

**Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)
All Governmental Fund Types**

For the Year Ended December 31, 2018

	General	Special Revenue	Debt Service	Capital Projects	Permanent	Totals (Memorandum Only)
Cash Receipts						
Property and Other Taxes	\$162,165	\$176,887	\$0	\$16,311	\$0	\$355,363
Municipal Income Tax	1,141,013	0	0	0	0	1,141,013
Intergovernmental	70,009	175,010	0	101,900	0	346,919
Special Assessments	0	0	0	0	0	0
Charges for Services	65,363	262,471	0	0	0	327,834
Fines, Licenses and Permits	23,447	2,290	0	0	0	25,737
Earnings on Investments	22,651	13,090	0	0	1,343	37,084
Miscellaneous	73,225	12,294	0	101,598	0	187,117
<i>Total Cash Receipts</i>	<u>1,557,873</u>	<u>642,042</u>	<u>0</u>	<u>219,809</u>	<u>1,343</u>	<u>2,421,067</u>
Cash Disbursements						
Current:						
Security of Persons & Property	81,089	935,126	0	0	0	1,016,215
Public Health Services	2,568	20,070	0	0	0	22,638
Leisure Time Activities	47,883	329	0	0	0	48,212
Community Environment	6,801	0	0	0	0	6,801
Basic Utility Services	0	0	0	0	0	0
Transportation	147	307,535	0	21,305	0	328,987
General Government	452,843	1,695	0	0	0	454,538
Capital Outlay	24,848	118,023	0	356,023	0	498,894
Debt Service:						
Principal Retirement	0	36,075	0	0	0	36,075
Payment of Capital Appreciation Bond Accretion	0	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0	0
Interest and Fiscal Charges	0	1,189	0	0	0	1,189
<i>Total Cash Disbursements</i>	<u>616,179</u>	<u>1,420,042</u>	<u>0</u>	<u>377,328</u>	<u>0</u>	<u>2,413,549</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>941,694</u>	<u>(778,000)</u>	<u>0</u>	<u>(157,519)</u>	<u>1,343</u>	<u>7,518</u>
Other Financing Receipts (Disbursements)						
Sale of Bonds	0	0	0	0	0	0
Sale of Refunding Bonds	0	0	0	0	0	0
Sale of Notes	0	0	0	0	0	0
Loans Issued	0	0	0	0	0	0
Other Debt Proceeds	0	0	0	320,001	0	320,001
Premium and Accrued Interest on Debt	0	0	0	0	0	0
Discount on Debt	0	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0	0

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

**Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)
All Governmental Fund Types**

For the Year Ended December 31, 2018

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent</u>	<u>Totals (Memorandum Only)</u>
Sale of Capital Assets	0	17,508	0	0	0	17,508
Transfers In	209,023	707,000	0	126,000	0	1,042,023
Transfers Out	(1,063,000)	0	0	(14,023)	0	(1,077,023)
Advances In	0	0	0	0	0	0
Advances Out	0	0	0	0	0	0
Other Financing Sources	0	0	0	0	0	0
Other Financing Uses	(129)	0	0	0	0	(129)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(854,106)</u>	<u>724,508</u>	<u>0</u>	<u>431,978</u>	<u>0</u>	<u>302,380</u>
Special Item	0	0	0	0	0	0
Extraordinary Item	0	0	0	0	0	0
<i>Net Change in Fund Cash Balances</i>	<u>87,588</u>	<u>(53,492)</u>	<u>0</u>	<u>274,459</u>	<u>1,343</u>	<u>309,898</u>
<i>Fund Cash Balances, January 1</i>	<u>491,451</u>	<u>688,656</u>	<u>0</u>	<u>152,628</u>	<u>109,657</u>	<u>1,442,392</u>
Fund Cash Balances, December 31						
Nonspendable	147	0	0	0	100,356	100,503
Restricted	0	635,164	0	427,087	10,644	1,072,895
Committed	0	0	0	0	0	0
Assigned	6,437	0	0	0	0	6,437
Unassigned (Deficit)	572,455	0	0	0	0	572,455
<i>Fund Cash Balances, December 31</i>	<u>\$579,039</u>	<u>\$635,164</u>	<u>\$0</u>	<u>\$427,087</u>	<u>\$111,000</u>	<u>\$1,752,290</u>

**Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)
All Governmental Fund Types**

For the Year Ended December 31, 2018

	General	Special Revenue	Debt Service	Capital Projects	Permanent	Totals (Memorandum Only)
GASB 54 Worksheet/Note Disclosure						
<i>Net Change in Fund Cash Balances</i>	\$87,588	(\$53,492)	\$0	\$274,459	\$1,343	\$309,898
<i>Fund Cash Balances, January 1</i>	491,451	688,656	0	152,628	109,657	1,442,392
<i>Fund Cash Balances, December 31</i>	<u>\$579,039</u>	<u>\$635,164</u>	<u>\$0</u>	<u>\$427,087</u>	<u>\$111,000</u>	<u>\$1,752,290</u>
Fund Balances						
Amounts identified as:						
Nonspendable						
Cemetery Endowment	\$0	\$0	\$0	\$0	\$100,356	\$100,356
Unclaimed Monies	147	0	0	0	0	147
<i>Total Nonspendable</i>	<u>147</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>100,356</u>	<u>100,503</u>
Restricted for:						
Bond Retirement Maintenance Building	0	0	0	0	0	0
Cemetery	0	25,786	0	0	10,644	36,430
Drug Law Enforcement	0	329	0	0	0	329
Emergency Medical Services	0	154,176	0	0	0	154,176
FEMA project	0	0	0	0	0	0
Fire Operations	0	198,794	0	0	0	198,794
Maintenance & Repairs Central Park	0	7,163	0	0	0	7,163
Maintenance Building Project	0	0	0	259,694	0	259,694
Mayor's Court Computer Fund	0	2,703	0	0	0	2,703
Opera House Capital Improvements	0	0	0	0	0	0
Police Operations	0	86,427	0	0	0	86,427
Road Maintenance and Improvements	0	159,786	0	132,393	0	292,179
Safe Routes Project	0	0	0	0	0	0
Shared Use Path	0	0	0	0	0	0
Swimming Project Project	0	0	0	35,000	0	35,000
<i>Total Restricted</i>	<u>0</u>	<u>635,164</u>	<u>0</u>	<u>427,087</u>	<u>10,644</u>	<u>1,072,895</u>
Committed to:						
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Assigned to:						
Encumbrances	6,437	0	0	0	0	6,437
<i>Total Assigned</i>	<u>6,437</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,437</u>
<i>Unassigned</i>	572,455	0	0	0	0	572,455

**Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)
All Governmental Fund Types**

For the Year Ended December 31, 2018

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent</u>	<u>Totals (Memorandum Only)</u>
<i>Total Fund Cash Balances, December 31</i>	\$579,039	\$635,164	\$0	\$427,087	\$111,000	\$1,752,290

Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)
All Proprietary and Fiduciary Fund Types
 For the Year Ended December 31, 2018

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Agency</u>	<u>Investment Trust</u>	<u>Private Purpose Trust</u>	<u>Totals (Memorandum Only)</u>
Operating Cash Receipts						
Charges for Services	\$915,571	\$0	\$0	\$0	\$0	\$915,571
Fines, Licenses and Permits	0	0	0	0	0	0
Earnings on Investments (trust funds only)	0	0	0	0	0	0
Miscellaneous	792	0	0	0	0	792
<i>Total Operating Cash Receipts</i>	<u>916,363</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>916,363</u>
Operating Cash Disbursements						
Personal Services	305,270	0	0	0	0	305,270
Fringe Benefits	162,339	0	0	0	0	162,339
Contractual Services	122,175	0	0	0	0	122,175
Supplies and Materials	216,988	0	0	0	0	216,988
Claims	0	0	0	0	0	0
Other	0	0	0	0	0	0
<i>Total Operating Cash Disbursements</i>	<u>806,772</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>806,772</u>
<i>Operating Income (Loss)</i>	<u>109,591</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>109,591</u>
Non-Operating Receipts (Disbursements)						
Property and Other Local Taxes	0	0	0	0	0	0
Intergovernmental	478,980	0	0	0	0	478,980
Special Assessments	0	0	0	0	0	0
Earnings on Investments (proprietary funds only)	0	0	0	0	0	0
Sale of Bonds	0	0	0	0	0	0
Sale of Refunding Bonds	0	0	0	0	0	0
Sale of Notes	0	0	0	0	0	0
Loans Issued	645,998	0	0	0	0	645,998
Other Debt Proceeds	0	0	0	0	0	0
Premium and Accrued Interest on Debt	0	0	0	0	0	0
Sale of Fixed Assets	708	0	0	0	0	708
Miscellaneous Receipts	58,410	0	200,970	0	0	259,380
Capital Outlay	(1,224,972)	0	0	0	0	(1,224,972)
Excise Tax Payment - Electric	0	0	0	0	0	0
Principal Retirement	(76,840)	0	0	0	0	(76,840)
Payment of Capital Appreciation Bond Accretion	0	0	0	0	0	0
Interest and Other Fiscal Charges	(43,603)	0	0	0	0	(43,603)
Discount on Debt	0	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0	0
Other Financing Sources	0	0	0	0	0	0

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)
All Proprietary and Fiduciary Fund Types
 For the Year Ended December 31, 2018

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Agency</u>	<u>Investment Trust</u>	<u>Private Purpose Trust</u>	<u>Totals (Memorandum Only)</u>
Other Financing Uses	0	0	(201,584)	0	0	(201,584)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(161,319)</u>	<u>0</u>	<u>(614)</u>	<u>0</u>	<u>0</u>	<u>(161,933)</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	(51,728)	0	(614)	0	0	(52,342)
Capital Contributions	0	0	0	0	0	0
Special Item	0	0	0	0	0	0
Extraordinary Item	0	0	0	0	0	0
Transfers In	73,789	0	0	0	0	73,789
Transfers Out	(38,789)	0	0	0	0	(38,789)
Advances In	0	0	0	0	0	0
Advances Out	0	0	0	0	0	0
<i>Net Change in Fund Cash Balance</i>	<u>(16,728)</u>	<u>0</u>	<u>(614)</u>	<u>0</u>	<u>0</u>	<u>(17,342)</u>
<i>Fund Cash Balances, January 1</i>	<u>1,286,271</u>	<u>0</u>	<u>2,775</u>	<u>0</u>	<u>0</u>	<u>1,289,046</u>
<i>Fund Cash Balances, December 31</i>	<u>\$1,269,543</u>	<u>\$0</u>	<u>\$2,161</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,271,704</u>

Cash Reconciliation

as of 12/31/2018

Depository

Account Type	Account Name	Totals
Checking Accounts		
	PRIMARY	\$2,632,497.65
	MAYOR'S CT	\$2,060.91
Checking Accounts Total:		\$2,634,558.56
Investment Accounts		
Treasury Bill		
		\$0.00
Treasury Bill Total:		\$0.00
Certificate of Deposit		
	CDARS 783	\$100,000.00
	CDARS 791	\$100,000.00
	CDARS 805	\$100,000.00
	CEM ENDOW	\$100,355.88
Certificate of Deposit Total:		\$400,355.88
Other		
		\$0.00
Other Total:		\$0.00
Investment Accounts Total:		\$400,355.88
Adjustments To Cash		
	Deposits In Transit	\$0.00
	Outstanding Payments	(\$10,922.55)
	Outstanding Adjustments	\$0.00
	Other Adjusting Factors	\$0.00
Adjustments To Cash Total:		(\$10,922.55)
Depository Total (Must equal Funds Total)		\$3,023,991.89
Bond and Coupon Clearance Account		\$0.00
Payroll Clearance Account		\$0.00

* Payroll or Bond and Coupon depository clearance accounts are not included in depository balances

Funds

Fund Type	Fund	Totals
General		
	1000 - General	\$275,831.71
General Total:		\$275,831.71
Special Revenue		
	2011 - Street Construction, Maint. and Repair	\$136,644.02
	2021 - State Highway	\$23,142.04
	2031 - Cemetery	\$25,785.50
	2041 - Central Park SE Quadrant Fund	\$7,162.58
	2071 - Income Tax	\$303,059.70
	2081 - Drug Law Enforcement	\$329.05
	2901 - Police	\$85,191.62
	2902 - Furtherance of Justice	\$1,234.71
	2903 - Emergency Medical Services	\$154,175.78

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

Cash Reconciliation

as of 12/31/2018

Funds

Fund Type	Fund	Totals
	2904 - Fire Levy	\$198,793.84
	2905 - Mayor's Court Computer Fund	\$2,702.91
Special Revenue Total:		\$938,221.75
Debt Service		
	3101 - Maintenance Building Bond Retirement	\$0.00
Capital Projects		
	4201 - Safe Routes to School Project	\$0.00
	4202 - Opera House Renovations	\$0.00
	4203 - Maintenance Building Project	\$259,694.04
	4901 - Street Improvement	\$132,392.82
	4902 - FEMA Assistance to Firefighters Grant	\$0.00
	4903 - Swimming Pool Improvements Project	\$35,000.00
	4904 - East Main Shared Use Path	\$0.00
Permanent		
	4951 - Cemetery Endowment	\$110,999.74
Permanent Total:		\$110,999.74
Enterprise		
	5101 - Water	\$395,339.35
	5201 - Sewer	\$598,352.88
	5501 - Swimming Pool	\$13,252.33
	5601 - Storm Drainage	\$133,730.46
	5602 - Theatre	\$29,236.90
	5701 - Water Surplus Imprvment	\$25,701.00
	5702 - Storm Drainage Surplus Imprvment	\$35,000.00
	5721 - Storm Sewer Sinking	\$0.00
	5741 - Storm Drain Debt Service Reserve	\$38,931.00
Enterprise Total:		\$1,269,543.92
Internal Service		
		\$0.00
Agency		
	9101 - Unclaimed Monies	\$147.00
	9201 - Perrysville Income Tax	\$0.00
	9901 - Mayor's Court	\$2,060.91
	9902 - Contract Trust	\$100.00
	9903 - Fire Damage Repair	\$0.00
Agency Total:		\$2,307.91
Investment Trust		
		\$0.00
Private - Purpose Trust		
		\$0.00
Funds Total (Must equal Depository Total)		<u>\$3,023,991.89</u>

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LOUDONVILLE VILLAGE, ASHLAND COUNTY
Schedule Of Debt Service Requirements
 For the Year Ended December 31, 2018

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Fiscal Year Ending	Principal (A)	Interest (B)	Total Columns A & B (C)
2019	\$127,674.00	\$53,693.00	\$181,367.00
2020	154,259.00	69,519.00	223,778.00
2021	159,895.00	64,183.00	224,078.00
2022	155,063.00	58,592.00	213,655.00
2023	160,752.00	53,229.00	213,981.00
2028	565,799.00	192,880.00	758,679.00
2033	281,818.00	122,445.00	404,263.00
2038	333,901.00	70,063.00	403,964.00
2042	180,592.00	15,640.00	196,232.00
Total	<u>\$2,119,753.00</u>	<u>\$700,244.00</u>	<u>\$2,819,997.00</u>

LOUDONVILLE VILLAGE, ASHLAND COUNTY
Schedule Of Outstanding Debt
For the Year Ended December 31, 2018

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Description of Issue	Year Issued	Interest Rate	Balance January 1	Amount Issued	Amount Retired	Balance December 31
USDA STORM SEWER PROJECT	2002	4.50%	\$575,300.00	\$0.00	\$12,900.00	\$562,400.00
OWDA WATER PLANT EXPANSION	2004	4.56%	454,778.43	0.00	48,290.28	406,488.15
OPWC WATER PLANT PROJECT	2005	0.00%	117,375.00	0.00	15,650.00	101,725.00
Ambulance (2011 Road Rescue Unit)	2013	3.50%	28,890.39	0.00	28,890.39	0.00
Police Cruiser (2016 Taurus)	2016	3.50%	7,598.00	0.00	7,598.00	0.00
Police Cruiser (2018 Explorer)	2018	4.00%	0.00	29,791.00	0.00	29,791.00
Dump Truck (2019 F-350)	2018	4.00%	0.00	49,995.00	0.00	49,995.00
Maintenance Building Bonds	2018	4.00%	0.00	320,000.00	0.00	320,000.00
OWDA RESERVOIR PROJECT	2018	2.70%	0.00	649,354.11	0.00	649,354.11
Total			<u>\$1,183,941.82</u>	<u>\$1,049,140.11</u>	<u>\$113,328.67</u>	<u>\$2,119,753.26</u>

Village of Loudonville, Ohio
Ashland County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 1 - Reporting Entity

The Village of Loudonville (the Village), Ashland County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides water, sewer and storm drain utilities, street maintenance and repair, park operations, police services, emergency medical services, fire protection services, theatre operations, cemetery operations, swimming pool operations, and planning and zoning. The Village contracts with the Holmes County Sheriff's department to provide emergency dispatch services to the Village. The Village appropriates general fund money to support a volunteer fire department.

The Village participates in the Ohio Government Risk Management Plan public entity risk pool. Note 6 to the financial statements provide additional information for this entity.

The Village's management believes these financial statements present all activities for which the Village is financially accountable.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary and fiduciary fund types which are organized on a fund type basis.

Fund Accounting

The Village 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. The funds of the Village are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio. The Income Tax Fund has been mapped to the General Fund for the purpose of reporting total receipts and expenditures at year-end.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Funds:

Street Construction Maintenance and Repair The Street Construction Maintenance and Repair Fund accounts for and reports that portion of the State gasoline tax and motor vehicle license registration fees restricted for construction, maintenance, and repair of streets within the Village.

Police Fund – The Police Fund receives levy monies and income tax for operating and maintaining the Village Police Department.

Village of Loudonville, Ohio
Ashland County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Emergency Medical Services Fund The Emergency Medical Services Fund receives income tax and insurance and patient payments for operating and maintaining EMS services.

Fire Levy Fund – The Fire Levy Fund receives levy monies to provide and maintain fire apparatus, buildings and other firefighting and emergency response equipment.

Debt Service Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. In 2018 the Village established the Maintenance Building Bond Retirement Fund, which become active in 2019.

Capital Project Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Village had the following significant capital project funds:

Street Improvement Fund – This fund receives local income taxes, license taxes, and grant monies which are used for improvements to Village Streets.

Opera House Renovations Fund – This fund received local income taxes and grant monies which were used to make capital improvements to the Opera House. The project was completed in 2018, and this fund was subsequently closed.

Maintenance Building Project Fund – This fund received local income taxes and local grant monies which were used to construct a new maintenance facility which will be completed early 2019.

Swimming Pool Improvements Project – This fund was established in 2019 will receive local grant monies, local income taxes, and state grant monies to make capital improvements to the swimming pool in 2019.

Permanent Funds These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Village had the following significant permanent fund:

Cemetery Endowment Fund – The Cemetery Endowment Fund accounts for and reports interest earned on the nonexpendable corpus from a trust agreement restricted for the general maintenance and upkeep of the Village's cemetery.

Enterprise Funds These funds account for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges. The Village has the following significant Enterprise Funds:

Water Fund The Water Fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the Village.

Sewer Fund The Sewer Fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

Village of Loudonville, Ohio
Ashland County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Storm Drainage Fund The Storm Drainage Fund receives charges for services from residents to make improvements to the storm drains.

Fiduciary Funds Fiduciary funds include private purpose trust funds and agency funds. The Village has no private purpose trust funds.

Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Agency Funds do not involve a measurement of results of Village operations. The Village's five agency funds account for: 1) the Mayor's Court, which receives money from fines and forfeitures; 2) for income taxes collected on behalf of the Village of Perrysville; 3) for contractor deposits which are refunded after satisfactory repairs are made to the streets; 4) for unclaimed monies; and 5) for deposits held for fire damaged structures which are refunded after satisfactory repairs are made.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the function level of control as adopted by the legislative authority in the Annual Appropriation Ordinance, and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over and need not be reappropriated.

A summary of 2018 budgetary activity appears in Note 3.

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Capital Assets

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

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

Committed Council can *commit* amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution or by State Statute.

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

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

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For the Year Ended December 31, 2018

Note 3 - Budgetary Activity

Budgetary activity for the year ending December 31, 2018 follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,520,269	\$1,766,886	\$246,617
Special Revenue	1,288,869	1,366,549	77,680
Capital Projects	642,043	665,809	23,766
Enterprise	2,251,669	2,174,245	(77,424)
Permanent	200	1,343	1,143
Fiduciary (Agency Funds)	276,000	200,979	(75,021)
Total	\$5,979,050	\$6,175,811	\$196,761

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,797,093	\$1,685,616	\$111,477
Special Revenue	1,643,501	1,448,147	195,354
Capital Projects	657,719	624,998	32,721
Enterprise	2,384,326	2,235,044	149,282
Permanent	0	0	0
Fiduciary (Agency Funds)	276,229	201,812	74,417
Total	\$6,758,868	\$6,195,617	\$563,251

Note 4 – Deposits and Investments

The Village maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31, 2018 was as follows:

	2018
Demand deposits	\$2,623,636
CDARS	400,356
Total deposits	3,023,992

Deposits are collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

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For the Year Ended December 31, 2018

Note 5 – Taxes

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Village.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Village.

Income Taxes

The Village levies a municipal income tax of 1.75 percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Village either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

Note 6 - Risk Management

Risk Pool Membership

General Liability: The Government belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the “Plan”), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments (“Members”). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member’s risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member’s exposure to loss. Effective November 1, 2016, the OPRM retained 50% of the premium and losses on the first \$250,000 casualty treaty and 30% of the first \$1,000,000 property treaty. Effective November 1, 2017, the OPRM retained 47% of the premium and losses on the first \$250,000 casualty treaty

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and 30% of the first \$1,000,000 property treaty Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 764 members as of December 31, 2017.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2017:

	<u>2017</u>
Assets	\$ 14,853,620
Liabilities	(9,561,108)
Members' Equity	<u>\$ 5,292,512</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

Workers' Compensation: Workers' compensation coverage is provided by the State of Ohio. The Village pays the State Workers' Compensation System a premium based on accident history and administrative costs.

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include post-retirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Village contributed an amount equaling 14% of participants' gross salaries. The Village has paid all contributions required through December 31, 2018.

Ohio Police and Fire Retirement System

The Village's certified full-time Fire Fighter/Paramedics and full-time Police Officers belong to the Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include post-retirement healthcare and survivor and disability benefits.

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The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages and 24% of full-time fire fighter/paramedics' wages, respectively. The Village has paid all contributions required through December 31, 2018.

Social Security

The Village's volunteer firefighters contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2018.

Note 8 – Debt

Debt outstanding at December 31, 2018 was as follows:

	Principal	Interest Rate
OWDA Loan - Water Plant	\$ 406,488	4.00%
OPWC Water Treatment Plant Loan	\$ 101,725	0%
USDA Mortgage Revenue Bonds	\$ 562,400	4.50%
OWDA Loan - Reservoir Project	\$ 649,354	2.70%
Maintenance Building Gen Obligation Bonds	\$ 320,000	4.00%
Total	\$ 2,039,967	

The Ohio Water Development Authority (OWDA) loans are for the water plant project and for the new reservoir project, which was completed in 2018. The OWDA loans are collateralized by water receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Public Works Commission (OPWC) loan relates to a water treatment plant improvement project.

The USDA Mortgage Revenue Bonds relate to a storm sewer replacement project. The bonds are collateralized by revenues of the storm sewer system. As required by the mortgage revenue bond covenant, the Village has established and funded a debt service reserve fund and a debt service sinking fund, included as enterprise funds. The balances in these funds at December 31, 2018 were \$38,931 and \$0 respectively.

The OWDA Reservoir Project was completed in November. The finalized loan and amortization schedule was not completed until January, 2019 by OWDA. The principal balance on the loan including capitalized interest (which will continue to accrue until 6/30/19) was \$649,354 on December 31, 2018. The Village will repay this loan in semiannual payments of \$21,160 for 20 years beginning 1/1/2020.

The Village Council authorized the issuance of general obligation bonds in the amount of \$320,000 for the purpose of paying part of the cost of constructing a new Maintenance Building to be repaid over a five-year period.

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Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31:	OWDA Water Plant	OPWC Water Plant	USDA Mortgage Rev Bonds	OWDA Reservoir Project	Maintenance Building Bonds
2019	66,277	15,650	38,808	0	38,918
2020	66,564	15,650	38,700	42,233	38,918
2021	66,863	15,650	38,700	42,233	38,918
2022	67,176	15,650	38,700	42,233	38,918
2023	67,503	15,650	38,700	211,161	38,918
2024-2028	136,051	23,475	193,400	211,163	194,590
2029-2033			193,100	211,165	
2034-2038			192,800	84,464	
2039-2042			154,000		
Total	<u>\$470,434</u>	<u>\$101,725</u>	<u>\$926,908</u>	<u>\$844,652</u>	<u>\$389,180</u>

Capital Leases

The Village has entered into various capital leases for equipment. In 2018, the Village disbursed \$37,765.55 to pay the final lease payments on an ambulance and a cruiser.

In 2018, the Village entered into two new leases for a new cruiser and a new dump truck. Amortization of the cruiser and dump truck leases, including interest, are scheduled as follows:

Year ending December 31:	Cruiser Lease	Dump Truck
2019	10,736	10,978
2020	10,736	10,978
2021	10,736	10,978
2022		10,978
2023		10,978
Total	<u>\$32,208</u>	<u>\$54,890</u>