change in net assets of governmental activities \$ 1,113,855

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, 2010**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Municipal income tax	\$ 2,471,950	\$ 2,471,950	\$ 2,472,685	\$ 735
Property and other taxes	377,000	377,000	376,972	(28)
Charges for services	235,800	235,800	235,554	(246)
Licenses and permits	118,595	118,595	118,265	(330)
Fines and forfeitures	3,700	3,700	3,699	(1)
Intergovernmental	375,416	443,425	447,796	4,371
Interest	5,700	5,700	5,626	(74)
Contributions and donations	8,325	8,325	8,321	(4)
Rentals	11,325	11,325	11,307	(18)
Other	48,280	49,940	49,874	(66)
<b>Total revenues</b>	<b>3,656,091</b>	<b>3,725,760</b>	<b>3,730,099</b>	<b>4,339</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	1,034,654	930,614	918,935	11,679
Security of persons and property	1,833,195	1,850,855	1,836,173	14,682
Public health and welfare	77,125	53,675	53,018	657
Community environment	274,611	179,336	177,888	1,448
Leisure time activities	204,578	228,983	221,502	7,481
Capital outlay	29,375	30,851	30,851	-
<b>Total expenditures</b>	<b>3,453,538</b>	<b>3,274,314</b>	<b>3,238,367</b>	<b>35,947</b>
<b>Excess of revenues over expenditures</b>	<b>202,553</b>	<b>451,446</b>	<b>491,732</b>	<b>40,286</b>
<b>Other financing sources (uses):</b>				
Sale of capital assets	7,500	7,500	7,491	(9)
Advances - in	-	-	251,546	251,546
Advances - out	-	-	(265,959)	(265,959)
Transfers - in	30,784	31,867	31,867	-
Transfers - out	(554,260)	(484,727)	(481,127)	3,600
<b>Total other financing sources (uses)</b>	<b>(515,976)</b>	<b>(445,360)</b>	<b>(456,182)</b>	<b>(10,822)</b>
<b>Net change in fund balance</b>	<b>(313,423)</b>	<b>6,086</b>	<b>35,550</b>	<b>29,464</b>
<b>Fund balance at beginning of year</b>	<b>1,222,320</b>	<b>1,222,320</b>	<b>1,222,320</b>	<b>-</b>
<b>Prior year encumbrances appropriated</b>	<b>54,837</b>	<b>54,837</b>	<b>54,837</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ 963,734</b>	<b>\$ 1,283,243</b>	<b>\$ 1,312,707</b>	<b>\$ 29,464</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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	1,579,725	1,596,100	931,165	(664,935)
Other	8,945	8,945	8,067	(878)
Total revenues	<u>1,588,670</u>	<u>1,605,045</u>	<u>939,232</u>	<u>(665,813)</u>
<u>Expenditures:</u>				
Current:				
Transportation	<u>1,968,689</u>	<u>1,958,899</u>	<u>1,302,842</u>	<u>656,057</u>
Excess of revenues under expenditures	<u>(380,019)</u>	<u>(353,854)</u>	<u>(363,610)</u>	<u>(9,756)</u>
Other financing sources (uses):				
Sale of capital assets	6,430	6,430	6,429	(1)
Advances - in	-	-	171,751	171,751
Advances - out	-	-	(171,751)	(171,751)
Transfers - in	<u>334,850</u>	<u>334,850</u>	<u>334,850</u>	<u>-</u>
Total other financing sources (uses)	<u>341,280</u>	<u>341,280</u>	<u>341,279</u>	<u>(1)</u>
Net change in fund balance	(38,739)	(12,574)	(22,331)	(9,757)
Fund balance at beginning of year	128,438	128,438	128,438	-
Prior year encumbrances appropriated	<u>564</u>	<u>564</u>	<u>564</u>	<u>-</u>
Fund balance at end of year	<u>\$ 90,263</u>	<u>\$ 116,428</u>	<u>\$ 106,671</u>	<u>\$ (9,757)</u>

See accompanying notes to the basic financial statements.

**City of Louisville, Ohio**  
**Statement of Fund Net Assets**  
**Proprietary Funds**  
**December 31, 2010**

Business-Type Activities - Enterprise Funds

	Water	Sewer	Storm Water	Total
<u>Assets:</u>				
Current assets:				
Equity in pooled cash and cash equivalents	\$ 621,970	\$ 620,014	\$ 116,721	\$ 1,358,705
Receivables:				
Income tax	138,535	108,849	-	247,384
Accounts	160,056	172,331	19,688	352,075
Due from other governments	-	5,980	-	5,980
Materials and supplies inventory	2,466	4,371	-	6,837
Prepaid items	401	412	-	813
Deferred charges	2,355	3,643	-	5,998
Total current assets	925,783	915,600	136,409	1,977,792
Non-current assets:				
Land	213,279	99,708	-	312,987
Construction in progress	93,400	562,587	-	655,987
Depreciable capital assets, net	5,374,229	4,471,150	-	9,845,379
Total non-current assets	5,680,908	5,133,445	-	10,814,353
Total assets	\$ 6,606,691	\$ 6,049,045	\$ 136,409	\$ 12,792,145
<u>Liabilities:</u>				
Current liabilities:				
Accounts payable	\$ 8,662	\$ 17,879	\$ 1,886	\$ 28,427
Contracts payable	-	902	-	902
Accrued wages and benefits	9,931	12,263	-	22,194
Compensated absences payable	17,786	22,617	-	40,403
Due to other governments	15,514	23,871	320	39,705
Income tax refunds payable	6,575	5,166	-	11,741
Accrued interest payable	5,329	6,321	-	11,650
Capital lease payable	15,216	81,840	15,216	112,272
OPWC loans payable	48,292	-	-	48,292
General obligation bonds payable	118,200	285,800	-	404,000
OWDA loans payable	2,347	-	-	2,347
Total current liabilities	247,852	456,659	17,422	721,933
Long-term liabilities:				
Compensated absences payable	13,731	17,571	-	31,302
Capital leases payable, net of current portion	32,168	48,536	32,169	112,873
OPWC loans payable, net of current portion	385,004	-	-	385,004
OWDA loans payable, net of current portion	42,666	-	-	42,666
General obligation bonds payable, net of current portion	985,269	732,761	-	1,718,030
Total liabilities	1,706,690	1,255,527	49,591	3,011,808
<u>Net assets:</u>				
Invested in capital assets, net of related debt	4,099,130	3,984,508	-	8,083,638
Unrestricted	800,871	809,010	86,818	1,696,699
Total net assets	\$ 4,900,001	\$ 4,793,518	\$ 86,818	\$ 9,780,337

See accompanying notes to the basic financial statements.

**City of Louisville, Ohio**

**Statement of Revenues, Expenses and Changes in Fund Net Assets**

**Proprietary Funds**

**For the Year Ended December 31, 2010**

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Storm Water	Total
<u>Operating revenues:</u>				
Charges for services	\$ 863,578	\$ 882,329	\$ 130,395	\$ 1,876,302
Other	8,603	1,729	-	10,332
Total operating revenue	872,181	884,058	130,395	1,886,634
<u>Operating expenses:</u>				
Personal services	260,536	328,569	-	589,105
Fringe benefits	95,095	112,167	-	207,262
Contractual services	479,456	277,442	41,726	798,624
Supplies and materials	98,839	75,602	18,385	192,826
Depreciation	202,743	188,629	-	391,372
Total operating expenses	1,136,669	982,409	60,111	2,179,189
Operating income (loss)	(264,488)	(98,351)	70,284	(292,555)
<u>Non-operating revenues (expenses):</u>				
Municipal income tax	262,921	569,643	-	832,564
Grants	17,753	367,380	450	385,583
Loss on sale of capital assets	(64,381)	(4,904)	(64,382)	(133,667)
Interest and fiscal charges	(63,117)	(86,871)	(71)	(150,059)
Total non-operating revenues (expenses)	153,176	845,248	(64,003)	934,421
Income (loss) before contributions	(111,312)	746,897	6,281	641,866
Capital contributions	-	15,813	-	15,813
Change in net assets	(111,312)	762,710	6,281	657,679
Net assets at beginning of year	5,011,313	4,030,808	80,537	9,122,658
Net assets at end of year	\$ 4,900,001	\$ 4,793,518	\$ 86,818	\$ 9,780,337

See accompanying notes to the basic financial statements.

**City of Louisville, Ohio**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2010**

Business-Type Activities - Enterprise Funds

	Water	Sewer	Storm Water	Total
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 862,222	\$ 905,839	\$ 110,707	\$ 1,878,768
Cash payments for employee services and benefits	(359,162)	(443,188)	-	(802,350)
Cash payments to suppliers for goods and services	(599,694)	(359,658)	(120,027)	(1,079,379)
Net cash provided by (used) for operating activities	(96,634)	102,993	(9,320)	(2,961)
<b>Cash flows from noncapital financing activities:</b>				
Income taxes received	267,345	556,883	-	824,228
Operating grants	17,753	361,400	8,298	379,153
Net cash provided by (used for) noncapital financing activities	285,098	918,283	8,298	1,203,381
<b>Cash flows from capital and related financing activities:</b>				
Interest paid on debt	(63,194)	(73,680)	(71)	(136,945)
Principal payment on bonds, loans and capital lease	(182,546)	(352,153)	(16,997)	(551,696)
Acquisition of capital assets	(120,030)	(417,313)	-	(537,343)
Net cash used for capital and related financing activities	(365,770)	(843,146)	(17,068)	(1,225,984)
Net increase (decrease) in cash and cash equivalents	(177,306)	178,130	(18,090)	(17,266)
Cash and cash equivalents at beginning of year	799,276	441,884	134,811	1,375,971
Cash and cash equivalents at end of year	\$ 621,970	\$ 620,014	\$ 116,721	\$ 1,358,705
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>				
Operating income (loss)	\$ (264,488)	\$ (98,351)	\$ 70,284	\$ (292,555)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	202,743	188,629	-	391,372
Change in assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	(9,959)	21,781	(19,688)	(7,866)
Materials and supplies inventory	(11)	(3,838)	-	(3,849)
Prepaid items	(133)	(144)	-	(277)
Increase (decrease) in liabilities:				
Accounts payable	(21,255)	(7,832)	275	(28,812)
Contracts payable	-	-	(55,274)	(55,274)
Retainage payable	-	-	(5,237)	(5,237)
Accrued wages and benefits	1,563	1,646	-	3,209
Compensated absences	(4,547)	(3,570)	-	(8,117)
Due to other governments	(547)	4,672	320	4,445
Net cash provided by (used for) operating activities	\$ (96,634)	\$ 102,993	\$ (9,320)	\$ (2,961)
<b>Non-cash capital and related financing activities:</b>				
Capital contributions	\$ -	\$ 15,813	\$ -	\$ 15,813

See accompanying notes to the basic financial statements.

**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 City also applies Financial Accounting Standards Board Statements (FASB) and Interpretations issued on or before November 30, 1989, to its business-type activities and enterprise funds provided they do not conflict with or contradict GASB pronouncements. The FASB has codified its standards and the standards issued prior to November 30, 1989 are included in the codification. The City has elected not to follow FASB guidance for business-type activities and enterprise funds issued after November 30, 1989. 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.

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 assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government and its component unit. The statements of the primary government distinguish between those activities of the City that are governmental and those that are considered business-type activities. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. However, the services provided and used are not eliminated in the process of consolidation.

The statement of net assets presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund financial statements.

## *Notes to the Basic Financial Statements*

### **C. Fund Accounting**

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

#### Governmental Funds

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

*Street Construction, Maintenance and Repair Fund:* This special revenue fund is used to account for 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 assets, 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:

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

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

Storm Water Utility Fund: The storm water utility fund accounts for the storm water user's fee which will be used for the payment of cost related to the storm drainage system.

**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 and all liabilities associated with the operation of the City are included on the statement of net assets. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net assets. 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 and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

Basis of accounting 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 revenue and in the presentation of expenses versus expenditures.

## *Notes to the Basic Financial Statements*

### Revenues - Exchange and Non-exchange Transactions

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

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

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

### Deferred Revenue

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

Property taxes receivables has been offset by deferred revenue since the current taxes were not levied to finance 2010 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified basis the revenue is deferred. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures

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

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

**E. Budgets and  
Budgetary Accounting**

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

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

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

On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31. Further amendments may be made during the year if the Finance Director determines that revenue to be collected will be greater than or less than the prior estimates and the budget commission find the revised estimates to be reasonable. The amounts set forth in the financial statements, as the original budgeted amounts, represent estimates from the certificate of estimated resources when the original appropriations were adopted, whereas the final budgeted amounts, represent estimates from the final amended certificate issued for 2010.

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

## *Notes to the Basic Financial Statements*

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

*The Appropriated Budget:* The legal level of control has been established by Council at the department level for all funds, except the internal service fund. 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 2010, investments were limited to interest in State Treasury Asset Reserve of Ohio (STAR Ohio). Except for investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at fair value, which is based on quoted market prices.

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

For purposes of the statement of cash flows and for presentation on the statement of net assets, 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, 2010 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 assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

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

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

## *Notes to the Basic Financial Statements*

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

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

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

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

**L. Fund Balance Reserves** Reserved or designated fund balances indicate that a portion of fund equity is not available for current appropriation or use. The unreserved or undesignated portions of fund equity reflected in the governmental funds are available for use within the specified purposes of the funds.

The City reports amounts representing encumbrances, inventory and prepaid items as reservations of fund balance in the governmental funds.

## *City of Louisville, Ohio*

- M. Deferred Charges and Bond Premiums** In governmental fund types, bond premiums and issuance costs are recognized in the current period. Bond premiums and issuance costs 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, whereas issuance costs are recorded as deferred charges.
- N. Interfund Transactions** During the course of normal operations, the City has numerous transactions between funds, most of which are in the form of transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect such transactions as transfers. Operating subsidies are also recorded as transfers. These amounts are eliminated in the governmental activities columns of the statement of net assets.
- 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.
- O. Net Assets** Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include amounts to provide transportation, general government, and public health and welfare services. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.
- P. 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 non-operating.
- Q. Estimates** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

## Notes to the Basic Financial Statements

### NOTE 2 - RESTATEMENT OF PRIOR YEAR FUND NET ASSETS

During 2010 the City's management conducted an analysis of their business-type activities reported within their enterprise funds. Previously, this activity was reported in two major enterprise funds. In an effort to improve financial reporting for the current year as well as anticipated future years' activity, an additional fund will be presented. The storm water fund will be a third major enterprise fund and used to report activity that was primarily within the sewer fund. Fund net assets at December 31, 2009 have been restated within the business-type activity as presented below.

	Business-type Activities			<u>Total</u>
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Storm Water Fund</u>	
Net assets at December 31, 2009	\$ 5,125,740	\$ 3,996,918	\$ -	\$ 9,122,658
Fund activity reclassification	<u>(114,427)</u>	<u>33,890</u>	<u>80,537</u>	<u>-</u>
Restated net assets at January 1, 2010	<u>\$ 5,011,313</u>	<u>\$ 4,030,808</u>	<u>\$ 80,537</u>	<u>\$ 9,122,658</u>

### NOTE 3 - BUDGETARY BASIS OF ACCOUNTING

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

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

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) Encumbrances are recorded as the equivalent of an expenditure (budget basis) in order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation as opposed to a reservation of fund (GAAP basis).

## City of Louisville, Ohio

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis for the general and street construction maintenance and repair funds are as follows:

	Net Change in Fund Balance	
	General <u>Fund</u>	Street Construction Maintenance and Repair <u>Fund</u>
GAAP Basis	\$ 166,243	\$ 233,852
Revenue accruals	281,754	68,276
Expenditure accruals	(344,747)	(292,654)
Encumbrances (Budget Basis) outstanding at year end	<u>(67,700)</u>	<u>(31,805)</u>
Budget Basis	<u>\$ 35,550</u>	<u>\$ (22,331)</u>

### NOTE 4 – DEPOSITS AND INVESTMENTS

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#### A. Primary Government

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

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

The City had \$310 in undeposited cash on hand which is included as part of "equity in pooled cash and cash equivalents."

## *Notes to the Basic Financial Statements*

### A. Deposits

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

As of December 31 2010, the carrying amount of the City's deposits was \$365,591 and the bank balance was \$449,044. The bank balances were not exposed to custodial credit risk as this amount is insured and collateral held by the pledging financial institution's trust department is considered in the City's name.

### B. Investments

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Rating <sup>(1)</sup></u>
STAR Ohio	\$ 3,004,015	58 <sup>(2)</sup>	AAAm

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

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

The City has invested funds in STAR Ohio during 2010. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the Securities and Exchange Commission as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2010.

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 2010 amounted to \$2,967, which includes \$949 assigned from other City funds.

*City of Louisville, Ohio*

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

**B. Component Unit**

Deposits

The carrying amount and bank balance of the Louisville Community Corporation's deposits at December 31, 2010 were \$58,294. Of the bank balances, none of the monies were collateralized with securities held by the pledging financial institutions trust department or agent but not in the Corporation's name.

**NOTE 5 - RECEIVABLES**

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Receivables at December 31, 2010 for governmental funds consisted primarily of municipal income taxes, property and other taxes, amounts due from other governments, accounts, special assessments, and accrued interest.

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

<u>Governmental Activities</u>	<u>Amount</u>
Cents per gallon and excise tax	\$ 142,758
Homestead and rollback	28,879
Local government	123,112
Motor vehicle tax	27,127
Estate tax	126,094
Permissive sales tax	12,336
Public utility property tax reimbursement	932
State and Federal grants	<u>123,335</u>
Total	<u>\$ 584,573</u>

*Notes to the Basic Financial Statements*

**NOTE 6 - INTERFUND TRANSFERS**

Interfund transfers for the year ended December 31, 2010, consisted of the following:

Transfer to	Transfer from			Total
	General fund	Water fund	Storm Water fund	
Street Construction, Maintenance and Repair fund	\$ 334,850	\$ -	\$ -	\$ 334,850
Nonmajor governmental funds	114,410	-	-	114,410
Subtotal fund transfers	<u>449,260</u>	<u>-</u>	<u>-</u>	<u>\$ 449,260</u>
Governmental activities	-	48,468	64,382	
Total transfers	<u>\$ 449,260</u>	<u>\$ 48,468</u>	<u>\$ 64,382</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.

During the year ended December 31, 2010, the City made transfers totaling \$449,260. The general fund transferred \$449,260 to the street construction maintenance and repair, state highway, motor vehicle license, community crime prevention grants, and local drug enforcement grants special revenue funds and the debt service fund. These transfers represent amounts necessary to carry out the purpose of the program prior to receiving additional funding and to cover shortages resulting from the retiring of debt. Additionally, transfers of capital assets between the business-type funds and governmental activities during 2010 are reported as transfers.

City of Louisville, Ohio

**NOTE 7 - CAPITAL ASSETS**

**A. Primary Government**

*Governmental Activities:* The summary of the governmental capital asset activity as of December 31, 2010 follows:

<u>Governmental activities</u>	Balance 12/31/2009	Increases	Decreases	Balance 12/31/2010
Capital assets, not being depreciated:				
Land	\$ 197,763	\$ -	\$ -	\$ 197,763
Construction in progress	875,695	869,612	-	1,745,307
Total capital assets, not being depreciated	1,073,458	869,612	-	1,943,070
Capital assets, being depreciated:				
Land improvements	518,362	50,482	-	568,844
Buildings and building improvements	1,454,995	22,987	-	1,477,982
Machinery and equipment	1,104,910	85,131	(90,711)	1,099,330
Vehicles	1,729,160	183,346	(164,026)	1,748,480
Infrastructure	717,982	-	-	717,982
Total capital assets, being depreciated	5,525,409	341,946	(254,737)	5,612,618
Less accumulated depreciation:				
Land improvements	(130,983)	(54,360)	-	(185,343)
Buildings and building improvements	(694,937)	(28,700)	-	(723,637)
Machinery and equipment	(838,142)	(46,338)	71,873	(812,607)
Vehicles	(926,866)	(134,367)	144,793	(916,440)
Infrastructure	(397,661)	(27,048)	-	(424,709)
Total accumulated depreciation	(2,988,589)	(290,813)	216,666	(3,062,736)
Total capital assets being depreciated, net	2,536,820	51,133	(38,071)	2,549,882
Governmental activities capital assets, net	\$ 3,610,278	\$ 920,745	\$ (38,071)	\$ 4,492,952

*Depreciation Expense:* Depreciation expense charged to governmental functions for the year ending December 31, 2010 is as follows:

	Amount
General government	\$ 38,595
Security of persons and property	118,356
Transportation	68,798
Leisure time activities	65,064
	<u>\$ 290,813</u>

## Notes to the Basic Financial Statements

**Business-type Activities:** The summary of the business-type activities' capital asset activity as of December 31, 2010 follow:

<b><u>Business-type activities</u></b>	Balance <u>12/31/2009</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>12/31/2010</u>
Capital assets, not being depreciated:				
Land	\$ 312,987	\$ -	\$ -	\$ 312,987
Construction in progress	<u>184,354</u>	<u>475,673</u>	<u>(4,040)</u>	<u>655,987</u>
Total capital assets, not being depreciated	<u>497,341</u>	<u>475,673</u>	<u>(4,040)</u>	<u>968,974</u>
Capital assets, being depreciated:				
Land improvements	45,225	28,745	-	73,970
Buildings and building improvements	9,112,338	-	-	9,112,338
Machinery and equipment	11,896	38,622	-	50,518
Vehicles	413,223	241,713	(146,033)	508,903
Infrastructure	<u>9,926,881</u>	<u>-</u>	<u>-</u>	<u>9,926,881</u>
Total capital assets, being depreciated	<u>19,509,563</u>	<u>309,080</u>	<u>(146,033)</u>	<u>19,672,610</u>
Less accumulated depreciation:				
Land improvements	(10,462)	(5,960)	-	(16,422)
Buildings and building improvements	(4,149,009)	(176,839)	-	(4,325,848)
Machinery and equipment	(2,230)	(2,975)	-	(5,205)
Vehicles	(143,459)	(41,698)	16,406	(168,751)
Infrastructure	<u>(5,147,105)</u>	<u>(163,900)</u>	<u>-</u>	<u>(5,311,005)</u>
Total accumulated depreciation	<u>(9,452,265)</u>	<u>(391,372)</u>	<u>16,406</u>	<u>(9,827,231)</u>
Total capital assets being depreciated, net	<u>10,057,298</u>	<u>(82,292)</u>	<u>(129,627)</u>	<u>9,845,379</u>
Business-type activities capital assets, net	<u>\$ 10,554,639</u>	<u>\$ 393,381</u>	<u>\$ (133,667)</u>	<u>\$ 10,814,353</u>

**Depreciation Expense:** Depreciation expense charged to business-type activities for the year ending December 31, 2010 is as follows:

	Amount
Water	\$ 202,743
Sewer	<u>188,629</u>
Total	\$ 391,372

### **B. Component Unit**

**Component Unit:** A summary of the component unit capital assets as of December 31, 2010 follows:

<b><u>Component unit</u></b>	Balance <u>12/31/2009</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>12/31/2010</u>
Capital assets, not being depreciated:				
Land	<u>\$ 30,994</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,994</u>

**NOTE 8 - COMPENSATED ABSENCES**

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

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

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

Governmental Activities: A summary of the governmental activities' debt and other long-term obligations as of December 31, 2010 follows:

	Balance January 1	Additions	Reductions	Amount Outstanding December 31	Amount Due in One Year
<b><u>Governmental activities</u></b>					
<b><u>General obligation bonds</u></b>					
2001 Various Purpose					
Bonds, 3.50-5.10%	\$ 279,000	\$ -	\$ 25,000	\$ 254,000	\$ 26,000
<b><u>Other long-term obligations</u></b>					
Police pension liability, 4.25%	44,082	-	988	43,094	1,030
Compensated absences	184,132	85,910	109,041	161,001	84,431
Capital leases	79,290	-	79,290	-	-
Total other long-term obligations	<u>307,504</u>	<u>85,910</u>	<u>189,319</u>	<u>204,095</u>	<u>85,461</u>
Total governmental activities	<u>\$ 586,504</u>	<u>\$ 85,910</u>	<u>\$ 214,319</u>	<u>\$ 458,095</u>	<u>\$ 111,461</u>

## Notes to the Basic Financial Statements

**Business-type Activities:** A summary of the business-type activities' debt and other long-term obligations as of December 31, 2010 follows:

	<u>Balance</u> <u>January 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Amount</u> <u>Outstanding</u> <u>December 31</u>	<u>Amount</u> <u>Due in</u> <u>One Year</u>
<b><u>Business-type activities</u></b>					
<b><u>General obligation bonds</u></b>					
1993 Capital Facilities Refunding and Improvement 3.95-6.00%	\$ 1,410,000	\$ -	\$ 285,000	\$ 1,125,000	\$ 300,000
Unamortized deferred cost of refunding	(34,983)	-	(13,653)	(21,330)	-
Unamortized premium	3,619	-	1,259	2,360	-
2001 Various Purpose Bonds 3.5-5.10%	<u>1,116,000</u>	<u>-</u>	<u>100,000</u>	<u>1,016,000</u>	<u>104,000</u>
Total general obligation bonds	<u>2,494,636</u>	<u>-</u>	<u>372,606</u>	<u>2,122,030</u>	<u>404,000</u>
<b><u>Other Long-term Obligations</u></b>					
1996 Ohio Public Works Commission Loan 0%	183,099	-	24,413	158,686	24,413
2001 Ohio Public Works Commission Loan 0%	298,489	-	23,879	274,610	23,879
2005 Ohio Water Development Authority Loan	47,270	-	2,257	45,013	2,347
Capital lease	115,392	225,900	116,147	225,145	112,272
Compensated absences	<u>79,822</u>	<u>40,403</u>	<u>48,646</u>	<u>71,579</u>	<u>40,277</u>
Total general obligation bonds	<u>724,072</u>	<u>266,303</u>	<u>215,342</u>	<u>775,033</u>	<u>203,188</u>
Total business-type activities	<u>\$ 3,218,708</u>	<u>\$ 266,303</u>	<u>\$ 587,948</u>	<u>\$ 2,897,063</u>	<u>\$ 607,188</u>

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

The \$254,000 Various Purpose Bonds mature serially in progressive annual amounts ranging from \$26,000 in 2011 to \$28,000 in 2021 and bear interest at rates ranging from 4.50% to 5.10%, respectively. The bonds represent general obligations of the City and were used in 2001 to retire the City's \$593,250 bond anticipation notes, which had been used to fund various capital projects and improvements.

## *City of Louisville, Ohio*

In 1993, the City defeased the Series 1988 Bonds in order to take advantage of lower interest rates. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. As of December 31, 2010, all of the old bonds have been called and subsequently redeemed. Of the \$1,125,000 Capital Facilities Refunding and Improvement Bonds, \$300,000 matures serially in 2011 and bears interest at rate of 5.125%. The remaining \$825,000 represents term bonds, which are subject to mandatory redemption ranging from \$300,000 in 2011 to \$50,000 in 2017 (the maturity of the issue) and bear interest at rates ranging from 5.125% to 5.20%, respectively. The Capital Facilities Refunding and Improvement Bonds are general obligations of the City. However, the debt is serviced from revenues generated from a .5% reallocation in the municipal income tax rate.

The \$1,016,000 Various Purpose Bonds mature serially in progressive annual amounts ranging from \$104,000 in 2011 to \$112,000 in 2021 and bear interest at rates ranging from 4.50% to 5.10%, respectively. The bonds represent general obligations of the City and were used in 2001 to retire the City's \$1,586,750 bond anticipation notes, which had been used to fund various projects and improvements.

Loans: The \$158,686 loan outstanding is an interest-free loan from the Ohio Public Works Commission (OPWC) for a water line project, and requires equal payments over twenty years. The \$274,610 OPWC Loan outstanding is an interest-free loan for a water tower, and requires equal payments over twenty years. The \$45,013 Ohio Water Development Authority (ODWA) Loan outstanding is a loan for the East Well Field conversion and raw water main, and requires principal and interest payments over twenty years.

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

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

## Notes to the Basic Financial Statements

The annual requirements to amortize all bonded debt and loans as of December 31, 2010, including interest payments of \$571,014, are as follows:

	General Obligation Debt		ODWA Loan		OPWC Loans	Police Pension
	Principal	Interest	Principal	Interest	Principal	Installment
2011	\$ 430,000	\$ 121,781	\$ 2,347	\$ 1,768	\$ 48,292	\$ 1,030
2012	410,000	100,556	2,442	1,674	48,292	1,074
2013	425,000	79,567	2,539	1,576	48,292	1,121
2014	140,000	57,810	2,642	1,474	48,292	1,169
2015	150,000	50,630	2,748	1,368	48,292	1,219
2016-2020	700,000	138,865	15,489	5,089	156,015	6,926
2021-2025	140,000	7,140	16,806	1,715	35,819	8,547
2026-2030	-	-	-	-	-	10,548
2031-2034	-	-	-	-	-	11,460
	<u>\$ 2,395,000</u>	<u>\$ 556,349</u>	<u>\$ 45,013</u>	<u>\$ 14,664</u>	<u>\$ 433,294</u>	<u>\$ 43,094</u>

### NOTE 10 – CAPITALIZED LEASE

The City entered into capital leases during the year for the acquisition of vehicles. Capital lease payments are reflected as debt service payments in the basic financial statements for the governmental funds. These expenditures are reflected as function expenditures on a budgetary basis.

Governmental and business-type activities capital assets consisting of equipment have been capitalized in the amount of \$348,747 and \$508,926, respectively. The depreciation expense of these assets is reported within governmental and business-type activities. The capitalized amount equals a portion of the present value of the future minimum lease payments and the down payment respectively, at the time of acquisition. The remaining portion of the capital lease was used for noncapitalizable improvements.

Following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2010:

Year	Lease Payments Business-type Activities
2011	\$ 59,637
2012	120,997
2013	<u>59,637</u>
Total minimum lease payments	240,271
Less: amount representing interest	<u>(15,126)</u>
Total	<u>\$ 225,145</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. 2010 public utility property taxes became a lien December 31, 2009, are levied after October 1, 2010, and are collected in 2011 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

Tangible personal property tax revenues received in calendar year 2010 (other than public utility property) represent the collection of calendar year 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009, on the value as of December 31, 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property was eliminated in calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the City due to the phasing out of the tax. In calendar years 2009-2010, the City was fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

## *Notes to the Basic Financial Statements*

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, tangible personal property taxes and outstanding delinquencies which are measurable as of December 31, 2010 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by unearned revenue since the current taxes were not levied to finance 2010 operations and the collection of delinquent taxes has been offset by deferred revenue since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is deferred.

The full tax rate for all City operations for the year ended December 31, 2010, was \$2.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2010 property tax receipts were based are as follows:

<u>Property Category</u>	<u>Valuations for 2010 Collections</u>	
	<u>Assessed Value</u>	<u>Percent</u>
<u>Real Property</u>		
Residential and agricultural	\$ 125,892,770	81.67 %
Commercial and industrial	24,898,800	16.16
Public utilities	27,700	0.02
<u>Tangible Personal Property</u>		
General	102,620	0.07
Public utilities	<u>3,202,410</u>	<u>2.08</u>
Total	<u>\$ 154,124,300</u>	<u>100.00 %</u>

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

### **NOTE 12 - INCOME TAX**

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

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

**NOTE 13 - CONTINGENCIES**

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

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

**NOTE 14 - DEFINED BENEFIT PENSION PLANS**

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

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

## *Notes to the Basic Financial Statements*

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

OPERS: The Ohio Revised Code provides statutory authority for member and employer contributions. Member and employer contributions rates were consistent across all three plans (TP, MD and CP). For the year ended December 31, 2010, City employees were required to contribute 10% of their annual covered salary. The City's contribution rate for 2010 was 14%. The contribution rates are determined actuarially. The City's required pension contributions to OPERS for the years ending December 31, 2010, 2009 and 2008 were \$151,895, \$130,511 and \$134,864 respectively. The full amount has been contributed for 2009 and 2008. Approximately 86.2% had been contributed for 2010 with the remainder being reported as a liability within the respective funds.

OP&F: Plan members are required to contribute 10% of their annual covered salary to fund pension obligations while the City is required to contribute 19.5% for police officers and 24.0 % for firefighters , of which 12.75% and 17.25% was used to fund pension plans, respectively. Contributions are authorized by State statute. The City's required contributions to OP&F for the years ending December 31, 2010, 2009 and 2008 were \$71,636, \$81,259 and \$83,270, respectively. The full amount has been contributed for 2009 and 2008. Approximately 83.7% has been contributed for 2010 with the remainder being reported as a liability within the respective funds.

### **NOTE 15 - POSTEMPLOYMENT BENEFITS**

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

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the traditional pension and the combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including post-employment health care coverage.

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

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

The Ohio Revised Code provides statutory authority requiring employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, the City contributed at a rate of 14% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14% of covered payroll for state and local employer units. Active members do not make contributions to the OPEB plan.

OPERS' Post Employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of the post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 5.5% from January 1 through February 28, 2010 and 5.0% from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73% from January 1 through February 28, 2010 and 4.23% from March 1 through December 31, 2010. The OPERS Board of Trustees is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

Actual employer contributions for the years ending December 31 2010, 2009 and 2008 which were used to fund postemployment benefits were 84,386, \$130,511 and \$134,864, respectively. The full amount has been contributed for 2009 and 2008. Approximately 86.2% had been contributed for 2010. The actual contribution and the actuarially required contribution amounts are the same.

## *Notes to the Basic Financial Statements*

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1, of each year from 2006 to 2008. Rates for law and public safety employees increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

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

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

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

The Ohio Revised Code provides for contribution requirements of the participating employers and of the plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 % and 24.0 % of covered payroll for police and fire employers, respectively. The Ohio revised Code states that the employer contribution may not exceed 19.5 % of the covered payroll for police employer units and 24.0 % of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2010, the employer contribution allocated to health care plan was 6.75 % 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 and is limited by the provisions of Sections 115 and 401(h).

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

The City's total contributions to OP&F for police and fire health care for the years ended December 31, 2010, 2009 and 2008 were \$37,925, \$39,965 and \$44,084, respectively, 83.7 percent has been contributed, for 2010 with the remainder being reported as a liability. \$6,169 representing the unpaid contribution for fiscal year 2010 is recorded as an intergovernmental payable.

#### **NOTE 16 - RISK MANAGEMENT**

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The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The City has contracted with Ohio Government Risk Management Plan, an Ohio government risk management program. The Plan was formed in June 1988 for the primary purpose of managing third-party liability claims against its members. The Plan provides property, liability, error and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its 616 members.

The City's settled claims have not exceeded insurance coverage for the past three years. The Plan has chosen to adopt the forms and endorsements of conventional insurance coverage and to reinsure these coverages 100%, rather than utilize a risk pool of member funds to pay individual and collective losses up to a given retention, and then have excess reinsurance coverage above the retention amount. Therefore, the City is only responsible for its self-retention (deductible) amount. The Plan reinsures its coverage 100%, with various reinsurance companies up to a limit of \$5,000,000 per occurrence, per member. The City 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.

*Notes to the Basic Financial Statements*

The City has elected to provide dental and vision benefits through a self-insurance program. The City used the general fund to account for and finance its risks of loss in this program. This plan provides a dental plan with \$50 per person deductible, and no deductible for the vision. A third party administrator reviews all claims, which are then paid by the City. The City pays all individual claims from the general fund. The City contracts with a health insurance company to provide medical/health benefits for the City's employees. The City remits a payment to the insurance provider based on the number of participants.

The claims liability of \$1,126 reported in the general fund at December 31, 2010 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, 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 2010 and 2009 were:

	Year ended <u>12/30/2010</u>	Year ended <u>12/30/2009</u>
Unpaid Claims, beginning of fiscal year	\$ 2,340	\$ 2,106
Incurred Claims (including IBNRs)	25,687	24,107
Claim payments	<u>(26,901)</u>	<u>(23,873)</u>
Unpaid claims, end of fiscal year	<u>\$ 1,126</u>	<u>\$ 2,340</u>

**NOTE 17 – JOINTLY GOVERNED ORGANIZATION**

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

**NOTE 18 – DISCRETELY PRESENTED COMPONENT UNIT**

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

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

**NOTE 19 – CONDUIT DEBT OBLIGATIONS**

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

In accordance with the Governmental Accounting Standards Board, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2010 there were two series of Healthcare and Housing Facility Bonds outstanding, with an aggregate principal amount of \$7.18 million.

**NOTE 20 – FUND DEFICIT**

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As of December 31 2010, two special revenue funds had a deficit balances. These deficits were a result of the application of generally accepted accounting principles. The general fund provides transfers to cover deficit balances in other funds; however, this is done when cash is needed rather than when accruals occur. The fund deficits for 2010 were as follows:

<u>Special Revenue Funds</u>	<u>Deficit</u>
Community crime prevention grant	\$ 3,839
Local drug enforcement grant	1,154

## **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 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 used to maintain state highways.
- Motor Vehicle License - To account for vehicle registration fees received via the municipal permissive tax; used entirely for the purchase of material for resurfacing City streets.
- Mayor's Court Computerization - To account for additional court fees designated for computerization of the Mayor's court and for the acquisition and maintenance of legal research services for the Mayor's court.
- Emergency Services Donations - To account for donations made by individuals in support of the Fire and EMS Departments.
- Emergency Services Charges - To account for fees charged for paramedic services of the Fire and EMS Departments.
- Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant – To account for revenues received from the federal government and used to offset costs related to flood damage.
- Law Enforcement Education - To account for fine monies used to educate the general public regarding drunk driving.
- Law Enforcement Trust - To account for forfeiture monies used to educate the general public regarding drug abuse.
- Community Crime Prevention Grant – To account for revenues received from the state and federal governments and used to offset costs related to community crime prevention.
- Local Drug Enforcement Grant – To account for revenues received from the state and federal governments and used to offset costs related to local drug enforcement.

Combining Statements – Nonmajor Governmental Funds (Continued)

**Nonmajor Debt Service Fund**

The debt service fund is used to account for the accumulation of resources and 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 improvements 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**

**Balance Sheet**

**Governmental Funds**

**December 31, 2010**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets:</u>				
Equity in pooled cash and cash equivalents	\$ 345,829	\$ 16,518	\$ 129,975	\$ 492,322
Receivables:				
Accounts	86,596	-	-	86,596
Due from other governments	43,150	-	-	43,150
Prepaid items	51	-	-	51
Total assets	<u>\$ 475,626</u>	<u>\$ 16,518</u>	<u>\$ 129,975</u>	<u>\$ 622,119</u>
Liabilities:				
Accounts payable	\$ 4,165	\$ -	\$ -	\$ 4,165
Contracts payable	17,901	-	-	17,901
Interfund payable	21,374	-	-	21,374
Accrued wages and benefits	5,347	-	-	5,347
Due to other governments	5,504	-	-	5,504
Deferred revenue	32,354	-	-	32,354
Total liabilities	<u>86,645</u>	<u>-</u>	<u>-</u>	<u>86,645</u>
Fund balances:				
Reserved for encumbrances	390	-	90,845	91,235
Reserved for prepaid items	51	-	-	51
Unreserved, undesignated, Reported in:				
Special revenue funds	388,540	-	-	388,540
Debt service fund	-	16,518	-	16,518
Capital projects fund	-	-	39,130	39,130
Total fund balances	<u>388,981</u>	<u>16,518</u>	<u>129,975</u>	<u>535,474</u>
 Total liabilities and fund balances	<u>\$ 475,626</u>	<u>\$ 16,518</u>	<u>\$ 129,975</u>	<u>\$ 622,119</u>

**City of Louisville, Ohio**

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

**Governmental Funds**

**For the Year Ended December 31, 2010**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Charges for services	\$ 323,175	\$ -	\$ -	\$ 323,175
Fines and forfeitures	14,529	-	-	14,529
Intergovernmental	204,326	-	115,835	320,161
Investment income	517	-	-	517
Contributions and donations	6,035	-	-	6,035
Other	4,949	-	-	4,949
Total revenue	<u>577,021</u>	<u>-</u>	<u>115,835</u>	<u>692,856</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Security of persons and property	296,815	-	-	296,815
Transportation	165,071	-	-	165,071
Capital outlay	132,348	-	125,835	258,183
<b>Debt service:</b>				
Principal retirement	49,529	25,000	-	74,529
Interest and fiscal charges	2,189	13,898	-	16,087
Total expenditures	<u>645,952</u>	<u>38,898</u>	<u>125,835</u>	<u>810,685</u>
Excess of revenues under expenditures	<u>(68,931)</u>	<u>(38,898)</u>	<u>(10,000)</u>	<u>(117,829)</u>
<b>Other financing sources:</b>				
Transfers - in	<u>75,510</u>	<u>38,900</u>	<u>-</u>	<u>114,410</u>
Net change in fund balance	6,579	2	(10,000)	(3,419)
Fund balances at beginning of year	<u>382,402</u>	<u>16,516</u>	<u>139,975</u>	<u>538,893</u>
Fund balances at end of year	<u>\$ 388,981</u>	<u>\$ 16,518</u>	<u>\$ 129,975</u>	<u>\$ 535,474</u>

**City of Louisville, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2010**

	State Highway Fund	Motor Vehicle License Fund	Mayor's Court Computerization Fund	Emergency Services Donations Fund	Emergency Services Charges Fund
<b>Assets:</b>					
Equity in pooled cash and cash equivalents	\$ 28,376	\$ 87,029	\$ 30,680	\$ 10,247	\$ 171,817
<b>Receivables:</b>					
Accounts	133	23,490	-	-	62,973
Due from other governments	12,875	12,336	-	-	-
Prepaid items	51	-	-	-	-
Total assets	<u>\$ 41,435</u>	<u>\$ 122,855</u>	<u>\$ 30,680</u>	<u>\$ 10,247</u>	<u>\$ 234,790</u>
<b>Liabilities and fund balances</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 547	\$ -	\$ -	\$ 717	\$ 2,901
Contracts payable	-	-	-	5,483	12,418
Interfund payable	-	-	-	-	-
Accrued wages and benefits	603	-	-	-	3,864
Due to other governments	925	-	-	-	3,901
Deferred revenue	8,733	-	-	-	23,621
Total liabilities	<u>10,808</u>	<u>-</u>	<u>-</u>	<u>6,200</u>	<u>46,705</u>
<b>Fund balances:</b>					
Reserved for encumbrances	298	-	-	-	92
Reserved for prepaid items	51	-	-	-	-
Unreserved, undesignated, Reported in:					
Special revenue funds	<u>30,278</u>	<u>122,855</u>	<u>30,680</u>	<u>4,047</u>	<u>187,993</u>
Total fund balances	<u>30,627</u>	<u>122,855</u>	<u>30,680</u>	<u>4,047</u>	<u>188,085</u>
Total liabilities and fund balances	<u>\$ 41,435</u>	<u>\$ 122,855</u>	<u>\$ 30,680</u>	<u>\$ 10,247</u>	<u>\$ 234,790</u>

FEMA Fire Grant Fund	Law Enforcement Education Fund	Law Enforcement Trust Fund	Community Crime Prevention Grant Fund	Local Drug Enforcement Grant Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ 9,546	\$ 8,134	\$ -	\$ -	\$ 345,829
-	-	-	-	-	86,596
-	-	-	9,927	8,012	43,150
-	-	-	-	-	51
<u>\$ -</u>	<u>\$ 9,546</u>	<u>\$ 8,134</u>	<u>\$ 9,927</u>	<u>\$ 8,012</u>	<u>\$ 475,626</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,165
-	-	-	-	-	17,901
-	-	-	12,208	9,166	21,374
-	-	-	880	-	5,347
-	-	-	678	-	5,504
-	-	-	-	-	32,354
-	-	-	13,766	9,166	86,645
-	-	-	-	-	390
-	-	-	-	-	51
-	9,546	8,134	(3,839)	(1,154)	388,540
-	9,546	8,134	(3,839)	(1,154)	388,981
<u>\$ -</u>	<u>\$ 9,546</u>	<u>\$ 8,134</u>	<u>\$ 9,927</u>	<u>\$ 8,012</u>	<u>\$ 475,626</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, 2010**

	State Highway Fund	Motor Vehicle License Fund	Mayor's Court Computerization Fund	Emergency Services Donations Fund	Emergency Services Charges Fund
<b>Revenues:</b>					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ 323,175
Licenses and permits	-	23,490	-	-	-
Fines and forfeitures	-	-	3,727	-	-
Intergovernmental	25,464	80,974	-	-	5,973
Investment income	-	517	-	-	-
Contributions and donations	-	-	-	6,000	35
Other	2,249	-	-	-	-
Total revenue	<u>27,713</u>	<u>104,981</u>	<u>3,727</u>	<u>6,000</u>	<u>329,183</u>
<b>Expenditures:</b>					
<b>Current:</b>					
Security of persons and property	-	-	4,380	2,252	209,994
Transportation	40,745	124,326	-	-	-
Capital outlay	-	-	-	5,483	68,295
Principal retirement	-	-	-	-	49,529
Interest and fiscal charges	-	-	-	-	2,189
Total expenditures	<u>40,745</u>	<u>124,326</u>	<u>4,380</u>	<u>7,735</u>	<u>330,007</u>
Excess of revenues over (under) expenditures	<u>(13,032)</u>	<u>(19,345)</u>	<u>(653)</u>	<u>(1,735)</u>	<u>(824)</u>
<b>Other financing sources:</b>					
Transfers - in	<u>20,000</u>	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	6,968	20,655	(653)	(1,735)	(824)
Fund balances at beginning of year	<u>23,659</u>	<u>102,200</u>	<u>31,333</u>	<u>5,782</u>	<u>188,909</u>
Fund balances at end of year	<u>\$ 30,627</u>	<u>\$ 122,855</u>	<u>\$ 30,680</u>	<u>\$ 4,047</u>	<u>\$ 188,085</u>

FEMA Fire Grant Fund	Law Enforcement Education Fund	Law Enforcement Trust Fund	Community Crime Prevention Grant Fund	Local Drug Enforcement Grant Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 323,175
-	-	-	-	-	23,490
-	3,344	7,458	-	-	14,529
39,072	-	-	28,375	24,468	204,326
-	-	-	-	-	517
-	-	-	-	-	6,035
-	-	2,700	-	-	4,949
<u>39,072</u>	<u>3,344</u>	<u>10,158</u>	<u>28,375</u>	<u>24,468</u>	<u>577,021</u>
-	2,271	6,515	38,902	32,501	296,815
-	-	-	-	-	165,071
39,072	-	19,498	-	-	132,348
-	-	-	-	-	49,529
-	-	-	-	-	2,189
<u>39,072</u>	<u>2,271</u>	<u>26,013</u>	<u>38,902</u>	<u>32,501</u>	<u>645,952</u>
-	1,073	(15,855)	(10,527)	(8,033)	(68,931)
-	-	-	8,506	7,004	75,510
-	1,073	(15,855)	(2,021)	(1,029)	6,579
-	8,473	23,989	(1,818)	(125)	382,402
<u>\$ -</u>	<u>\$ 9,546</u>	<u>\$ 8,134</u>	<u>\$ (3,839)</u>	<u>\$ (1,154)</u>	<u>\$ 388,981</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, 2010**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Municipal income tax	\$ 2,471,950	\$ 2,471,950	\$ 2,472,685	\$ 735
Property and other taxes	377,000	377,000	376,972	(28)
Charges for services	235,800	235,800	235,554	(246)
Licenses and permits	118,595	118,595	118,265	(330)
Fines and forfeitures	3,700	3,700	3,699	(1)
Intergovernmental	375,416	443,425	447,796	4,371
Interest	5,700	5,700	5,626	(74)
Contributions and donations	8,325	8,325	8,321	(4)
Rentals	11,325	11,325	11,307	(18)
Other	48,280	49,940	49,874	(66)
<b>Total revenues</b>	<b>3,656,091</b>	<b>3,725,760</b>	<b>3,730,099</b>	<b>4,339</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government</b>				
<b>Office of city council</b>				
Personal services	39,900	38,050	38,002	48
Operations and maintenance	15,000	15,800	12,707	3,093
<b>Total office of city council</b>	<b>54,900</b>	<b>53,850</b>	<b>50,709</b>	<b>3,141</b>
<b>Office of the city manager</b>				
Personal services	184,975	183,075	182,943	132
Operations and maintenance	19,075	18,075	16,684	1,391
<b>Total office of the city manager</b>	<b>204,050</b>	<b>201,150</b>	<b>199,627</b>	<b>1,523</b>
<b>Department of finance and tax</b>				
Personal services	289,175	291,400	291,348	52
Operations and maintenance	60,256	53,086	50,979	2,107
<b>Total department of finance and tax</b>	<b>349,431</b>	<b>344,486</b>	<b>342,327</b>	<b>2,159</b>
<b>Mayor's court</b>				
Personal services	32,900	9,790	9,775	15
Operations and maintenance	7,800	11,640	11,620	20
<b>Total mayor's court</b>	<b>40,700</b>	<b>21,430</b>	<b>21,395</b>	<b>35</b>
<b>Civil service commission</b>				
Personal services	6	10	6	4
Operations and maintenance	15,994	7,040	6,897	143
<b>Total civil service commission</b>	<b>16,000</b>	<b>7,050</b>	<b>6,903</b>	<b>147</b>

**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, 2010**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Division of lands and buildings				
Personal services	28,925	13,250	13,054	196
Operations and maintenance	94,148	80,448	78,112	2,336
Total division of lands and buildings	123,073	93,698	91,166	2,532
Department of law				
Personal services	42,800	42,800	42,739	61
Operations and maintenance	25,700	17,500	17,490	10
Total department of law	68,500	60,300	60,229	71
Other administrative				
Operations and maintenance	178,000	148,650	146,579	2,071
Total general government	1,034,654	930,614	918,935	11,679
Security of persons and property				
Division of police				
Personal services	946,900	917,070	916,447	623
Operations and maintenance	173,145	160,495	154,861	5,634
Total division of police	1,120,045	1,077,565	1,071,308	6,257
Division of fire				
Personal services	234,175	196,575	195,177	1,398
Operations and maintenance	92,125	86,425	79,920	6,505
Total division of fire	326,300	283,000	275,097	7,903
Division of communications				
Personal services	146,425	167,051	166,945	106
Operations and maintenance	110,225	177,089	176,983	106
Total division of communications	256,650	344,140	343,928	212
Division of street lighting				
Operations and maintenance	118,000	137,250	137,153	97
Division of traffic control maintenance				
Operations and maintenance	12,200	8,900	8,687	213
Total security of persons and property	1,833,195	1,850,855	1,836,173	14,682
Public health and welfare				
Board of health				
Operations and maintenance	77,125	53,675	53,018	657

**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, 2010**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Community environment				
Division of planning and development				
Personal services	161,245	77,570	76,890	680
Operations and maintenance	55,166	39,016	38,452	564
Total division of planning and development	216,411	116,586	115,342	1,244
Division of housing and building code				
Personal services	53,575	58,975	58,950	25
Operations and maintenance	4,625	3,775	3,596	179
Total division of housing and building code	58,200	62,750	62,546	204
Total community environment	274,611	179,336	177,888	1,448
Leisure time activities				
Division of parks				
Personal services	91,073	80,198	77,565	2,633
Operations and maintenance	112,450	101,050	98,910	2,140
Total division of parks	203,523	181,248	176,475	4,773
Recreation center				
Personal services	-	17,750	17,710	40
Operations and maintenance	1,000	1,010	1,008	2
Total recreation center	1,000	18,760	18,718	42
Senior citizens center				
Personal services	-	28,705	26,104	2,601
Operations and maintenance	55	270	205	65
Total senior citizens center	55	28,975	26,309	2,666
Total leisure time activities	204,578	228,983	221,502	7,481
Capital outlay	29,375	30,851	30,851	-
Total expenditures	3,453,538	3,274,314	3,238,367	35,947
Excess of revenues over expenditures	202,553	451,446	491,732	40,286
Other financing sources (uses):				
Sale of capital assets	7,500	7,500	7,491	(9)
Advances - in	-	-	251,546	251,546
Advances - out	-	-	(265,959)	(265,959)
Transfers - in	30,784	31,867	31,867	-
Transfers - out	(554,260)	(484,727)	(481,127)	3,600
Total other financing sources (uses)	(515,976)	(445,360)	(456,182)	(10,822)

***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, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Net change in fund balance	(313,423)	6,086	35,550	29,464
Fund balance at beginning of year	1,222,320	1,222,320	1,222,320	-
Prior year encumbrances appropriated	54,837	54,837	54,837	-
Fund balance at end of year	<u>\$ 963,734</u>	<u>\$ 1,283,243</u>	<u>\$ 1,312,707</u>	<u>\$ 29,464</u>

**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, 2010**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Intergovernmental	\$ 1,579,725	\$ 1,596,100	\$ 931,165	\$ (664,935)
Other	8,945	8,945	8,067	(878)
Total revenues	1,588,670	1,605,045	939,232	(665,813)
<b>Expenditures:</b>				
Current:				
Transportation				
Division of street maintenance				
Personal services	268,300	272,860	272,803	57
Operations and maintenance	1,637,389	1,623,039	967,111	655,928
Total division of street maintenance	1,905,689	1,895,899	1,239,914	655,985
Division of snow and ice removal				
Operations and maintenance	63,000	63,000	62,928	72
Total expenditures	1,968,689	1,958,899	1,302,842	656,057
Excess of revenues under expenditures	(380,019)	(353,854)	(363,610)	(9,756)
Other financing sources (uses):				
Sale of capital assets	6,430	6,430	6,429	(1)
Advances - in	-	-	171,751	171,751
Advances - out	-	-	(171,751)	(171,751)
Transfers - in	334,850	334,850	334,850	-
Total other financing sources (uses)	341,280	341,280	341,279	(1)
Net change in fund balance	(38,739)	(12,574)	(22,331)	(9,757)
Fund balance at beginning of year	128,438	128,438	128,438	-
Prior year encumbrances appropriated	564	564	564	-
Fund balance at end of year	\$ 90,263	\$ 116,428	\$ 106,671	\$ (9,757)

**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, 2010**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ 137,350	\$ 29,075	\$ 29,047	\$ (28)
Other	1,775	1,775	1,728	(47)
Total revenues	139,125	30,850	30,775	(75)
<u>Expenditures:</u>				
Current:				
Transportation				
Division of street maintenance				
Personal services	21,775	21,775	21,519	256
Operations and maintenance	132,643	17,143	15,467	1,676
Total division of street maintenance	154,418	38,918	36,986	1,932
Division of snow and ice removal				
Operations and maintenance	5,275	5,275	5,102	173
Total expenditures	159,693	44,193	42,088	2,105
Excess of revenues under expenditures	(20,568)	(13,343)	(11,313)	2,030
Other financing sources:				
Sale of capital assets	525	525	521	(4)
Transfers - in	20,000	20,000	20,000	-
Total other financing sources	20,525	20,525	20,521	(4)
Net change in fund balance	(43)	7,182	9,208	2,026
Fund balance at beginning of year	18,409	18,409	18,409	-
Prior year encumbrances appropriated	43	43	43	-
Fund balance at end of year	\$ 18,409	\$ 25,634	\$ 27,660	\$ 2,026

**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, 2010**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 159,425	\$ 80,500	\$ 80,425	\$ (75)
Interest	575	575	517	(58)
Total revenues	<u>160,000</u>	<u>81,075</u>	<u>80,942</u>	<u>(133)</u>
<u>Expenditures:</u>				
Current:				
Transportation				
Division of street construction				
Operations and maintenance	<u>204,325</u>	<u>124,325</u>	<u>124,325</u>	<u>-</u>
Excess of revenues under expenditures	<u>(44,325)</u>	<u>(43,250)</u>	<u>(43,383)</u>	<u>(133)</u>
Other financing sources:				
Transfers - in	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Net change in fund balance	(4,325)	(3,250)	(3,383)	(133)
Fund balance at beginning of year	86,088	86,088	86,088	-
Prior year encumbrances appropriated	<u>4,325</u>	<u>4,325</u>	<u>4,325</u>	<u>-</u>
Fund balance at end of year	<u>\$ 86,088</u>	<u>\$ 87,163</u>	<u>\$ 87,030</u>	<u>\$ (133)</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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and forfeitures	\$ 4,000	\$ 4,000	\$ 3,727	\$ (273)
<u>Expenditures:</u>				
Current:				
Security of persons and property Division of police Operations and maintenance	5,130	5,130	4,380	750
Net change in fund balance	(1,130)	(1,130)	(653)	477
Fund balance at beginning of year	27,403	27,403	27,403	-
Prior year encumbrances appropriated	3,930	3,930	3,930	-
Fund balance at end of year	<u>\$ 30,203</u>	<u>\$ 30,203</u>	<u>\$ 30,680</u>	<u>\$ 477</u>

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Emergency Services Donations Fund**  
**For the Year Ended December 31, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Contributions and donations	\$ 400	\$ 6,000	\$ 6,000	\$ -
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Division of fire				
Operations and maintenance	2,500	2,500	2,252	248
Division of emergency services				
Operations and maintenance	-	5,500	5,483	17
Total expenditures	2,500	8,000	7,735	265
Net change in fund balance	(2,100)	(2,000)	(1,735)	265
Fund balance at beginning of year	5,782	5,782	5,782	-
Fund balance at end of year	<u>\$ 3,682</u>	<u>\$ 3,782</u>	<u>\$ 4,047</u>	<u>\$ 265</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, 2010**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Charges for services	\$ 249,200	\$ 317,075	\$ 316,565	\$ (510)
Intergovernmental	11,950	11,950	5,973	(5,977)
Contributions and donations	50	50	35	(15)
Total revenues	261,200	329,075	322,573	(6,502)
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Division of emergency services				
Personal services	154,725	136,175	136,018	157
Operations and maintenance	152,428	201,056	198,373	2,683
Total expenditures	307,153	337,231	334,391	2,840
Net change in fund balance	(45,953)	(8,156)	(11,818)	(3,662)
Fund balance at beginning of year	156,233	156,233	156,233	-
Prior year encumbrances appropriated	13,178	13,178	13,178	-
Fund balance at end of year	\$ 123,458	\$ 161,255	\$ 157,593	\$ (3,662)

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**FEMA Fire Grant Fund**  
**For the Year Ended December 31, 2010**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 38,000	\$ 38,000	\$ 38,000	\$ -
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Division of fire				
Operations and maintenance	38,000	38,000	38,000	-
Excess of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses):				
Advances - in	-	-	38,000	38,000
Advances - out	-	-	(38,000)	(38,000)
Total other financing sources (uses)	-	-	-	-
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**  
**Law Enforcement Education Fund**  
**For the Year Ended December 31, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and forfeitures	\$ 1,500	\$ 3,350	\$ 3,344	\$ (6)
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Division of police				
Operations and maintenance	1,500	2,300	2,270	30
Net change in fund balance	-	1,050	1,074	24
Fund balance at beginning of year	8,473	8,473	8,473	-
Fund balance at end of year	<u>\$ 8,473</u>	<u>\$ 9,523</u>	<u>\$ 9,547</u>	<u>\$ 24</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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and forfeitures	\$ -	\$ 7,475	\$ 7,458	\$ (17)
<u>Expenditures:</u>				
Current:				
Security of persons and property Division of police Operations and maintenance	15,280	29,380	28,805	575
Excess of revenues under expenditures	(15,280)	(21,905)	(21,347)	558
Other financing sources:				
Sale of capital assets	2,400	2,700	2,700	-
Net change in fund balance	(12,880)	(19,205)	(18,647)	558
Fund balance at beginning of year	13,902	13,902	13,902	-
Prior year encumbrances appropriated	12,880	12,880	12,880	-
Fund balance at end of year	\$ 13,902	\$ 7,577	\$ 8,135	\$ 558

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Community Crime Prevention Fund**  
**For the Year Ended December 31, 2010**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 31,575	\$ 31,575	\$ 22,377	\$ (9,198)
<u>Expenditures:</u>				
Current:				
General government				
Security of persons and property				
Division of police				
Personal services	42,100	42,100	39,093	3,007
Excess of revenues under expenditures	(10,525)	(10,525)	(16,716)	(6,191)
Other financing sources (uses):				
Advances - in	-	-	30,587	30,587
Advances - out	-	-	(22,377)	(22,377)
Transfers - in	10,525	10,525	8,506	(2,019)
Total other financing sources (uses)	10,525	10,525	16,716	6,191
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Local Drug Enforcement Grant Fund**  
**For the Year Ended December 31, 2010**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 25,765	\$ 25,765	\$ 19,419	\$ (6,346)
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Division of police				
Personal services	34,350	34,350	32,625	1,725
Excess of revenues under expenditures	(8,585)	(8,585)	(13,206)	(4,621)
Other financing sources (uses):				
Advances - in	-	-	25,622	25,622
Advances - out	-	-	(19,419)	(19,419)
Transfers - in	8,585	8,585	7,004	(1,581)
Total other financing sources (uses)	8,585	8,585	13,207	4,622
Net change in fund balance	-	-	1	1
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ 1	\$ 1

**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, 2010**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Debt service:				-
Principal retirement	25,000	25,000	25,000	-
Interest and fiscal charges	13,900	13,900	13,898	2
Total expenditures	38,900	38,900	38,898	2
Excess of revenues under expenditures	(38,900)	(38,900)	(38,898)	2
Other financing sources:				
Transfers - in	38,900	38,900	38,900	-
Net change in fund balance	-	-	2	2
Fund balance at beginning of year	16,516	16,516	16,516	-
Fund balance at end of year	\$ 16,516	\$ 16,516	\$ 16,518	\$ 2

**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, 2010**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 146,600	\$ 115,835	\$ 115,835	\$ -
<u>Expenditures:</u>				
Current:				
General government				
Division of lands and buildings				
Operations and maintenance	162,100	125,850	125,835	15
Transportation				
Division of street maintenance				
Operations and maintenance	90,845	90,845	90,845	-
Total expenditures	252,945	216,695	216,680	15
Net change in fund balance	(106,345)	(100,860)	(100,845)	15
Fund balance at beginning of year	49,130	49,130	49,130	-
Prior year encumbrances appropriated	90,845	90,845	90,845	-
Fund balance at end of year	\$ 33,630	\$ 39,115	\$ 39,130	\$ 15

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

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Equity - Budget (Non-GAAP Basis) and Actual**  
**Water Fund**  
**For the Year Ended December 31, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 758,775	\$ 853,575	\$ 853,619	\$ 44
Other	9,525	9,525	8,603	(922)
Total revenues	768,300	863,100	862,222	(878)
<b>Expenses:</b>				
Current:				
Personal services	250,965	248,595	248,006	589
Fringe benefits	111,560	111,560	111,156	404
Contractual services	301,136	301,136	298,105	3,031
Materials and supplies	91,512	91,512	87,953	3,559
Capital outlay	428,644	467,311	422,294	45,017
Total expenses	1,183,817	1,220,114	1,167,514	52,600
Operating loss	(415,517)	(357,014)	(305,292)	51,722
Non-operating revenue (expenses):				
Municipal income taxes	804,500	824,000	824,228	228
Intergovernmental	-	17,755	17,753	(2)
Principal retirement	(165,550)	(165,550)	(165,549)	1
Interest and fiscal charges	(63,125)	(63,125)	(63,123)	2
Total non-operating revenue (expenses)	575,825	613,080	613,309	229
Income before transfers	160,308	256,066	308,017	51,951
Other financing sources (uses):				
Transfers - in	330,675	330,675	330,675	-
Transfers - out	(837,900)	(937,900)	(887,558)	50,342
Total other financing sources (uses)	(507,225)	(607,225)	(556,883)	50,342
Change in fund equity	(346,917)	(351,159)	(248,866)	102,293
Fund equity at beginning of year	671,802	671,802	671,802	-
Prior year encumbrances appropriated	127,475	127,475	127,475	-
Fund equity at end of year	\$ 452,360	\$ 448,118	\$ 550,411	\$ 102,293

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Equity - Budget (Non-GAAP Basis) and Actual**  
**Sewer Fund**  
**For the Year Ended December 31, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 864,100	\$ 903,300	\$ 904,110	\$ 810
Other	1,750	1,750	1,729	(21)
Total revenues	865,850	905,050	905,839	789
<b>Expenses:</b>				
Current:				
Personal services	323,990	312,325	311,822	503
Fringe benefits	131,985	131,985	131,366	619
Contractual services	357,392	351,492	349,364	2,128
Materials and supplies	81,475	81,475	73,737	7,738
Capital outlay	154,624	541,334	541,280	54
Total expenses	1,049,466	1,418,611	1,407,569	11,042
Operating loss	(183,616)	(513,561)	(501,730)	11,831
Non-operating revenue (expenses):				
Intergovernmental	-	504,900	361,400	(143,500)
Principal retirement	(326,510)	(326,510)	(326,509)	1
Interest and fiscal charges	(71,575)	(71,575)	(71,572)	3
Total non-operating revenue (expenses)	(398,085)	106,815	(36,681)	(143,496)
Loss before transfers	(581,701)	(406,746)	(538,411)	(131,665)
Other financing sources:				
Transfers - in	507,225	607,225	556,883	(50,342)
Change in fund equity	(74,476)	200,479	18,472	(182,007)
Fund equity at beginning of year	432,583	432,583	432,583	-
Prior year encumbrances appropriated	9,301	9,301	9,301	-
Fund equity at end of year	\$ 367,408	\$ 642,363	\$ 460,356	\$ (182,007)

**City of Louisville, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Equity - Budget (Non-GAAP Basis) and Actual**  
**Storm water utility Fund**  
**For the Year Ended December 31, 2010**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Charges for services	\$ 102,200	\$ 110,600	\$ 110,707	\$ 107
<u>Expenses:</u>				
Current:				
Contractual services	155,334	147,559	130,793	16,766
Materials and supplies	18,425	18,425	18,385	40
Total expenses	173,759	165,984	149,178	16,806
Operating loss	(71,559)	(55,384)	(38,471)	16,913
Non-operating revenue:				
Intergovernmental	9,800	9,800	8,298	(1,502)
Change in fund equity	(61,759)	(45,584)	(30,173)	15,411
Fund equity at beginning of year	77,727	77,727	77,727	-
Prior year encumbrances appropriated	57,084	57,084	57,084	-
Fund equity at end of year	\$ 73,052	\$ 89,227	\$ 104,638	\$ 15,411



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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 - S7</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>S8 - S16</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>S17 - S23</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>S24 - S25</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>S26 - S31</b>

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in fiscal year 2004; schedules presenting government-wide information include information beginning in that fiscal year.

**CITY OF LOUISVILLE, OHIO**  
**Net Assets by Component (1)**  
**Last Seven Years (2)**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b><u>Governmental Activities</u></b>					
Invested in capital assets, net of related debt	\$ 4,238,952	\$ 3,251,988	\$ 2,867,010	\$ 2,372,382	\$ 1,986,625
Restricted	916,049	1,011,949	754,129	649,066	683,647
Unrestricted	<u>2,065,143</u>	<u>1,842,352</u>	<u>1,627,341</u>	<u>1,881,609</u>	<u>1,548,400</u>
Total governmental activities net assets	<u>7,220,144</u>	<u>6,106,289</u>	<u>5,248,480</u>	<u>4,903,057</u>	<u>4,218,672</u>
<b><u>Business-Type Activities</u></b>					
Invested in capital assets, net of related debt	8,083,638	7,415,753	7,134,730	5,702,061	5,537,295
Unrestricted	<u>1,696,699</u>	<u>1,706,905</u>	<u>1,432,666</u>	<u>1,870,595</u>	<u>1,397,899</u>
Total business-type activities net assets	<u>9,780,337</u>	<u>9,122,658</u>	<u>8,567,396</u>	<u>7,572,656</u>	<u>6,935,194</u>
<b><u>Primary Government</u></b>					
Invested in capital assets, net of related debt	12,322,590	10,667,741	10,001,740	8,074,443	7,523,920
Restricted	916,049	1,011,949	754,129	649,066	683,647
Unrestricted	<u>3,761,842</u>	<u>3,549,257</u>	<u>3,060,007</u>	<u>3,752,204</u>	<u>2,946,299</u>
Total primary government net assets	<u>\$17,000,481</u>	<u>\$15,228,947</u>	<u>\$13,815,876</u>	<u>\$12,475,713</u>	<u>\$11,153,866</u>

Source: City of Louisville basic financial statements.

(1) Accrual basis of accounting.

(2) Last ten years of information will be reported when available.

<u>2005</u>	<u>2004</u>
\$ 1,571,996	\$ 1,315,265
630,692	530,515
<u>1,158,963</u>	<u>788,495</u>
<u><u>3,361,651</u></u>	<u><u>2,634,275</u></u>
3,071,538	3,504,889
<u>2,356,648</u>	<u>1,332,745</u>
<u><u>5,428,186</u></u>	<u><u>4,837,634</u></u>
4,643,534	4,820,154
630,692	530,515
<u>3,515,611</u>	<u>2,121,240</u>
<u><u>\$ 8,789,837</u></u>	<u><u>\$ 7,471,909</u></u>

**CITY OF LOUISVILLE, OHIO**  
**Changes in Net Assets (1)**  
**Last Seven Years (2)**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Expenses</b>					
Governmental Activities:					
General government	\$ 891,233	\$ 907,759	\$ 1,001,777	\$ 709,418	\$ 795,848
Security of persons and property	2,183,465	2,086,776	2,137,745	2,284,434	2,079,266
Public health and welfare	50,860	77,436	44,190	18,274	55,143
Transportation	681,247	512,414	919,320	762,015	573,215
Community environment	147,504	204,539	203,848	193,968	210,431
Basic utility services	-	-	-	-	-
Leisure time activities	214,946	377,890	414,988	375,795	412,879
Other	-	-	-	-	46,864
Interest and fiscal charges	17,085	21,268	15,826	36,998	31,232
Total governmental activities expenses	<u>4,186,340</u>	<u>4,188,082</u>	<u>4,737,694</u>	<u>4,380,902</u>	<u>4,204,878</u>
Business-Type Activities:					
Water	1,199,786	1,020,190	969,468	958,590	1,002,351
Sewer	1,074,184	1,059,981	1,198,911	972,275	936,774
Storm water	60,182	-	-	-	-
Total business-type activities	<u>2,334,152</u>	<u>2,080,171</u>	<u>2,168,379</u>	<u>1,930,865</u>	<u>1,939,125</u>
Total primary government expenses	<u>\$ 6,520,492</u>	<u>\$ 6,268,253</u>	<u>\$ 6,906,073</u>	<u>\$ 6,311,767</u>	<u>\$ 6,144,003</u>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for services					
General government	\$ 234,515	\$ 202,740	\$ 218,902	\$ 166,347	\$ 153,256
Security of persons and property	329,559	359,129	292,330	219,194	283,904
Transportation	-	2,655	3,261	-	-
Community environment	4,535	5,740	4,126	7,887	21,500
Leisure time activities	31,227	78,195	69,806	83,516	100,634
Operating grants, contributions and interest	684,907	551,468	717,972	846,837	547,487
Capital grants and contributions	405,488	206,169	101,973	-	-
Total governmental activities program revenues	<u>1,690,231</u>	<u>1,406,096</u>	<u>1,408,370</u>	<u>1,323,781</u>	<u>1,106,781</u>
Business-Type Activities:					
Charges for services					
Water	863,578	797,045	756,040	735,974	671,160
Sewer	882,329	974,631	943,715	936,872	882,147
Storm water	130,395	-	-	-	-
Operating grants, contributions and interest	-	-	-	-	-
Capital grants and contributions	385,583	92,696	-	-	-
Total business-type activities program revenues	<u>2,261,885</u>	<u>1,864,372</u>	<u>1,699,755</u>	<u>1,672,846</u>	<u>1,553,307</u>
Total primary government program revenues	<u>\$ 3,952,116</u>	<u>\$ 3,270,468</u>	<u>\$ 3,108,125</u>	<u>\$ 2,996,627</u>	<u>\$ 2,660,088</u>
<b>Net (expense)/revenue</b>					
Governmental activities	\$ (2,496,109)	\$ (2,781,986)	\$ (3,329,324)	\$ (3,057,121)	\$ (3,098,097)
Business-type activities	(72,267)	(215,799)	(468,624)	(258,019)	(385,818)
Total primary government net expense	<u>\$ (2,568,376)</u>	<u>\$ (2,997,785)</u>	<u>\$ (3,797,948)</u>	<u>\$ (3,315,140)</u>	<u>\$ (3,483,915)</u>

**CITY OF LOUISVILLE, OHIO**

**Changes in Net Assets (1)**

**Last Seven Years (2)**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>General Revenues and Other Changes in Net Assets</b>					
Governmental Activities:					
Property taxes levied for:					
General purposes	\$ 496,221	\$ 409,330	\$ 382,049	\$ 388,416	\$ 471,201
Income tax levied for:					
General purposes	2,497,694	2,366,926	2,720,310	2,505,101	2,660,310
Grants and entitlements not restricted to specific programs	363,559	576,332	476,932	675,554	423,376
Gain on sale of capital assets	-	-	-	-	-
Investment earnings	2,967	3,465	35,851	80,345	123,478
Other	136,573	130,514	156,111	92,090	95,725
Transfers	112,950	153,228	84,609	-	-
Total governmental activities	<u>3,609,964</u>	<u>3,639,795</u>	<u>3,855,862</u>	<u>3,741,506</u>	<u>3,774,090</u>
Business-Type Activities:					
Income tax levied for:					
Water utility services	262,921	402,106	427,932	374,217	458,188
Sewer utility services	569,643	448,213	459,763	427,388	420,648
Grants and entitlements not restricted to specific programs	-	73,970	704,787	93,876	-
Gain on sale of capital assets	-	-	-	-	3,247
Capital contributions	-	-	-	-	6,667
Other	10,332	-	-	-	-
Transfers	(112,950)	(153,228)	(84,609)	-	-
Total business-type activities	<u>729,946</u>	<u>771,061</u>	<u>1,507,873</u>	<u>895,481</u>	<u>888,750</u>
Total primary government	<u>\$ 4,339,910</u>	<u>\$ 4,410,856</u>	<u>\$ 5,363,735</u>	<u>\$ 4,636,987</u>	<u>\$ 4,662,840</u>
<b>Change in net assets</b>					
Governmental activities	\$ 1,113,855	\$ 857,809	\$ 526,538	\$ 684,385	\$ 675,993
Business-type activities	657,679	555,262	1,039,249	637,462	502,932
Total primary government	<u>\$ 1,771,534</u>	<u>\$ 1,413,071</u>	<u>\$ 1,565,787</u>	<u>\$ 1,321,847</u>	<u>\$ 1,178,925</u>

(Continued)

Source: City of Louisville basic financial statements.

(1) Accrual basis of accounting.

(2) Last ten years of information will be reported when available.

**CITY OF LOUISVILLE, OHIO**

**Changes in Net Assets (1)**

**Last Seven Years (2)**

**Continued**

	<u>2005</u>	<u>2004</u>
<b>Expenses</b>		
Governmental Activities:		
General government	\$ 818,463	\$ 799,136
Security of persons and property	1,790,354	1,745,446
Public health and welfare	51,182	48,652
Transportation	777,963	427,472
Community environment	179,959	157,208
Basic utility services	3,323	147,327
Leisure time activities	384,713	337,237
Other	75,999	43,152
Interest and fiscal charges	44,398	52,827
Total governmental activities expenses	<u>4,126,354</u>	<u>3,758,457</u>
Business-Type Activities:		
Water	974,699	912,997
Sewer	873,695	872,100
Storm water	-	-
Total business-type activities	<u>1,848,394</u>	<u>1,785,097</u>
Total primary government expenses	<u>\$ 5,974,748</u>	<u>\$ 5,543,554</u>
<b>Program Revenues</b>		
Governmental Activities:		
Charges for services		
General government	\$ 194,949	\$ 153,639
Security of persons and property	269,294	208,530
Transportation	-	-
Community environment	25,975	27,238
Leisure time activities	97,213	93,835
Operating grants, contributions and interest	673,568	520,083
Capital grants and contributions	189,505	17,650
Total governmental activities program revenues	<u>1,450,504</u>	<u>1,020,975</u>
Business-Type Activities:		
Charges for services		
Water	633,311	661,149
Sewer	776,018	702,058
Storm water	-	-
Operating grants, contributions and interest	396,640	7,257
Capital grants and contributions	-	-
Total business-type activities program revenues	<u>1,805,969</u>	<u>1,370,464</u>
Total primary government program revenues	<u>\$ 3,256,473</u>	<u>\$ 2,391,439</u>
<b>Net (expense)/revenue</b>		
Governmental activities	\$ (2,675,850)	\$ (2,737,482)
Business-type activities	(42,425)	(414,633)
Total primary government net expense	<u>\$ (2,718,275)</u>	<u>\$ (3,152,115)</u>

**CITY OF LOUISVILLE, OHIO**

**Changes in Net Assets (1)**

**Last Seven Years (2)**

**Continued**

	<u>2005</u>	<u>2004</u>
<b>General Revenues and Other Changes in Net Assets</b>		
Governmental Activities:		
Property taxes levied for:		
General purposes	\$ 392,154	\$ 498,705
Income tax levied for:		
General purposes	2,275,376	2,122,773
Grants and entitlements not restricted to specific programs	468,249	313,728
Gain on sale of capital assets	11,500	22,640
Investment earnings	61,390	26,557
Other	77,557	79,781
Transfers	(83,000)	-
Total governmental activities	<u>3,203,226</u>	<u>3,064,184</u>
Business-Type Activities:		
Income tax levied for:		
Water utility services	345,074	362,674
Sewer utility services	404,903	341,793
Grants and entitlements not restricted to specific programs	-	-
Gain on sale of capital assets	-	-
Capital contributions	-	1,078,106
Other	-	-
Transfers	83,000	-
Total business-type activities	<u>832,977</u>	<u>1,782,573</u>
Total primary government	<u>\$ 4,036,203</u>	<u>\$ 4,846,757</u>
 <b>Change in net assets</b>		
Governmental activities	\$ 527,376	\$ 326,702
Business-type activities	790,552	1,367,940
Total primary government	<u>\$ 1,317,928</u>	<u>\$ 1,694,642</u>

Source: City of Louisville basic financial statements.

(1) Accrual basis of accounting.

(2) Last ten years of information will be reported when available.

**CITY OF LOUISVILLE, OHIO**  
**Fund Balances, Governmental Funds (1)**  
**Last Seven Years (2)**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund					
Reserved	\$ 32,564	\$ 46,232	\$ 123,510	\$ 72,746	\$ 68,818
Unreserved	<u>1,750,719</u>	<u>1,570,808</u>	<u>1,313,692</u>	<u>1,763,654</u>	<u>1,285,317</u>
Total general fund	<u>\$ 1,783,283</u>	<u>\$ 1,617,040</u>	<u>\$ 1,437,202</u>	<u>\$ 1,836,400</u>	<u>\$ 1,354,135</u>
All Other Governmental Funds					
Reserved	\$ 122,502	\$ 124,347	\$ 29,837	\$ 58,627	\$ 99,256
Unreserved, reported in:					
Special revenue funds	626,680	384,404	430,865	358,102	346,350
Capital projects funds	39,130	49,130	139,975	91,218	59,769
Debt service funds	<u>16,518</u>	<u>16,516</u>	<u>9,721</u>	<u>9,721</u>	<u>18,216</u>
Total all other governmental funds	<u>\$ 804,830</u>	<u>\$ 574,397</u>	<u>\$ 610,398</u>	<u>\$ 517,668</u>	<u>\$ 523,591</u>

Source: City of Louisville basic financial statements.

(1) Modified accrual basis of accounting, last ten years of information will be reported when available.

(2) Last ten years of information will be reported when available.

<u>2005</u>	<u>2004</u>
\$ 112,984	\$ 105,992
<u>1,028,901</u>	<u>707,650</u>
<u>\$ 1,141,885</u>	<u>\$ 813,642</u>

\$ 131,692	\$ 94,817
306,148	332,550
63,219	78,219
<u>3,702</u>	<u>3,702</u>
<u>\$ 504,761</u>	<u>\$ 509,288</u>

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
<b>Revenues</b>										
Taxes	\$ 2,959,442	\$ 2,816,445	\$ 2,879,462	\$ 2,994,049	\$ 2,916,779	\$ 2,731,169	\$ 2,613,502	\$ 2,666,051	\$ 2,597,995	\$ 2,556,953
Charges for services	558,729	561,915	507,209	443,924	437,632	455,542	396,839	412,921	390,075	348,242
Fines, licenses and permits	137,544	154,015	124,224	101,463	106,558	116,994	109,619	113,212	116,721	88,396
Inergovernmental revenues	1,721,226	1,003,338	1,073,524	1,344,029	897,125	1,228,092	823,320	843,237	771,164	658,334
Investment income	3,484	18,365	92,687	152,328	127,094	66,940	28,163	27,312	46,243	124,477
Contributions and donations	14,356	14,200	12,363	36,400	66,818	72,016	7,000	8,101	13,150	-
Rentals	11,307	24,193	15,518	23,351	19,132	13,139	14,853	-	-	-
Other	75,153	52,330	205,464	160,205	63,746	67,347	40,736	72,488	48,378	51,600
Total revenues	<u>5,481,241</u>	<u>4,644,801</u>	<u>4,910,451</u>	<u>5,255,749</u>	<u>4,634,884</u>	<u>4,751,239</u>	<u>4,034,032</u>	<u>4,143,322</u>	<u>3,983,726</u>	<u>3,828,002</u>
<b>Expenditures</b>										
General government	847,125	883,666	967,127	674,596	753,371	771,093	771,987	749,920	741,922	710,883
Security of persons and property	2,055,272	1,981,918	1,991,839	2,186,734	1,907,567	1,651,460	1,688,222	1,878,135	1,687,404	1,583,923
Public health and welfare	50,860	77,436	44,190	18,274	55,143	51,182	48,652	50,508	51,910	51,043
Transportation	610,206	457,680	852,425	657,354	497,941	722,731	379,941	636,157	395,796	351,005
Community environment	151,145	211,481	205,416	194,113	210,860	171,397	177,001	173,935	196,790	195,215
Basic utility services	-	-	-	-	-	3,095	148,215	75,273	-	-
Leisure time activities	149,882	335,071	346,014	345,696	330,830	333,920	286,762	383,104	351,965	380,496
Other	-	-	-	-	46,864	75,999	43,152	45,584	52,398	39,135
Capital outlay	1,098,608	505,922	1,011,044	591,752	318,579	352,105	377,320	133,937	151,068	222,354
Debt service:										
Principal retirement	104,290	100,144	23,000	73,814	250,603	275,457	250,631	267,888	207,389	802,268
Interest and fiscal charges	17,177	21,355	15,908	37,074	32,046	-	-	-	-	-
Total expenditures	<u>5,084,565</u>	<u>4,574,673</u>	<u>5,456,963</u>	<u>4,779,407</u>	<u>4,403,804</u>	<u>4,408,439</u>	<u>4,171,883</u>	<u>4,394,441</u>	<u>3,836,642</u>	<u>4,336,322</u>
Excess of revenues over (under) expenditures	<u>396,676</u>	<u>70,128</u>	<u>(546,512)</u>	<u>476,342</u>	<u>231,080</u>	<u>342,800</u>	<u>(137,851)</u>	<u>(251,119)</u>	<u>147,084</u>	<u>(508,320)</u>
<b>Other financing sources (Uses)</b>										
Inception of capital lease	-	-	155,434	-	-	-	-	-	-	-
Sale of capital assets	-	73,709	-	-	-	-	-	-	-	-
Transfers in	449,260	445,788	657,017	424,635	511,600	-	-	-	-	-
Transfer out	(449,260)	(445,788)	(572,408)	(424,635)	(511,600)	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>73,709</u>	<u>240,043</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 396,676</u>	<u>\$ 143,837</u>	<u>\$ (306,469)</u>	<u>\$ 476,342</u>	<u>\$ 231,080</u>	<u>\$ 342,800</u>	<u>\$ (137,851)</u>	<u>\$ (251,119)</u>	<u>\$ 147,084</u>	<u>\$ (508,320)</u>
Debt service as a percentage of noncapital expenditures	3.0%	3.0%	0.9%	2.6%	6.9%	6.8%	6.6%	6.3%	5.6%	19.5%

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

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

Collection Year	Real Property		Public Utility		Tangible Personal Property		Total		Weighted Average Tax Rate
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2010	\$ 150,819,270	\$ 430,912,200	\$ 3,202,410	\$ 3,639,102	\$ 102,620	\$ 410,480	\$ 154,124,300	\$ 434,961,782	34.88%
2009	\$ 157,324,730	\$ 449,499,229	\$ 3,145,410	\$ 3,574,330	\$ 201,070	\$ 804,280	\$ 160,671,210	\$ 453,877,838	34.86%
2008	155,453,660	444,153,314	3,045,550	3,460,852	4,648,576	18,594,304	163,147,786	466,208,471	33.78%
2007	153,045,720	437,273,486	3,631,830	4,127,080	8,283,620	33,134,480	164,961,170	474,535,045	32.56%
2006	136,070,320	388,772,343	3,691,530	4,194,920	11,458,776	45,835,104	151,220,626	438,802,367	31.90%
2005	132,639,260	378,969,314	3,689,360	4,192,455	11,334,888	45,339,552	147,663,508	428,501,321	33.18%
2004	129,106,510	368,875,743	3,572,100	4,059,205	16,521,012	66,084,048	149,199,622	439,018,995	33.40%
2003	116,572,560	333,064,457	3,485,590	3,960,898	18,189,506	72,758,024	138,247,656	409,783,379	33.13%
2002	113,920,700	325,487,714	3,374,300	3,834,432	21,806,152	87,224,608	139,101,152	416,546,754	32.81%
2001	109,646,050	313,274,429	4,103,090	4,662,602	24,496,624	97,986,496	138,245,764	415,923,527	32.53%

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out. For the collection year 2008 both types of general business tangible personal property were assessed at 6.25 percent. The percentage is zero for 2009.

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

Source: Stark County Auditor

**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>(2) Outstanding Delinquent Taxes</u>	<u>Percent of Outstanding Delinquent Taxes to Current Tax Levy</u>	<u>Total Direct Tax Rate</u>
2010	\$ 431,515	\$ 423,913	98.24%	\$ 21,005	4.87%	\$ 70.70
2009	446,879	437,592	97.92%	49,380	11.05%	69.20
2008	456,814	445,017	97.42%	19,950	4.37%	69.20
2007	461,891	449,811	97.38%	8,861	1.92%	69.30
2006	423,418	413,019	97.54%	6,855	1.62%	69.90
2005	413,458	404,521	97.84%	7,383	1.79%	70.90
2004	427,776	375,616	87.81%	7,624	1.78%	72.30
2003	387,094	378,806	97.86%	7,594	1.96%	72.70
2002	387,265	379,486	97.99%	13,655	3.53%	70.80
2001	387,089	381,050	98.44%	-	0.00%	65.10

Source: Stark County Auditor

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

Source: Ohio Department of Taxation

(2) Amounts prior to 2002 are not available.

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

	2010			2001		
	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>						
HP Products Inc.	1,832,540	1	1.22%	1,295,190	2	1.18%
Jewel Acquisition LLC	\$ 1,804,200	2	1.20%	\$ 1,526,390	1	1.39%
Louisville Ventures LTD	1,447,780	3	0.96%	1,111,730	3	1.01%
McKinley Development Company LTD	891,410	4	0.59%	-		0.00%
Groffire Investments	734,220	5	0.49%	-		0.00%
Rhodes Roy T	659,830	6	0.44%	678,190	4	0.62%
NOM Louisville LLC	615,730	7	0.41%	-		0.00%
CRC Ohio Properties LLC	594,250	8	0.39%	-		0.00%
Metzger J B Co.	573,500	9	0.38%	467,060	7	0.43%
Peters Frederick K & Judith R	532,570	10	0.35%	404,670	9	0.37%
WNBC LLC	-		0.00%	472,470	6	0.43%
Samual Ron	-		0.00%	626,640	5	0.57%
Gino D & Filomena Brienza Trustees	-		0.00%	398,220	10	0.36%
Samuel & Bilha Ron	-		0.00%	441,090	8	0.40%
Total of above	<u>\$ 9,686,030</u>		<u>6.42%</u>	<u>\$ 7,421,650</u>		<u>6.77%</u>
Total City	<u>\$ 150,819,270</u>			<u>\$ 109,646,050</u>		

Source: Stark County Auditor

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

	2010 Telecom Personal Property (1)			2001 Personal Property		
	Taxable	Percentage of		Taxable	Percentage of	
	Assessed	Total City	Taxable	Assessed	Total City	Taxable
	Value	Rank	Assessed Value	Value	Rank	Assessed Value
<b><u>Taxpayer</u></b>						
Ohio Bell Telephone	\$ 83,390	1	81.26%	\$ -	-	0.00%
Ameritech Advanced Data	5,620	2	5.48%	-	-	0.00%
New Cingular Wireless PCS LLC	5,380	3	5.24%	-	-	0.00%
T Mobile Central LLC	4,610	4	4.49%	-	-	0.00%
TWC Digital Phone LLC	3,040	5	2.96%	-	-	0.00%
Jewel Acquisition LLC	-		0.00%	15,748,830	1	64.29%
HP Productions INC	-		0.00%	2,049,780	2	8.37%
Ohio Transformer Inc.	-		0.00%	1,029,630	3	4.20%
Transportation Center of Louisville	-		0.00%	743,470	4	3.03%
Chuck Sypolt Chevrolet	-		0.00%	578,350	5	2.36%
Trilogy Plastics Inc	-		0.00%	434,139	6	1.77%
JCM Family Inc.	-		0.00%	345,580	7	1.41%
Meridian Leasing Corporation	-		0.00%	309,010	8	1.26%
Time Warner Entertainment Company	-		0.00%	251,070	9	1.02%
Tamarkin Company	-		0.00%	239,110	10	0.98%
Total of above	<u>\$ 102,040</u>		<u>99.43%</u>	<u>\$ 21,728,969</u>		<u>88.70%</u>
Total City	<u>\$ 102,620</u>			<u>\$ 24,496,624</u>		

Source: Stark County Auditor

(1) Now being reported as Telecom Personal Property as personal property taxpayers are no longer required to file a return.

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

	2010			2001		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
<b><u>Taxpayer</u></b>						
Ohio Power	\$ 3,005,680	1	93.86%	\$ 1,985,970	1	48.40%
Ohio Bell Telephone Co.	-		0.00%	939,830	2	22.91%
East Ohio Gas Co.	196,710	2	6.14%	168,760	4	4.11%
Norfolk Southern	20	3	0.00%	253,130	3	6.17%
Total of above	<u>\$ 3,202,410</u>		<u>100.00%</u>	<u>\$ 3,347,690</u>		<u>81.59%</u>
Total City	<u>\$ 3,202,410</u>			<u>\$ 4,103,090</u>		

Source: Stark County Auditor

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

<u>Tax Year</u>	<u>Tax Rate</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes From Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes From Individuals</u>	<u>Percentage of Taxes from Individuals</u>	<u>Percentage Change from Prior Year</u>
2010	2.00%	\$ 3,296,913	\$ 1,977,803	59.99%	\$ 237,806	7.21%	\$ 1,081,304	32.80%	0.83%
2009	2.00	3,269,768	1,907,604	58.34	206,364	6.31	1,155,800	35.35	-5.45%
2008	2.00	3,458,404	1,998,918	57.80	251,892	7.28	1,207,593	34.92	-0.15%
2007	2.00	3,463,645	1,898,430	54.81	280,748	8.11	1,284,467	37.08	3.93%
2006	2.00	3,332,796	1,849,175	55.48	207,591	6.23	1,276,031	38.29	14.51%
2005	2.00	2,910,456	1,755,042	60.30	161,615	5.55	1,059,353	36.40	0.36%
2004	2.00	2,900,015	2,045,268	70.53	186,904	6.44	677,418	23.36	2.01%
2003	2.00	2,842,964	1,952,242	68.67	163,687	5.76	727,035	25.57	3.09%
2002	2.00	2,757,672	1,891,233	68.58	140,015	5.08	726,425	26.34	-1.39%
2001	2.00	2,796,610	1,920,439	68.67	169,502	6.06	706,668	25.27	-4.55%

Source: City income tax records.

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

Fiscal Year	Governmental Activities (1)		Business-Type Activities (1)					Total Primary Government	Percentage of Personal Income
	General Obligation Bonds	Capital Leases	Revenue Bonds	General Obligation Bonds	OPWC Loans	OWDA Loans	Capital Leases		
2010	\$ 254,000	\$ -	\$ -	\$2,122,030	\$ 433,296	\$ 45,013	\$ 225,145	\$3,079,484	1.42%
2009	279,000	79,290	-	2,494,636	481,588	47,270	115,392	3,497,176	1.67%
2008	303,000	155,434	-	2,845,477	529,880	49,439	221,670	4,104,900	1.96%
2007	326,000	-	-	3,179,670	578,172	51,525	-	4,135,367	1.46%
2006	348,000	51,814	-	3,492,388	626,464	54,503	-	4,573,169	1.77%
2005	495,000	155,417	-	3,792,687	674,756	55,457	-	5,173,317	1.99%
2004	635,000	193,285	-	4,067,738	723,048	-	-	5,619,071	2.24%
2003	765,000	132,099	1,090,000	4,335,603	771,340	-	-	7,094,042	2.91%
2002	889,000	61,904	1,170,000	4,592,400	819,632	-	14,298	7,547,234	3.13%
2001	1,008,000	86,493	1,245,000	4,832,240	378,403	363,527	19,977	7,933,640	3.33%

(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**

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Outstanding Debt Per Capita	Outstanding Debt to Personal Income
	General Obligation Bonds	Revenue Bonds	Total			
2010	\$ 2,376,030	\$ -	\$ 2,376,030	2.04%	\$ 258.66	0.92%
2009	2,773,636	-	2,773,636	2.38%	311.50	1.08%
2008	3,148,477	-	3,148,477	2.70%	353.60	1.22%
2007	3,505,670	-	3,505,670	3.00%	393.72	1.36%
2006	3,840,388	-	3,840,388	3.29%	431.31	1.49%
2005	4,287,687	-	4,287,687	3.67%	481.55	1.65%
2004	4,702,738	-	4,702,738	4.03%	528.16	1.87%
2003	5,100,603	1,090,000	6,190,603	5.30%	572.84	2.54%
2002	5,481,400	1,170,000	6,651,400	5.70%	615.61	2.76%
2001	5,840,240	1,245,000	7,085,240	6.07%	655.91	2.98%

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**

	<u>Unvoted</u>	<u>Overall</u>		<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Legal Debt Margin Calculation for Year Ending December 31, 2010</b>													
Total assessed valuation	\$ 154,124,300	154,124,300											
Debt limitation - 5.5% of assessed valuation	8,476,837												
Debt limitation - 10.5% of assessed valuation		16,183,052											
Debt applicable to limitation:													
Total bonded debt and loans	2,873,309	2,873,309											
Exempt debt:													
OWDA loans	45,013	45,013											
OPWC loans	433,296	433,296											
Debt payable from income tax	2,395,000	2,395,000											
Total debt applicable to limitation	-	-											
Legal debt margin	\$ 8,476,837	16,183,052											
Debt limit	\$ 14,515,805	\$ 14,605,621	\$ 14,516,004	\$ 15,665,960	\$ 15,504,668	\$ 15,878,166	\$ 17,320,923	\$ 17,130,518	\$ 16,870,477	\$ 16,183,052			
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal debt margin	14,515,805	14,605,621	14,516,004	15,665,960	15,504,668	15,878,166	17,320,923	17,130,518	16,870,477	16,183,052			
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%	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, 2010**

<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	\$ 254,000	100.00%	<u>\$ 254,000</u>
Overlapping:			
Louisville Schools	22,870,000	44.90%	10,268,630
County of Stark	-	2.10%	<u>-</u>
Subtotal, overlapping debt			<u>10,268,630</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 10,522,630</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>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b><u>General Obligation Debt</u></b>						
Assessed value	\$ 154,124,300	160,671,210	163,147,786	164,961,170	151,220,626	147,663,508
Population	9,186	8,904	8,904	8,904	8,904	8,904
Debt outstanding	\$ 2,395,000	2,805,000	3,195,000	3,570,000	3,925,000	4,395,000
Ratio of debt to assessed value	1.55%	1.75	1.96	2.16	2.60	2.98
Debt per capita	\$ 260.72	315	359	401	440.81	493.60
<b><u>General Bonded Debt</u></b>						
Debt service	\$ 38,898	38,930	38,907	57,495	173,587	175,887
General governmental expenditures	\$ 5,084,565	4,574,673	5,456,963	4,779,407	4,403,804	4,408,439
Ratio of debt service to general governmental expenditures	0.77%	0.01	0.71	1.20	3.94	3.99
<b><u>Water Revenue Bond</u></b>						
Revenues <sup>1</sup>	\$ 1,152,855	1,199,151	1,152,543	1,110,191	1,129,348	978,385
Operating expenses <sup>2</sup>	\$ 933,926	742,980	636,032	706,800	695,689	680,183
Net revenue available for debt service	\$ 218,929	456,171	516,511	403,391	433,659	298,202
Debt service requirements	-	-	-	-	-	-
Coverage	100.00%	100.00	100.00	100.00	100.00	100.00

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

Source: City of Louisville basic financial statements.

<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
149,199,622	138,247,656	139,101,152	138,245,764
8,904	8,904	8,904	8,904
4,835,000	5,260,000	5,670,000	6,060,000
3.24	3.80	4.08	4.38
543.01	590.75	636.79	680.59
174,336	176,275	178,691	199,691
4,171,883	4,394,441	3,836,642	4,336,322
4.18	4.01	4.66	4.61
1,023,823	1,151,014	1,191,649	1,430,722
545,641	640,579	1,011,375	411,892
478,182	510,435	180,274	1,018,830
147,123	146,123	144,798	143,158
3.25	3.49	1.25	7.12

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

<u>Employer</u>	<u>Industry</u>	2010			2001		
		<u>Employees</u>	<u>Rank</u>	<u>Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Employment</u>
Louisville Board of Education	Public education	400	1	16.16%	375	3	16.12%
HP Products Inc.	Specialty tubing	318	2	12.85%	381	2	16.37%
St. Joseph's Hospice	Hospice facility	304	3	12.28%	219	4	9.41%
J&J Foods LLC	Grocery	117	5	4.73%	171	5	7.35%
Jewel Acquisition LLC	Specialty tubing	140	4	5.66%	419	1	18.01%
Midlake Products	Manufacturing	72	8	2.91%	75	10	3.22%
City of Louisville	Municipal government	107	6	4.32%	129	6	5.54%
St Thomas Aquinas	Private education	100	7	4.04%	119	8	5.11%
Louisville Pharmacy Inc.	Pharmaceutical	38	9	1.54%	-	-	0.00%
Magnetic Technologies	Transformers	38	10	1.54%	-	-	0.00%
Trilogy Plastics	Manufacturing	-	-	0.00%	78	9	3.35%
Ohio Transformer	Transformer rebuilding	-	-	0.00%	123	7	5.29%
		-	-	0.00%	-	-	0.00%
		-	-	0.00%	-	-	0.00%
<b>Total Top Ten Employers</b>		<u>1,634</u>		<u>66.02%</u>	<u>2,089</u>		<u>81.13%</u>
<b>Total employment within the City</b>		<u>2,475</u>			<u>2,327</u>		

Source: City of Louisville

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

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (5)</u>	<u>Personal Income Per Capita (3)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate (3)</u>	
					<u>Stark County</u>	<u>State of Ohio</u>
2010	9,186	\$217,340,760	\$23,660	3,260	11.3%	10.1%
2009	8,904	208,923,456	23,464	3,199	8.0%	7.7%
2008	8,904	208,923,456	23,464	3,170	8.0%	7.7%
2007	8,904	283,147,200	31,800	3,209	6.2%	5.8%
2006	8,904	257,788,608	28,952	3,050	6.2%	5.5%
2005	8,904	260,317,344	29,236	3,239	5.9%	5.9%
2004	8,904	250,870,200	28,175	3,240	6.5%	5.9%
2003	8,904	244,192,200	27,425	3,239	6.0%	6.1%
2002	8,904	240,897,720	27,055	3,240	5.5%	5.7%
2001	8,904	238,003,920	26,730	3,186	4.1%	4.2%

(1) Source: U. S. Census

(a) Years 2000 through 2009 - 2000 Federal Census

(b) Year 1999 - 1990 Federal Census

(2) Source: Ohio Department of Education

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

(4) Source: Stark County Auditor

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

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

**CITY OF LOUISVILLE, OHIO**  
**Operating Indicators by Function/Program**  
**Last Nine Years**

Function/Program	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>General government</b>							
Council and clerk							
Number of legislation passed	76	73	58	66	53	60	58
Number of planning commission docket items	9	17	16	30	21	17	15
Zoning board of appeals docket items	10	12	8	25	3	13	14
Finance Department							
Number of W-2's issued	107	120	118	116	112	116	135
Number of checks issued	2,327	2,585	2,718	2,591	2,558	2,555	2,439
Amount of checks paid	\$ 5,333,471	3,483,854	5,580,210	3,538,207	3,568,564	2,934,428	2,826,234
Interest earnings for fiscal year (cash basis)	\$ 6,242	22,487	94,094	146,200	126,993	67,438	25,459
General fund year end cash balances	\$ 1,378,449	1,275,097	377,761	686,697	526,675	426,293	413,293
Income tax fund year end cash balances	\$ -	-	651,097	714,309	363,547	265,554	94,206
Water revenue fund year end cash balances	\$ 366,130	251,353	138,146	111,487	96,579	72,964	99,307
Sewer revenue fund year end cash balances	\$ 203,009	132,385	35,888	643,743	475,245	334,587	197,357
Property tax revenue	\$ 414,335	448,812	388,954	472,997	465,349	441,153	394,963
Income Tax Department							
Number of individual returns	3,323	3,378	3,201	3,377	4,806	4,740	4,725
Number of business returns	464	442	422	449	260	272	268
Number of business withholding accounts	381	500	485	446	432	381	380
Income tax receipts collected	\$ 3,296,913	3,221,415	3,548,403	3,463,645	3,301,769	2,906,533	2,900,015
Building Department Indicators							
Residential permits issued	4	6	8	19	31	63	66
Estimated value of residential permits	\$ 720,000	1,004,900	1,303,780	3,876,895	5,194,200	9,623,405	9,612,196
Commercial/institutional permits issued	5	3	1	-	1	-	1
Estimated value of commercial/insitutional	\$35,684,160	1,519,000	2,210,358	4,500,000	1,200,000	-	720,000
Total zoning permit fees	4,535	4,413	5,096	6,826	5,189	6,463	7,048
<b>Security of persons &amp; property</b>							
Police							
Total calls for services	4,486	4,052	4,070	4,121	4,212	4,012	3,953
number of traffic citations issued	555	507	455	593	814	839	582
number of criminal arrests	388	266	236	264	-	-	-
number of accident reports completed	181	179	184	192	170	211	243
Motor vehicle accidents	181	179	184	192	2	-	-
Gasoline costs of fleet	\$ 29,637	21,612	33,243	24,939	25,114	19,567	13,587
Fire							
EMS calls	965	916	798	919	710	752	791
EMS collections	\$ 312,588	323,875	270,048	187,866	205,904	204,797	168,454
Fire calls	350	473	561	325	319	335	339
<b>Leisure time activities</b>							
Recreation							
Adult volleyball and softball leagues	-	300	300	250	250	250	250
Youth baseball league	-	800	800	800	900	900	900
Jump rope clinics	-	100	100	60	60	60	60
Fishing derbies (2 per year)	80	80	80	60	40	100	100
Bowling leagues (kids)	-	60	60	50	11	28	40

2003                      2002

56                      54  
 12                      19  
 12                      26

128                      124  
 2,449                      2,599  
 2,594,987                      2,841,059  
 11,432                      39,007  
 288,451                      326,186  
 23,073                      91,362  
 110,076                      72,522  
 207,837                      252,646  
 399,084                      403,747

4,722                      4,739  
 268                      255  
 382                      381  
 2,842,964                      2,757,672

55                      50  
 9,069,164                      7,385,695  
 -                      5  
 -                      17,189,527  
 6,719                      5,943

3,915                      3,725  
 660                      728  
 -                      -  
 231                      252  
 -                      -  
 13,220                      10,404

759                      707  
 210,686                      149,487  
 265                      246

-                      -  
 -                      -  
 -                      -  
 -                      -  
 -                      -

(Continued)

**CITY OF LOUISVILLE, OHIO**  
**Operating Indicators by Function/Program**  
**Last Nine Years**

Function/Program	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>Transportation</b>							
Amount spent on paving streets	\$ 124,325	90,786	320,000	149,480	138,363	240,436	139,723
Gasoline fuel in gallons	27,427	24,564	22,581	22,119	28,286	30,530	24,842
Cost of salt purchased	\$ 18,632	38,045	44,995	43,950	30,105	45,244	35,865
Cost of salt per ton	\$ 46	47	34	34	32	32	32
<b>Water Department</b>							
Total water billed (in dollars)	\$ 765,648	736,910	664,630	641,529	574,834	526,164	479,900
Total sewer billed (in dollars)	\$ 864,779	866,087	800,908	796,070	680,415	698,895	633,457
Total storm water billed (in dollars)	\$ 111,044	111,426	111,332	110,460	107,816	-	-
Water bills issued	21,485	21,508	21,457	21,426	21,251	20,744	20,311
Average water treated daily (million gallons/day)	864,000	931,000	990,000	960,330	960,330	960,330	873,000
Total flow of wastewater treatment plant (millions of gallons)	476	500	500	541	548	566	614
Average daily flow (millions of gallons per day)	1	2	2	2	2	2	2
Tons of dry sludge removed	157	225	182	191	526	121	127

Source: City of Louisville

(1) Information prior to 2002 is not available.

<u>2003</u>	<u>2002</u>
107,287	121,589
27,723	28,073
41,841	21,301
30	30
473,166	470,886
628,361	626,191
-	-
19,940	19,684
873,000	873,000
587	511
2	1
203	99

**CITY OF LOUISVILLE, OHIO**

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

<u>Function/Program</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>General government</b>					
City Manager	2.00	2.00	2.00	2.00	2.00
Finance	4.00	4.50	4.50	4.50	4.50
Law	0.50	0.50	0.50	0.50	0.50
Council	2.50	2.50	2.50	2.50	2.50
Civil service	0.50	0.50	0.50	0.50	0.50
Other	0.00	0.00	0.00	0.50	0.50
<b>Security of persons and property</b>					
Police	11.50	12.50	12.00	12.00	12.00
Fire and EMS	14.00	14.50	15.00	15.00	15.00
Dispatchers	0.00	5.50	5.50	5.50	5.50
Administration	0.50	0.00	0.50	0.50	0.50
School crossing guards	2.50	4.00	5.50	5.50	5.50
<b>Leisure time activities: Recreation</b>					
Parks	6.00	6.00	9.50	9.50	9.50
<b>Community environment</b>					
Building	2.00	2.50	4.50	4.50	4.50
<b>Transportation</b>					
Service	3.00	8.00	6.00	6.00	6.00
<b>Basic utility services</b>					
Water	4.50	1.50	4.50	4.50	4.50
Sewer	4.00	4.00	3.00	3.00	3.00
Totals:	<u>57.50</u>	<u>68.50</u>	<u>76.00</u>	<u>76.50</u>	<u>76.50</u>

Source: City Payroll Department W2 Audit Listing  
Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year end.

(1) Information prior to 2006 is not available

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

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
<b>General Government</b>										
Square footage occupied	30,000	30,000	30,000	30,000	15,000	15,000	15,000	15,000	15,000	15,000
Administrative vehicles	4	4	4	4	4	4	4	4	4	4
Inspection vehicles	1	1	1	1	1	1	1	1	1	1
<b>Security: Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Square footage of building	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Vehicles	11	10	10	8	8	8	8	8	8	8
<b>Security: Fire</b>										
Stations	2	2	2	1	1	1	1	1	1	1
Number of fire hydrants	611	534	534	300	300	300	300	300	300	300
Square footage of building	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Vehicles	8	9	9	8	5	5	5	5	5	5
<b>Leisure time activities: Recreation</b>										
Number of parks	7	7	7	7	7	7	7	7	7	7
Total park acreage	126	126	126	126	126	126	126	126	126	126
Number of libraries	1	1	1	1	1	1	1	1	1	1
Number of baseball diamonds	8	8	8	8	8	8	8	8	8	8
Number of soccer fields	7	7	7	7	7	7	7	7	7	7
Vehicles	0	1	1	1	1	1	1	1	1	1
<b>Tranportation services</b>										
Streets (miles)	55.0	55.0	55.0	55.0	55.0	52.9	45.7	45.7	45.7	45.7
Number of streetlights	687	687	687	687	687	687	687	687	687	687
Number of traffic lights	7	7	7	7	7	7	7	7	7	7
Service vehicles	21	21	18	18	18	18	18	18	18	18
<b>Sewer Department</b>										
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Sanitary sewers (miles)	42	42	42	42	42	42	42	45	45	45
Storm sewers (miles)	40	40	40	40	40	40	40	40	40	40
Vehicles	2	2	2	2	2	2	2	2	2	2
<b>Water Department</b>										
Water lines (miles)	52	52	52	52	52	52	52	41	41	41
Vehicles	1	1	2	2	2	2	2	2	2	2

Source: City of Louisville

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# Dave Yost • Auditor of State

CITY OF LOUISVILLE

STARK COUNTY

## CLERK'S CERTIFICATION

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
AUGUST 30, 2011