

**NEIGHBORHOOD DEVELOPMENT FUND
Not-for-Profit Transmittal and Approval Form**

Applicant/Program: Waterfront Development Corporation Juneteenth Jubilee
Applicant Requested Amount: \$26,000.00
Appropriation Request Amount: ~~\$9,500.00~~ \$14,000 ~~\$18,500~~ \$13,000 ~~\$12,000~~ \$18,000

Executive Summary of Request
 This is the 2nd Annual Juneteenth Jubilee celebration to be held now on Friday, August 7th, 2020 and will be from 1:00p p.m. - 10:00 p.m.. This is a historic celebration engages the entire community through arts, education and commerce in commemoration of this profoundly significant date.

Is this program project a fundraiser? Yes No
 Is this applicant a faith based organization? Yes No
 Does this application include funding for sub-grantee(s)? Yes No

I have reviewed the attached Neighborhood Development Fund Application and have found it complete and within Metro Council guidelines and request approval of funding in the following amount(s). I have read the organization's statement of public purpose to be furthered by the funds requested and I agree that the public purpose is legitimate. I have also completed the disclosure section below, if required.

4 District # Barbara Gator Smith Primary Sponsor Signature \$2,000 Amount 4/13/20 Date

Primary Sponsor Disclosure
 List below any personal or business relationship you, your family or your legislative assistant have with this organization, its volunteers, its employees or members of its board of directors.

Approved by: Rail Baskin 4-17-20
 Appropriations Committee Chairman Date
 Final Appropriations Amount: _____

Approved Committee
 Date: 4-15-2020

DocuSign Envelope ID: DD837C3B-AE46-4DAD-85C2-9B829D982E13

Department/Project:**JUNETEENTH JUBILEE - WATERFRONT DEVELOPMENT CORPORATION****Additional Signatures**

I have reviewed this request for an expenditure of city tax dollars, and have determined the funds will be used for a public purpose.

Council Member Signature and Amount

District 1	<i>[Signature]</i>	\$ 500
District 2	<i>[Signature]</i>	\$ 1,000
District 3	<i>Keisha Dorsey</i>	\$ 1,500
District 4	Barbara Sexton Smith	\$ 2,000
District 5		\$
District 6	<i>[Signature]</i>	\$ 1,000
District 7		\$
District 8	<i>[Signature]</i>	\$ 1,000
District 9	<i>[Signature]</i>	\$ 1,000
District 10	<i>[Signature]</i>	\$ 1,000
District 11		\$
District 12	<i>[Signature]</i>	\$ 500
District 13	<i>Mark Fop</i>	\$ 500
District 14	<i>[Signature]</i>	\$ 500
District 15	<i>Kevin Triplett</i>	\$ 1,000
District 16		\$
District 17	<i>[Signature]</i>	\$ 250
District 18		\$
District 19	<i>[Signature]</i>	\$ 500
District 20	<i>Stuart Benson</i>	\$ 1,000
District 21	<i>[Signature]</i>	\$ 500
District 22	<i>[Signature]</i>	\$ 250
District 23	<i>James Peden</i>	\$ 500
District 24	<i>[Signature]</i>	\$ 1,000
District 25	<i>[Signature]</i>	\$ 1,500
District 26	<i>[Signature]</i>	\$ 500

NEIGHBORHOOD DEVELOPMENT FUND Not-for-Profit Transmittal and Approval Form


Applicant/Program: Waterfront Development Corporation Juneteenth Jubilee			
Applicant Requested Amount:	\$26,000.00		
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Executive Summary of Request

This is the 2nd Annual Juneteenth Jubilee celebration to be held now on Friday, August 7th, 2020 and will be from 1:00p p.m. - 10:00 p.m.. This is a historic celebration engages the entire community through arts, education and commerce in commemoration of this profoundly significant date.

Is this program/project a fundraiser?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is this applicant a faith based organization?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does this application include funding for sub-grantee(s)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

I have reviewed the attached Neighborhood Development Fund Application and have found it complete and within Metro Council guidelines and request approval of funding in the following amount(s). I have read the organization's statement of public purpose to be furthered by the funds requested and I agree that the public purpose is legitimate. I have also completed the disclosure section below, if required.

<u>4</u> District #	 Primary Sponsor Signature	<u>\$2,000</u> Amount	<u>4/13/20</u> Date
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Primary Sponsor Disclosure

List below any personal or business relationship you, your family or your legislative assistant have with this organization, its volunteers, its employees or members of its board of directors.

Approved by:

Appropriations Committee Chairman

Date

Final Appropriations Amount: _____

Applicant/Program:

List below any personal or business relationship you, your family or your legislative assistant have with this organization, its volunteers, its employees or members of its board of directors.

District 1	<u>Jason Sp</u>	\$ <u>1,000⁻</u>
District 2		\$ _____
District 3	<u>Kushnerson</u>	\$ <u>1,500⁰⁰</u>
District 4		\$ _____
District 5		\$ _____
District 6		\$ _____
District 7	<u>Paula McCrany</u>	\$ <u>1,000⁰⁰</u>
District 8		\$ _____
District 9	<u>Bill Hollard</u>	\$ <u>1,000⁰⁰</u>
District 10	<u>Samon T. Mulvihill</u>	\$ <u>1,000⁰⁰</u>
District 11		\$ _____
District 12		\$ _____
District 13		\$ _____
District 14		\$ _____
District 15		\$ _____

Applicant/Program:

Additional Council Office Disclosure

List below any personal or business relationship you, your family or your legislative assistant have with this organization, its volunteers, its employees or members of its board of directors.

District 16 _____ \$ _____

District 17 _____ \$ _____

District 18 _____ \$ _____

District 19 _____ \$ _____

District 20 _____ \$ _____

District 21 Free Mary \$ 500.⁰⁰

District 22 _____ \$ _____

District 23 Yancee Pech \$ 500

District 24 _____ \$ _____

District 25 Dal yos ^{BP} \$ 1,000.00

District 26 _____ \$ _____

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

Legal Name of Applicant Organization Waterfront Development Corporation

Program Name and Request Amount Juneteenth Jubille - \$26,000.00

	Yes/No/NA
Is the NDF Transmittal Sheet Signed by all Council Member(s) Appropriating Funding?	Yes <input type="checkbox"/>
Is the funding proposed by Council Member(s) less than or equal to the request amount?	Yes <input type="checkbox"/>
Is the proposed public purpose of the program viable and well-documented?	Yes <input type="checkbox"/>
Will all of the funding go to programs specific to Louisville/Jefferson County?	Yes <input type="checkbox"/>
Has Council or Staff relationship to the Agency been adequately disclosed on the cover sheet?	N/A <input type="checkbox"/>
Has prior Metro Funds committed/granted been disclosed?	Yes <input type="checkbox"/>
Is the application properly signed and dated by authorized signatory?	Yes <input type="checkbox"/>
Is proof of Tax Exempt status of 501(c) 3, 4, 6, 19, 1120-H included?	Yes <input type="checkbox"/>
If Metro funding is for a separate taxing district is the funding appropriated for a program outside the legal responsibility of that taxing district?	N/A <input type="checkbox"/>
Is the entity in good standing with: <ul style="list-style-type: none"> ▶ Kentucky Secretary of State? ▶ Louisville Metro Revenue Commission? ▶ Louisville Metro Government? ▶ Internal Revenue Service? ▶ Louisville Metro Human Relations Commission? 	Yes <input type="checkbox"/>
Is the current Fiscal Year Budget included?	Yes <input type="checkbox"/>
Is the entity's board member list (with term length/term limits) included?	Yes <input type="checkbox"/>
Is recommended funding less than 33% of total agency operating budget?	Yes <input type="checkbox"/>
Does the application budget reflect only the revenue and expenses of the project/program?	Yes <input type="checkbox"/>
Is the cost estimate(s) from proposed vendor (if request is for capital expense) included?	N/A <input type="checkbox"/>
Is the most recent annual audit (if required by organization) included?	Yes <input type="checkbox"/>
Is a copy of Signed Lease (if rent costs are requested) included?	No <input type="checkbox"/>
Is the Supplemental Questionnaire for churches/religious organizations (if requesting organization is faith-based) included?	N/A <input type="checkbox"/>
Are the Articles of Incorporation of the Agency included?	Yes <input type="checkbox"/>
Is the IRS Form W-9 included?	Yes <input type="checkbox"/>
Is the IRS Form 990 included?	N/A <input type="checkbox"/>
Are the evaluation forms (if program participants are given evaluation forms) included?	No <input type="checkbox"/>
Affirmative Action/Equal Employment Opportunity plan and or policy statement included (if required to do so)?	No <input type="checkbox"/>
Has the Agency agreed to participate in the BBB Charity review program? If so, has the applicant met the BBB Charity Review Standards?	No <input type="checkbox"/>

Prepared by: Wanda Mitchell-Smith

Date: 4/13/20

WATERFRONT DEVELOPMENT CORPORATION

General Information

Organization Number	0212705
Name	WATERFRONT DEVELOPMENT CORPORATION
Profit or Non-Profit	N - Non-profit
Company Type	KCO - Kentucky Corporation
Status	A - Active
Standing	G - Good
State	KY
File Date	3/11/1986
Organization Date	3/11/1986
Last Annual Report	2/17/2020
Principal Office	129 E. RIVER RD., 3RD. FL. LOUISVILLE, KY 40202
Registered Agent	DEBORAH BILITSKI 129 E. RIVER RD., 3RD. FL. LOUISVILLE, KY 40202

Current Officers

Chairman	Susan Moss
President	Deborah A Bilitski
Vice Chairman	Oliver Barber
Secretary	Nicole Walton
Director	Susan Moss
Director	Craig Aguiar
Director	Robert Banks
Director	Oliver H Barber, Jr
Director	Gerina Whethers
Director	Greg Fischer
Director	Carmen Miller
Director	Terri Connolly
Director	Nicole Walton
Director	Christopher Jones
Director	David James
Director	Ted Nixon
Director	Frank Ward
Director	Jaleigh White
CFO	Cordell G Lawrence

Individuals / Entities listed at time of formation

Director	MARTHA LAYNE COLLINS
Director	HARVEY I SLOANE
Director	JERRY E ABRAMSON
Incorporator	MARTHA LAYNE COLLINS
Incorporator	HARVEY I SLOANE
Incorporator	JERRY E ABRAMSON

Images available online

Documents filed with the Office of the Secretary of State on September 15, 2004 or thereafter are available as scanned

images or PDF documents. Documents filed prior to September 15, 2004 will become available as the images are created.

Certificate of Assumed Name	2/26/2020	1 page	tiff	PDF
Certificate of Assumed Name	2/26/2020	1 page	tiff	PDF
Annual Report	2/17/2020	1 page	PDF	
Registered Agent name/address change	9/4/2019 9:59:23 AM	1 page	PDF	
Annual Report	5/21/2019	1 page	PDF	
Certificate of Assumed Name	11/27/2018	1 page	tiff	PDF
Certificate of Assumed Name	11/27/2018	1 page	tiff	PDF
Annual Report	4/16/2018	1 page	PDF	
Annual Report	4/20/2017	1 page	PDF	
Annual Report	3/9/2016	1 page	PDF	
Annual Report	4/6/2015	1 page	PDF	
Annual Report	1/22/2014	1 page	PDF	
Name Renewal	2/28/2013 10:46:10 AM	1 page	PDF	
Annual Report	1/15/2013	1 page	PDF	
Annual Report Amendment	9/4/2012	1 page	PDF	
Annual Report	2/17/2012	1 page	tiff	PDF
Annual Report	2/16/2011	1 page	tiff	PDF
Annual Report	3/31/2010	1 page	tiff	PDF
Annual Report	6/30/2009	1 page	tiff	PDF
Annual Report	10/24/2008	1 page	tiff	PDF
Name Renewal	3/14/2008	1 page	tiff	PDF
Annual Report	5/16/2007	1 page	PDF	
Annual Report	3/14/2006	1 page	tiff	PDF
Annual Report	4/18/2005	1 page	tiff	PDF
Annual Report	7/12/2004	1 page	tiff	PDF
Annual Report	9/3/2003	1 page	tiff	PDF
Certificate of Assumed Name	8/14/2003	3 pages	tiff	PDF
Articles of Correction Amendment	4/16/2003	13 pages	tiff	PDF
Amendment	10/23/2002	8 pages	tiff	PDF
Annual Report	7/19/2002	1 page	tiff	PDF
Annual Report	7/26/2001	1 page	tiff	PDF
Annual Report	7/20/2000	1 page	tiff	PDF
Annual Report	7/21/1999	1 page	tiff	PDF
Annual Report	7/29/1998	1 page	tiff	PDF
Annual Report	7/1/1997	1 page	tiff	PDF
Annual Report	7/1/1996	1 page	tiff	PDF
Amendment	5/1/1995	11 pages	tiff	PDF
Annual Report	7/1/1993	1 page	tiff	PDF
Amendment	3/24/1993	6 pages	tiff	PDF
Annual Report	7/1/1992	1 page	tiff	PDF
Annual Report	7/1/1990	1 page	tiff	PDF
Annual Report	7/1/1989	3 pages	tiff	PDF
Amendment	8/20/1987	9 pages	tiff	PDF
Articles of Incorporation	3/11/1986	10 pages	tiff	PDF

Assumed Names

WATERFRONT PARK	Active
LOUISVILLE WATERFRONT PARK	Active
LOUISVILLE WATERFRONT DEVELOPMENT CORPORATION	Inactive
KENTUCKY FOREVER	Active
FOREVER KENTUCKY	Active

Activity History

Filing	File Date	Effective Date	Org. Referenced
Added assumed name	2/26/2020 10:31:39 AM	2/26/2020	WATERFRONT PARK

Added assumed name	2/26/2020 10:30:56 AM	2/26/2020	LOUISVILLE WATERFRONT PARK
Annual report	2/17/2020 11:30:37 AM	2/17/2020 11:30:37 AM	
Registered agent address change	9/4/2019 9:59:23 AM	9/4/2019 9:59:23 AM	
Annual report	5/21/2019 2:10:05 PM	5/21/2019 2:10:05 PM	
Added assumed name	11/27/2018 11:26:43 AM	11/27/2018	FOREVER KENTUCKY
Added assumed name	11/27/2018 11:26:21 AM	11/27/2018	KENTUCKY FOREVER
Annual report	4/16/2018 10:59:29 AM	4/16/2018 10:59:29 AM	
Annual report	4/20/2017 2:54:27 PM	4/20/2017 2:54:27 PM	
Annual report	3/9/2016 10:57:03 AM	3/9/2016 10:57:03 AM	
Annual report	4/6/2015 4:51:42 PM	4/6/2015 4:51:42 PM	
Annual report	1/22/2014 11:51:22 AM	1/22/2014 11:51:22 AM	
Annual report	1/15/2013 2:37:31 PM	1/15/2013 2:37:31 PM	
Amendment to annual report	9/4/2012 12:05:04 PM	9/4/2012 12:05:04 PM	
Annual report	2/17/2012 9:35:16 AM	2/17/2012	
Annual report	2/16/2011 7:56:28 AM	2/16/2011	
Annual report	3/31/2010 12:18:33 PM	3/31/2010	
Annual report	6/30/2009 12:04:19 PM	6/30/2009	
Annual report	10/24/2008 10:21:16 AM	10/24/2008	
Annual report	5/16/2007 11:33:26 AM	5/16/2007 11:33:26 AM	
Annual report	3/14/2006 3:29:44 PM	3/14/2006	
Added assumed name	8/14/2003 3:01:30 PM	8/14/2003	LOUISVILLE WATERFRONT DEVELOPMENT CORPORATION
Articles of Correction	4/16/2003 3:04:56 PM	4/16/2003	
Amendment - Miscellaneous amendments	10/23/2002 8:58:00 AM	1/1/2003	
Amendment - Miscellaneous amendments	5/1/1995	5/1/1995	
Amendment - Miscellaneous amendments	3/24/1993	3/24/1993	
Amendment - Miscellaneous amendments	8/20/1987	8/20/1987	

Microfilmed Images

Microfilm images are not available online. They can be ordered by faxing a [Request For Corporate Documents](#) to the Corporate Records Branch at 502-564-5687.

Annual Report	3/30/2005	1 page
Annual Report	9/13/2004	1 page

Annual Report	9/3/2003	1 page
Articles of Correction	4/16/2003	12 pages
Amendment	10/23/2002	7 pages
Annual Report	7/19/2002	1 page
Annual Report	7/26/2001	1 page
Annual Report	7/20/2000	1 page
Annual Report	7/21/1999	1 page
Annual Report	7/29/1998	1 page
Annual Report	7/1/1997	1 page
Annual Report	7/1/1996	1 page
Annual Report	7/1/1995	1 page
Amendment	5/1/1995	10 pages
Annual Report	7/1/1994	1 page
Annual Report	7/1/1993	1 page
Amendment	3/24/1993	5 pages
Annual Report	7/1/1992	1 page
Annual Report	7/1/1991	1 page
Annual Report	7/1/1990	1 page
Annual Report	7/1/1989	3 pages
Amendment	8/20/1987	8 pages
Articles of Incorporation	3/11/1986	8 pages

Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	<p>1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.</p> <p>Waterfront Development Corporation</p> <p>2 Business name/disregarded entity name, if different from above</p>	
	<p>3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.</p> <p><input type="checkbox"/> Individual/sole proprietor or single-member LLC</p> <p><input type="checkbox"/> C Corporation</p> <p><input type="checkbox"/> S Corporation</p> <p><input type="checkbox"/> Partnership</p> <p><input type="checkbox"/> Trust/estate</p> <p><input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____</p> <p>Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</p> <p><input checked="" type="checkbox"/> Other (see instructions) ▶ quasi-governmental agency</p>	<p>4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):</p> <p>Exempt payee code (if any) 3</p> <p>Exemption from FATCA reporting code (if any) _____</p> <p><small>(Applies to accounts maintained outside the U.S.)</small></p>
	<p>5 Address (number, street, and apt. or suite no.) See instructions.</p> <p>129 River Rd</p> <p>6 City, state, and ZIP code</p> <p>Louisville, KY 40202</p> <p>7 List account number(s) here (optional)</p>	<p>Requester's name and address (optional)</p>

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number									
or									
Employer identification number									
3	7	-	1	6	4	2	2	0	4

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	<p>Signature of U.S. person ▶ </p>	<p>Date ▶ 4-13-2020</p>
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 1 – APPLICANT INFORMATION			
Legal Name of Applicant Organization: Waterfront Development Corporation <i>(as listed on: http://www.sos.ky.gov/business/records)</i>			
Main Office Street & Mailing Address: 129 River Road Louisville, KY 40202			
Website: www.louisvillewaterfront.com			
Applicant Contact:	Kelley Runyon	Title:	Director of Operations
Phone:	502-574-3768	Email:	kelley.runyon@louisvilleky.gov
Financial Contact:	Kelley Runyon	Title:	Director of Operations
Phone:	502-574-3768	Email:	kelley.runyon@louisvilleky.gov
Organization's Representative who attended NDF Training: Kelley Runyon			
GEOGRAPHICAL AREA(S) WHERE PROGRAM ACTIVITIES ARE (WILL BE) PROVIDED			
Program Facility Location(s):	Waterfront Park		
Council District(s):	4	Zip Code(s):	40202
SECTION 2 – PROGRAM REQUEST & FINANCIAL INFORMATION			
PROGRAM/PROJECT NAME: Juneteenth Jubilee			
Total Request: (\$)	26,000	Total Metro Award (this program) in previous year: (\$)	
Purpose of Request (check all that apply):			
<input type="checkbox"/> Operating Funds (generally cannot exceed 33% of agency's total operating budget) <input checked="" type="checkbox"/> Programming/services/events for direct benefit to community or qualified individuals <input type="checkbox"/> Capital Project of the organization (equipment, furnishing, building, etc)			
The Following are Required Attachments:			
<input checked="" type="checkbox"/> IRS Exempt Status Determination Letter <input checked="" type="checkbox"/> Current year projected budget <input checked="" type="checkbox"/> Current financial statement Most recent IRS Form 990 or 1120-H <input checked="" type="checkbox"/> Articles of Incorporation (current & signed) Cost estimates from proposed vendor if request is for capital expense		<input type="checkbox"/> Signed lease if rent costs are being requested <input checked="" type="checkbox"/> IRS Form W9 Evaluation forms if used in the proposed program <input checked="" type="checkbox"/> Annual audit (if required by organization) Faith Based Organization Certification Form, if applicable	
For the current fiscal year ending June 30, list all funds appropriated and/or received from Louisville Metro Government for this or any other program or expense, including funds received through Metro Federal Grants, from any department or Metro Council Appropriation (Neighborhood Development Funds). Attach additional sheet if necessary.			
Source:	General Operations Budget	Amount: (\$)	737,000
Source:	NDF	Amount: (\$)	8,250
Source:		Amount: (\$)	
Has the applicant contacted the BBB Charity Review for participation? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Has the applicant met the BBB Charity Review Standards? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 3 – AGENCY DETAILS

Describe Agency's Vision, Mission and Services:

Waterfront Development Corporation's mission is to oversee development of Louisville's riverfront; to establish and maintain public access to the waterfront through development, maintenance and programming of Waterfront Park; and to provide a beautiful, inclusive, and enjoyable active gathering space for people from all parts of the community and beyond. Waterfront Park hosts more than 2.2 million visitors and over 150 events each year, including WFPK Waterfront Wednesday, Louisville Waterfront Fourth of July, and Juneteenth Jubilee. WDC also manages the Belle of Louisville on behalf of Louisville Metro, and oversees the development and implementation of master plans for Riverview Park in Southwest Jefferson County.

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 4 - BOARD OF DIRECTORS AND PAID STAFF

Board Member	Term End Date
Gerina Whethers	Term of Office
Christopher Jones	July 31, 2022
Robert Banks	July 31, 2020
Oliver Barber, Vice Chair	July 31, 2022
Mayor Greg Fischer	Term of Office
President David James	Term of Office
Ted Nixon	July 31, 2020
Frank Ward	Jul 31, 2021
Nicole Walton, Secretary	July 31, 2022
Jaleigh White	Jul 31, 2022
Carmen Miller	Jul 31, 2020
Susan Moss, Chair	Jul 31, 2020
Sam Aguiar	Jul 31, 2020
Terri Connolly	Jul 31, 2022

Describe the Board term limit policy:

Each Board member serves a 4 year term and may be reappointed by the appropriate appointing authority.

Three Highest Paid Staff Names	Annual Salary
Deborah A. Bilitski	140,000
Cordell G. Lawrence, Sr	115,921
Gary Pepper	90,053

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 5 – PROGRAM/PROJECT NARRATIVE

A: Describe the program/project start and end dates, a description of the program/project and applicable data with regards to specific client population the program will address (attach related flyers, planning minutes, designs, event permits, proposals for services/goods, etc.):

Waterfront Park is proud to present the Juneteenth Jubilee in honor of Juneteenth, a national holiday commemorating the final communication of the abolition of slavery in the United States on June 19, 1865. This meaningful event signifies a kickoff to the Independence Holiday Celebration at Waterfront Park.

This 2nd Annual Juneteenth Jubilee in Waterfront Park will take place on Friday June 19, 2020 from the hours of 1pm-10pm. The Jubilee is a Community Celebration that engages the entire community through art, education and commerce in commemoration of this profoundly significant date.

The Jubilee will have 3 components, an Afternoon, Evening and Night Jubilee. The Afternoon Jubilee will take place in the Festival Plaza at Waterfront Park featuring Black Walnut Street (vendors, businesses and services), Live Music by youth performing arts organizations and Arts & Crafts by arts organizations. The second component is an Evening Jubilee at the York Sculpture by Ed Hamilton on the Belvedere featuring historical activities, reenactments and a march to the Festival Plaza at 7:30pm. The march will include community organizations, citizens and the Jubilee Drumline. The Night Jubilee is the culmination of the day again featuring Black Walnut Street and Community Arts & Crafts as well as live music by local musicians.

B: Describe specifically how the funding will be spent including identification of funding to sub grantee(s):

This funding will support the infrastructure and event management needed to support the event as well as entertainment.

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

C: If this request is a fundraiser, please detail how the proceeds will be spent:

This request is not for a fundraiser.

D: For Expenditure Reimbursement Only – The grant award period begins with the Metro Council approval date and ends on June 30 of Metro fiscal year in which the grant is approved. If any part of this funding request is for funds to be spent before the grant award period, identify the applicable circumstances:

The funding request is a reimbursement of the following expenditures that will probably be incurred after the application date, but prior to the execution of the grant agreement:

- ✓ If selecting this option, the invoice, receipt and payment documentation should not be available as of the date of this application.

The Grantee will be required to submit financial reporting in accordance with the reporting schedule provided in the grant agreement.

Reimbursements should not be made before application date unless an emergency can be demonstrated by the primary council sponsor. The funding request is a reimbursement of the following expenditures (attach invoices or proof of payment):

- ✓ Attach a copy of invoices and/or receipts to provide proof of purchase of activities associated with the work plan identified in this application.
- ✓ Attach a copy of cancelled checks to provide proof of payment of the invoices or receipts associated with the work plan identified in this application.

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

E: Describe the program’s benefits to those being served (measurable outcomes). Include the program’s process for collecting data and the indicators that will be tracked to measure the benefits to those being served:

Last year, at the inaugural Juneteenth Jubilee in Waterfront Park, hundreds of people joined a community march followed by a sunset arts performance to commemorate the final communication of the abolition of slavery in the United States on June 19, 1865. This year, the 2nd Annual Juneteenth Jubilee in Waterfront Park will expand upon the success of last year by extending it to a day-long event and adding a vendor expo to the community celebration to promote local African American businesses and artisans.

As with last year, the 2nd Annual Juneteenth Jubilee in Waterfront Park is free and open to the public and, as such, there is not a registration process that would allow us to capture specific numbers and demographics of those who attend. The Juneteenth Planning Committee will monitor and document the event throughout the day to generally gauge attendance and compare it to last year’s estimates. In addition, we will track the vendors who participate in the expo and conduct appropriate follow up to gather feedback regarding the success of the event.

Last year's Juneteenth Jubilee was widely covered in the media and helped to educate the community on the importance and history of Juneteenth. One article quoted a local mother Esther Gardner on why she brought her two daughters to the celebration, "I want them to know the importance of Juneteenth and what it means to us as a culture, as a black community, everywhere," she said. "It's important because we are celebrating our history, our freedom, and I want them to know what our ancestors went through – what they invested for us to have our freedoms and liberties today."

F: Briefly describe any existing collaborative relationships the organization has with other community organizations. Describe what those partners are bringing to the relationship in general and to this program/project specifically.

The inaugural Jubilee featured the combined work of 16 total organizations/ individuals including arts groups, elected representatives, community leaders, artists and poets. The desired outcome of the 2020 Jubilee will be to significantly expand the reach and involvement of the community at large by including the faith-based community, education and arts groups, community support organizations and black owned businesses. The event committee is performing outreach to garner participation by as many individuals and organizations as possible so that the impact of the event can grow.

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 6 – PROGRAM/PROJECT BUDGET SUMMARY

THE PROGRAM/PROJECT BUDGET SHOULD REALISTICALLY ESTIMATE WHAT AMOUNT IS NEEDED FROM METRO GOVERNMENT AND WHAT IS EXPECTED FROM OTHER SOURCES.

Program/Project Expenses	Column 1	Column 2	Column (1+2)=3
	Proposed Metro Funds	Non-Metro Funds	Total Funds
A: Personnel Costs Including Benefits			
B: Rent/Utilities			
C: Office Supplies			
D: Telephone			
E: In-town Travel			
F: Client Assistance (See Detailed List on Page 8)			
G: Professional Service Contracts			
H: Program Materials			
I: Community Events & Festivals (See Detailed List on Page 8)	26000	45000	71000
J: Machinery & Equipment			
K: Capital Project			
L: Other Expenses (See Detailed List on Page 8)			
*TOTAL PROGRAM/PROJECT FUNDS			
% of Program Budget	36.6 %	63.4 %	100%

List funding sources for total program/project costs in Column 2, Non-Metro Funds:

Other State, Federal or Local Government	
United Way	
Private Contributions (do not include individual donor names)	40000
Fees Collected from Program Participants	5000
Other (please specify)	
Total Revenue for Columns 2 Expenses **	45000

**Total of Column 1 MUST match "Total Request on Page 1, Section 2"*

***Must equal or exceed total in column 2.*

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

Detail for Client Assistance, Community Events & Festivals or Other Expenses shown on Page 7 (circle one and use multiple sheets if necessary)	Column 1	Column 2	Column (1 + 2)=3
	Proposed Metro Funds	Non-Metro Funds	Total Funds
Entertainment (artists and performers)	7,500	12,500	20,000
AV Equipment Staging and Labor		10,000	10,000
Entertainment Booking and Artist/Stage Management Consultation		2,500	2,500
Marketing sponsor and volunteer fulfillment		5,000	5,000
Event management and expo coordination	5,000		5,000
Printing and Signage	1,000	1,000	2,000
Labor and t-shirt security	2,000	500	2,500
Event Infrastructure (tents, tables, chairs, portable restrooms, information and directional signage)	10,500	11,500	22,000
Miscellaneous Contingency		2,000	2,000
Total	26,000	45,000	71,000

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

Detail of In-Kind Contributions for this PROGRAM only: Includes Volunteers, Space, Utilities, etc. (Include anything not bought with cash revenues of the agency).

Donor*/Type of Contribution	Value of Contribution	Method of Valuation
To be determined		
<p align="center"><i>Total Value of In-Kind</i> (to match Program Budget Line Item. Volunteer Contribution & Other In Kind)</p>		

*** DONOR INFORMATION REFERS TO WHO MADE THE IN KIND CONTRIBUTION. VOLUNTEERS NEED NOT BE LISTED INDIVIDUALLY, BUT GROUPED TOGETHER ON ONE LINE AS A TOTAL NOTING HOW MANY HOURS PER PERSON PER WEEK**

Agency Fiscal Year Start Date: July 1, 2019

Does your Agency anticipate a significant increase or decrease in your budget from the current fiscal year to the budget projected for next fiscal year? NO YES

If YES, please explain:

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 7 – CERTIFICATIONS & ASSURANCES

By signing Section 7 of the Grant Application, the authorized official signing for the applicant organization certifies and assures to the best of his or her knowledge and/or belief the following Assurances and Certifications. If there is any reason why one or more of the assurances or certifications listed cannot be certified or assured, please explain in writing and attach to this application.

Standard Assurances

1. Applicant understands this application and its attachments as well as any resulting grant agreement, reports and proof of expenditure is subject to Kentucky's open records law.
2. Applicant understands if the grant agreement is not returned to Louisville Metro within 90 days of its mailing to the applicant, the approval is automatically revoked and the funds will not be disbursed to our organization.
3. Applicant and any sub grantee will give Louisville Metro Government access to and the right to examine all paper or electronic records related to the awarded grant for up to five years of the grant agreement date.
4. Applicant assures compliance with the grant requirements and will monitor the performance of any third party (sub-grantee).
5. The Agency is in good standing with the Kentucky Secretary of State, Louisville Metro Government, the Jefferson County Revenue Commission, the Internal Revenue Service, and the Louisville Metro Human Relations Commission.
6. Applicant understands failure to provide the services, programs, or projects included in the agreement will result in funds being withheld or requested to be returned if previously disbursed.
7. Applicant understands they must return to Louisville Metro any unexpended funds by July 31 following the Metro Louisville's fiscal year end.
8. Applicant understands they must provide proof of all expenditures (canceled checks, receipts, paid invoices). The Applicant understands the failure to provide proof of expenditures as required in the grant agreement could result in funding being withheld or request to be returned if previously disbursed.
9. Applicant understands if this application is approved, the grant agreement will identify an award period that begins with the Metro Council approval date, and will end with June 30 of the fiscal year in which the grant is approved. Expenditures associated with this award expected to occur prior to the award period (approval date) must be disclosed in this application in order to be considered compliant with the grant agreement.
10. Applicant understands if we choose to incur expenditures prior to the approval of the application by the Metro Council, there is no guarantee that funding will be reimbursed, as the Council may choose not to award the application.
11. Applicant will establish safeguards to prohibit employees or any person that receives compensation from awarded funds from using their position for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

Standard Certifications

1. The Agency certifies it will not use Louisville Metro Government funds for any religious, political or fraternal Activities.
2. The Agency has a written Affirmative Action/Equal Opportunity Policy.
3. The Agency does not discriminate in employment or in provision of any service/program/activity/event based on age, color, disabled status, national origin, race, religion, sex, gender identity or sexual orientation, or Vietnam era veteran status.
4. The Agency certifies it will not require clients, recipients, or beneficiaries to participate in religious, political, fraternal or like activities in order to receive services/benefits provided with Louisville Metro Government funds.
5. The Agency understands the Americans with Disabilities Act (ADA) and makes reasonable accommodations.

Relationship Disclosure: List below any relationship you or any member of your Board of Directors or employees has with any Councilperson, Councilperson's family, Councilperson's staff or any Louisville Metro Government employee.

SECTION 8 – CERTIFICATIONS & ASSURANCES

I certify under the penalty of law the information in this application (including, without limitation, "Certifications and Assurances") is accurate to the best of my knowledge. I am aware my organization will not be eligible for funding if investigation at any time shows falsification. If falsification is shown after funding has been approved, any allocations already received and expended are subject to be repaid. I further certify that I am legally authorized to sign this application for the applying organization and have initialed each page of the application.

Signature of Legal Signatory:		Date:	3-9-2020
Legal Signatory: (please print):	Kelley Runyon	Title:	Director of Operations
Phone:	502-574-3768	Extension:	
Email:	kelley.runyon@louisvilleky.gov		

LAW OFFICES
CONLIFFE, SANDMANN & SULLIVAN
PROFESSIONAL LIMITED LIABILITY COMPANY

CHARLES I. SANDMANN (1936-1992)
KARL N. VICTOR, JR. +
F. CHRIS GORMAN
RICHARD M. SULLIVAN
JACK R. UNDERWOOD, JR.
E. BRUCE NEIKIRK
GORDON GALLAGHER ***
STEVEN J. KRIEGSHABER **
EDWIN J. LOWRY, JR.
JAMES A. BABBITZ
KENNETH A. BOHNERT
JAMES T. MITCHELL
EDWARD F. BUSCH
PAMELA M. WORKHOVEN
WENDELL L. JONES ****
EDWARD L. LASLEY
JENNIFER FUST-RUTHERFORD
SCOTT A. JOHNSON

+Also Admitted in Indiana
++ Also Admitted in Ohio
*** Also Admitted in Colorado
**** Also Admitted in Tennessee

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(502) 895-0396 Fax

To Whom It May Concern:

I am an assistant county attorney with the Office of the Jefferson County Attorney and serve as counsel to the Waterfront Development Corporation (WDC). I have been asked by the WDC to clarify for you the status of the WDC. The WDC is a nonstock, nonprofit corporation established pursuant to KRS Chapter 58 by the Commonwealth of Kentucky and the Louisville/Jefferson County Metro Government. In its Articles of Incorporation, it is established as an agency, instrumentality and constituted authority of those two governmental entities for the sole purpose of accomplishing public purposes of the governmental entities.

The WDC is not a nonprofit corporation certified as a nonprofit entity under Section 501(c)(3) of the Internal Revenue Code, but rather is eligible to receive donations which are deductible by the donor as charitable contributions, provided such contributions otherwise qualify, pursuant to Section 170(c)(1) of the Internal Revenue Code which defines a deductible charitable contribution as "a contribution or gift to any state or political subdivision of the state where such gift is to be used for a public purpose". Unlike for 501(c)(3) corporations, no certificate is issued by the Internal Revenue Service to governmental subdivisions.

Please note that this is not an opinion concerning the deductibility or nondeductibility of or specific contribution to WDC but is merely a general opinion that entities such as WDC may qualify to receiver charitable contributions. You are advised to obtain an opinion from your counsel concerning the qualification of any specific contribution. If you have any questions concerning this letter or desire additional information concerning the WDC, please do not hesitate to call me at (502) 587-7711.

Sincerely,

EDWIN J. LOWRY, JR.

APR 11 2003

AMENDED

ARTICLES OF INCORPORATION
OF
WATERFRONT DEVELOPMENT CORPORATION

(As of January 1, 2003)

ARTICLE I

Name

The Corporation shall be named and known as Waterfront Development Corporation.

ARTICLE II

Perpetual Existence

The Corporation shall have perpetual existence, subject to the dissolution provisions of Chapter 273 of the Kentucky Revised Statutes.

ARTICLE III

Purposes

The purpose for which this Corporation is formed is to act as an agency, instrumentality, and constituted authority of the Commonwealth of Kentucky and the Louisville/Jefferson County Metro Government, in the acquisition, implementation, and financing of public projects pursuant to Kentucky law, and in particular KRS 58.180, to accomplish a public purpose of the State and the Louisville/Jefferson County Metro Government. (Amended 1/1/2003)

ARTICLE IV

Corporate Powers

The Corporation shall have and exercise all of the powers available to non-profit corporations in Kentucky under Section 273.171 and Section 58.180 of the Kentucky Revised Statutes, all the powers granted to the Corporation by the Council of the Louisville/Jefferson County Metro Government, and all the powers necessary or convenient to effect any or all of the purposes for which the Corporation is organized. (Amended 2/17/1993 and 1/1/2003)

ARTICLE V

Nonprofit

The Corporation shall have no capital stock, shall have no power to issue certificates of stock or to declare dividends, and is not formed for and shall not be operated for profit, but is created to carry out the purposes and exercise the powers set out above.

ARTICLE VI

Limitation on Use of Assets - Disposition of Assets on Dissolution

All of the assets and earnings of the Corporation shall be used exclusively for the purposes herein set out, including the payment of expenses incidental thereto; and no part of any net revenues of this Corporation beyond those necessary for retirement of the Corporation's indebtedness or implementation of the public purposes of the Corporation shall inure to the benefit of any person or Director. Nor shall the Corporation engage in any activity which may affect the status of the Corporation as a non-profit, non-stock corporation exempt from Federal and State income taxes within the meaning of the Internal Revenue Code and the Kentucky Revised Statutes, and with interest on its obligations being exempt from Federal and State income taxes under said Code and Statutes. In the event of dissolution of the Corporation, all of the then remaining assets of the Corporation shall vest in and be distributed between the Commonwealth of Kentucky and the Louisville/Jefferson County Metro Government, after satisfaction of all then-existing legal obligations, in the same proportions as do those parties who contributed funds and other assets to the Corporation and with due consideration given to private donations. In the event that the assets are insufficient to satisfy the legal obligations, each of the two governments shall be responsible for its proportionate share of the remaining obligations. The assets of any endowment fund created by the Board of Directors

pursuant to Article XX shall not constitute assets of the Corporation for purposes of this Article, but shall constitute a legal obligation of the Corporation. Upon dissolution of the Corporation, all assets of any endowment fund shall be distributed to and paid over to the Louisville Community Foundation, its successor or a private entity which qualifies as a tax-exempt entity under Internal Revenue Code §501(c)(3).
(Amended 5/4/1995 and 1/1/2003)

ARTICLE VII

Incorporators

The names and addresses of the Incorporators are as follows:

<u>Name</u>	<u>Address</u>
Martha Layne Collins	Office of the Governor State Capitol Building Frankfort, KY 40601
Bremer Ehrlert	County Courthouse Fifth & Jefferson Streets Louisville, KY 40202
Harvey L. Sloane	City Hall Sixth & Jefferson Streets Louisville, KY 40202

ARTICLE VIII

Principal Office: Process Agent

The address of the registered office of the Corporation in this State is as follows:

City Hall, Mayor's Office
601 West Jefferson Street
Louisville, Kentucky 40202

The name and address of the registered agent of the Corporation for service of process, until changed by action of the Board of Directors, shall be:

Harvey L. Sloane
City Hall, Mayor's Office
601 West Jefferson Street
Louisville, Kentucky 40202

ARTICLE IX

Members

The Members of the Corporation shall be the Commonwealth of Kentucky, acting by and through its Governor, and the Louisville/Jefferson County Metro Government, acting by and through its Mayor.
(Amended 1/1/2003)

ARTICLE X

Chairperson

The Corporation shall have a chairperson who will be selected by the Governor from among two designees who are members of the Board of Directors and whose names shall be submitted by the Mayor. The chairperson of the organization will serve a two-year term; however, that service will be limited to no more than four consecutive two-year terms before the chair is changed.
(Amended 2/17/1993 and 1/1/2003)

ARTICLE XI

Directors

The affairs of the Corporation shall be managed by a Board of Directors. The number of Directors shall be fifteen, with the State appointing six (6) Directors and the Louisville/Jefferson County Metro Government appointing nine (9) Directors. The Board of Directors will include one representative of the Governor's Office and five (5) other Directors appointed by the Governor, the Mayor of the Louisville/Jefferson County Metro Government, and one council member of the Metro Council appointed by the Metro Council in accordance with its rules, and seven (7) other Directors appointed by the Mayor and approved by Metro Council, provided that one (1) of such Directors shall represent the Friends of the Waterfront. The Directors other than the ex-officio Directors shall be drawn from the private sector, including the business community, labor organizations, civic groups, and neighborhood organizations; and respecting proper minority representation. The ex-officio Directors shall serve for the lengths of their respective terms of office; the other Directors for four-year terms. Also, the appointed Directors shall serve subject to the pleasure of the elected official by whom they were appointed. All Directors appointed by the Governor shall be residents of the Commonwealth. All Directors appointed by the Mayor shall be residents of Jefferson County.

The Board of Directors shall have full powers to make by-laws and rules for the regulation and management of the affairs of the Corporation not inconsistent with the provisions of the Articles of Incorporation and the laws of the Commonwealth of Kentucky and the Ordinances of the Louisville/Jefferson County Metro Government; or, the Directors may act without by-laws.

The Board of Directors shall have the right to transact business on behalf of the Corporation immediately after these Articles of Incorporation have been filed in the office of the Secretary of State of Kentucky and in the office of the County Clerk of Jefferson County, Kentucky.

All Directors serving as of January 1, 2003 shall serve out the terms to which they were appointed. As those terms expire, the Governor shall appoint Directors to fill the seats previously held by the Jefferson County Judge/Executive and the Directors previously appointed by the Governor. The Mayor shall appoint Directors to fill the seats previously held by the Jefferson County Commissioner, the four (4) Directors previously appointed by the Mayor of the City of Louisville and the four (4) Directors previously appointed by the Jefferson County Judge/Executive.
(Amended 2/17/1993 and 1/1/2003)

ARTICLE XII

Officers

The Board of Directors shall elect from among the members a Vice-Chairman, a Secretary, and a Treasurer. These three officers shall serve for a two-year term and may serve consecutively; the election shall be held at the annual meeting of the Board of Directors.
(Amended 6/24/1987)

ARTICLE XIII

Corporate Seal

The Seal of the Corporation shall be and is substantially the following wording impressed by a metallic instrument:

Waterfront Development Corporation
Corporate Seal
Commonwealth of Kentucky

ARTICLE XIV

Meetings: Notices

The annual and other meetings of the Board of Directors of the Corporation shall be had at such time and place and upon such notice (if any) as shall, in accordance with applicable law, be prescribed by Resolution of the Board of Directors or as may be prescribed in the By-Laws of the Corporation; provided that the initial meeting shall be called by the Incorporators upon at least three days' notice by mail to each Director, which notice shall state the time and place of the meeting; any subsequent meetings may be held at such time(s) and place(s) as may be agreed upon by the then Directors.

Special meetings of the Board of Directors of the Corporation may be called upon 24-hours' written notice by the Chairperson.

Notice of any meetings need not be given or waived by any Director when all are present at a meeting, and the signing by a Director of the minutes of a meeting shall constitute approval by said Director of all proceedings contained in such minutes, regardless of whether said Director attended said meetings, unless otherwise required by law.

(Amended 2/17/1993)

ARTICLE XV

Amendments

These Articles of Incorporation shall not be amended or modified without unanimous approval of the Members.

ARTICLE XVI

Indebtedness: Security

The maximum indebtedness or liability which the Corporation may incur at any time is unlimited, and its property shall not be used or applied except for the payment of debts lawfully incurred. The Corporation shall incur no indebtedness or liability without the direction and/or approval of the Council of the Louisville/Jefferson County Metro Government and the State Finance Cabinet, given not more than sixty days prior to the date of incurring such indebtedness or liability in accordance with KRS 58.180(3) or other applicable statutory provision, if any, plus a majority vote of the Board of Directors of the Corporation. The Corporation may issue bonds and other evidences of indebtedness from time to time, secured by different properties, with the holders of the bonds of each bond issue or of other evidences of indebtedness having a mortgage only upon the particular property or properties mortgaged to secure the particular issue of bonds or evidence of indebtedness.

As and when any indebtedness incurred by the Corporation is for the purpose of acquiring and/or improving a particular property or a single parcel of real estate is repaid or when any indebtedness incurred by the Corporation for the purpose of financing a new project or refinancing an existing project is repaid, such property, parcel, or project, as the case may be, shall, regardless of the status of any other indebtedness of the Corporation, immediately be conveyed by the Corporation to the State and the Louisville/Jefferson County Metro Government in shares, proportionate to each party's respective contribution toward that particular property, parcel, or project.

The sale, lease or mortgage of the property of the Corporation or the granting of a security interest therein shall require approval by a two-thirds vote of the Board of Directors.

The provisions of this Article shall be effective if and to the extent that such effectiveness is consistent with the effect that the interest on the obligations of the Corporation shall be exempt from federal and state income taxation: any provision contained in this Article which would adversely affect such exemption, shall be void.
(Amended 1/1/2003)

ARTICLE XVII

No Personal Liability

The private property of the Incorporators or Directors shall not be subject to or in any way liable for any debt or contract of this Corporation.

ARTICLE XVIII

Executive Director/President

The Board of Directors shall select an Executive Director for the Corporation. The Executive Director shall not be a member of the Board of Directors. The Executive Director shall be a resident of Jefferson County. The Executive Director shall serve as the President of the Corporation. The President shall have the power to make and enter into contracts on behalf of the Corporation and to transact other business on behalf of the Corporation in its daily activities.
(Added 6/24/1987)

ARTICLE XIX

Deputy Director

The President/Executive Director may appoint a Deputy Director who shall perform such duties as required by the President/Executive Director. The Deputy

Director, in the absence of the President/Executive Director, shall have the power to execute contracts, deeds and agreements on behalf of the Corporation.
(Added 2/17/1993)

ARTICLE XX

The Board of Directors of the Corporation may establish endowment funds as fiduciary funds of the Corporation for the purpose of funding in whole or in part any activity which constitutes a public purpose of the Corporation. Any such endowment fund shall be established by amendment of the by-laws of the Corporation as provided in Article XI and shall provide that the income from such endowment fund shall be used exclusively to fund in whole or in part the activity for which the fund was established. All assets of the fund shall be managed and invested in accordance with KRS 273.510-273.590 and KRS 66.480.
(Added 5/4/1995)

WDCAMAI

BY-LAWS
OF
WATERFRONT DEVELOPMENT CORPORATION

ARTICLE I

The Corporation shall be named and known as Waterfront Development Corporation.

ARTICLE II

The principal offices of the Corporation shall be at 129 East River Road, Louisville, Kentucky 40202.

ARTICLE III

The Corporation shall be a non-profit corporation and shall have no capital stock.

ARTICLE IV

The Corporation is formed for the purposes set forth in its Articles of Incorporation, and more specifically, to act as an agency, instrumentality, and constituted authority of the Commonwealth of Kentucky ("State") and the Louisville/Jefferson County Metro Government ("Metro"), in the acquisition, implementation, and financing of public projects pursuant to Kentucky law and in particular KRS 58.180 to accomplish a public purpose of the State and Metro.

ARTICLE V

The Corporation shall have a Board of Directors to conduct the affairs and business of the Corporation. The directors of the Board shall be as set forth in the Articles of Incorporation of the Corporation.

The directors who serve by virtue of their office shall serve for the lengths of their respective terms in office. At the death, resignation, expiration of term of office, or vacation of office in any other manner by any director who serves by virtue of his/her office, then such director's membership shall immediately terminate and such director's successor in office shall immediately succeed to the position as director.

The Directors other than those who serve by virtue of their office shall be drawn from the private sector, including the business community, labor organizations, civic groups and neighborhood organizations; and respecting proper minority representation. The appointed Directors shall serve subject to the pleasure of the elected official by whom they were appointed.

ARTICLE VI

The annual and other meetings of the Board of Directors of the Corporation shall be held at such time and place and upon such notice (if any) as shall, in accordance with applicable law, be prescribed by Resolution of the Board of Directors. Special meetings may be called upon 24 hours' written notice by the Chairman. All meetings shall be conducted in conformity with KRS 61.800.

ARTICLE VII

A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided that if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

If any director has a conflict of interest concerning any matter before the Board of Directors, he shall not vote, shall refrain from debate and shall publicly disclose the existence and nature of the conflict.

Written minutes of each meeting of the Board of Directors shall be prepared by the staff of the Corporation and approved at the following meeting of the Board of Directors.

No director shall receive compensation for his services as director, however, any expenses incurred by any director by reason of his duties or responsibilities as such may be paid by the Corporation.

The Board of Directors shall have authority to establish such committees as it may consider necessary or convenient for the conduct of its business. There shall be an executive committee consisting of the Chairperson, Vice-Chairperson, Secretary and Treasurer, which shall act in accordance with and subject to the restrictions set out in the statutes of the Commonwealth of Kentucky.

The Corporation shall have a Chairperson who will be selected by the Governor from among two designees who are directors of the Board of Directors, two of whose names are submitted by the Mayor. The Chairperson of the organization will serve a two-year term; however, that service will be limited to no more than four consecutive two-year terms before the chair is changed. The Chairperson shall preside over meetings of the Board of Directors, shall enforce order and exercise such other authority or duties as the Board of Directors may so delegate.

ARTICLE VIII

The Board of Directors shall, at its annual meeting, elect from among its directors a Vice-Chairman, a Secretary, and a Treasurer. These officers shall serve two-year terms and may serve consecutive terms. The Vice-Chairman shall act in the absence of the President. The Secretary shall keep a complete and permanent record of all proceedings of the Board of Directors and have charge of the Corporate Seal. The Treasurer shall review books of account and shall regularly report to the Board of Directors. These duties may be altered by resolution of the Board of Directors.

ARTICLE IX

The Board of Directors may, from time to time, by vote of a majority, make, alter, amend or rescind any or all of the By-Laws of the Corporation, consistent with the creating Interlocal Agreement and the Articles of Incorporation.

ARTICLE X

The Board of Directors shall appoint an Executive Director. The Executive Director shall not be a director of the Board and shall be a resident of Jefferson County. The Executive Director shall be the President of the Corporation and shall in general supervise and control all of the day-to-day business and affairs of the Corporation and such other duties as from time to time may be prescribed by the Board. The President/Executive Director shall have the power to execute contracts, agreements and deeds on behalf of the Corporation and may employ such employees, contractors or agents as necessary to conduct the business and affairs of the Corporation.

The President/Executive Director shall enter into a contract with the Corporation for a definite term and shall receive such compensation and benefits as the Board of Directors may determine.

The President/Executive Director may employ a Deputy Director who shall perform such duties as required by the Executive Director/President and who shall have the power to execute contracts, deeds and agreements on behalf of the Corporation in the absence of the President/Executive Director.

ARTICLE XI

The Louisville/Jefferson County Metro Government shall be the fiscal agent of the Corporation and the Corporation shall comply with the accounting practices, policies, procedures and ordinances of Metro relating to the budget, personnel, classification and compensation unless otherwise agreed to by the Corporation and the Mayor.

ARTICLE XII

There is established as a fiduciary fund of the Corporation the "Waterfront Park Maintenance Endowment Fund". The principal of the Fund shall be held in trust in perpetuity and managed and invested as provided in this Article. The income of the Fund shall be expended, as provided in this Article, exclusively for the public purpose of maintenance, repair, upkeep and rehabilitation of Waterfront Park, its grounds, buildings, structures, infrastructure, equipment and fixtures.

The control, management, investment and disposition of the assets of the Fund for purpose of earning income therefrom shall be vested in the Waterfront Park Maintenance Endowment Fund Finance Committee composed of two (2) directors of the Board of Directors and three (3) non-directors who shall be selected on the basis of their recognized expertise in finance, business or banking. The members of the investment committee shall be appointed by the Chairperson and shall serve at the pleasure of the Chairperson. A majority of the members of the Committee shall constitute a quorum, and a majority of the members present at a meeting at which a quorum is present shall be necessary for acts of the Committee. The Committee may hold regular meetings, or special meetings at the call of the Chairman. All meetings shall be open to the public in accordance with KRS 61.800 *et seq.*

The Committee shall prepare and maintain correct and complete books and records of account for the Fund and shall keep minutes of the meetings of the Committee. The Committee shall report no less than quarterly to the Board of Directors on the financial condition of the Fund and may cause an annual audit of the Fund to be performed by a certified public accounting firm or the internal auditor of Metro.

The Committee shall have the following powers and responsibilities:

- (1) Accept on behalf of the Corporation any contribution, gift, bequest or devise of any type of property for the purposes of the Fund;
- (2) Hold such property in the name of the Fund and manage and invest such property in accordance with KRS 273.510-273.590 and KRS 66.480;
- (3) Collect and receive the income from such property,
- (4) Make disbursements to the Corporation out of the income from the Fund to be used exclusively for the purposes stated herein.

All property of the Fund shall be deposited from time to time to the credit of the Fund in such banks, trust companies or other depositories as the Committee may select.

No part of the income, properties or assets of the Fund, on dissolution of the Corporation, or otherwise, shall inure to the benefit of any private person, corporation or any governmental entity for use other than for the maintenance of Waterfront Park as provided herein. On

liquidation of the Corporation, all properties and assets of the Fund remaining after paying all debts and obligations of the Fund, shall be distributed to and paid over to the Louisville Community Foundation, its successor or a private entity which qualifies as a tax-exempt entity under Internal Revenue Code §501(c)(3) which has responsibility for the management of Waterfront Park and such funds shall be used by such entity solely for the maintenance of Waterfront Park as provided herein.

CERTIFICATE

It is hereby certified that on this date I am the duly appointed and qualified Chairman of the Waterfront Development Corporation, and that at a regular meeting of the Corporation held at the offices of the Corporation on _____, a quorum of the directors being present, the foregoing Bylaws were adopted by a unanimous vote of the Board of Directors and such Bylaws shall immediately be in effect and shall supercede any previous bylaws adopted by the Corporation.

Charles L. McCarty
Chairman
Board of Directors



Julie Lott Hardesty
First Assistant

IRV MAZE
JEFFERSON COUNTY ATTORNEY



WATERFRONT DEVELOPMENT
CORPORATION

APR 11 2003

MEMORANDUM

**TO: DAVID K. KAREM
PRESIDENT/EXECUTIVE DIRECTOR**

FROM: J. DAVID MORRIS
ASSISTANT COUNTY ATTORNEY *JDM*

DATE: APRIL 9, 2003

RE: ARTICLES OF INCORPORATION

As you requested, enclosed are the various documents comprising the Articles of Incorporation of the Waterfront Development Corporation:

- (1) Original Articles filed on 3/11/1986
- (2) First Amendment filed on 8/20/1887
- (3) Second Amendment filed on 3/24/1993
- (4) Third Amendment filed on 5/1/1995
- (5) Fourth Amendment filed on 1/1/2003

I also enclose a copy of the Articles of Incorporation incorporating the above referenced amendments for easy reference.

In reviewing the Amended Articles of Incorporation I note that the By-Laws currently in existence do not conform to the Amended Articles. I therefore have revised the By-Laws and enclose a draft of such revision of the By-Laws for your review. If the By-Laws are acceptable to you, I would propose submitting them to the Board of Directors of the WDC at the April Board meeting. If you have any questions concerning any of the enclosed materials, please do not hesitate to call me.

JDM:mc
Enclosures

[WDCCOR]
DK Memo

Waterfront Development Corporation
Budget
For the Twelve Months Ending June 30, 2020

	Mayor's Budget				
	FY 2020		FY 2019		
<u>Revenues</u>					
LMG Operation Funding	\$ 737,000	31%	1,037,000	44%	(\$ 300,000)
Commonwealth of Kentucky	0	0%	0	0%	0
Operating Revenue (Agency Receipts)	1,432,000	60%	1,173,000	49%	259,000
Agency Reserves	<u>231,000</u>	10%	<u>165,000</u>	7%	66,000
Total Revenues	2,400,000	100%	2,375,000	100%	25,000
<u>Expenses</u>					
Salary & Benefits	1,491,600	62.15%	1,576,000	66.36%	(84,400)
Contract Labor	36,000	1.50%	36,000	1.52%	0
Repairs & Maintenance	178,000	7.42%	172,600	7.27%	5,400
Utilities & Telephone	127,500	5.31%	136,500	5.75%	(9,000)
Horticulture & Landscaping	24,000	1.00%	24,000	1.01%	0
Security Services	36,000	1.50%	36,000	1.52%	0
Donations Expense	1,000	0.04%	1,000	0.04%	0
Depreciation	48,200	2.01%	37,200	1.57%	11,000
Insurance	20,000	0.83%	20,000	0.84%	0
Automotive/Mower Fuel/Tires	43,000	1.79%	35,000	1.47%	8,000
Plumbing / Irrigation	12,000	0.50%	12,000	0.51%	0
Administrative & Office Expenses	20,700	0.86%	20,700	0.87%	0
Professional Fees	25,400	1.06%	25,400	1.07%	0
Meeting Expenses	5,000	0.21%	3,000	0.13%	2,000
Computer & Software Expense	9,800	0.41%	9,800	0.41%	0
Travel & Public Relations	7,800	0.33%	4,800	0.20%	3,000
Waterfront Independence Festival	93,000	3.88%	90,000	3.79%	3,000
Waterfront Wednesday Expense	120,000	5.00%	120,000	5.05%	0
Other Event/Administrative Expense	<u>101,000</u>	4.21%	<u>15,000</u>	0.63%	86,000
Total Expenses	2,400,000	100%	2,375,000	100%	25,000
Operating Excess/(Deficit)	<u>0</u>		<u>0</u>		

Waterfront Development Corporation
Income Statement
For the Six Months Ending December 31, 2019

	YTD Actual	YTD Budget	Variance	YTD Last Year Actual	YTD Last Year Budget	Variance	Actual YoY Variance	
Revenues								
LMG Operation Funding	\$ 368,500	\$ 368,500	0	518,500	518,500	0	(\$150,000)	
Commonwealth of KY Funding	11,110	9,000	2,110	0	0	0	11,110	
Rental Revenue	186,087	138,000	48,087	a	142,114	132,000	10,114	43,973
Other Revenue	25,503	78,000	(52,497)	b	22,235	82,500	(60,265)	3,268
Waterfront Independence Festival	115,027	116,000	(973)		113,189	90,000	23,189	1,838
Waterfront Wednesday	157,783	120,000	37,783	c	121,600	122,500	(900)	36,183
Event Income	258,148	190,000	68,148	d	215,908	135,000	80,908	42,240
Donations	126,429	260,000	(133,571)	e	259,255	258,000	1,255	(132,826)
Interest Income	27,745	24,500	3,245		24,410	24,500	(90)	3,335
Unrealized Gain/(Loss) Invest	1,356	0	1,356		3,310	0	3,310	(1,954)
Total Revenues	1,277,688	1,304,000	(26,312)	1,420,521	1,363,000	57,521	(142,833)	
Expenses								
Salary & Benefits	782,087	745,800	(36,287)	f	805,338	788,000	(17,338)	(23,251)
Contract Labor	20,225	18,000	(2,225)		20,050	18,000	(2,050)	175
Repairs & Maintenance	72,982	92,400	19,418	g	91,090	87,300	(3,790)	(18,108)
Utilities & Telephone	68,064	63,750	(4,314)		57,332	68,250	10,918	10,732
Horticulture & Landscaping	4,587	12,000	7,413	h	9,560	12,000	2,440	(4,973)
Security Services	15,704	18,000	2,296		16,246	18,000	1,754	(542)
Donations Expense	75	500	425		0	500	500	75
Depreciation	24,095	24,100	5		20,390	18,600	(1,790)	3,705
Insurance	8,617	10,000	1,383		9,943	10,000	57	(1,326)
Automotive/Mower Fuel/Tires	16,676	21,500	4,824		21,103	17,500	(3,603)	(4,427)
Plumbing / Irrigation	8,120	6,000	(2,120)		6,172	6,000	(172)	1,948
Admin & Office Expenses	12,361	10,350	(2,011)		11,466	10,350	(1,116)	895
Professional Fees	20,593	22,400	1,807		23,842	19,200	(4,642)	(3,249)
Computer & Software Expense	3,255	4,900	1,645		6,004	4,900	(1,104)	(2,749)
Meeting Expenses	1,557	2,500	943		1,447	1,500	53	110
Advertising	500	0	(500)		30	0	(30)	470
Travel & Public Relations	9,975	3,900	(6,075)	i	4,810	2,400	(2,410)	5,165
Waterfront Independence Festival	80,684	93,000	12,316	j	86,108	90,000	3,892	(5,424)
Waterfront Wednesday Expense	66,978	65,000	(1,978)		59,219	65,000	5,781	7,759
Damage Deposit & Other Expense	22,196	17,500	(4,696)		9,762	7,500	(2,262)	12,434
Total Expenses	1,239,331	1,231,600	(7,731)	1,259,912	1,245,000	(14,912)	(20,581)	
Operating Income	\$ 38,357	\$ 72,400	(34,043)	160,609	118,000	(42,609)	(122,252)	
Capital Project Funds								
Capital Funds Revenues	643,228			391,050			252,178	
Capital Funds Expenses	248,361			422,073			(173,712)	
Net Income	\$ 433,224			129,586			303,638	

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	<p>1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. Waterfront Development Corporation</p> <p>2 Business name/disregarded entity name, if different from above</p> <p>3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.</p> <p><input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate</p> <p><input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____</p> <p>Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</p> <p><input checked="" type="checkbox"/> Other (see instructions) ▶ quasi-governmental agency</p>	<p>4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):</p> <p>Exempt payee code (if any) <u>3</u></p> <p>Exemption from FATCA reporting code (if any) _____</p> <p><small>(Applies to accounts maintained outside the U.S.)</small></p>
	<p>5 Address (number, street, and apt. or suite no.) See instructions. 129 E. River Road</p> <p>6 City, state, and ZIP code Louisville, KY 40202</p> <p>7 List account number(s) here (optional)</p>	<p>Requester's name and address (optional)</p>

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number									
or									
Employer identification number									
3	7	-	1	6	4	2	2	0	4

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ▶	Date ▶ <u>November 20, 2018</u>
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

Financial Statements
and Related Information

2019

Waterfront Development Corporation

June 30, 2019



Strothman+Co

Financial Statements
and Related Information

Waterfront Development Corporation

June 30, 2019

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Strothman and Company
Certified Public Accountants and Advisors
1600 Waterfront Plaza
325 West Main Street
Louisville, KY 40202
502 585 1600



Independent Auditors' Report

To the Board of Directors
Waterfront Development Corporation
Louisville, Kentucky

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, and each major fund of Waterfront Development Corporation (the "Corporation"), a component unit of Louisville/Jefferson County Metro Government ("Metro Government"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, and each major fund of the Corporation, as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 4 through 9), the budgetary comparison information on page 44 and the pension and other post-employment benefit liability and contribution information on pages 45 through 48 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements referred to in the first paragraph. The Agency Funds Statement of Changes in Net Position on page 49 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Agency Funds Statement of Changes in Net Position is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statements referred to in the first paragraph and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2019, on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

STROTHMAN AND COMPANY

Louisville, Kentucky
October 16, 2019

Management's Discussion and Analysis (Unaudited)

Management's Discussion and Analysis (Unaudited)

Waterfront Development Corporation

June 30, 2019

The Waterfront Development Corporation (the "Corporation"), founded in 1986, is a component unit of Louisville/Jefferson County Metro Government ("Metro Government"). The Corporation manages Louisville Waterfront Park (the "Park").

Once a blighted wasteland filled with scrap yards, sand/gravel operations, asphalt terminals and abandoned industrial buildings, Waterfront Park is now an award-winning destination that hosts over 2.2 million visitors and 150+ events each year. The 85-acre park along the Ohio River serves as the front yard of the city and a welcoming and inclusive community gathering place. The park includes public art, water features, two playgrounds, a splash park, and the Big Four® Bridge, an abandoned railroad bridge converted into an immensely popular bicycle and pedestrian crossing that connects Louisville and Southern Indiana.

Prior to the fiscal year ended June 30, 2012, the Corporation was included as a department of Metro Government and was reflected in its Comprehensive Financial Annual Report in this manner. For fiscal year 2012, the management of both Metro Government and the Corporation determined that accounting for the Corporation as a separate component unit would be more appropriate. As such, the Corporation issued its first stand-alone financial statements as of and for the year ended June 30, 2012.

The Corporation's Board of Directors includes representatives appointed by Metro Government and the Commonwealth of Kentucky (the "Commonwealth"). Historically, both Metro Government and the Commonwealth have provided financial support to the Corporation. For fiscal year 2015 and thereafter, the Commonwealth ceased operating funding to the Corporation. The Corporation is reflected as a component unit of Metro Government because they have a majority of Board member appointments.

The Corporation is also related to The Waterfront Park Foundation, Inc. (the "Foundation"). The purpose of the Foundation is to provide supplemental support for the capital construction and maintenance of the Park. The Foundation is included as a component unit in the Corporation's financial statements.

This section of the Corporation's basic financial statements presents a narrative overview and analysis of the financial activities of the Corporation for the fiscal year ended June 30, 2019.

Financial Highlights

The Corporation's principal revenue sources are rental and event income, and support from Metro Government.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the Corporation's basic financial statements. The Corporation's basic financial statements comprise four components: (1) government-wide financial statements; (2) fund financial statements; (3) statement of fiduciary net position; and (4) notes to the financial statements.

Continued

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Corporation's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the Corporation's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Corporation is improving or deteriorating.

The Statement of Activities presents information showing how the Corporation's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as expenses pertaining to earned but unused vacation and sick leave.

Fund Financial Statements

The fund financial statements are designed to report information about groupings of related accounts, which are used to maintain control over resources that have been segregated for specific activities or objectives. The Corporation, like other governmental units, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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 determining what financial resources are available in the near future to finance the Corporation's programs.

Because the focus of 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 Corporation has two individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the general fund and the capital projects fund.

The Corporation adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for this fund to demonstrate compliance with budget.

Fiduciary funds are used to account for resources held for the benefit of parties outside the Corporation. Since the resources of these funds are not available to support the Corporation's own programs, they are not reflected in the government-wide financial statements.

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.

Continued

Government-Wide Financial Analysis

The Corporation has presented its financial statements under the reporting model required by GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis ("MD&A") for State and Local Governments*.

Analysis of Net Position – Government-Wide Activities

A summary of government-wide net position follows:

	June 30	
	2019	2018
Assets		
Current and other assets	\$ 2,641,751	\$ 2,626,650
Capital assets	9,098,899	9,026,715
Total Assets	11,740,650	11,653,365
Deferred Outflows of Resources	749,560	872,689
Liabilities		
Current and other liabilities	3,709,219	4,067,938
Deferred Inflows of Resources	203,313	107,533
Net Position		
Net investment in capital assets	9,098,899	9,026,715
Unrestricted	(521,221)	(676,132)
Total Net Position	<u>\$ 8,577,678</u>	<u>\$ 8,350,583</u>

The Corporation's assets exceed its liabilities by \$8,577,678 as of June 30, 2019 as compared to \$8,350,583 as of June 30, 2018. The increase from 2018 to 2019 was \$227,095.

Current and other assets as of June 30, 2019 increased \$15,101, or 0.6%, as compared to June 30, 2018, due primarily to increases in investments and accounts receivable. Capital assets increased by \$72,184, due primarily to purchases of park maintenance equipment. Current and other liabilities decreased \$358,719, or 8.8%, due in large part to an increase in the net pension liability and other postemployment benefit liability.

Continued

Government-Wide Statement of Activities

A summary of the changes in net position follows:

	June 30	
	2019	2018
Revenues		
Rental and event income	\$ 938,448	\$ 1,073,070
General revenues and transfers		
Transfers and other revenues	2,229,556	602,158
Capital contributions	339,972	669,302
Total Revenues	3,507,976	2,344,530
Expenses		
General government	2,282,039	3,504,737
Public works	998,842	1,000,121
Total Expenses	3,280,881	4,504,858
Change in Net Position	227,095	(2,160,328)
Beginning Net Position	8,350,583	10,510,911
Ending Net Position	\$ 8,577,678	\$ 8,350,583

Rental and event income revenues decreased \$134,622 from 2018 to 2019. Transfers and other revenues increased \$1,627,398, or 270.0% from 2018 to 2019, primarily due to funds received in the prior year by the Capital Projects Fund for special park projects and repairs. Contributions decreased \$329,330, or 49.2%, from 2018 to 2019. This was due to funding provided in the prior for the replacement of another section of the Limestone Wall that runs along the bank of the river and conversion of the Great Lawn High Mast lighting to LED fixtures with a digital app operating system in addition to the acquisition of various new pieces of water playground equipment and refurbishment of the existing equipment.

Operating expenses for fiscal 2019 decreased \$1,222,698 or 34.9% from 2018, primarily due to pension and other postemployment benefit expenses. Public works expenses decreased \$1,279, or 0.1%, due to completion of the Limestone repair work for the Overlook.

Financial Analysis of the Corporation's Governmental Funds

The focus of the Corporation's governmental funds is to provide information on near-term inflows, outflows and balances of resources that are available for spending. Such information is useful in assessing the Corporation's financing requirements. In particular, unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Continued

As of June 30, 2019, the governmental funds balance sheet reflected total assets of \$2,641,751 as compared to \$2,626,650 as of June 30, 2018. Liabilities as of June 30, 2019 were \$400,508 as compared to \$824,804 as of June 30, 2018. Fund balance at June 30, 2019 was \$2,241,243 as compared to \$1,801,846 at June 30, 2018, which represents an increase of \$439,397.

During the year ended June 30, 2019, the Corporation realized revenues from Park event income and rentals of \$938,448 as compared to \$1,073,070 for last year. During the years ended June 30, 2019 and 2018, Metro Government supplied \$1,037,000 and \$987,000, respectively, of operating support.

The Commonwealth of Kentucky supplied no operating support for fiscal years 2019, 2018, 2017, 2016, and 2015.

For fiscal years 2019, 2018, 2017, 2016 and 2015, the Commonwealth of Kentucky eliminated our Biennial Appropriation that had previously been authorized since our inception through the Cabinet for Economic Development. This has a total negative impact of \$2,104,000 of our operating resources for all five years. As a result, we implemented the necessary expense reductions and used some of our capital project reserves to fulfill our responsibilities to develop and maintain the park.

Operating expenditures of the Corporation for years ended June 30, 2019 and 2018 were \$2,069,737 and \$2,706,642, respectively.

The capital projects fund accounts for resources were used for the purpose of constructing Park improvements and infrastructure. For the year ended June 30, 2019, total receipts from other financing sources in this fund were \$1,066,685, with total expenditures of \$998,842 for the year. For the year ended June 30, 2018, total receipts and expenditures were \$828,893 and \$1,000,121, respectively.

Rental and event revenues were comparable to the prior year. We are still experiencing a loss of revenues due to the inability to secure a new tenant to operate a restaurant in our park.

Capital Assets

The Park encompasses a total of 85 acres. Park land and improvements were paid for and are owned by three entities: the Corporation, Metro Government and the Commonwealth. Only land owned by the Corporation is reflected on its books and records. A majority of Park development costs were not paid by the Corporation and are not reflected on its financial statements.

A summary of the Corporation's capital assets as of June 30, 2019 are as follows: -

Land	\$ 8,580,673
Park maintenance equipment	846,433
Less accumulated depreciation	<u>(328,207)</u>
	<u>\$ 9,098,899</u>

Continued

Financial Analysis of the Foundation

The Foundation had total cash and investments of \$15,799,339 as of June 30, 2019, as compared to \$15,161,325 at June 30, 2018. During the year ended June 30, 2019, the Foundation's investments generated net investment income of \$836,773 as compared to \$1,031,663 last year. Investment fees for the year were \$42,609 as compared to \$44,764 last year. The Corporation transferred \$156,150 and \$839,315 to the Foundation for River Park Place project for the years ending June 30, 2019 and 2018, respectively.

Request for Information

These financial statements are intended to provide the reader with a general overview of the Corporation's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to Waterfront Development Corporation, Chief Financial Officer, 129 River Road, Louisville, Kentucky 40202.

Government-Wide Financial Statements

Statement of Net Position

Waterfront Development Corporation

June 30, 2019

	<u>Primary Government - Governmental Activities</u>	<u>Component Unit - Foundation</u>
Assets		
Cash and cash equivalents	\$ 97,023	\$ 441,473
Investments	2,402,960	15,357,866
Accounts receivable, net	67,538	
Other assets	74,230	
Capital assets		
Land	8,580,673	
Other capital assets, net of depreciation	518,226	
	<u>11,740,650</u>	<u>15,799,339</u>
Total Assets		
Deferred Outflows of Resources		
Pension related	531,529	
Other postemployment benefit related	218,031	
	<u>749,560</u>	
Total Deferred Outflows of Resources		
Liabilities		
Accounts payable and accrued costs	59,359	
Accounts payable to Metro Government	119,447	
Deferred revenues and deposits	221,702	
Compensated absences accrual	125,379	
Net pension liability	2,464,781	
Other postemployment benefit liability	718,551	
	<u>3,709,219</u>	
Total Liabilities		
Deferred Inflows of Resources		
Pension related	66,913	
Other postemployment benefit related	136,400	
	<u>203,313</u>	
Total Deferred Inflows of Resources		
Net Position		
Net investment in capital assets	9,098,899	
Restricted		15,799,339
Unrestricted	(521,221)	
	<u>\$ 8,577,678</u>	<u>\$ 15,799,339</u>
Total Net Position		

See Accompanying Notes to the Financial Statements

Statement of Activities

Waterfront Development Corporation

Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Investment Income	
Governmental Activities				
General government	\$ 2,282,039	\$ 938,448		\$ (1,343,591)
Public works	998,842			(998,842)
Total Governmental Activities	\$ 3,280,881	\$ 938,448		(2,342,433)
Component Unit - Foundation				
Investment fees	\$ 42,609			(42,609)
Investment loss - unrealized			\$ 121,640	121,640
Investment gain - realized			245,679	245,679
Dividends and interest income			469,454	469,454
Total Component Unit	\$ 42,609		\$ 836,773	794,164
Net Expense				\$ (1,548,269)
		Primary Government	Component Unit-Foundation	Total
Net Revenue (Expense) from above		\$ (2,342,433)	\$ 794,164	\$ (1,548,269)
General Revenues and Transfers				
Operating transfers from:				
Metro Government		1,037,000		1,037,000
Commonwealth of Kentucky		0		0
Transfers, net		156,150	(156,150)	
Settlement for Limestone Replacement		235,000		235,000
Commonwealth of Kentucky - FEMA claims		206,813		206,813
Metro Government - Waterfront Park Phase IV		218,037		218,037
Other revenues		376,556		376,556
Contributions		339,972		339,972
Total General Revenues and Transfers		2,569,528	(156,150)	2,413,378
Change In Net Position		227,095	638,014	865,109
Beginning Net Position		8,350,583	15,161,325	23,511,908
Ending Net Position		\$ 8,577,678	\$ 15,799,339	\$ 24,377,017

See Accompanying Notes to the Financial Statements

Fund Financial Statements

Governmental Funds
Balance Sheet

Waterfront Development Corporation

June 30, 2019

	<u>General Fund</u>	<u>Capital Project Fund</u>	<u>Total Governmental Funds</u>
Assets			
Cash and cash equivalents	\$ 97,023		\$ 97,023
Investments	517,832	\$ 1,885,128	2,402,960
Accounts receivable, net	67,538		67,538
Other assets	74,230		74,230
Total Assets	<u>\$ 756,623</u>	<u>\$ 1,885,128</u>	<u>\$ 2,641,751</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable and accrued costs	\$ 59,359		\$ 59,359
Accounts payable to Metro Government	119,447		119,447
Deferred revenues and deposits	221,702		221,702
Total Liabilities	400,508		400,508
Fund Balances			
Restricted		\$ 1,885,128	1,885,128
Unassigned	356,115		356,115
Total Fund Balances	<u>356,115</u>	<u>1,885,128</u>	<u>2,241,243</u>
Total Liabilities and Fund Balances	<u>\$ 756,623</u>	<u>\$ 1,885,128</u>	

Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds Balance Sheet above because of the following:

Capital Assets --Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported as assets in the Governmental Funds Balance Sheet	9,098,899
Pension Activity --Pension activity is not current assets or current liabilities and therefore is not reported in the Governmental Funds Balance Sheet	(2,000,165)
Other Postemployment Benefit Activity --Other postemployment benefit activity is not current assets or current liabilities and therefore is not reported in the Governmental Funds Balance Sheet	(636,920)
Compensated Absences --Compensated absences are not current liabilities and therefore are not reported in the Governmental Funds Balance Sheet	<u>(125,379)</u>
Total Net Position of Governmental Activities	<u>\$ 8,577,678</u>

See Accompanying Notes to the Financial Statements

Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances

Waterfront Development Corporation

Year Ended June 30, 2019

	<u>General Fund</u>	<u>Capital Project Fund</u>	<u>Total Governmental Funds</u>
Revenues			
Rental and event income	\$ 938,448		\$ 938,448
Expenditures			
General government	2,069,737		2,069,737
Public works		\$ 998,842	998,842
Total Expenditures	<u>2,069,737</u>	<u>998,842</u>	<u>3,068,579</u>
Expenditures in Excess of Revenues	(1,131,289)	(998,842)	(2,130,131)
Other Financing Sources			
Operating transfers from:			
Metro Government	1,037,000		1,037,000
Commonwealth of Kentucky	0		0
Net transfers from Component Unit			
-Foundation		156,150	156,150
Settlement for Limestone Replacement		235,000	235,000
Commonwealth of Kentucky - FEMA claims		206,813	206,813
Metro Government - Waterfront Park Phase IV		218,037	218,037
Other revenues	203,046	173,510	376,556
Contributions	262,797	77,175	339,972
Total Other Financing Sources	<u>1,502,843</u>	<u>1,066,685</u>	<u>2,569,528</u>
Net Change in Fund Balances	371,554	67,843	439,397
Beginning Fund Balances (Deficit)	<u>(15,439)</u>	<u>1,817,285</u>	<u>1,801,846</u>
Ending Fund Balances	<u>\$ 356,115</u>	<u>\$ 1,885,128</u>	<u>\$ 2,241,243</u>

See Accompanying Notes to the Financial Statements

Reconciliation of the Net Change in Fund Balances
Total Governmental Funds with the Change in Net Position – Governmental Activities

Waterfront Development Corporation

Year Ended June 30, 2019

The schedule below reconciles the net changes in fund balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances, which measures only changes in current assets and current liabilities on the modified accrual basis, with the change in net position of governmental activities reported in the Statement of Activities, which is prepared on the full accrual basis.

Total Net Change in Fund Balances - Total Governmental Funds	\$ 439,397
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Amounts reported for governmental activities in the Statement of Activities are different because of the following:

Capital Asset Transactions

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

Depreciation expense is deducted from the fund balance	(16,896)
Capital asset expenditure	89,081

Accrual of Non-Current Items

The amounts below included in the statement of activities do not provide or require the use of current financial resources and therefore are not reported as revenues or expenditures in governmental funds (net change):

Change in compensated absences accrual	(4,753)
Pension Related Expenses	(248,227)
OPEB Related Expenses	<u>(31,507)</u>

Total Change in Net Position of Governmental Activities	<u>\$ 227,095</u>
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See Accompanying Notes to the Financial Statements

Fiduciary Fund

Statement of Fiduciary Net Position

Waterfront Development Corporation

June 30, 2019

	<u>Agency Fund</u> <u>Belvedere</u> <u>Fund</u>
Assets	
Cash	\$ 11,411
Investments	100,000
Accounts receivable - events	<u>250</u>
Total Assets	<u><u>\$ 111,661</u></u>
Liabilities	
Damage deposit liability	\$ 1,000
Held for the Belvedere	<u>110,661</u>
Total Liabilities	<u><u>\$ 111,661</u></u>

See Accompanying Notes to the Financial Statements

Notes to the Financial Statements

Waterfront Development Corporation

June 30, 2019

Note A--Description of the Corporation

Established in 1986, the Waterfront Development Corporation (the "Corporation") plans, coordinates and implements strategies to revitalize Louisville's Waterfront. The Corporation was created by an interlocal agreement between Jefferson County, the City of Louisville, and the Commonwealth of Kentucky (the "Commonwealth") to oversee redevelopment of Louisville's waterfront from a blighted and underutilized area into a vibrant, active area. In 2003, Jefferson County and the City of Louisville merged to create Louisville/Jefferson County Metro Government ("Metro Government").

The Corporation is considered a component unit of Metro Government. Metro Government appoints nine out of fifteen of the Corporation's board members and the Commonwealth appoints the other six. Metro Government also supplies a significant portion of the Corporation's operating funding and performs certain administrative functions for it.

The primary project of the Corporation is Louisville Waterfront Park (the "Park"), which management believes has improved the quality of life of Louisville residents and been a catalyst for business and residential redevelopment in the Waterfront District and connecting areas of downtown Louisville. The Corporation is responsible for the maintenance and operation of this 85-acre park.

Waterfront Park Phase IV is a planned 22.5-acre expansion of Waterfront Park between 10th and 14th Streets that will extend public open space along the Ohio River corridor, uniting downtown and West Louisville along the waterfront. An observation pier serves as the iconic centerpiece of Phase IV providing stunning views of both the river and the downtown skyline. The pier will not only be a location for passive viewing and informal gatherings, it is specifically designed to accommodate large events, allowing it to serve as a leasable space for waterfront weddings, concerts, fundraisers, performances, and other such events. Phase IV will also include an innovative experiential learning area called PlayWorks at Waterfront Park, which will be developed in partnership with Kentucky Science Center. The partnership unites education, recreation and environment, health and wellness, creativity and childhood development, connecting kids to the river through creative play structures that challenge and engage. Plazas, an exerscape, and other world-class amenities will round out the future Phase IV park expansion.

In addition to development, operation, and maintenance of Waterfront Park, Waterfront Development Corporation also oversees the operation of the Belle of Louisville and Mary M. Miller riverboats, manages events on the Belvedere, and oversees master planning and implementation of Riverview Park for Louisville Metro Government.

The Corporation is also related to The Waterfront Park Foundation, Inc. (the "Foundation"). The purpose of the Foundation, incorporated in 1995, is to provide supplemental support for the capital construction and maintenance of the Park. The Foundation is included as a component unit in these financial statements.

Waterfront Development Corporation

June 30, 2019

Note B--Summary of Significant Accounting Policies

The Corporation is a component unit of Metro Government. Prior to the fiscal year ended June 30, 2012, the Corporation was included as a Department of Metro Government and reflected in its Comprehensive Financial Annual Report in this manner. For fiscal year 2012, the management of both Metro Government and the Corporation determined that accounting for the Corporation as a separate component unit was more appropriate. As such, the Corporation issued its first stand-alone financial statements as of and for the year ended June 30, 2012.

Because the Foundation is so closely related to the Corporation, its financial statements are included within the government-wide financial statements of the Corporation as a component unit. This is because the Corporation Board elects the board of the Foundation and because the Foundation's sole financial purpose is to support the activities of the Corporation. Separate financial statements for the Foundation are not issued.

The following is a summary of significant accounting policies:

Basis of Presentation--The Corporation's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board ("GASB") is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.

These standards require that the financial statements described below be presented.

Government-Wide Financial Statements--The Corporation's basic financial statements include both the government-wide and component unit financial statements.

Statement of Net Position--In the Statement of Net Position, both the governmental and component unit's columns are presented on a consolidated basis by column and are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term obligations, except for fiduciary activities.

Statement of Activities--The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Corporation's and Foundation's activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by the programs. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements--The fund financial statements provide information about the Corporation's funds, including fiduciary funds. Separate statements for each fund category - *governmental* and *fiduciary*, are presented. The emphasis of fund financial statements is on major individual funds, each of which is displayed in a separate column.

Continued

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note B--Summary of Significant Accounting Policies--Continued

The focus of the governmental funds' measurement is upon determination of financial position and changes in financial position rather than upon net income. The activities reported in these funds are reported as governmental activities in the government-wide financial statements. The Corporation reports the following governmental funds in the accompanying governmental fund financial statements:

General Fund--The general fund accounts for inflows of revenues, which are primarily from governmental sources, contributions, and lease and event income. Expenditures relate to the operation and maintenance of the Park.

Capital Projects Fund--This fund accounts for resources used for the purpose of constructing Park improvements and infrastructure. Revenues are obtained primarily from governmental sources and from private contributions.

Fiduciary Fund--The Corporations' fiduciary fund, the Belvedere Fund, is presented in the fiduciary fund financial statements by type. Because by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the Corporation, these funds are not incorporated into the government-wide financial statements.

The Corporation has an agreement whereby it manages event space at a park (the "Belvedere") owned by Metro Government. Under the agreement, any net income derived from event rentals is put into an agency fund. Such funds can only be spent for the maintenance and other expenses the Corporation incurs related to Belvedere Park.

Basis of Accounting--The government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Corporation considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after fiscal year-end. Expenditures are recorded when the related fund liability is incurred. General capital asset acquisitions are reported as expenditures in governmental funds.

Non-exchange transactions, in which the Corporation gives or receives value without directly receiving or giving equal value in exchange, include contributions. Revenues from contributions are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Continued

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note B--Summary of Significant Accounting Policies--Continued

Equity Classifications

Government-Wide Financial Statements

Net position is the excess of the Corporation's assets over its liabilities, regardless of fund. Net position is divided into three captions on the Statement of Net Position. These captions apply only to net position, which is determined at the government-wide level and is discussed below:

Net Investment in Capital Assets--the portion of net position which is represented by the net book value of the Corporation's capital assets.

Restricted Net Position--the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, government regulations, laws, or other restrictions which the Corporation cannot unilaterally alter.

Unrestricted Net Position--the portion of net position which is not restricted as to use.

Fund Financial Statements

Under GASB Statement No. 54, fund balance is separated into five categories, as follows:

Nonspendable--Permanently nonspendable by decree of the donor, such as an endowment, or items which may not be used for another purpose, such as amounts used to prepay future expenses.

Restricted--Legally restricted under federal or state law, bond authority, or grantor contract.

Committed--Commitments passed by the Board.

Assigned--Funds assigned to management priority including issued encumbrances.

Unassigned--Funds available for future operations.

Continued

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note B--Summary of Significant Accounting Policies--Continued

The accompanying government funds balance sheet classifies the general fund balances as unassigned and the capital project fund balance as restricted.

Deferred Inflows of Resources and Deferred Outflows of Resources--For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources, and pension expense, information about the Corporation's participation in the County Employees Retirement System ("CERS") of the Kentucky Retirement Systems ("KRS") has been determined on the same basis as they are reported by the KRS for the CERS plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The liability was measured at June 30, 2018.

The Statement of Net Position includes deferred inflows of resources and deferred outflows of resources when appropriate. Deferred outflows of resources represent a consumption of net position that applies to a future period(s). Deferred inflows of resources represent an acquisition of net position that applies to a future period(s.). These amounts will not be recognized as expense or revenue until the applicable period.

Use of Estimates--The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events--In preparing these financial statements, management of the Corporation has evaluated events and transactions for potential recognition or disclosure through October 16, 2019, the date the financial statements were available to be issued.

Note C--Budgets and Budgetary Accounting

The Corporation submits an annual budget to Metro Government on or before June 30 for the ensuing fiscal year for the general fund. This budget is reviewed by the Mayor and the Metro Council, and is generally revised by them before being finalized.

Budget appropriations become effective each July 1. The Corporation may amend the budget during the fiscal year. The legal level of budgetary control has been established at the fund level. Appropriations generally lapse at the end of the fiscal year to the extent they have not been expended or encumbered.

The general fund's annual budget is presented on the modified accrual basis of accounting consistent with the governmental funds financial statements.

Budgeted revenue amounts represent the original budget modified by adjustments authorized during the fiscal year. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the fiscal year.

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note D--Cash and Investments

Cash equivalents include short-term, highly liquid investments which are readily convertible to cash and have an original maturity date of 90 days or less.

The following is a summary of cash and cash equivalents as of June 30, 2019:

Corporation	
Cash and cash equivalents - unrestricted	\$ 97,023
Foundation	
Cash and cash equivalents - restricted	<u>441,473</u>
Total Cash and Cash Equivalents	<u><u>\$ 538,496</u></u>

The Corporation and Foundation had cash and cash equivalents in excess of Federal Deposit Insurance Corporation coverage of approximately \$26,000 and \$191,000 respectively, at June 30, 2019. In the event there were amounts held in excess of the coverage, the \$250,000 limit would be collateralized by securities held by a third-party custodian, the Bank of New York.

Interest Rate Risk--Interest rate risk is the risk that the changes in interest rates of investments will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates; therefore, short term maturities reduce the Corporation and Foundation's exposure to interest rate risk.

Credit Risk--Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Corporation and Foundation's general Investment Policy is to apply the prudent investors standard in managing the overall portfolio. This policy states that assets shall be invested with the care, skill, prudence, and diligence under the circumstances prevailing from time to time that a prudent person acting in a like capacity and familiar with such matters would use in the investment of a fund of like character and aims.

Concentration of Credit Risk--Concentration of credit risk is the risk of loss that may arise in the event of default by a single issuer. The Corporation and Foundation's investment policy requires diversification of the overall portfolio to eliminate the risk of loss from an over-concentration of assets in a specific class of security, a specific maturity, and/or a specific issue. The Foundation is required by state law to invest a minimum of 35% of monies received from government sources in U.S. Government and/or Agency obligations.

Continued

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note D--Cash and Investments--Continued

The investment mixture objective of the portfolio permitted in each eligible security is as follows:

	<u>Target</u>	<u>Range</u>
Equity	57%	47 - 67%
Large Company Domestic	33%	
Mid/Small Cap Domestic	6%	
International Developed	12%	
International Emerging	6%	
Fixed Income	20%	10 - 30%
Domestic	13%	
International	3%	
High-Yield	2%	
Inflation-Indexed	2%	
Real Estate - Domestic/International	8%	0 - 10%
Alternatives	12%	0 - 25%
Cash	3%	0 - 13%

The Corporation and Foundation categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. This hierarchy is based on the valuation inputs used to measure the fair value of the asset.

Level 1 - Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2 - Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Significant unobservable inputs that reflect the reporting entity's own assumptions about the fair value of an asset or liability.

Continued

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note D--Cash and Investments--Continued

The Corporation and Foundation have the following fair value measurements as of June 30, 2019:

	<u>Fair Value Measurements Using:</u>		
	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Total</u>
Investments by fair value level:			
Corporation			
Certificates of deposit	\$ 2,202,960		\$ 2,202,960
Debt securities			
U.S. Agency Mortgage bonds		\$ 100,000 *	100,000
Local government bonds		100,000 *	100,000
Total for the Corporation	2,202,960	200,000	2,402,960
Foundation			
Fixed income	3,047,300 *		3,047,300
Equities	9,745,785 *		9,745,785
Alternative strategies	1,846,065 *		1,846,065
Real estate equities and trusts	718,716 *		718,716
Total for the Foundation	15,357,866		15,357,866
Total	\$ 17,560,826	\$ 200,000	\$ 17,760,826

* Denotes actively traded investments

Waterfront Development Corporation

June 30, 2019

Note E--Capital Assets

The Park encompasses a total of 85 acres. Park land and improvements were paid for and are owned by three entities: the Corporation, Metro Government and the Commonwealth. Only land owned by the Corporation is reflected on its books and records. A majority of the Park's development costs were not paid by the Corporation and are not reflected on its financial statements.

All capital assets owned by the Corporation are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. The Corporation defines capital assets as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Depreciation is provided using the straight line method, which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each fiscal year until the asset is fully depreciated.

The Corporation has assigned the useful lives listed below to capital assets.

Land improvements	20 years
Buildings and improvements	25 to 40 years
Machinery and equipment	3 to 12 years
Vehicles	4 to 10 years
Infrastructure	10 to 40 years

Major outlays for capital assets and improvements are capitalized in the government-wide Statement of Net Position as projects are constructed.

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note E--Capital Assets--Continued

Capital assets activity for the fiscal year ended June 30, 2019 is as follows:

	<u>Balance at June 30, 2018</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at June 30, 2019</u>
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 8,580,673			\$ 8,580,673
Capital assets being depreciated				
Park maintenance equipment	<u>769,871</u>	<u>\$ 136,039</u>	<u>\$ 59,477</u>	<u>846,433</u>
Total Capital Assets Being Depreciated	769,871	136,039	59,477	846,433
Less accumulated depreciation for:				
Park maintenance equipment	<u>323,829</u>	<u>62,772</u>	<u>58,394</u>	<u>328,207</u>
Total Accumulated Depreciation	<u>323,829</u>	<u>62,772</u>	<u>58,394</u>	<u>328,207</u>
Net Capital Assets Being Depreciated	<u>446,042</u>	<u>73,267</u>	<u>1,083</u>	<u>518,226</u>
Governmental Activity Net Capital Assets	<u>\$ 9,026,715</u>	<u>\$ 73,267</u>	<u>\$ 1,083</u>	<u>\$ 9,098,899</u>

Depreciation expense was charged to functions and programs based on their usage of the related assets. The amounts allocated to the governmental activities for park maintenance equipment was \$16,896 for the fiscal year ended June 30, 2019.

Note F--Lease Revenue

The Corporation is the lessor in various leases relating to a restaurant property, signage, parking and miscellaneous vendors. For the year ended June 30, 2019, lease revenue was approximately \$274,000.

The Corporation has another restaurant property within the park. The tenant defaulted on the lease, and the Corporation received a payment of \$110,000 during fiscal year 2019 in settlement of this matter. This restaurant site is currently available to be redeveloped and leased by another tenant if one can be found.

Waterfront Development Corporation

June 30, 2019

Note G--Risk Management

The Corporation obtains a majority of its insurance through Metro Government's insurance program. The Corporation receives the same coverage as other Metro Government departments and divisions. The Metro Government is exposed to various risks of loss related to torts, errors and omissions, injuries to employees or others, unemployment and certain health care benefits of employees. The Metro Government has established various self-insurance programs to account for and finance its uninsured risks of loss. Under the self-insurance programs, the Metro Government retains the risk of loss up to a maximum of \$7,000,000 for general liability claims, \$2,000,000 for workers' compensation claims with statutory excess insurance, and actual costs incurred for unemployment and certain health care benefits.

Note H--Litigation

The Corporation is subject to legal actions which are handled by Metro Government's Risk Management Department and the Jefferson County Attorney's Office. Claims that are less than \$500,000 are paid by Metro Government and claims in excess of \$500,000 are paid out of the Louisville Area Government Insurance Trust. In one such claim, a restaurant sub-tenant alleged that it mistakenly overpaid rent to the Corporation and its sub-landlord. The sub-landlord had previously filed a lawsuit to evict the sub-tenant, who has vacated the premises. The Corporation intends to vigorously defend all legal actions and believes that the resolution of such claims would not have a material effect on the financial position of the Corporation or its results of operations.

Note I--Recent GASB Pronouncements

Accounting Pronouncements Effective for the Fiscal Year Ended June 30, 2019

Statement No. 83, *Certain Asset Retirement Obligations*, this Statement addresses accounting and financial reporting for certain asset retirement obligations. An asset retirement obligation is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. Assets addressed by this Statement include nuclear power plant decommissioning, contractually required land restoration, such as the removal of wind turbines, and other similar assets. The Statement did not apply to the Corporation.

Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, the objective of this Statement is to improve the information that is disclosed in the notes to the financial statements relating to debt. The disclosures added by this Statement include the amount of unused lines of credit, assets pledged as collateral for debt, and terms specified in the debt agreement related to significant events of default with finance-related consequences and termination events with finance-related consequences and subjective acceleration clauses. This Statement did not apply to the Corporation.

Continued

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note I--Recent GASB Pronouncements--Continued

Accounting Pronouncements That Will Become Effective for FY 2020 and Later

Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities of all state and local governments. (FY 2020)

Statement No. 87, *Leases*, the objective of which is to better meet the information needs financial statement users by improving accounting and financial reporting for leases by governments. (FY 2021).

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, this Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. Thus, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. (FY 2021)

The Corporation has not yet determined the effect, if any, that the adoption of these Statements may have on its financial statements.

Note J--Other Postemployment Benefits

Introduction

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. GASB 75 requires governments providing other postemployment benefits to recognize their long-term obligation for the postemployment benefits as a liability. It also requires cost-sharing governmental employers to report a net postemployment benefits liability, postemployment benefits expense and postemployment benefits-related assets and liabilities based on their proportionate share of the collective amounts for all governments in the plan.

Plan Description

CERS hazardous and nonhazardous insurance funds, along with KERS hazardous and nonhazardous funds, operated by Kentucky Retirement Systems ("KRS"). The CERS insurance funds are a cost-sharing multiple-employer defined benefit retiree healthcare plan for members that cover all regular full-time members employed in hazardous and nonhazardous duty positions at the Corporation.

Continued

Waterfront Development Corporation

June 30, 2019

Note J--Other Postemployment Benefits

The plans provide for hospital and medical insurance benefits to eligible plan members. OPEB may be extended to beneficiaries of plan members under certain circumstances. All eligible retired Corporation employees receive health care benefits after retirement. The benefits offered are dependent on the length of service of the employee and the retirement system in which they participate.

The Corporation only has the classification of nonhazardous employees. As of this date, there are no hazardous employee classifications.

Employer contribution rates are established annually by the KRS Board of Trustees. KRS issues separate stand-alone financial statements for the statewide multiple employer cost-sharing plan that provides other post-employment benefits for local government employees participating in CERS. The Corporation has employees that participate in the CERS nonhazardous plan.

Under the provisions of Kentucky Revised Statute Section 61.701, the board of trustees of KRS administers the KRS Insurance Fund. The KRS Insurance Fund was established as a single insurance fund to provide group hospital and medical benefits to retirees drawing a benefit from the three pension funds administered by KRS: (1) KERS; (2) CERS; and (3) SPRS. The assets of the KRS Insurance Fund are commingled for investment purposes.

Benefits Provided

The employer rates allocable to health insurance benefits were 5.26% in 2019, 4.70% in 2018, and 4.73% for 2017 for nonhazardous employees. The contribution rates are created by statute and were 100% funded during 2019, 2018, and 2017.

At the time of completion of these financial statements, KRS has not yet released their Comprehensive Annual Financial Report ("CAFR") for the fiscal year ended June 30, 2019. The following information was extracted from the KRS CAFR for the fiscal year ended June 30, 2018.

The KRS Insurance Fund pays a prescribed contribution for whole or partial payment of required premiums to purchase hospital and medical insurance. The KRS Insurance Fund pays the same proportion of hospital and medical insurance premiums for the spouse and dependents of retired hazardous members killed in the line of duty. The amount of contribution paid by the funds is based on years of service. The plan provides the following benefits based on the employees starting participation date:

Waterfront Development Corporation

June 30, 2019

Note J--Other Postemployment Benefits--Continued

Insurance Tier 1 - For members participating prior to July 1, 2003 and before September 1, 2018, the insurance fund contributes a percentage of a single monthly plan based on years of service as follows:

<u>Years of Service</u>	<u>Portion Paid by KRS Insurance Fund</u>
Less than 4 years	0%
4-9 years	25%
10-14 years	50%
15-19 years	75%
20+ years	100%

Insurance Tier 2 - For members participating on or after July 1, 2003 and before September 1, 2008, participants with at least 120 months of service at retirement earn \$10 per month for each year of earned service. This dollar amount is subject to an annual adjustment with is currently 1.50% on each July 1.

Insurance Tier 3 - For members participating on or after September 1, 2008, insurance benefits are identical to Tier 2, except Tier 3 participants are required to have at least 180 months of service in order to be eligible.

Funding Policy

Plan members are required to contribute 5% for participants in the nonhazardous plan and 8% for participants in the hazardous plan of creditable compensation if hired before September 1, 2008. Plan members who began participating, on or after, September 1, 2008, are required to contribute an additional 1% of creditable compensation. This amount is credited to the Insurance Fund and is non-refundable to the member. Employers are required to contribute at an actuarially determined rate by the board to be necessary for the actuarial soundness of the systems, as required by Kentucky Revised Statute 61.565 and 61.752. The rate for the fiscal year ended June 30, 2019 is 21.48% (of which 5.26% is for the Insurance Fund) for employees in the nonhazardous plan and 35.34% (10.47% for the Insurance Fund) for employees in the hazardous plan.

Health insurance benefits are not protected under the inviolable contract provisions of Kentucky Revised Statutes 16.652, 61.692, and 78.852. The Kentucky General Assembly reserves the right to suspend or reduce this benefit if, in its judgment, the welfare of the Commonwealth so demands.

Continued

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note J--Other Postemployment Benefits--Continued

The contribution requirements of employers and plan members are established and may be amended by the Board of Trustees. The Corporation was required to contribute at an actuarially determined rate determined by Statute. Per Kentucky Revised Statute Section 78.545(33) normal contribution and past service contribution rates shall be determined by the KRS Board on the basis of an annual valuation last preceding July 1 of a new biennium. The KRS Board may amend contribution rates as of the first day of July of the second year of a biennium, if it is determined on the basis of a subsequent actuarial valuation that amended contribution rates are necessary to satisfy requirements determined in accordance with actuarial bases adopted by the KRS Board.

The Corporation's contributions to the OPEB for the years ended June 30, 2019 and 2018 are outlined in the table below:

<u>Fiscal Year Ended</u>	<u>Total Contributions</u>	<u>Non-Hazardous Contribution Rate</u>
06/30/19	\$ 57,543	5.26%
06/30/18	\$ 50,918	4.70%

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2019, the Corporation reported a net OPEB liability of \$718,551 (non-hazardous employees) for its proportionate share of the CERS' net OPEB liability.

The net OPEB liability is calculated by KRS and Metro Louisville provides the Corporation's proportionate share. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018. No updated procedures were used to determine the total OPEB liability.

The Corporation's proportion of the net OPEB liability was based on its contributions relative to the contributions of all participants. At June 30, 2019, the Corporation's proportional share of OPEB was 0.029% for non-hazardous employees. There are no expected changes in proportion for the current year.

For the year ended June 30, 2019, the Organization recorded an OPEB expense of \$100,642.

Continued

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note J--Other Postemployment Benefits--Continued

The deferred outflow of resources and deferred inflows of resources related to OPEB for FY2019 from the following sources are reflected below:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual liability experience		\$ 83,738
Change of assumptions	\$ 143,505	1,660
Difference between expected and actual investment experience		49,494
contributions and proportionate shares of contributions		
contributions and proportionate shares of contributions	<u>5,391</u>	<u>1,508</u>
	148,896	136,400
Contributions subsequent to the measurement date	<u>69,135</u>	
Total	<u>\$ 218,031</u>	<u>\$ 136,400</u>

The \$69,135 amount reported as deferred outflows of resources related to OPEB resulting from the Corporations' contributions subsequent to the measurement date will be recognized as a reduction to the net OPEB liability in the year ending June 30, 2020.

The remainder of the amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized as OPEB expense as follows:

<u>Year Ending June 30</u>	
2019	\$ 3,222
2020	3,222
2021	3,222
2022	12,835
2023	(5,580)
Thereafter	<u>(4,425)</u>
	<u>\$ 12,496</u>

Continued

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note J--Other Postemployment Benefits--Continued

Actuarial Assumptions – Total OPEB Liability and Net OPEB Liability

The total OPEB liability, net OPEB liability, and sensitivity information were based on an actuarial valuation date of June 30, 2018:

Inflation	2.30%
Payroll Growth Rate	2.00% for CERS nonhazardous and hazardous
Salary Increase	3.05% average
Investment rate of return	6.25%
Healthcare Trend Rates Pre - 65	Initial trend starting at 7.00% at January 1, 2020 and gradually decreasing to an ultimate trend rate of 4.05% over a period of 12 years
Healthcare Trend Rates Post – 65	Initial trend starting at 5.00% at January 1, 2020 and gradually decreasing to an ultimate trend rate of 4.05% over a period of 10 years

The mortality table used for active members is RP-2000 Combined Mortality Table projected with Scale BB to 2013 (multiplied by 50% for males and 30% for females). For healthy retired members and beneficiaries, the mortality table used is the RP-2000 Combined Mortality Table projected with Scale BB to 2013 (set-back for one year for females). For disabled members, the RP-2000 Combined Disabled Mortality Table projected with Scale BB to 2013 (set back four years for males) is used for the period after disability retirement. There is some margin in the current mortality tables for possible future improvement in mortality rates and that margin will be reviewed again when the next experience investigation is conducted.

Actuarial Assumptions – Contributions

The following were the actuarial methods and assumptions used for the actuarially determined contributions:

Valuation Date	June 30, 2016
Experience Study	July 1, 2008 – June 30, 2013
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent of pay
Remaining Amortization Period	27 years, Closed
Asset Valuation Method	20% of the difference between the market value of assets and the expected actuarial value of assets recognized
Inflation	3.25%
Salary Increase	4.00%, average
Investment Rate of Return	7.50%

Continued

Waterfront Development Corporation

June 30, 2019

Note J--Other Postemployment Benefits--Continued

Healthcare Trend Rates Pre - 65	Initial trend starting at 7.50% and gradually decreasing to an ultimate trend rate of 5.00% over a period of 5 years
Healthcare Trend Rates Post – 65	Initial trend starting at 5.50% and gradually decreasing to an ultimate trend rate of 5.00% over a period of 2 years

The mortality table used for active members is RP-2000 Combined Mortality Table projected with Scale BB to 2013 (multiplied by 50% for males and 30% for females). For healthy retired members and beneficiaries, the mortality table used is the RP-2000 Combined Mortality Table projected with Scale BB to 2013 (set-back for one year for females). For disabled members, the RP-2000 Combined Disabled Mortality Table projected with Scale BB to 2013 (set back four years for males) is used for the period after disability retirement. There is some margin in the current mortality tables for possible future improvement in mortality rates and that margin will be reviewed again when the next experience investigation is conducted.

Several factors are considered in evaluating the long-term rate of return assumption including long term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense, and inflation) were developed by the investment consultant for each major asset class.

These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans that covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note J--Other Postemployment Benefits--Continued

The target allocation and best estimates of arithmetic nominal rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Combined equity	35.00%	14.50%
Combined fixed income	24.00%	13.75%
Real return (diversified inflation strategies)	10.00%	7.00%
Global bonds	4.00%	3.00%
Private equity	10.00%	6.50%
Real estate	5.00%	9.00%
Absolute return (diversified hedge funds)	10.00%	5.00%
Cash	2.00%	1.50%
Total	100.00%	

The long-term expected rate of return on OPEB plan investments was established by the KRS Board of Trustees as 7.50% based on a blending of the factors described above.

Discount Rate

The projection of cash flows used to determine the discount rate of 5.85% for CERS nonhazardous and 5.97% for CERS hazardous assumed that local employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 25 years (closed) amortization period of the unfunded actuarial accrued liability. The discount rate determination used an expected rate of return of 6.25% and a municipal bond rate of 3.62%, as reported in Fidelity Index's "20-year Municipal GO AA Index" as of June 30, 2018. However, the cost associated with the implicit employer subsidy was not included in the calculation of the actuarial determined contributions, and any cost associated with the implicit subsidy will not be paid out of the trust.

Continued

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note J--Other Postemployment Benefits--Continued

Therefore, the municipal bond rate was applied to future expected benefit payments associated with the implicit subsidy. The target asset allocation and best estimates of arithmetic nominal rates of return for each major asset class are summarized in the KRS FY18 CAFR.

Changes Since Measurement Date

There were no changes between the measurement date of the collective net OPEB liability and the employer's reporting date.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the Organization's proportionate share of the net OPEB liability calculated using the discount rate of 5.85%, as well as what its proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (4.85%)	Current Discount Rate (5.85%)	1% Increase (6.85%)
Proportionate Share of the Net OPEB Liability	<u>\$ 933,282</u>	<u>\$ 718,551</u>	<u>\$ 535,639</u>

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the Organization's proportionate share of the net OPEB liability calculated using the healthcare cost trend rate as well as what its proportionate share of the net pension liability would be if it were calculated using a discount rate that is a 1% decrease or 1% increase than the current rate:

	Health Care Trend Rate 1% Decrease	Current Discount Rate	Health Care Trend Rate 1% Increase
Proportionate Share of the Net OPEB Liability to the Changes in the Healthcare Cost Trend Rates	<u>\$ 534,968</u>	<u>\$ 718,551</u>	<u>\$ 934,942</u>

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued KRS financial report. This report may be obtained on the Internet at www.kyret.ky.gov.

Waterfront Development Corporation

June 30, 2019

Note K--Defined Benefit Pension Plan

Introduction

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* ("GASB 68"), requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability. It also requires cost-sharing governmental employers to report a net pension liability, pension expense and pension-related assets and liabilities based on their proportionate share of the collective amounts for all governments in the plan.

The Corporation does not have its own employees. Rather, all individuals who work for the Corporation are actually employees of Metro Government.

Plan Description

The Corporation, through Metro Government, contributes to the County Employees Retirement System ("CERS") which is a cost-sharing multiple-employer defined benefit pension plan administered by Kentucky Retirement Systems ("KRS"), an agency of the Commonwealth. The KRS Board was created by state statute under Kentucky Revised Statute Section 61.645. The Board of Trustees is responsible for the proper operation and administration of the KRS.

The KRS issues a publicly available financial report that includes financial statements and required supplemental information for CERS. That report may be obtained by writing to the KRS, 1260 Louisville Road, Frankfort, Kentucky 40601-6124.

Contributions

Contributions for employees established in the statutes governing the KRS may only be changed by the Kentucky General Assembly. Employees contribute 5% of salary if they were a plan member prior to September 1, 2008. For employees that entered the plan after September 1, 2008, they are required to contribute 6% of their annual creditable compensation. Five percent of the contribution was deposited to the member's account while one percent was deposited to an account created for the payment of health insurance benefits under 26 USC Section 401(h) in the Pension Fund (see Kentucky Administrative Regulation 105 KAR 1:42OE). The Corporation makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation.

For the year ended June 30, 2019, pension contributions for the Corporation were \$177,443 based on a rate of 16.22% of covered payroll. By law, employer contributions are required to be paid. The KRS may intercept the Corporation's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contribution ("ADC") and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of the unfunded liability.

Continued

Waterfront Development Corporation

June 30, 2019

Note K--Defined Benefit Pension Plan--Continued

The Corporation has met 100% of the pension contribution funding requirement for the fiscal years ended June 30, 2019, 2018 and 2017, which were \$177,443, \$156,870, and \$137,941, respectively.

Benefits Provided-General

The plan provides for retirement, disability, and death benefits to plan members. Retirement benefits may be extended to beneficiaries of plan members under certain circumstances. Kentucky Revised Statute Section 61.645 establishes the benefit terms and can be amended only by the Kentucky General Assembly. The chief legislative body may adopt the benefit terms permitted by statute.

The information below summarizes the major retirement benefit provisions of CERS Non-Hazardous employees. It is not intended to be, nor should it be interpreted as, a complete statement of all benefit provisions.

- **Benefits Provided - Tier 1 - Final Compensation X Benefit Factor X Years of Service**

For members whose participation began before August 1, 2004, the age and service requirement is as follows: Age 65 with at least one month of Non-Hazardous duty service credit, or at any age with 27 or more years of service credit.

If such member has at least 48 months of service, the monthly benefit is 2.2% times final average compensation times years of service depending on participation and retirement dates. Final compensation is calculated by taking the average of the highest five fiscal years of salary. If the number of months of service credit during the five-year period is less than forty-eight, one or more additional fiscal years should be used. If a member has less than 48 months of service, the monthly benefit is the actuarial equivalent of two times the member's contributions with interest.

- **Benefits Provided - Tier 2 - Final Compensation X Benefit Factor X Years of Service**

For members whose participation began on or after August 1, 2004, but before September 1, 2008, the age and service requirement is as follows: Age 65 with at least one month of Non-Hazardous duty service credit, or at any age with 27 or more years of service credit.

If such member has at least 48 months of service, the monthly benefit is 2% multiplied by final average compensation, multiplied by years of service. Final compensation is calculated by taking the average of the highest five fiscal years of salary. If the number of months of service credit during the five-year period is less than forty-eight, one or more additional fiscal years shall be used. If a member has less than 48 months of service, the monthly benefit is the actuarial equivalent of two times the member's contributions with interest.

Continued

Waterfront Development Corporation

June 30, 2019

Note K--Defined Benefit Pension Plan--Continued

For members whose participation began on or after September 1, 2008, but before January 1, 2014, the age and service requirement is as follows: Age 65 with 60 months of Non-Hazardous duty service credit, or age 57 if age plus service equals at least 87.

For such members, the monthly benefit is the following benefit factor based on service credit at retirement plus 2% for each year of service greater than 30 years, multiplied by final average compensation, multiplied by years of service.

<u>Service Credit</u>	<u>Benefit Factor</u>
10 years or less	1.10%
10+ -20 years	1.30%
20+ -26 years	1.50%
26+ -30 years	1.75%

Final compensation is calculated by taking the average of the last (not highest) five complete fiscal years of salary. Each fiscal year used to determine final compensation must contain twelve months of service credit.

- **Benefits Provided - Tier 3 - Cash Balance Plan**

For members whose participation began on or after January 1, 2014, the age and service requirement is as follows: Age 65 with 60 months of Non-Hazardous duty service credit, or age 57 if age plus service equals at least 87.

For such members, each year that a member is an active contributing member to the KRS, the member contributes 5% of creditable compensation, and the member's employer contributes 4% of creditable compensation, which is a portion of the total employer contribution, into a hypothetical account. The hypothetical account will earn interest annually on both the member's and employer's contribution at a minimum rate of 4%. If the KRS's geometric average net investment return for the previous five years exceeds 4%, then the hypothetical account will be credited with an additional amount of interest equal to 75% of the amount of the return which exceeds 4%. All interest credits will be applied to the hypothetical account balance on June 30 based on the account balance as of June 30 of the previous year. Upon retirement the hypothetical account which includes member contributions, employer contributions and interest credits can be withdrawn from the KRS as a lump sum or annuitized into a single life annuity option.

Continued

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note K--Defined Benefit Pension Plan--Continued

Contribution Rates

- Tier 1 - For members whose participation began before September 1, 2008, Non-Hazardous employee contributions equal 5% of all creditable compensation. Interest paid on the members' accounts is currently 2.5%; and per statute shall not be less than 2%. Members are entitled to a full refund of contributions with interest.
- Tier 2 - For members whose participation began on or after September 1, 2008, but before January 1, 2014, Non-Hazardous contributions equal to 6% of all creditable compensation, with 5% being credited to the member's account and 1% deposited to the KRS 401(h) account. Interest paid on the members' accounts will be set at 2.5%. Member is entitled to a full refund of contributions and interest in their individual account, however, the 1% contributed to the insurance fund is non-refundable.
- Tier 3 - For members whose participation began on or after January 1, 2014, the Non-Hazardous contribution is equal to 6% of all creditable compensation, with 5% being credited to the member's account and 1% deposited to the KRS 401(h) account. Members are entitled to a full refund of contributions and interest on the members' portion of the hypothetical account, however, the 1% contributed to the insurance fund in non-refundable.

Net Pension Liability

At June 30, 2019, the Corporation reported a net pension liability of \$2,464,781. The net pension liability is calculated by KRS and Metro Louisville and provides the Corporations' proportionate share and was determined by an actuarial valuation as of June 30, 2018. No updated procedures were used to determine the total net pension liability.

Continued

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note K--Defined Benefit Pension Plan--Continued

Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2019, the Corporation reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 80,394	\$ 36,079
Net difference between projected and actual earnings on plan investments		29,554
Change in assumptions	240,881	
Change in proportionate share of contributions	<u>32,811</u>	<u>1,280</u>
	354,086	66,913
Contributions subsequent to the measurement date	<u>177,443</u>	
Total	<u><u>\$ 531,529</u></u>	<u><u>\$ 66,913</u></u>

The amount shown for "contributions subsequent to the measurement date", will be recognized as a reduction to net pension liability in the following measurement period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized in pension expense as follows:

<u>Year Ending June 30</u>	
2020	\$ 213,907
2021	111,332
2022	(24,838)
2023	<u>(13,228)</u>
	<u><u>\$ 287,173</u></u>

In the table shown above, positive amounts will increase pension expense.

Continued

Waterfront Development Corporation

June 30, 2019

Note K--Defined Benefit Pension Plan--Continued

Actuarial Assumptions

The total pension liability as of the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial cost method	Entry age normal
Amortization method	Level percent of pay
Remaining amortization period	26 years, closed
Asset valuation method	20% of the difference between the market value of assets and the expected actuarial value of assets is recognized
Investment rate of return	7.50%
Inflation	3.25%
Salary Increase	4.00% average

The mortality table used for active, healthy, retired members, and beneficiaries is RP-2000 Combined Mortality Table projected to 2013 with Scale BB (set back 1 year for females).

The long-term expected return on plan assets is reviewed as part of the regular experience studies prepared every five years for KRS. The most recent analysis, performed for the period covering fiscal years 2008 through 2013, is outlined in a report dated April 30, 2014. Several factors are considered in evaluating the long-term rate of return assumption including long term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense, and inflation) were developed by the investment consultant for each major asset class.

These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note K--Defined Benefit Pension Plan--Continued

The table below shows the aggregate actual and target allocations as reported by KRS

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Combined equity	35.00%	14.50%
Combined fixed income	24.00%	13.75%
Real return (diversified inflation strategies)	10.00%	7.00%
Global bonds	4.00%	3.00%
Real estate	5.00%	9.00%
Absolute return (diversified hedge funds)	10.00%	5.00%
Private equity	10.00%	6.50%
Cash equivalent	2.00%	1.50%
	<u>100.00%</u>	

The long-term expected rate of return on pension plan investments was established by the KRS Board of Trustees as 7.5% based on a blending of the factors described above.

Discount Rate

The discount rate used to measure the total pension liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that employee contributions from plan members and employers will be made at statutory contribution rates.

Changes Since Measurement Date

There were no changes between the measurement date of the collective net pension liability and the employers' reporting date.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Corporation calculated using the discount rate of 6.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point-lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

Continued

Notes to the Financial Statements--Continued

Waterfront Development Corporation

June 30, 2019

Note K--Defined Benefit Pension Plan--Continued

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Proportionate Share of the Net Pension Liability	<u>\$ 3,102,904</u>	<u>\$ 2,464,781</u>	<u>\$ 1,930,146</u>

Pension Expense

For the year ended June 30, 2019, the Corporation recognized pension expense of \$425,670.

Payable to the Pension Plan

Per Metro Government, at June 30, 2019, there were no outstanding contributions to the pension plan owed by the Corporation.

Required Supplemental Information

General Fund Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual

Waterfront Development Corporation

Year Ended June 30, 2019

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Budget</u>
Revenues			
Rental and event income	\$ 1,040,000	\$ 938,448	\$ (101,552)
Expenditures			
General government	<u>2,375,000</u>	<u>2,069,737</u>	<u>305,263</u>
Expenditures in Excess of Revenues	(1,335,000)	(1,131,289)	203,711
Other Financing Sources			
Operating transfers from:			
Metro Government	1,037,000	1,037,000	
Commonwealth of Kentucky	0	0	0
Other revenues	40,000	203,046	163,046
Contributions	<u>258,000</u>	<u>262,797</u>	<u>4,797</u>
Total Other Financing Sources	<u>1,335,000</u>	<u>1,502,843</u>	<u>167,843</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ 371,554</u>	<u>\$ 371,554</u>

See Independent Auditors' Report

Schedules of Proportionate Share of the Net Pension Liability - CERS Pension

Waterfront Development Corporation

Last Five Fiscal Years Ended June 30

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Corporations' proportion of the net pension liability	\$ 2,464,781	\$ 2,324,578	\$ 1,238,750	\$ 1,086,734	\$ 854,942
Corporation's proportionate share of the net pension liability	0.040%	0.040%	0.025%	0.025%	0.026%
Covered payroll	\$ 1,099,534	\$ 1,045,718	\$ 1,075,393	\$ 954,152	\$ 994,261
Corporation's share of the net pension liability as a percentage of its covered payroll	224.17%	222.29%	115.19%	113.90%	85.99%
Total Plan fiduciary net position as a percentage of the total pension liability	52.40%	52.40%	81.45%	68.49%	51.61%

Note 1--This schedule is presented to illustrate the requirement to show information for 10-years. However, until a full 10-year trend is compiled, the Corporation is presenting information for those years for which information is available.

Note 2--The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

See Independent Auditors' Report

Schedules of Contributions - CERS Pension

Waterfront Development Corporation

Last Five Fiscal Years Ended June 30

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2016</u>
Contractually required contribution	\$ 177,443	\$ 156,870	\$ 137,941	\$ 119,368	\$ 116,981
Contributions in relation to the contractually required contribution	<u>(177,443)</u>	<u>(156,870)</u>	<u>(137,941)</u>	<u>(119,368)</u>	<u>(116,981)</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Covered payroll	\$ 1,099,534	\$ 1,045,718	\$ 1,075,393	\$ 954,152	\$ 994,261
Contributions as a percentage of covered payroll	16.14%	15.00%	12.83%	12.51%	11.77%

Note 1--This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Corporation is presenting information for those years for which information is available.

Note 2--The amounts presented for each fiscal year were determined as of the year end that occurred one year prior.

There were no changes from FY 2018 to FY 2019

Changes in Assumptions and Benefit Terms from FY 2017 to FY 2018:

- The assumed investment rate of return was decreased from 7.5% to 6.25%
- The assumed rate of inflation was reduced from 3.25% to 2.30%
- Payroll growth assumption was reduced from 4% to 2%

There were no changes from FY 2016 to FY 2017

Changes in Assumptions and Benefit Terms from FY 2015 to FY 2016:

- The assumed investment rate of return was decreased from 7.75% to 7.50%
- The assumed rate of inflation was reduced from 3.50% to 3.25%
- The assumed rate of wage inflation was reduced from 1.00% to 0.75%
- Payroll growth assumption was reduced from 4.50% to 4.00%

See Independent Auditors' Report

Schedule of Proportionate Share of the Net OPEB Liability

Waterfront Development Corporation

Last Two Fiscal Years Ended June 30

	<u>2019</u>	<u>2018</u>
Corporations' proportionate of the net OPEB liability	\$ 718,551	\$ 797,930
Corporations' proportionate share of the net OPEB liability	0.029%	0.040%
Covered payroll	\$ 1,099,534	\$ 1,045,718
Organization's share of the net OPEB liability as a percentage of its covered payroll	65.35%	76.30%
Total Plan fiduciary net position as a percentage of the total OPEB liability	59.76%	54.52%

Note 1--This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Corporation is presenting information for those years for which information is available.

Note 2--The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

See Independent Auditors' Report

Schedule of Employer Contributions - OPEB

Waterfront Development Corporation

Last Two Fiscal Years Ended June 30

	<u>2019</u>	<u>2018</u>
Statutorily required contribution	\$ 57,543	\$ 60,670
Contributions in relation to the contractually required contribution	<u>(57,543)</u>	<u>(60,670)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,099,534	\$ 1,045,718
Contributions as a percentage of covered payroll	5.23%	5.80%

Note 1--This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Corporation is presenting information for those years for which information is available.

See Independent Auditors' Report

Other Supplemental Information

Agency Fund
 Statements of Changes in Net Position

Waterfront Development Corporation

Year Ended June 30, 2019

Belvedere Fund

	Balance				Balance
	June 30, 2018	Additions	Deductions	Transfers	June 30, 2019
Assets					
Cash	\$ 26,397	\$ 109,535	\$ (124,521)	\$	\$ 11,411
Investments	100,000				100,000
Accounts receivable		250			250
	<u>\$ 126,397</u>	<u>\$ 109,785</u>	<u>\$ (124,521)</u>	<u>\$</u>	<u>\$ 111,661</u>
Liabilities					
Damage deposit liability	\$ 3,550	\$ 1,000	\$ (3,550)		\$ 1,000
Other	2,437		(2,437)		
Held for the Belvedere	120,410	(9,749)			110,661
	<u>\$ 126,397</u>	<u>\$ (8,749)</u>	<u>\$ (5,987)</u>	<u>\$</u>	<u>\$ 111,661</u>

See Independent Auditors' Report

**Independent Auditors' Report on Internal Control
over Financial Reporting and on Compliance
and Other Matters Based on an Audit of
Financial Statements Performed in Accordance
with *Government Auditing Standards***



**Independent Auditors' Report on Internal Control
over Financial Reporting and on Compliance
and Other Matters Based on an Audit of
Financial Statements Performed in Accordance
with Government Auditing Standards**

To the Board of Directors
Waterfront Development Corporation
Louisville, Kentucky

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, and each major fund of the Waterfront Development Corporation (the "Corporation"), a component unit of Louisville/Jefferson County Metro Government ("Metro Government"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated October 16, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

STROTSMAN AND COMPANY

Louisville, Kentucky
October 16, 2019

DRAFT:

JUNETEENTH JUBILEE 2020

SAMPLE PROGRAM by Jecorey "1200" Arthur

Friday, June 19th, 2020

1:00 PM — 10:00 PM

Louisville Waterfront Park

Afternoon Jubilee..... *Festival Plaza*
1:00 PM — 5:00 PM

Black Walnut Street

- ★ black vendors, businesses, services

Live Music

- ★ youth groups such as Lanita's Rocknettes, Pipe Drummers of RCDC, AMPED, WESTEC, West Louisville Boys and Girls Club, Blazin' Strings, and more

Arts and Crafts

- ★ arts orgs with black-focused crafting such as Speed Art Museum, Carnegie Center for Art and History, KMAC, and more

Evening Jubilee..... *York Statue*
5:00 PM — 8:00 PM

- ★ historical activities, reenactments, and more (while deejays play plaza)
- ★ march begins towards Festival Plaza by 7:30 PM
- ★ march to include community orgs, citizens, and the Jubilee Drumline

Night Jubilee..... *Festival Plaza*
8:00 PM — 10:00 PM

Black Walnut Street

- ★ black vendors, businesses, services

Live Music

- ★ local acts such as Linkin' Bridge, Jason Clayborn and the Atmosphere Changers, and more

Arts and Crafts

- ★ arts orgs with black-focused crafting such as Speed Art Museum, Carnegie Center for Art and History, KMAC, and more

***different events have different target markets (downtown workers/youth/seniors/grandparents for the first, families/orgs for the second, millennials for the third)

Mitchell-Smith, Wanda D.

From: Yates, David
Sent: Thursday, March 12, 2020 2:25 PM
To: Powell, Brian
Cc: Mitchell-Smith, Wanda D.
Subject: Waterfront NDF Signature

Brian,

I give you permission to sign for \$1,000 to the Waterfront Juneteenth NDF.

Thank you,



David Yates

Councilman

District 25

601 West Jefferson St, 3rd floor

Louisville, KY 40202

Email: david.yates@louisvilleky.gov

Office: (502) 574-1125

Click [HERE](#) to sign up for the weekly District 25 eNews!

Notice of Confidentiality: This e-mail, including any attachments, is intended only for the use of the individual or entity to which it is addressed and may contain confidential information that is legally privileged and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, you are notified that any review, use, disclosure, distributing or copying of this communication is strictly prohibited. If you have received this communication in error, please contact the sender by reply e-mail and destroy (delete) all forms of the original message.

Mitchell-Smith, Wanda D.

From: Bilitski, Deborah
Sent: Tuesday, March 10, 2020 5:42 PM
To: Mitchell-Smith, Wanda D.
Cc: Smith, Ashley; Pat Mathison
Subject: 3/10 Juneteenth NDF update

Hi Wanda, CM Benson and CM Yates have both signed on for \$1000, and CM Yates requested to be added as a sponsor. Here's the updated list of supporters:

Green - \$1000
Dorsey - \$1500 SPONSOR (*note amount increased to \$1500)
James - \$TBD
McCraney - \$1000
Hollander - \$TBD 1,000 Sponsor
Mulvihill - \$1000
Peden - \$TBD Sponsor
Benson - \$1000
Yates - \$1000 SPONSOR

Still waiting on lots of call backs!

Thanks,
Deborah

Deborah Bilitski
President/Executive Director
Waterfront Development Corporation
129 River Road
Louisville, Kentucky 40202
502.574.3768
www.louisvillewaterfront.com



Mitchell-Smith, Wanda D.

From: Bilitski, Deborah
Sent: Monday, March 9, 2020 1:00 PM
To: Mitchell-Smith, Wanda D.
Cc: Smith, Ashley; Runyon, Kelley; Pat Mathison
Subject: Juneteenth NDF
Attachments: Final Juneteenth Jubilee 2020 NDF.pdf

Wanda, attached please find the updated NDF application for Juneteenth. We will continue to call Council members to attempt to secure contributions and will keep you posted on the amounts committed. As of last check, we had commitments from the following Council members:

Green - \$1000
Dorsey - \$1000 and would like to COSPONSOR
James - \$TBD
McCraney - \$1000
Hollander - \$TBD
Mulvihill - \$1000
Peden - \$TBD

Please let us know if you need any additional info. Thank you for your assistance!
Deborah

Deborah Bilitski
President/Executive Director
Waterfront Development Corporation
129 River Road
Louisville, Kentucky 40202
502.574.3768
www.louisvillewaterfront.com



Mitchell-Smith, Wanda D.

From: Smith, Ashley
Sent: Monday, April 6, 2020 11:23 AM
To: Mitchell-Smith, Wanda D.
Subject: Juneteenth update

Dear Wanda,

Thanks so much for your call this morning. As we discussed, we have made the recent decision to postpone the Juneteenth Jubilee from June 19, 2020 to August 7, 2020.

Thank you again for your help with our NDF application.

Stay well!
With sincere appreciation,
Ashley

Ashley Smith
Director of Development
Waterfront Park
129 River Road
Louisville, Kentucky 40202
502.744.5743 – mobile

**NEIGHBORHOOD DEVELOPMENT FUND
Not-for-Profit Transmittal and Approval Form**

Applicant/Program: Waterfront Development Corporation Juneteenth Jubilee
Applicant Requested Amount: \$26,000.00
Appropriation Request Amount: ~~\$9,500.00~~ \$14,000 ~~\$18,500~~ \$13,000 ~~\$12,000~~ \$18,000

Executive Summary of Request
 This is the 2nd Annual Juneteenth Jubilee celebration to be held now on Friday, August 7th, 2020 and will be from 1:00p p.m. - 10:00 p.m.. This is a historic celebration engages the entire community through arts, education and commerce in commemoration of this profoundly significant date.

Is this program project a fundraiser? Yes No
 Is this applicant a faith based organization? Yes No
 Does this application include funding for sub-grantee(s)? Yes No

I have reviewed the attached Neighborhood Development Fund Application and have found it complete and within Metro Council guidelines and request approval of funding in the following amount(s). I have read the organization's statement of public purpose to be furthered by the funds requested and I agree that the public purpose is legitimate. I have also completed the disclosure section below, if required.

4 District # Barbara Taylor Smith Primary Sponsor Signature \$2,000 Amount 4/13/20 Date

Primary Sponsor Disclosure
 List below any personal or business relationship you, your family or your legislative assistant have with this organization, its volunteers, its employees or members of its board of directors.

Approved by: Rail Bevel 4-17-20
 Appropriations Committee Chairman Date
 Final Appropriations Amount: _____

Approved Committee
Date: 4-15-2020

DocuSign Envelope ID: DD837C3B-AE46-4DAD-85C2-9B829D982E13

Department/Project:
JUNETEENTH JUBILEE - WATERFRONT DEVELOPMENT CORPORATION

Additional Signatures

I have reviewed this request for an expenditure of city tax dollars, and have determined the funds will be used for a public purpose.

Council Member Signature and Amount

District 1	<i>[Signature]</i>	\$ 500
District 2	<i>[Signature]</i>	\$ 1,000
District 3	<i>Keisha Dorsey</i>	\$ 1,500
District 4	<i>Barbara Sexton Smith</i>	\$ 2,000
District 5		\$
District 6	<i>[Signature]</i>	\$ 1,000
District 7		\$
District 8	<i>[Signature]</i>	\$ 1,000
District 9	<i>[Signature]</i>	\$ 1,000
District 10	<i>[Signature]</i>	\$ 1,000
District 11		\$
District 12	<i>[Signature]</i>	\$ 500
District 13	<i>Mark Foy</i>	\$ 500
District 14	<i>[Signature]</i>	\$ 500
District 15	<i>Kevin Triplett</i>	\$ 1,000
District 16		\$
District 17	<i>[Signature]</i>	\$ 250
District 18		\$
District 19	<i>[Signature]</i>	\$ 500
District 20	<i>Stuart Benson</i>	\$ 1,000
District 21	<i>[Signature]</i>	\$ 500
District 22	<i>[Signature]</i>	\$ 250
District 23	<i>James Peden</i>	\$ 500
District 24	<i>[Signature]</i>	\$ 1,000
District 25	<i>[Signature]</i>	\$ 1,500
District 26	<i>[Signature]</i>	\$ 500