

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

Applicant/Program: City of Old Brownsboro Place

Executive Summary of Request:

Street Sign Improvements throughout the city of Old Brownsboro Place. Current condition of street signs are horrible. They cannot be legibly read which becomes a matter of public safety with/for emergency services.

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.

7
District #

[Signature]
Primary Sponsor Signature

\$3000.00
Amount

10.02.14
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.

N/A

Approved by:

Appropriations Committee Chairman

Date

Clerk's Office Only:

Request Amount: _____

Committee Amended Appropriation: _____

Original Appropriation: _____

Council Amended Appropriation: _____

OFFICE OF METRO COUNCIL CLERK

REVIEWED

DATE 10.10.14 TIME 11:35am

NDF NON-PROFIT APPLICATION CHECKLIST

Legal Name of Applicant Organization: <u>City of Brownsboro Place</u>		
Program Name: <u>Street Sign Improvements</u>	Request Amount: <u>3000.00</u>	
Request form: Is the NDF request form signed by all Council Member(s) appropriating funding?		Yes/No/NA ✓
Request form: Is the funding proposed less than or equal to the request amount?		✓
Request form: Have all known Council or Staff relationships to the Agency been adequately disclosed on the cover sheet?		✓
Application Page 1: Has prior Metro funds committed/granted been disclosed?		✓
Application Page 1: Is the application properly signed and dated by authorized signatory?		N/A
Application Page 3: Reimbursement funding – One or two boxes checked if any expenses are incurred before the grant award period. Is all required documentation included?		✓
Application Pages 3 – 5: Is the proposed public purpose of the program well-documented?		N/A
Application 4: Is there adequate documentation of how the proceeds of the fundraiser will be spent?		✓
Application Budget Page 6: Does the application budget reflect only the revenue and expenses of the project/program (page 6) if the request is not an operating budget request? Is all detail schedules included for "Metro, Non Metro and Total" expense funds for client assistance, community events & festivals and other expenses? And does the Non-Metro Revenue equal the Non-Metro expenses?		N/A
Faith Based Organizations: Is the signed Faith Based Form signed and included?		✓
Jefferson County Only: Will all funding be spent in Louisville/Jefferson County?		N/A
Capital Project(s) request: Is the cost estimate(s) from proposed vendor(s) included?		✓
Good Standing: Is the entity in good standing with:		
<ul style="list-style-type: none"> • Kentucky Secretary of State – include Secretary of State website information on organization • Louisville Metro Government – check OMB monthly report filed in Council Financial Reports • Internal Revenue Service – most recent Form 990 included 		✓
Separate Taxing Districts: If Metro funding is for a separate taxing district, is the funding appropriated for a program outside the legal responsibility of that taxing district?		✓
Small Cities: Is the resolution included agreeing to partner with Louisville Metro on the capital project? (IRS Determination letter not required, Form 990 not required, but KY SOS acknowledgement is)		N/A
Operating Requests: Is recommended operating funding less than or equal to 33% of total operating budget?		
IRS Exempt Proof: Is proof of Tax Exempt status of 501(c) 3, 4, 6, 19, 1120-H included?		N/A
Operating Budget: Is the organization's current fiscal year operating budget included?		✓
Ordinance Required: Is the amount committed by Council members greater than \$5,000 to any one project/program within an organization in this fiscal year.		N/A
Board Members: Is the entity's board member list (with term length/term limits) included?		✓
Staff: Is a list of the highest paid staff included with their expected annual personnel costs?		N/A
Annual Audit: Is the most recent annual audit (if required by organization) included?		✓
Rent Requests: Is a copy of signed lease included?		N/A
Articles of Incorporation: Are the Articles of Incorporation of the organization included?		✓
IRS Form W-9: Is the IRS Form W-9 included?		✓
Evaluation Forms: Are the evaluation forms (if program participants are given evaluation forms) included?		N/A
Affirmative Action: Affirmative Action/Equal Employment Opportunity plan and/or policy statement included (if required by the organization)?		N/A
Prepared by: <u>[Signature]</u>		Date: <u>9/25/14</u>



LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 1 - APPLICANT INFORMATION

Legal Name of Applicant Organization:

(as listed on: <http://www.sos.ky.gov/business/records>)

City of Old Brownsboro Place

Main Office Street & Mailing Address: 2418 Chatterworth Lane, Louisville KY 40242

Website: NA

Applicant Contact: Amanda Walukas

Title: Commissioner

Phone: 502-345-2522

Email:

Financial Contact: David Weinberg

Title:

Treseruer

Phone: 502-425-0217

Email:

Organization's Representative who attended NDF Training: Mayor Wayne Yeager/Amanda Walukas

GEOGRAPHICAL AREA(S) WHERE PROGRAM ACTIVITIES ARE (WILL BE) PROVIDED

Program Facility Location(s): Street Signs Throughout Neighborhood

Council District(s): 7

Zip Code(s): 40242

SECTION 2 - PROGRAM REQUEST & FINANCIAL INFORMATION

PROGRAM/PROJECT NAME: STREET SIGNS IMPROVEMENT

Total Request: (\$) \$3,000

Total Metro Award (this program) in previous year: (\$) No

Purpose of Request (check all that apply):

- ☐ Operating Funds (generally cannot exceed 33% of agency's total operating budget)
- ☐ Programming/services/events for direct benefit to community or qualified individuals
- ☒ Capital Project of the organization (equipment, furnishing, building, etc)

The Following are Required Attachments:

- ☐ IRS Exempt Status Determination Letter
- ☒ Current Year Projected Budget
- ☒ List of Board of Directors (include term & term limits)
- ☒ Current financial statement
- ☐ Most recent IRS Form 990 or 1120-H
- ☒ Articles of Incorporation
- ☒ Cost estimates from proposed vendor if request is for capital expense
- ☐ Signed lease if rent costs are being requested
- ☒ IRS Form W9
- ☐ Evaluation forms if used in the proposed program
- ☒ Annual audit (if required by organization)
- ☐ Faith Based Organization Certification Form, if required
- ☐ Staff including the 3 highest paid staff

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: Attached

Amount: (\$)

Source:

Amount: (\$)

Source:

Amount: (\$)

Has the applicant contacted the BBB Charity Review for participation? ☐ Yes ☒ No

Has the applicant met the BBB Charity Review Standards? ☐ Yes ☐ No



LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 3 - AGENCY DETAILS

Describe Agency's Vision, Mission and Services:

Our vision as a city council is to serve the community by providing a safe community with a high quality of life.



LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 4 - 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.):

Program and design of new street signs is attached.
We request to have all street signs which are
currently in horrible state.

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

attached



LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

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

N/A

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:

☐ Effective October 24, 2013, reimbursements should not be made 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.

☒ 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.

AMW



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:

As stated previously, the current green street signs need or must be replaced regardless. They are visably in horrible condition. So safety coupled with adding beauty to our neighborhood is the measurable outcome we are looking for.

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.

N/A



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SECTION 5 – 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 (Attach Detailed List)			
G: Professional Service Contracts			
H: Program Materials			
I: Community Events & Festivals (Attach Detail List)			
J: Small Equipment			
K: Capital Equipment	\$3,000	\$7,936.89	\$10,936.89
L: Other Expenses (Attach Detail List)			
*TOTAL PROGRAM/PROJECT FUNDS	\$3,000	\$7,936.89	\$10,936.89
	35 %	65 %	100%

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

Other State, Federal or Local Government	NA
United Way	NA
Private Contributions (do not include individual donor names)	NA
Fees Collected from Program Participants	NA
Other (please specify)	Annual taxes
	\$7,936.89

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

**Must equal or exceed total in column 2.



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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
<i>Total Value of In-Kind (to match Program Budget Line Item. Volunteer Contribution & Other In Kind)</i>		

* 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:

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 6 -- 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 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.
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 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.

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 7 -- 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:	<i>Amanda D. Walukas</i>	Date:	6/10/2014
Legal Signatory: (please print):	Amanda D. Walukas	Title:	Commissioner
Phone:	502-345-2522	Extension:	—
Email:	a.walukas@twc.com		

SECTION 2-FINANCIAL INFORMATION-ADDENDUM

- Exempt status determination letter-The City is a tax exempt municipality and exempt under code 509A1 for government entities. 501c3 determination not applicable.
- Current budget-attached-Note- The budgeted surplus for the year is designated for road repaving in the near future.
- Current council members:
 - Wayne Yeager-Mayor
 - Joe Sullivan-Council
 - Sally Harper-Council
 - Steve Scott-Council
 - Amanda Walukas-Council
 - Julie Small-Sect
 - David Weinberg-Treas
- Current financial statement-Attached
- Articles of Incorporation-Attached
- Cost Estimate from proposed vendor-Attached
- W-9 Attached
- Annual Audit-Attached
- Staff- No paid staff. Mayor and Council members are not paid. All other services are contracted.

**Budget
FY 6/14**

Insurance tax	20,000
Interest income	500
MRAF	9,000
Property taxes	
Current year	114,200
Prior year	
Miscellaneous	
Telecommunications tax	2,800
Total Revenues	146,500

Expenditures

Clerk	1,200
Engineer	1,200
Financial Audit	4,900
Insurance	4,400
Irrigation	1,000
Lawn care/snow removal/road maint	32,500
Memberships	500
Postage	300
Professional fees	500
Real estate tax expense	2,100
Repairs	2,000
Refuse	34,000
Security	10,800
Treasury & Bookkeeping assistance	2,000
Utilities	10,000
Holiday Decorations	1,600
Miscellaneous	2,000
Total Expenditures	111,000

Net Gain/(Loss)	35,500.00
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Depreciation

Net Gain/(Loss) after depreciation

City of Old Brownsboro Place
Summary of Revenue and Expenditures
DEC 31, 2013

	<u>Through Prior Period</u>	<u>Current Period</u>	<u>Through DEC., 2013</u>	<u>Budget FY 6/14</u>	<u>BUDGET VARIANCE</u>
Insurance tax	7,832.88	41.28	7,874.16	20,000	-12,125.84
Interest income	199.56	36.29	235.85	500	-264.15
MRAF	3,779.46	711.84	4,491.30	9,000	-4,508.70
Property taxes					
Current year	0.00	18,083.71	18,083.71	114,200	-96,116.29
Prior year	0.00	0.00	0.00		0.00
Miscellaneous	4.14	0.00	4.14		4.14
Telecommunications tax	1,199.36	239.88	1,439.24	2,800	-1,360.76
Total Revenues	13,015.40	19,113.00	32,128.40	146,500	-114,371.60
Expenditures					
Clerk	500.00	100.00	600.00	1,200	600.00
Engineer	500.00	100.00	600.00	1,200	600.00
Financial Audit	4,900.00	0.00	4,900.00	4,900	0.00
Insurance	4,434.67	0.00	4,434.67	4,400	-34.67
Irrigation	322.50	0.00	322.50	1,000	677.50
Lawn care/snow removal/road maint	5,165.00	3,161.00	8,326.00	32,500	24,174.00
Memberships	127.92	0.00	127.92	500	372.08
Postage	92.00	0.00	92.00	300	208.00
Professional fees	0.00	105.00	105.00	500	395.00
Real estate tax expense	1,989.83	0.00	1,989.83	2,100	110.17
Repairs	275.13	0.00	275.13	2,000	1,724.87
Refuse	11,261.60	2,815.40	14,077.00	34,000	19,923.00
Security	3,600.00	900.00	4,500.00	10,800	6,300.00
Treasury & Bookkeeping assistance	750.00	150.00	900.00	2,000	1,100.00
Utilities	3,521.08	754.77	4,275.85	10,000	5,724.15
Holiday Decorations	0.00	1,569.60	1,569.60	1,600	30.40
Miscellaneous	437.11	332.36	769.47	2,000	1,230.53
Total Expenditures	37,876.84	9,988.13	47,864.97	111,000	63,135.03
Net Gain/(Loss)	-24,861.44	9,124.87	-15,736.57	35,500.00	-51,236.57
Depreciation	0.00	0.00	0.00		
Net Gain/(Loss) after depreciation	-24,861.44	9,124.87	-15,736.57		

CITY OF OLD BROWNSBORO PLACE
BALANCE SHEET
DEC.31, 2013

<u>ASSETS</u>	<u>CURRENT</u> <u>MONTH</u>	<u>PRIOR</u> <u>MONTH</u>	<u>BEG YR</u> <u>1-Jul</u>
CASH-OPERATIONS	3,052.27	2,675.09	2,928.92
CASH-MONEY MARKET	162,317.10	154,284.56	185,009.63
CASH-MRAF OPERATING ACCT	39,166.73	38,451.58	33,801.00
CASH-PETTY CASH FUND	50.00	50.00	50.00
ACCOUNTS RECEIVABLE-TAXES	0.00	0.00	110.61
ACCOUNTS RECEIVABLE-OTHER	0.00	0.00	8,208.67
PREPAID INSURANCE	0.00	0.00	320.67
CAPITAL ASSETS, NET OF DEPRECIATION	41,637.00	41,637.00	41,637.00
 TOTAL ASSETS	 246,223.10	 237,098.23	 272,066.50
 <u>LIABILITIES</u>			
ACCOUNTS PAYABLE	0.00	0.00	10,106.83
 TOTAL LIABILITIES	 0.00	 0.00	 10,106.83
 <u>FUND BALANCES/NET ASSETS</u>			
7/1-UNRESERVED FUND BALANCE	185,665.90	185,665.90	185,665.90
7/1-RESERVED FOR ROADS	34,656.77	34,656.77	34,656.77
7/1-FIXED ASSETS	41,637.00	41,637.00	41,637.00
C/Y UNRESERVED FUND	-20,246.53	-28,640.90	0.00
C/Y RESERVED FOR ROADS	4,509.96	3,779.46	0.00
C/Y FIXED ASSETS FUND	0.00	0.00	0.00
 TOTAL FUND BALANCES	 246,223.10	 237,098.23	 261,959.67
 TOTAL LIABILITIES AND FUND BALANCES	 246,223.10	 237,098.23	 272,066.50

Request for Taxpayer Identification Number and Certification

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

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

CITY OF OLD BROWNSBORO PLACE

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification:

☐ Individual/sole proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶

☒ Other (see instructions) ▶

Gov Agency -

Address (number, street, and apt. or suite no.)

PO Box 22192

City, state, and ZIP code

LOUISVILLE, KY. 40252

List account number(s) here (optional)

Exemptions (see instructions):

Exempt payee code (if any)

Exemption from FATCA reporting
code (if any)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number

 - -

Employer identification number

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 on page 3.

Sign
Here

Signature of
U.S. person ▶

[Signature]

Date ▶

4/19/17

General Instructions

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

Future developments. The IRS has created a page on IRS.gov for information about Form W-9, at www.irs.gov/w9. Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the

withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

**City of Old Brownsboro Place
Municipal Order #13-1
A Municipal Order Related To
Entering Into the Metro Louisville Partnership Program**

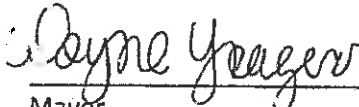
Whereas, the Louisville/Jefferson County Metro Government Council has enacted its Ordinance No. 110, Series 2006, Section 97.100 of the Louisville/ Jefferson County Metro Government Code of Ordinances (LMCO) establishing a Metro Partnership Program with Suburban Cities for the Capital improvement Program (the "Program"); and

Whereas, the City of Old Brownsboro Place (the "City") wishes to participate in the Program pursuant to LMCO 97.100 (F).

Be It Ordered By the City of Old Brownsboro Place:

1. The City hereby elects to participate in the Program for the capital projects which are authorized by LMCO 97.100
2. The City agrees to construct projects funded in whole or in part by the Program in the accordance with the standards established in compliance with LMCO 97.100.

Adopted this 16th day of September 2014



Mayor

Attest:


City Commissioner

Those in Favor: 4
Those Opposed: 0

97.100 PROGRAM ESTABLISHED; ADMINISTRATION.

(A) The Metro Partnership with suburban cities for a Capital Improvement Program (the "Program") is hereby established within Louisville Metro and within all other municipalities within Jefferson County, Kentucky which formally adopt the Program. The Program shall be supervised and directed by the appropriate Metro Department Director, pursuant to guidelines established by Council rules, policies, and procedures.

(B) Any project funded under this Program shall also provide a benefit to the Metro area in compliance with Section 179 of the Kentucky Constitution.

(C) The purpose of the Program shall be to promote, provide for, and maximize the mutual benefit of all capital improvements constructed within the various municipalities in Jefferson County, and to assure that such projects are constructed in accordance with federal, state, and Metro standards.

(D) The Chief Financial Officer, or designee, shall establish an account and a budget line item for the Program within the appropriate Metro department to which MIF/CIF funds may be appropriated, and from which all expenditures shall be made.

(E) Any municipality within Jefferson County may participate in the Program by adopting a resolution, which resolution shall also state the municipality's agreement

to construct capital projects funded in whole or in part by the Program in accordance with standards established under subsection (A), above. In addition, any municipality may also participate in the Program by Executive Order of said municipality

(F) Program funds shall only be expended for projects within Metro Louisville and within other municipalities of Jefferson County which are participants in the Program.

Lou. Metro Ord. No. 110-2001, approved 7-5-2008) Penalty, see 97.909

NO. 234665

JEFFERSON CIRCUIT COURT
7th DIVISION

PETITIONERS

WILLIAM M. ISSAC, et al.

In Re: City of Old Brownsboro Place, Kentucky

J U D G M E N T

* * *

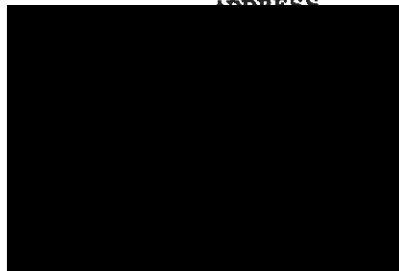
This action having come on to be heard on Motion of the petitioners, William M. Issac, Alvin Davis, Carol Sivewright, Judy Steinfield, Cliff Coleman, and David Weinburg, to enter a Judgment herein establishing the City of Old Brownsboro Place, located in Jefferson County, Kentucky, and it appearing to the Court that the form of the said proposed city is square; that the said proposed city does not exceed one-half (1/2) mile in each direction; that at least 125 inhabitants reside within the boundaries of the proposed city; and that the petition filed herein was signed by at least two-thirds (2/3) of the qualified voters living within the boundaries of the proposed city; that notice of filing of the petition and the objects of this suit were duly published in one issue of the Courier-Journal, a daily newspaper of general circulation in Jefferson County, Kentucky; and no defense or objections having been interposed to said incorporation and the Court being sufficiently advised, it is now ORDERED, ADJUDGED AND DECREED that the City of Old Brownsboro Place be, and the same is hereby established a City of the Sixth (6th) Class under the laws of the State of Kentucky and that the boundaries of said city are as follows:

BEGINNING in the original center line of Brownsboro Road, at the Northeasterly corner of the tract conveyed to Ellen M. Taylor and her children, by deed of record in Deed Book 535, Page 344, in the office of the Clerk of the County Court of Jefferson County, Kentucky; thence with the Easterly line of the said tract and the

record in Deed Book 537, Page 25; in the Office aforesaid, South 05 degrees 19 minutes East 85.28 poles to the most Easterly corner of the tract conveyed to Ellen M. Taylor and her children by deed of record in Deed Book 237, Page 247, in the office aforesaid; thence with the Southeasterly line of said last mentioned tract South 46-1/2 degrees West 82-1/2 poles, more or less, to the most Easterly corner of the tract conveyed to Bettie Johnson Bate by deed of record in Deed Book 806, Page 83, in the office aforesaid, thence with the Northeasterly line of said Bate tract, North 37 degrees 42 minutes West 110 poles, more or less, to the original center line of Brownsboro Road; thence with the original center line of Brownsboro Road, North 49 degrees 45 minutes East 60.4 poles to a turn in said road; thence continuing with the original center line of said road, North 73 degrees East 22 poles, and North 39 degrees 45 minutes East 14.16 poles, more or less, to the most Westerly corner of the tract conveyed to Lloyd G. Terrell and wife, by deed of record in Deed Book 2492, Page 461, in the office aforesaid; thence with the Southerly line of said Terrell tract, Eastwardly 20.2 poles, more or less, to the most Easterly corner of same; thence with the original center line of Brownsboro Road, North 88 degrees 10 minutes East 17.3 poles to the beginning.

The following voters residing within said area are appointed as officials of the City of Old Brownsboro Place to fill the office set out following their respective names:

NAME
William M. Issac
Alvin Davis
Carol Sivewright
Judy Steinfeld
Cliff Coleman
David Weinberg
John Wiebe
Norman J. Snow



OFFICE
Chairman
Trustee
Trustee
Trustee
Trustee
Trustee
Police Judge
Marshall

Said persons shall hold their respective offices until the next election at which officials of cities and towns may be elected.

The Clerk of this Court is directed within ten (10) days after the date of the entry of this Judgment to certify a copy thereof to the Secretary of State of the Commonwealth of Kentucky, Frankfort, Kentucky.

A COPY
ATTEST: PAULIE [Signature]
JEFFERSON CIR
LOUISVILLE KE
BY [Signature]
CLERK
COURT

SUBMITTED BY:

[Signature]
Bruce P. Zalman
Attorney for Petitioners

JUDGE [Signature]
Entered: Oct. 13 1977

FILED ON DOCKET OCT. 13 1977
RECEIVED OCT. 13 1977
BOOK NO. 168
PAGE 428
ATTEST

City of Old Brownsboro Place

P. O. BOX 22192

LOUISVILLE, KENTUCKY 40222

June 29, 1981

Secretary of State
Frankfort, Kentucky

The following data is hereby submitted to comply with
KRS 81.045.

- I. City - Old Brownsboro Place.
- II. Date of Incorporation - October 3, 1977.
- III. Classification - City of the Sixth Class.
- IV. Present Boundaries - A description of the boundaries
as originally incorporated in 1977 and the area
obtained by annexation in 1980 are attached.



N. D. Weinberg
Chairman, Board of Trustees

Attach.

1977 INCORPORATION

BEGINNING in the original center line of Brownsboro Road, at the Northeasterly corner of the tract conveyed to Ellen M. Taylor and her children, by deed of record in Deed Book 535, Page 344, in the office of the Clerk of the County Court of Jefferson County, Kentucky; thence with the Easterly line of the said tract and the Westerly line of the tract conveyed to W. W. Young by deed of record in Deed Book 537, Page 25, in the Office aforesaid, South 05 degrees 19 minutes East 85.28 poles to the most Easterly corner of the tract conveyed to Ellen M. Taylor and her children by deed of record in Deed Book 237, Page 247, in the office aforesaid; thence with the Southeasterly line of said last mentioned tract South 46-1/2 degrees West 82-1/2 poles, more or less, to the most Easterly corner of the tract conveyed to Bettie Johnson Bate by deed of record in Deed Book 806, Page 83, in the office aforesaid, thence with the Northeasterly line of said Bate tract, North 37 degrees 42 minutes West 110 poles, more or less, to the original center line of Brownsboro Road; thence with the original center line of Brownsboro Road, North 49 degrees 45 minutes East 60.4 poles to a turn in said road; thence continuing with the original center line of said road, North 73 degrees East 22 poles, and North 39 degrees 45 minutes East 14.16 poles, more or less, to the most Westerly corner of the tract conveyed to Lloyd G. Terrall and wife, by deed of record in Deed Book 2492, Page 461, in the office aforesaid; thence with the Southerly line of said Terrall tract, Eastwardly 20.2 poles, more or less, to the most Easterly corner of same; thence with the original center line of Brownsboro Road, North 88 degrees 10 minutes East 17.3 poles to the beginning.

1980 ANNEXATION

a) The J.S. Nugent property located in Deed Book 2667, Page 250 of the Jefferson County Court Clerk's Office, herein more particularly described as follows:

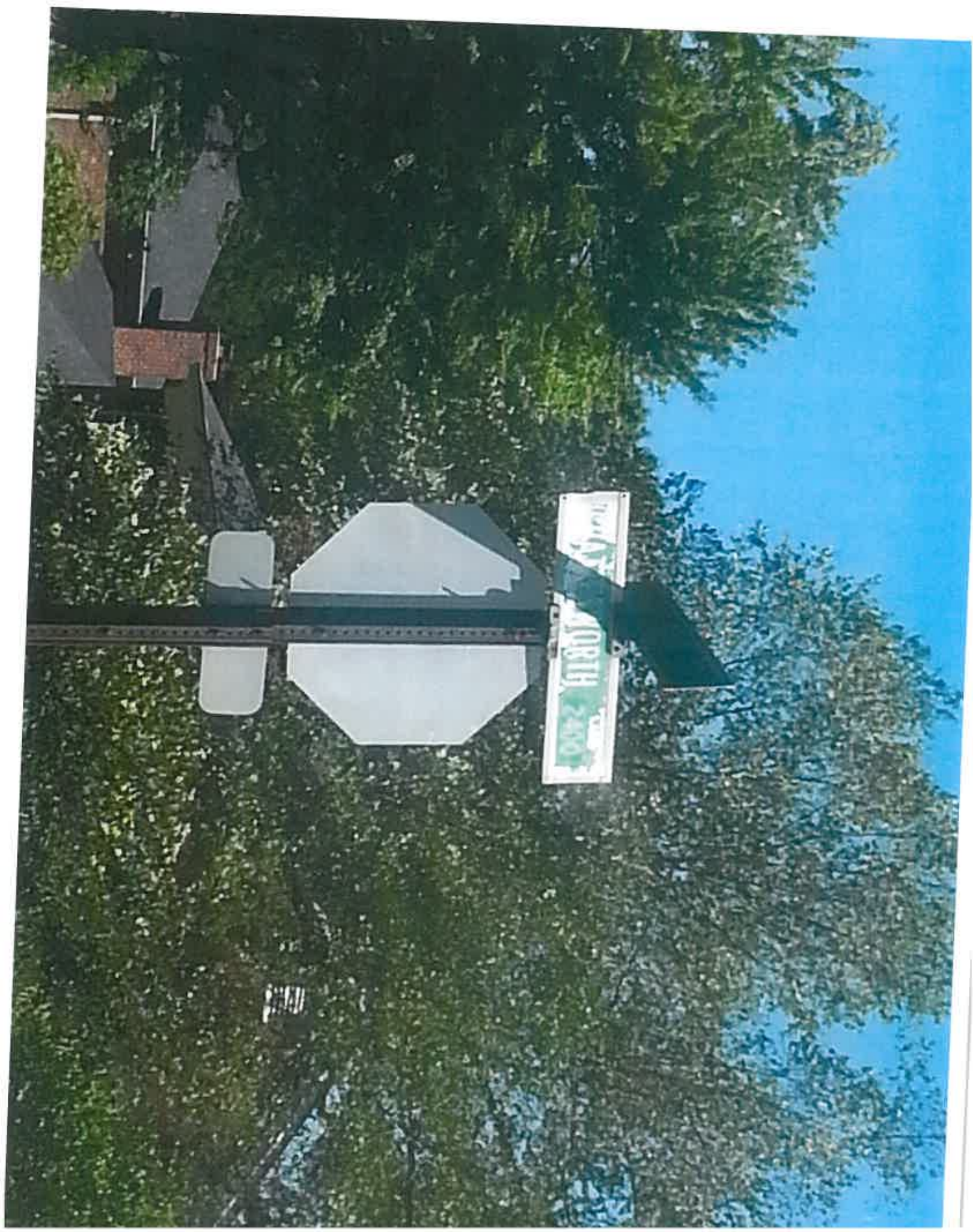
Beginning in the center of the Brownsboro Road at the Southwest corner of the tract of land conveyed to Ellen M. Taylor, by deed dated October, 1880, recorded in Deed Book 237, Page 247, in the office of the Clerk of the County Court at Jefferson County, Kentucky; running thence with the middle of the Brownsboro Road, North 49 degrees, 18 minutes east, 417.4 feet to a point in the center of said road; thence south 37 degrees, 42 minutes east, 1820.52 feet to a corner of Schoefel's line; thence with the south line of Schoefel; south 45 degrees 48 minutes west, 417.4 feet to another corner of Schoefel; thence with the southwest line of Mrs. Ellen M. Taylor's original tract, north 37 degrees, 45 minutes west, 1846.15 feet to the beginning.

Title to said property having been acquired by Thomas L. Nugent and Edith M. Nugent, his wife, for their joint lives with remainder in fee simple to the survivor of them by deed dated July 15, 1930, of record in Deed Book 1448, Page 190, in the aforesaid Clerk's Office; the said Edith M. Nugent having died March 13, 1937, thus vesting the fee simple title in her husband, Thomas L. Nugent, Sr. (also known as Thomas C. L. Nugent) died intestate November 18, 1941, leaving no wife surviving him, and title to said property having been acquired by Thomas C. Nugent, Richard J. Nugent, and Edith Monahan, as the only children and heirs at law of Thomas L. Nugent, Sr. See Affidavit of descent recorded August 5, 1947, of record in Deed Book 2267, Page 471, in the aforesaid Clerk's Office.

STANTON

HEATHERLY SQUARE 7200





Old Brownsboro Place

Street Sign Unit
with Stop Sign Proof

10-15-13



BROWNSBORO
ROAD

Location 1

CHATTESWORTH
LANE

CHATTESWORTH
LANE

Location 4

SHEFFORD
LANE

HEATHERLY
SQUARE

Location 5

STAYTON
WAY

Street Sign Unit with Stop Sign:

- (2) 30" x 12" Sheet Aluminum Street Sign
- (1) 3" x 3" x 12" Square Aluminum Post with Cap
- (1) 30" x 30" DOT Stop Sign



Sign for Address:	Project Location: Project Name: Project Address: Project City: Project State: Project Zip: Project Phone: Project Email:
Project Name:	Project Address:
Project City:	Project State:
Project Zip:	Project Phone:
Project Email:	

Eagle Sign & Design Inc, 901 E. Liberty St., Louisville, KY 40204 888-561-0007 Sales@EagleSign.com

Eagle Sign & Design, Inc.

Foundrymen Bronze & Aluminum

901 E. Liberty Street

Louisville, KY 40204

(502) 561-0007 (502) 561-0051 FAX

ESTIMATE

DATE	ESTIMATE NO.
3/4/2014	E18717

NAME / ADDRESS
Old Brownsboro Place Attn: Amanda Walukas 2510 Ballantrac Circle Louisville KY 40242

Ship To
Old Brownsboro Place Attn: Amanda Walukas 2510 Ballantrac Circle Louisville, KY 40242 345-2522

PROJECT

DESCRIPTION	QTY	COST	TOTAL
30" Sheet Aluminum Decorative Street Signs	21	165.00	3,465.00
3" x3" x 12FT Aluminum Posts with Caps	11	238.00	2,618.00
Sheet Aluminum DOT 30" Stop Signs	10	85.00	850.00
Sheet Aluminum DOT 30" Yield Signs	4	85.00	340.00
Sheet Aluminum DOT 18" x 24" Speed limit(20mph) Signs With 18" x 12" (Strictly Enforced) signs	3	128.00	384.00
Sheet Aluminum DOT 24" x 24" (No Outlet) Signs	1	81.00	81.00
Sheet Aluminum DOT 12" x 18" 9 (No Soliciting)	1	52.00	52.00
3" x 3" x 8ft Aluminum Posts with Caps	10	166.00	1,660.00
Art Work And Design Time	1	175.00	175.00
Installation: Remove Old Signs, posts And Install New Signs And Posts	21	85.00	1,785.00
SUBTOTAL			11,410.00
Less Volume Discount		-1,000.00	-1,000.00

Accepted / Approved (Estimate honored for thirty days)

Name _____

Date _____

DEPOSIT: 50% Deposit required to begin production, balance due upon completion.

SALES TAX: 6% Kentucky sales tax applies

DELIVERY: 6-8 weeks from final approval. NOTE delivery times are subject to change when order is finalized and placed, depending on current production demand.

TOTAL

Eagle Sign & Design, Inc.

Foundrymen Bronze & Aluminum

901 E. Liberty Street

Louisville, KY 40204

(502) 561-0007 (502) 561-0051 FAX

ESTIMATE

DATE	ESTIMATE NO.
3/4/2014	E18717

NAME / ADDRESS
Old Brownsboro Place Attn: Amanda Walukas 2510 Ballantrae Circle Louisville KY 40242

Ship To
Old Brownsboro Place Attn: Amanda Walukas 2510 Ballantrae Circle Louisville, KY 40242 345-2522

PROJECT

DESCRIPTION	QTY	COST	TOTAL
Optional: 30" Decorative Traffic Sign Frames \$175.00ea. Optional: 24"x 24" Decorative Traffic Sign Frames \$145.00ea. Optional: 18" x 24" Decorative Traffic Sign Frames \$145.00ea. Optional: 18" x 12" or 12" x 18" Decorative Traffic Sign Frames \$90.00ea. Kentucky Sales Tax		6.00%	526.89

Accepted / Approved (Estimate honored for thirty days)

Name _____

Date _____

DEPOSIT: 50% Deposit required to begin production, balance due upon completion.

SALES TAX: 6% Kentucky sales tax applies

DELIVERY: 6-8 weeks from final approval. NOTE delivery times are subject to change when order is finalized and placed, depending on current production demand.

TOTAL

\$10,936.89



welenkenCPAs

CITY OF OLD BROWNSBORO PLACE, KENTUCKY

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2013 AND 2012

**CITY OF OLD BROWNSBORO PLACE, KENTUCKY
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730 W. Market Street, Ste. 200 • Louisville, Kentucky 40202
Tel 502 585 3251 • Fax 502 584 3048 • www.welenken.com

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and City Commissioners
City of Old Brownsboro Place, Kentucky

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Old Brownsboro Place, Kentucky, as of and for the years ended June 30, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 auditor's 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 auditor considers internal control relevant to the entity'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 entity'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 and each major fund of the City of Old Brownsboro Place, Kentucky, as of June 30, 2013 and 2012, and the respective changes in financial position for the years 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 and budgetary comparison information on pages 2-4 and 11-12 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 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 audits 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 13, 2013, on our consideration of the City of Old Brownsboro Place, Kentucky'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 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 City of Old Brownsboro Place, Kentucky's internal control over financial reporting and compliance.

Welenken CPAs

Welenken CPAs

Louisville, Kentucky
September 13, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Old Brownsboro Place's (City) discussion and analysis provides an overview of the City's financial activities for the fiscal years ended June 30, 2013 and 2012. Since this information is designed to focus on the current years activities, resulting changes, and currently known facts, it should be read in conjunction with the City's financial statements provided in this document.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the City's basic financial statements, which consist of three components: government-wide financial statements, fund financial statements and notes to the financial statements. Other supplemental information in addition to the basic financial statements is also included.

A. Government-Wide Financial Statements

Government-wide financial statements include the Statement of Net Position and the Statement of Activities. The statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. In accrual accounting, revenues earned and expenses incurred in the fiscal year are taken into account in the financial statements regardless of when cash is actually received or paid.

The Statement of Net Position provides information on all City assets and liabilities, with the difference between assets and liabilities reported as net position. Increases or decreases in the net position over time are one indicator of whether the City's financial health is improving, stagnating, or deteriorating. Information on other factors, such as changes in the revenue structure and the condition of the City's assets, is also needed to assess the overall financial situation of the City.

The Statement of Activities provides information on the City's annual revenues and expenses, as well as other transactions that increase or reduce net position.

B. Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over segregated resources for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City only has governmental funds to be presented in the fund financial statements.

Governmental funds focus on how money flows to and from those funds and the balances left at year-end that are available for spending. Funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The relationship between the governmental activities (reported in the Statement of Net Position and Statement of Activities) and the governmental funds is described in a reconciliation, which is presented immediately following the fund financial statements. Under accounting guidelines, the City considers both the General Fund and the Special Revenue Fund (Municipal Road Aid) to be major governmental funds.

Notes to the Financial Statements

These notes provide additional information needed to fully understand the government-wide and fund financial statements

C. Other Information

This report presents certain required supplementary information concerning the City's budgetary comparison schedules for the General Fund and the Special Revenue Fund, in addition to the basic financial statements and accompanying notes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As previously indicated, net position may serve over time as a useful indicator of the City's financial position. A portion of the City's net position, \$41,637, or 16% (2013) and \$44,429, or 21% (2012) reflects its net investment in capital assets. The City uses these capital assets to provide service to citizens and as a result, these assets are not available for future spending.

An additional portion of the City's net position, \$34,657, or 13% (2013) and \$25,000, or 12% (2012), represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$185,665, or 71% (2013) and \$145,589, or 68% (2012), represents unrestricted net position which may be used to meet the City's ongoing obligations to citizens.

Governmental activities increased the City's net position by \$46,941 (2013) and \$28,774 (2012), primarily due to an increase in property tax collected and a decrease in total expenses. These increases have allowed for additional expendable funds and the City continues to have a positive outlook.

Total assets at June 30, 2013 were \$272,066, of which \$41,637, or 15%, consisted of capital assets. In comparison, total assets at June 30, 2012 were \$230,377, of which \$44,429, or 19%, consisted of capital assets.

Total revenues for 2013 were \$151,741, as compared to 2012 total revenue of \$146,012. Approximately 74%, or \$112,765, of revenue for 2013 and approximately 74%, or \$107,638, of revenue for 2012 is from property taxes, which is the largest source of revenue for the City. Property taxes were assessed at .322 and .31 per \$100 of assessed value for 2013 and 2012, respectively.

Total expenses for 2013 were \$104,800, which was \$12,438 less than the total expenses of \$117,238 for 2012. The City's three major expenses and their percentage of total expenses are as follows:

	<u>2013</u>		<u>2012</u>	
Sanitation	\$ 33,785	32%	\$ 45,527	39%
Security	\$ 10,800	10%	\$ 10,800	09%
Road and median maintenance	\$ 31,180	30%	\$ 24,100	21%

The increase in road and median maintenance expense for the current year is attributable to road repairs paid from the general fund.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

At June 30, 2013 and 2012, the City governmental funds reported combined ending fund balances of \$220,322 and \$170,589, respectively. Of the entire fund balance \$185,344 and \$143,597 for 2013 and 2012, respectively, constitutes the unassigned fund balances, which is available to meet the future financial needs of the City. The remainder of the fund balances are restricted or nonspendable to indicate they are not available for new spending.

The Special Revenue Fund has a total fund balance of \$34,657 and \$25,000 at June 30, 2013 and 2012, respectively, which represents a net increase of \$9,657.

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual charges to appropriations (expenditures) were \$2,817 and \$6,354 under the final budgeted amounts for the years ended June 30, 2013 and 2012, respectively. The most significant positive variance occurred in the City's road and median maintenance and repair accounts.

In addition, resources available for appropriation were above the final budgeted amounts by \$8,384 and \$4,847 for the years ended June 30, 2013 and 2012, respectively. The final budget for property taxes received was less than the actual amounts received by \$2,565 in 2013 and greater than the actual amounts received by \$362 in 2012. In addition, insurance taxes were the most significant positive variance by \$6,025 and \$6,023 for the years ended June 30, 2013 and 2012, respectively.

CAPITAL ASSETS AND DEBT ADMINISTRATION

A. Capital Assets

The City's investment in capital assets for governmental activities as of June 30, 2013 and 2012 are \$41,637 and \$44,429, respectively, net of accumulated depreciation. This investment in capital assets includes infrastructure and street signs. No large capital projects were started or completed during the current fiscal year.

B. Long-Term Debt

The City has no long term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

There are currently no economic factors that are expected to change the outlook of the revenue or expenses for the City in the next year. In addition, no rate changes or large budget changes are anticipated.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general financial overview for those interested in the City of Old Brownsboro Place government finances. Questions or requests for additional financial information may be addressed to Mr. Wayne Yeager, Mayor, City of Old Brownsboro Place, P.O. Box 22192, Louisville, KY 40252.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF OLD BROWNSBORO PLACE, KENTUCKY
STATEMENTS OF NET POSITION
JUNE 30, 2013 AND 2012

	Governmental Activity	
	2013	2012
ASSETS		
Cash and cash equivalents	\$ 221,789	\$ 172,090
Municipal road aid receivable	856	-
Property taxes receivable	110	821
Insurance premium tax receivable	7,353	5,760
Other receivable - MSD	-	5,285
Prepaid expenses	321	1,992
Capital assets, net of depreciation	41,637	44,429
	<u>272,066</u>	<u>230,377</u>
Total assets		
LIABILITIES		
Accounts payable	10,107	15,359
	<u>10,107</u>	<u>15,359</u>
Total liabilities		
NET POSITION		
Net investment in capital assets	41,637	44,429
Restricted	34,657	25,000
Unrestricted	185,665	145,589
	<u>\$ 261,959</u>	<u>\$ 215,018</u>
Total net position		

See accompanying Notes to Financial Statements.

CITY OF OLD BROWNSBORO PLACE, KENTUCKY
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2013 AND 2012

	Governmental Activities			
	2013		2012	
	Expenses	Charges for Services	Expenses	Charges for Services
PRIMARY GOVERNMENT				
<u>FUNCTIONS/PROGRAMS</u>				
General government	\$ 26,243	\$ -	\$ 34,020	\$ -
Roads and sidewalks	2,792	9,627	2,792	8,935
Sanitation	33,785	-	45,527	-
Public safety	10,800	-	10,800	-
Public works	31,180	-	24,099	-
Total Primary Government	104,800	9,627	117,238	8,935
GENERAL REVENUES				
Property taxes	112,765			107,638
Insurance taxes	26,025			26,023
Communication income	2,878			2,916
Investment earnings	428			438
Miscellaneous	18			62
Total general revenues	142,114			137,077
CHANGE IN NET POSITION				
NET POSITION, BEGINNING OF YEAR				
	46,941			28,774
NET POSITION, END OF YEAR				
	215,018			186,244
	\$ 261,959			\$ 215,018

See accompanying notes to financial statements.

FUND FINANCIAL STATEMENTS

CITY OF OLD BROWNSBORO PLACE, KENTUCKY
BALANCE SHEETS - GOVERNMENTAL FUNDS
JUNE 30, 2013 AND 2012

ASSETS

	2013			2012		
	General Fund	Special Revenue Fund	Total Governmental Funds	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 187,988	\$ 33,801	\$ 221,789	\$ 147,090	\$ 25,000	\$ 172,090
Prepaid expenses	321	-	321	1,992	-	1,992
Property tax receivable	110	-	110	821	-	821
Insurance premium tax receivable	7,353	-	7,353	5,760	-	5,760
Other receivable - MSD	-	-	-	5,285	-	5,285
Municipal road aid receivable	-	856	856	-	-	-
TOTAL ASSETS	\$ 195,772	\$ 34,657	\$ 230,429	\$ 160,948	\$ 25,000	\$ 185,948

LIABILITIES AND FUND BALANCES

LIABILITIES						
Accounts payable	\$ 10,107	\$ -	\$ 10,107	\$ 15,359	\$ -	\$ 15,359
TOTAL LIABILITIES	10,107	-	10,107	15,359	-	15,359
FUND BALANCES						
Nonspendable - prepaid items	321	-	321	1,992	-	1,992
Restricted - Special Revenue Fund	-	34,657	34,657	-	25,000	25,000
Unassigned	185,344	-	185,344	143,597	-	143,597
TOTAL FUND BALANCES	185,665	34,657	220,322	145,589	25,000	170,589
TOTAL LIABILITIES AND FUND BALANCES	\$ 195,772	\$ 34,657	\$ 230,429	\$ 160,948	\$ 25,000	\$ 185,948

See accompanying Notes to Financial Statements.

**CITY OF OLD BROWNSBORO PLACE, KENTUCKY
RECONCILIATION OF THE BALANCE SHEETS - GOVERNMENTAL
FUNDS TO THE STATEMENTS OF NET POSITION
JUNE 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
Total fund balances for governmental funds	\$ 220,322	\$ 170,589
Total net position reported for governmental activities in the statements of net position is different because:		
Capital assets, net of depreciation, used in governmental activities are not financial resources and, therefore, not reported in the general fund	<u>41,637</u>	<u>44,429</u>
Total Net Position of Governmental Activities	<u>\$ 261,959</u>	<u>\$ 215,018</u>

See accompanying Notes to Financial Statements.

CITY OF OLD BROWNSBORO PLACE, KENTUCKY
STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
YEARS ENDED JUNE 30, 2013 AND 2012

	2013			2012		
	General Fund	Special Revenue Fund	Total Governmental Funds	General Fund	Special Revenue Fund	Total Governmental Funds
REVENUES						
Property taxes	\$ 112,765	\$ -	\$ 112,765	\$ 107,638	\$ -	\$ 107,638
Insurance taxes	26,025	-	26,025	26,023	-	26,023
Communication income	2,878	-	2,878	2,916	-	2,916
Mineral tax income	18	-	18	62	-	62
Interest income	398	30	428	408	30	438
Municipal road aid	-	9,627	9,627	-	8,935	8,935
Total Revenues	142,084	9,657	151,741	137,047	8,965	146,012
EXPENDITURES						
Sanitation	33,785	-	33,785	45,527	-	45,527
Security	10,800	-	10,800	10,800	-	10,800
Utilities	10,858	-	10,858	9,902	-	9,902
Administrative services	4,200	-	4,200	4,200	-	4,200
Professional services	668	-	668	5,147	-	5,147
Road and median maintenance	31,180	-	31,180	24,100	-	24,100
Insurance	4,285	-	4,285	4,303	-	4,303
Irrigation	792	-	792	-	-	-
Memberships	335	-	335	535	-	535
Postage	259	-	259	246	-	246
Repairs	134	-	134	4,934	-	4,934
Property valuation	1,980	-	1,980	1,984	-	1,984
Holiday decorations	1,564	-	1,564	1,848	-	1,848
Miscellaneous	1,168	-	1,168	920	-	920
Total Expenditures	102,008	-	102,008	114,446	-	114,446
Excess of revenues over expenditures	40,076	9,657	49,733	22,601	8,965	31,566
CHANGES IN FUND BALANCES						
	40,076	9,657	49,733	22,601	8,965	31,566
FUND BALANCES, BEGINNING OF YEAR	145,589	25,000	170,589	122,988	16,035	139,023
FUND BALANCES, END OF YEAR	\$ 185,665	\$ 34,657	\$ 220,322	\$ 145,589	\$ 25,000	\$ 170,589

See accompanying Notes to Financial Statements.

**CITY OF OLD BROWNSBORO PLACE, KENTUCKY
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
Net change in fund balances - total governmental funds	\$ 49,733	\$ 31,566

The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$0 and \$0 for 2013 and 2012, respectively) are less than depreciation (\$2,792 and \$2,792 for 2013 and 2012, respectively) in the current period.

	<u>(2,792)</u>	<u>(2,792)</u>
Changes in Net Position of Governmental Activities	<u>\$ 46,941</u>	<u>\$ 28,774</u>

See accompanying Notes to Financial Statements.

**CITY OF OLD BROWNSBORO PLACE, KENTUCKY
BUDGETARY COMPARISON SCHEDULES - GENERAL FUND
YEARS ENDED JUNE 30, 2013 AND 2012**

	2013			2012		
	Budgeted Amounts		Variance with	Budgeted Amounts		Variance with
	Original	Final	Final Budget Positive (Negative)	Original	Final	Final Budget Positive (Negative)
Budgetary fund balance, July 1	\$ 145,589	\$ 145,589	\$ -	\$ 122,988	\$ 122,988	\$ -
Resources (inflows):						
Property taxes						
Insurance taxes	110,200	110,200	2,565	108,000	108,000	(362)
Communication income	20,000	20,000	6,025	20,000	20,000	6,023
Mineral tax income	2,800	2,800	78	2,900	2,900	16
Interest income	-	-	18	-	-	62
	700	700	(302)	1,300	1,300	(892)
	\$ 279,289	\$ 279,289	\$ 8,384	\$ 255,188	\$ 260,035	\$ 4,847
Amounts available for appropriation						
Charges to appropriations (outflows):						
Sanitation						
Security	34,000	34,000	33,785	47,000	47,000	1,473
Utilities	11,000	11,000	10,800	11,000	10,800	200
Administrative services	9,500	9,500	10,858	9,500	9,500	(402)
Professional services	4,400	4,400	4,200	4,400	4,200	200
Road and median maintenance	500	500	668	5,100	5,100	(47)
Insurance	32,000	32,000	31,180	32,000	32,000	7,900
Irrigation	4,500	4,500	4,285	4,500	4,500	197
Memberships	300	300	792	300	4,303	300
Postage	500	500	335	500	500	(35)
Repairs	250	250	259	250	250	4
Property valuation	3,500	3,500	134	2,000	4,934	(2,934)
Holiday decorations	2,200	2,200	1,980	2,200	1,984	216
Miscellaneous	1,500	1,500	1,564	1,500	1,848	(348)
	675	675	1,168	550	920	(370)
Total charges to appropriations	104,825	104,825	102,008	120,800	114,446	6,354
Budgetary fund balance, June 30	\$ 174,464	\$ 174,464	\$ 185,665	\$ 134,388	\$ 145,589	\$ 11,201

See accompanying Notes to Financial Statements.

CITY OF OLD BROWNSBORO PLACE, KENTUCKY
BUDGETARY COMPARISON SCHEDULES - SPECIAL REVENUE FUND
YEARS ENDED JUNE 30, 2013 AND 2012

	2013			2012		
	Budgeted Amounts		Variance with Final Budget Positive (Negative)	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original	Final		Original	Final	
Budgetary fund balance, July 1	\$ 25,000	\$ 25,000	\$ -	\$ 16,035	\$ 16,035	\$ -
Resources (inflows):						
Municipal road aid	8,500	8,500	9,627	8,000	8,000	8,935
Interest income	-	-	30	-	-	30
Amounts available for appropriation	33,500	33,500	34,657	24,035	24,035	965
Charges to appropriations (outflows):						
Road maintenance	-	-	-	-	-	-
Total charges to appropriations	-	-	-	-	-	-
Budgetary fund balance, June 30	\$ 33,500	\$ 33,500	\$ 34,657	\$ 24,035	\$ 24,035	\$ 965

See accompanying Notes to Financial Statements.

CITY OF OLD BROWNSBORO PLACE, KENTUCKY NOTES TO FINANCIAL STATEMENTS

NOTE A - DESCRIPTION OF ORGANIZATION

The City of Old Brownsboro Place, Kentucky was incorporated in November 1977, and operates under the Kentucky Revised Statutes, as amended. The City operates under the Mayor-Commission form of government and provides the following services as authorized by its charter: municipal services, including care and maintenance of streets, garbage collection, recreation and community development, and administrative services.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide Financial Statements

The government-wide financial statements (i.e. the statements of net position and the statements of activities) report information on all of the activities of the City. The effect of interfund activity has been removed from these statements.

Government-wide statements distinguish between governmental-type and business-type activities. Governmental-type activities are those financed through property taxes, intergovernmental revenues, municipal aid, and other non-exchange revenues and are usually reported in governmental and internal service funds. The City has no business-type activities.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity, and (2) grants and contributions, including special assessments, that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Reporting on governmental-type activities is based on FASB Statements and Interpretations issued after November 30, 1989, except where they conflict or contradict GASB pronouncements.

Fund Financial Statements

The accounts of the City are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

**CITY OF OLD BROWNSBORO PLACE, KENTUCKY
NOTES TO FINANCIAL STATEMENTS**

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (continued)

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Special Revenue Fund is used to account for the proceeds or specific revenue sources (other than special assessments, expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes. Municipal road aid revenue and expenditures are accounted for within this fund.

Separate fund financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

For the fiscal year ended June 30, 2012, the City implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This statement includes a prescribed hierarchy based on the extent to which a city is bound by constraints for the use of the funds reported in governmental funds. GASB 54 provides the classification as nonspendable, restricted, committed, assigned and unassigned based on relative strength of the constraints that control how specific amounts can be spent.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned or, for property tax revenues, in the period for which levied, and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows in the statement of activities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City in general considers revenues available if they are collected within 180 days after year-end, except for property taxes, which the City considers available if they are collected within 60 days after year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes, franchise taxes, licenses, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measureable and available only when cash is received by the City.

**CITY OF OLD BROWNSBORO PLACE, KENTUCKY
NOTES TO FINANCIAL STATEMENTS**

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Accounting

The City follows the procedures established pursuant to Section 91A.030 of the Kentucky Revised Statutes in establishing the budgetary data reflected in the financial statements. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles.

Budgeted amounts in the financial statements are as adopted by ordinance of the City including any authorized revisions.

Management's Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

Cash and Cash Equivalents

The City checking accounts, savings accounts, and certificates of deposit were insured by federal depository insurance or by collateral held by the custodial banks in the City's name. Kentucky Revised Statutes authorize municipalities to invest in obligations of the United States and its agencies, obligations of the Commonwealth of Kentucky and its agencies, shares in savings and loan associations insured by the federal agencies and in deposits in national or state chartered banks insured by federal agencies and larger amounts in such institutions providing such banks pledge as security obligations of the United States or its agencies.

Accounts Receivable and Taxes Receivable

Accounts receivable and taxes receivable are recorded at gross amount with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the financial statements.

Capital Assets

Capital assets, which include infrastructure (i.e. sidewalks, signage, etc.), are reported in the governmental activity column in the government-wide financial statements. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

**CITY OF OLD BROWNSBORO PLACE, KENTUCKY
NOTES TO FINANCIAL STATEMENTS**

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Under the requirement of GASB Statement No. 34, the City is considered a Phase 3 government as its total annual revenues are less than \$10 million. Such governments are not required to report major general infrastructure assets, although the City has chosen to record these assets prospectively from July 1, 2004.

Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

Infrastructure	10 – 25 Years
Equipment and furnishings	5 – 10 Years

Net Position/Fund Balances

In the statement of net position, the difference between the City's assets and liabilities is recorded as net position. The three components of net position are as follows:

Net Investment in Capital Assets – This category records capital assets net of accumulated depreciation.

Restricted – Net positions that are restricted by external sources such as banks or by law are reported separately as restricted net position. When assets are required to be retained in perpetuity, these non-expendable net positions are recorded separately from expendable net position. These are components of restricted net position. The City has restricted net position related to municipal road aid monies.

Unrestricted – This category represents the net position not appropriable for expenditures or legally segregated for a specific future use.

In the balance sheet of governmental funds, fund balances are segregated as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements, or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of the other governments.

CITY OF OLD BROWNSBORO PLACE, KENTUCKY

NOTES TO FINANCIAL STATEMENTS

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position/Fund Balances (continued)

Committed – amounts that can be used only for specific purposes determined by a formal action of the City Commission. The Commission is the highest level of decision making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Commission.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Commission adopted policy, only the City Commission may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Commission has provided otherwise in its commitment or assignment functions.

Subsequent Events

The City has evaluated subsequent events through September 13, 2013, the date the financial statements were available to be issued.

NOTE C – CAPITAL ASSETS

	<u>Beginning Balance</u>	<u>06/30/12 Additions</u>	<u>06/30/13 Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Land improvements	\$ 64,665	\$ -	\$ -	\$ -	\$ 64,665
Total Cost	64,665				64,665
Less:					
Accumulated depreciation	(17,444)	(2,792)	(2,792)	-	(23,028)
Net Book Value	\$ 47,221	(\$ 2,792)	(\$ 2,792)	\$ -	\$ 41,637

NOTE D – PROPERTY TAXES

As generally provided in the Constitution of the Commonwealth of Kentucky, the City's property tax is levied each July 1 on the assessed value listed as of the prior January 1 for all real property located in the City. The Jefferson County Property Valuation Administrator establishes assessed values. The tax payments are due and payable when levied. All unpaid taxes become delinquent April 1.

Property taxes revenues are recognized when they become available. Delinquent taxes are considered fully collectible and therefore no allowance for uncollectible taxes is provided. Interest and penalties accruing to delinquent taxes are included in property taxes receivable.

**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 Honorable Mayor and City Commissioners
City of Old Brownsboro Place, Kentucky

We have audited, 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, the financial statements of the governmental activities and each major fund of City of Old Brownsboro Place, Kentucky, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City of Old Brownsboro Place, Kentucky's basic financial statements, and have issued our report thereon dated September 13, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Old Brownsboro Place, Kentucky'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Old Brownsboro Place, Kentucky's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Old Brownsboro Place, Kentucky'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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity'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 City of Old Brownsboro Place, Kentucky'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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Welenken CPAs". The script is cursive and fluid.

Welenken CPAs

Louisville, Kentucky
September 13, 2013

