

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

Applicant/Program: City of Wellington Sidewalk / Green Space Improvements

Executive Summary of Request:

This is a part of a bigger project of sidewalk work totalling \$25,000.00 within the city of Wellington. District 26 is helping to fund with \$2,500.00 sidewalk ramps to the park spaces throughout the city. The major green space is at Brighton Drive and Lowell Avenue. Other sidewalk / green space connectors are to Manchester Road, Wendell Avenue, and Wadsworth Avenue.

Is this program/project a fundraiser?

☐ Yes ☒ No

Is this applicant a faith based organization?

☐ Yes ☒ No

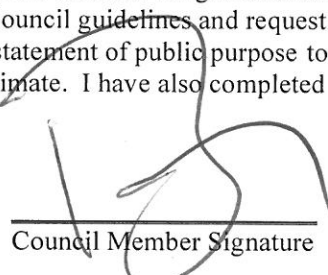
Does this application include funding for sub-grantee(s)?

☐ 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.

26

District #


Council Member Signature

\$2,500.00

Amount

6/16/2016

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.

None

Approved by:

Appropriations Committee Chairman

Date

Clerk's Office Only:


Request Amount: _____ Committee Amended Appropriation: _____

Original Appropriation: _____ Council Amended Appropriation: _____

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION CHECKLIST

Legal Name of Applicant Organization: City of Wellington

Program Name and Request Amount: City of Wellington Sidewalk / Green Space Improvements

	Yes/No/NA
Is the NDF Transmittal Sheet Signed by all Council Member(s) Appropriating Funding?	<input checked="" type="checkbox"/> Yes
Is the funding proposed by Council Member(s) less than or equal to the request amount?	<input checked="" type="checkbox"/> Yes
Is the proposed public purpose of the program viable and well-documented?	<input checked="" type="checkbox"/> Yes
Will all of the funding go to programs specific to Louisville/Jefferson County?	<input checked="" type="checkbox"/> Yes
Has Council or Staff relationship to the Agency been adequately disclosed on the cover sheet?	<input checked="" type="checkbox"/> Yes
Has prior Metro Funds committed/granted been disclosed?	<input checked="" type="checkbox"/> Yes
Is the application properly signed and dated by authorized signatory?	<input checked="" type="checkbox"/> Yes
Is proof of Tax Exempt status of 501(c) 3, 4, 6, 19, 1120-H included?	<input checked="" type="checkbox"/> Yes
If Metro funding is for a separate taxing district is the funding appropriated for a program outside the legal responsibility of that taxing district?	<input checked="" type="checkbox"/> Yes
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? 	<input checked="" type="checkbox"/> Yes
Is the current Fiscal Year Budget included?	<input checked="" type="checkbox"/> Yes
Is the entity's board member list (with term length/term limits) included?	<input type="checkbox"/> N/A
Is recommended funding less than 33% of total agency operating budget?	<input checked="" type="checkbox"/> Yes
Does the application budget reflect only the revenue and expenses of the project/program?	<input checked="" type="checkbox"/> Yes
Is the cost estimate(s) from proposed vendor (if request is for capital expense) included?	<input type="checkbox"/> No
Is the most recent annual audit (if required by organization) included?	<input checked="" type="checkbox"/> Yes
Is a copy of Signed Lease (if rent costs are requested) included?	<input type="checkbox"/> N/A
Is the Supplemental Questionnaire for churches/religious organizations (if requesting organization is faith-based) included?	<input type="checkbox"/> N/A
Are the Articles of Incorporation of the Agency included?	<input type="checkbox"/> N/A
Is the IRS Form W-9 included?	<input checked="" type="checkbox"/> Yes
Is the IRS Form 990 included?	<input type="checkbox"/> N/A
Are the evaluation forms (if program participants are given evaluation forms) included?	<input type="checkbox"/> N/A
Affirmative Action/Equal Employment Opportunity plan and/or policy statement included (if required to do so)?	<input type="checkbox"/> N/A
Has the Agency agreed to participate in the BBB Charity review program? If so, has the applicant met the BBB Charity Review Standards?	<input type="checkbox"/> N/A
Prepared by: 	Date: 6/16/2016



LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 1 – APPLICANT INFORMATION			
Legal Name of Applicant Organization: City of Wellington <small>(as listed on: http://www.sos.ky.gov/business/records)</small>			
Main Office Street & Mailing Address: 3003 Spencer Avenue, Louisville, KY 40205-3057			
Website:			
Applicant Contact:	Michael B. Newton	Title:	Mayor
Phone:	502-727-6386	Email:	mnewton@republicbank.com
Financial Contact:	Judy Kaleher / Michael Newton	Title:	Treasurer
Phone:	502-456-5889	Email:	jkaleher@yahoo.com
Organization's Representative who attended NDF Training:			
GEOGRAPHICAL AREA(S) WHERE PROGRAM ACTIVITIES ARE (WILL BE) PROVIDED			
Program Facility Location(s):	City of Wellington		
Council District(s):	District 26	Zip Code(s):	40205
SECTION 2 – PROGRAM REQUEST & FINANCIAL INFORMATION			
PROGRAM/PROJECT NAME:			
Total Request: (\$)	2,500	Total Metro Award (this program) in previous year: (\$)	2,000
Purpose of Request (check all that apply): <input checked="" type="checkbox"/> Operating Funds (generally cannot exceed 33% of agency's total operating budget) <input 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 type="checkbox"/> IRS Exempt Status Determination Letter <input checked="" type="checkbox"/> Current Year Projected Budget <input checked="" type="checkbox"/> List of Board of Directors (include term & term limits) <input checked="" type="checkbox"/> Current financial statement <input type="checkbox"/> Most recent IRS Form 990 or 1120-H <input type="checkbox"/> Articles of Incorporation <input type="checkbox"/> 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 <input type="checkbox"/> Evaluation forms if used in the proposed program <input checked="" type="checkbox"/> Annual audit (if required by organization) <input type="checkbox"/> Faith Based Organization Certification Form, if required <input checked="" type="checkbox"/> 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:	Not Applicable	Amount: (\$)	
Source:		Amount: (\$)	
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:

The City of Wellington is a sixth class city comprised of 259 homes and approximately 600 residents centrally located in the upper Highlands. Our combination of friendly residents, tree lined streets, side walks and central location ranks the City of Wellington among the more desirable destinations in Jefferson County. The City is within walking distance to neighborhood restaurants, shopping, historical sites, and parks. We are adjacent to the interstate and just minutes from downtown, malls and more.

A handwritten signature in black ink, appearing to be "P. R.", is written over the "Applicant's Initials" label.



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.):

The City is requesting operating funds to assist with a major sidewalk panel replacement project within the City. The City has budgeted \$25,000 to replace up to 150 panels and plans to add a sidewalk ramp from Brighton Drive to the City's major green space located at Brighton Drive and Lowell Avenue.

The City plans to commence this project in July 2016.

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

The city anticipates spending \$1,500 for the sidewalk ramp with the remainder spent replacing sidewalk panels on the following streets:

Manchester Road (53% of project)
Brighton Drive (17% of project)
Wendell Avenue (5% of project)
Wadsworth Avenue (15% of project)
Lowell (10% of project)

The City plans to use Abbico Contracting, a firm that has been used in the past for sidewalk work within the City.

A handwritten signature in black ink, appearing to be "JH", written over a horizontal line.



LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

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

Not applicable

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.



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:

The sidewalk system within our City is used vastly by residents of all ages.

The safety of our residents is our biggest priority and we work diligently towards providing a safe environment for our residents to walk.

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.

Not applicable



LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

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	2,500	22,500	25,000
I: Community Events & Festivals (Attach Detail List)			
J: Machinery & Equipment			
K: Capital Project			
L: Other Expenses (Attach Detail List)			
*TOTAL PROGRAM/PROJECT FUNDS	2,500	22,500	25,000
% of Program Budget	10 %	90 %	100%

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

Other State, Federal or Local Government	0
United Way	0
Private Contributions (do not include individual donor names)	0
Fees Collected from Program Participants	0
Other (please specify)	0
Total Revenue for Columns 2 Expenses **	0

*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 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
Not Applicable		
<i>Total Value of In-Kind</i> <i>(to match Program Budget Line Item.</i> Volunteer Contribution & Other In Kind)		

*** 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.

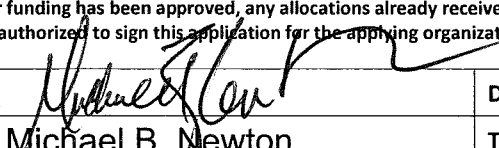
Standard Certifications

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:		Date:	05/02/2016
Legal Signatory: (please print):	Michael B. Newton	Title:	Mayor
Phone:	502-727-6386	Extension:	
Email:	mnewton@republicbank.com		

**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 WELLINGTON	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶	
	<input checked="" type="checkbox"/> Other (see instructions) ▶ GOVERNMENT ENTITY	
	<input type="checkbox"/> Exempt payee	
Address (number, street, and apt. or suite no.) 3003 SPENCER AVENUE		
City, state, and ZIP code LOUISVILLE, KY 40205		
List account number(s) here (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.

Social security number	

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

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).

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 4.

Sign Here	Signature of U.S. person ▶ <i>Judith L. Kaleher</i>	Date ▶ <i>2-26-13</i>
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General Instructions

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

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, 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.

Note. If 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 on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the 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 withholding on your share of partnership income.

City of Wellington

List of Officials Including Term Limits and Compensation

Michael B. Newton, Mayor –\$1,800 per year – Term expires 12/31/18

Sara Sievert – Commissioner – \$1,200 per year - Term expires 12/31/16

Ellen Hauber – Commissioner – \$1,200 per year - Term expires 12/31/16

Sandra Moon – Commissioner – \$1,200 per year - Term expires 12/31/16

Suzie Arrow – Commissioner – \$1,200 per year - Term expires 12/31/16

CITY OF WELLINGTON, KENTUCKY
ORDINANCE NO ____, SERIES 2015-2016

AN ORDINANCE ADOPTING THE CITY OF WELLINGTON, KENTUCKY ANNUAL BUDGET FOR THE FISCAL YEAR JULY 1, 2016 THROUGH JUNE 30, 2017 BY ESTIMATING REVENUES AND RESOURCES AND APPROPRIATING FUNDS FOR THE OPERATION OF CITY GOVERNMENT.

WHEREAS, an annual budget proposal and message has been prepared and delivered to the City Commission, and

WHEREAS, the City Commission has reviewed such budget proposal and made necessary modifications,

NOW, THEREFORE BE IT ORDAINED BY THE CITY OF WELLINGTON:

SECTION 1: The annual budget for the fiscal year July 1, 2016 through June 30, 2017 is hereby adopted as follows:

General Fund

Beginning Fund Balance - 7/1/2016		\$ 380,000
REVENUE		
Assessments	\$ 104,000	
Insurance premium tax	37,000	
Miscellaneous revenue	<u>4,300</u>	
Total revenue		\$ 145,300
OPERATING EXPENSES		
Garbage and recycling collection	\$ 40,100	
Fire protection	36,000	
Police protection	14,000	
General and administrative expenses	<u>65,700</u>	
Total operating expenses		\$ 155,800
Surplus/(Deficit)		\$ (10,500)
Projected Ending Fund Balance - 6/30/2017		<u>\$ 369,500</u>

DRAFT

Municipal Road Aid Fund

Beginning Fund Balance - 7/1/2016		\$ 30,000
REVENUE		
Road fund income	\$ 10,500	
Other miscellaneous income	<u>10</u>	
Total revenue		\$ 10,510
OPERATING EXPENSES		
Sidewalk improvements	\$ 25,000	
Miscellaneous operating expenses	<u>3,000</u>	
Total operating expenses		\$ 28,000
Surplus/(Deficit)		\$ (17,490)
Projected Ending Fund Balance - 6/30/2017		<u>\$ 12,510</u>

The Mayor may expend funds in accordance with the budget ordinance and no additional authorization from the Commission is needed as long as the expenditure does not exceed the amount appropriated for that purpose in the budget.

SECTION 2: This Ordinance shall take effect and be in force and effect from and after its passage and publication. The Mayor of the City of Wellington is authorized and directed to publish and advertise this Ordinance as required by law.

<u>COMMISSION MEMBERS</u>	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>
Sara Sievert	X	_____	_____
Ellen Hauber	X	_____	_____
Sandra Moon	X	_____	_____
Suzanne Arrow	X	_____	_____

FIRST READING

April 26, 2016

✓

SECOND READING

May 24, 2016

PENDING

Michael B. Newton, Mayor
City of Wellington, Kentucky

Publication: Mailing

Attest:

Lois Roby, City Clerk

CITY OF WELLINGTON

ORDINANCE # 4, SERIES 2014

AN ORDER RELATING TO ENTERING INTO A PARTNERSHIP WITH LOUISVILLE METRO GOVERNMENT

WHEREAS the Louisville-Jefferson County Metro Council has enacted Ordinance No. 110, Series 2006 codified as Section 97.100 of the Louisville-Jefferson County Code of Ordinances [LMCO] establishing a Metro Partnership Program with suburban cities for a Capital Improvement Program; and

WHEREAS the City of Wellington (the City) wishes to participate in the Program pursuant to LMCO 97.100(F).

BE IT ORDERED BY THE CITY OF WELLINGTON:

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

Adopted the 25th of November, 2014 with appropriate signatures or attestations.



Mayor

ATTEST:



City Clerk

Votes in Favor 4

Votes Opposed 0

CITY OF WELLINGTON
STATE OF KENTUCKY
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

CITY OF WELLINGTON
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McIntyre & Wooldridge, PSC
Certified Public Accountants

3103 Breckenridge Lane, Suite 3
Louisville, Kentucky 40220
502/493-9373 or 493-9374 (fax)

Independent Auditor's Report

The Honorable Mayor and
Commissioners of the
City of Wellington, Kentucky

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Wellington, Kentucky as of and for the year ended June 30, 2015, 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 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.

Auditor's 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 auditor's judgment, including the assessment of the risk 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 and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe 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 Wellington, Kentucky at June 30, 2015, 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 budgetary comparison information on page 17 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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 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.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Government 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2015 on our consideration of the City of Wellington, Kentucky's internal control over financial reporting and on our test 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 result of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

McIntyre & Woodruff, PSC

Louisville, Kentucky
October 24, 2015

CITY OF WELLINGTON, KENTUCKY
STATEMENT OF NET POSITION
JUNE 30, 2015

3

ASSETS	
Current Assets	
Cash and cash equivalents	
Insurance premium tax receivable	\$ 201,420
Grants receivable	9,966
Short term investments	3,247
	<u>187,646</u>
Total Current Assets	402,279
Capital Assets	
Street lighting	
Street signage	10,901
Sidewalk improvements	17,917
Road Improvements	87,215
Equipment	144,337
	<u>1,485</u>
Less accumulated depreciation	261,855
	<u>112,838</u>
Total Net Capital Assets	149,017
Other Assets	
Cash and cash equivalents - restricted	
	<u>103,827</u>
TOTAL ASSETS	655,123
LIABILITIES	
Current Liabilities	
Accounts payable	
	<u>2,609</u>
TOTAL LIABILITIES	<u>2,609</u>
NET POSITION	
Investment in capital assets	
Restricted for roads	149,017
Unrestricted	103,827
	<u>399,670</u>
TOTAL NET POSITION	<u>\$ 652,514</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF WELLINGTON, KENTUCKY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

		PROGRAM REVENUES		NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION
	<u>EXPENSES</u>	<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS</u>	<u>GOVERNMENTAL ACTIVITIES</u>
Primary Government:				
Governmental Activities:				
General and administrative	\$ (30,600)	\$ 3,800	\$ -	\$ (26,800)
Public safety:				
Fire protection	(35,014)			(35,014)
Police protection	(12,425)		5,237	(7,188)
Public service:				
Sanitation	(39,936)			(39,936)
Roads/Public works	<u>(44,058)</u>	<u>-</u>	<u>17,486</u>	<u>(26,572)</u>
Total Governmental Activities	<u>\$ (162,033)</u>	<u>\$ 3,800</u>	<u>\$ 22,723</u>	(135,510)
General Revenues:				
Taxes:				
Property taxes				101,556
Insurance premium taxes				37,004
Franchise fees				3,324
Investment income				1,505
Miscellaneous income				<u>174</u>
Total General Revenues				<u>143,563</u>
CHANGE IN NET POSITION				8,053
NET POSITION, Beginning of year				<u>644,461</u>
NET POSITION, End of year				<u>\$ 652,514</u>

The accompanying notes are an integral part of these financial statements

CITY OF WELLINGTON, KENTUCKY
 BALANCE SHEET - GOVERNMENTAL FUNDS AND
 RECONCILIATION OF GOVERNMENTAL FUNDS
 BALANCE SHEET TO STATEMENT OF NET POSITION
 JUNE 30, 2015

	GENERAL FUND	MUNICIPAL AID ROAD FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Cash and cash equivalents	\$ 201,420	\$ 103,827	\$ 305,247
Insurance premium taxes receivable	9,966		9,966
Police grant receivable	1,247		1,247
Grant receivable	2,000		2,000
Short-term investments	187,646	-	187,646
TOTAL ASSETS	<u>\$ 402,279</u>	<u>\$ 103,827</u>	<u>\$ 506,106</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 2,609	\$ -	\$ 2,609
TOTAL LIABILITIES	2,609	-	2,609
FUND BALANCES			
Restricted		103,827	103,827
Unassigned	399,670	-	399,670
TOTAL FUND BALANCES	<u>399,670</u>	<u>103,827</u>	<u>503,497</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 402,279</u>	<u>\$ 103,827</u>	<u>\$ 506,106</u>
TOTAL GOVERNMENTAL FUND BALANCES			\$ 503,497
Capital assets used in governmental activities are not financial resources and therefore are not financial resources and therefore are not reported in the funds. This is the amount by which capital outlays exceeded depreciation.			149,017
NET POSITION			<u>\$ 652,514</u>

The accompanying notes are an integral part of these financial statements.

CITY OF WELLINGTON , KENTUCKY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

6

	GENERAL FUND	MUNICIPAL AID ROAD FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES			
Property taxes	\$ 101,556	\$ -	\$ 101,556
Insurance premium taxes	37,004		37,004
Franchise fees	3,324		3,324
Grants	9,237		9,237
Municipal road aid		13,486	13,486
Rental permit fees	3,800		3,800
Miscellaneous income	174		174
Investment income	1,484	21	1,505
Total Revenues	156,579	13,507	170,086
EXPENDITURES			
General and administrative	30,303		30,303
Public safety:			-
Fire protection	35,014		35,014
Police protection	12,425		12,425
Public service:			-
Sanitation	39,936		39,936
Roads/Public works	20,913	6,584	27,497
Capital outlays	-	-	-
Total Expenditures	138,591	6,584	145,175
NET CHANGE IN FUND BALANCES	17,988	6,923	24,911
FUND BALANCES, Beginning of year	381,682	96,904	478,586
FUND BALANCES, End of year	\$ 399,670	\$ 103,827	\$ 503,497

The accompanying notes are an integral part of these financial statements.

**CITY OF WELLINGTON, KENTUCKY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

7

Net change in fund balances - total governmental funds	\$ 24,911
--	-----------

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

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets
are allocated over their estimated useful lives as depreciation
expense:

This is the amount by which capital outlays were exceeded
by depreciation in the current period

(16,858)

Change in net position as reflected on the Statement of Activities	<u>\$ 8,053</u>
--	-----------------

The accompanying notes are an integral part of these financial statements.

**CITY OF WELLINGTON, KENTUCKY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

8

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Wellington, Kentucky have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies of the City are described below.

Financial Reporting Entity

The City operates under a Commission-Mayor form of government and provides the following services as authorized by its charter: general government, public service, public safety and sanitation.

Basis of Presentation

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these statements.

These financial statements follow the provisions of GASB Statement No. 34 (as amended) - Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. However, the City has not presented Management's Discussion and Analysis that accounting principles generally accepted in the United States of America have determined is necessary to supplement, although not required to be a part of the basic financial statements.

Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Currently the city does not engage in any business-type activities.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure.

Invested in capital assets, net of related debt – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent proceeds at year-end, the portion of debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. That portion of the debt is included in the same net position component as the unspent proceeds.

**CITY OF WELLINGTON, KENTUCKY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

9

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Restricted – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – This component of net position consists of net positions that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

The City’s policy is to use restricted assets first when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

The Statement of Net Position and Statement of Activities reflect financial information of the City as a whole. These statements include the primary government and its component units if applicable. Government-wide statements distinguish between governmental and business-type activities. Currently, the City does not engage in any business-type, inter-governmental revenues, and other non-exchange revenues type activities.

The statement of activities presents direct expenses, which are clearly identifiable with a specific function or segment. Program revenues include 1) grants from the State of Kentucky for public safety/police protection 2) Kentucky Municipal Aid grants for public safety/road improvements, repairs and maintenance. Taxes and other revenue items are reported as general revenues.

Fund Financial Statements

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, receipts and expenditures for expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds of the City are all governmental fund types described as follows:

- **General Fund** - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- **Municipal Aid Road Fund** – The Municipal Aid Road Fund is restricted to road construction, repairs and maintenance.

CITY OF WELLINGTON, KENTUCKY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

10

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

The City considers all of its funds to be major funds.

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 recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenues are recognized in the year for which they are due. This method differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements of governmental funds. Expenses are classified by function.

The government-wide Statement of Activities presents a comparison between expenses and program revenues for each governmental program. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting for governmental fund types.

The modified accrual basis of accounting recognizes revenues when they are “measurable and available”. Measurable means the amount can be determined. Available means collectable within the period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes, insurance premium taxes, 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 measurable and available only when cash is received by the city.

Budgetary Accounting

The budget information reflected in the financial statements is the annual budget adopted by the City in accordance with the provisions of Kentucky law. It is presented to the

**CITY OF WELLINGTON, KENTUCKY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

11

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Commission in the form of an ordinance and may be amended by subsequent ordinance or by municipal order. The City's policy is to use restricted assets according to budgeted amounts.

Budgetary Comparison Schedule

As required by generally accepted government accounting principles, the budget comparison schedules have been prepared in the same form as the legally adopted budget; therefore its form and content varies somewhat from the Statement of Revenues, Expenditures and Changes in Fund Balances on page 6. The City prepares its annual budget on the modified accrual basis of accounting which is consistent with the funds financial statements.

Component Units

There are no governmental component units incorporated in the basic government-wide financial statements. A *component unit* is a legally separate entity that is included in the primary government's financial reporting entity using the criteria of the Government Standards Accounting Board.

Cash and Cash Equivalents and Short-term Investments

Cash and cash equivalents include amounts deposited in checking and sweep accounts and a money market savings account. For purposes of these financial statements, the City considers as cash equivalents all highly liquid investments with a maturity of three months or less when purchased and are readily convertible to cash.

Short term investments consist of certificates of deposit with maturities within one year of June, 30, 2015.

Generally, the City's investing activities are managed under the custody of the City Treasurer. Investing is performed in accordance with investment policies complying with state statutes and the City Charter. City funds may be invested in: (1) obligations of the United States and its agencies and instrumentalities, (2) obligations of any corporation of the United States government, (3) certificates of deposits in institutions insured by the Federal Deposit Insurance Corporation, and (4) bonds or certificates of indebtedness of the Commonwealth of Kentucky.

The City maintains its deposits with financial institutions insured by the Federal Deposit Insurance Corporation (FDIC).

All of the City's cash and cash equivalents and short-term investment accounts at June 30, 2015 are either covered by FDIC insurance or are collateralized with securities held by the bank in the City's name.

**CITY OF WELLINGTON, KENTUCKY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

12

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Cash and cash equivalents and short-term investments are further described in Notes 2 and 3.

Property Taxes and Property Tax Receivable

Property taxes are levied as of September 1, 2014 on the assessed value listed as of January 1, 2014 for all real and personal property located in the City. The tax assessed for the year ended June 30, 2015 to finance general fund operations was based on \$.2184 per \$100 of assessed valuation for real and personal property. The total assessed value of the tax roll on January 1, 2014, upon which the levy for 2015 fiscal year was based, was \$46,352,810 resulting in gross taxes of \$101,235. The gross tax (or face value) is due if paid by December 31, 2014 and a 10% penalty is assessed if paid after December 31, 2014. On tax bills paid after January 31, 2015, a 12% penalty is due. If paid after February 28, 2015, a penalty of 12% and interest of 1.50% per month is charged thereafter plus a lien filing fee of \$100. Property tax revenues include interest and penalties of \$321.

Insurance Premium Taxes

An insurance premium tax is imposed on insurance premiums collected by insurance companies on policies within the City limits. Insurance premium taxes are assessed at a tax rate of 5%.

Capital Assets

The accounting and reporting treatment applied to capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental fund statements and capitalized (recorded and accounted for) in the government-wide statements of net position at cost.

Effective for the year ended June 30, 2004, the City implemented GASB Statement Number 34. One of the requirements of GASB 34 is to capitalize and depreciate infrastructure expenditures and other capital assets. The City elected to implement this standard prospectively, as it related to the capitalization of infrastructure and land expenditures. The valuation basis for general capital assets are historical costs, or where historical cost is not available, estimated historical cost based on replacement cost.

Repairs and maintenance are recorded as expenditures; renewals and betterments are capitalized.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method in the government-wide financial statements. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the

**CITY OF WELLINGTON, KENTUCKY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

13

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

respective balance sheet. The minimum capitalization threshold is any individual item with a total cost greater than \$500.

The estimated useful lives of various classes of capital assets are as follow:

Street lighting	15 years
Road and sidewalk improvements	15 years
Equipment	5 years

Impairment of Capital Assets

In accordance with GASB Statement No. 42 "Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries" the City's management evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. A capital asset is generally considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. No impairment losses were identified or recognized for the year ended June 30, 2015.

Net Position/Fund Equity

Net position is the difference between assets and liabilities. Net positions are restricted when constraints are placed on asset use either externally imposed by creditors, grantors or contributors or regulations of governments, or imposed by law.

The Government Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes for governmental fund financial statements.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

1. *Nonspendable*, such as fund balance associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. *Restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation,
3. *Committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City Commission,
4. *Assigned* fund balance classification is intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and

**CITY OF WELLINGTON, KENTUCKY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

14

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

5. *Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function. In the fund financial statements, governmental funds are classified by character and function. In the fund financial statements governmental funds report expenditures of financial resources.

Fair Value of Financial Investments

The carrying amount of cash, receivables, investments and payables approximates their fair market values as of June 30, 2015.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires City's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of receipts and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following accounts with Republic Bank:

General Fund

Operating checking/sweep account yielding .02% per annum	\$ 21,380
Money market account yielding .08% per annum	<u>180,040</u>
Total	201,420

Municipal Aid Fund

Investment sweep account yielding .02% per annum	<u>103,827</u>
Total Cash and Cash Equivalents	<u>\$305,247</u>

**CITY OF WELLINGTON, KENTUCKY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

15

NOTE 3-SHORT-TERM INVESTMENTS

Short-term investments consist of the following:

General Fund

Sixth month certificate of deposit with Ascencia, matures August 21, 2015, yielding .70% per annum

\$ 40,497

Sixth month certificate of deposit with Ascencia, matures September 23, 2015, yielding .70% per annum

147,149

Total Short-term Investments

\$187,646

NOTE 4- CAPITAL ASSETS AND DEPRECIATION

Capital assets activity for the year ended June 30, 2015 consists of the following:

	Balance <u>6-30-14</u>	<u>Additions</u>	Balance <u>6-30-15</u>
Street lighting	\$ 10,901	\$ -	\$ 10,901
Sidewalk improvements	87,215		87,215
Road improvements	144,337		144,337
Street signs and posts	17,917		17,917
Equipment	<u>1,485</u>	<u>-</u>	<u>1,485</u>
	261,855	-	261,855
Accumulated depreciation	<u>95,980</u>	<u>16,858</u>	<u>112,838</u>
Total Capital Assets, Net	<u>\$165,875</u>	<u>\$ (16,858)</u>	<u>\$149,017</u>

The cost and related accumulated depreciation for each capital asset category at June 30, 2015 is as follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Street lighting	\$ 10,901	\$ 7,379	\$ 3,522
Sidewalk improvements	87,215	29,575	57,640
Road improvements	144,337	72,165	72,172
Street signs and posts	17,917	2,234	15,683
Equipment	<u>1,485</u>	<u>1,485</u>	<u>-</u>
Totals	<u>\$261,855</u>	<u>\$ 112,838</u>	<u>\$149,017</u>

**CITY OF WELLINGTON, KENTUCKY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

16

NOTE 4- CAPITAL ASSETS AND DEPRECIATION (CONTINUED)

Depreciation was charged to function on the Statement of Activities as follows:

Roads/Public works	\$16,561
General government	<u>297</u>
Total	<u>\$16,858</u>

NOTE 5 – MANAGEMENT RISK

The City is subject to normal insurance risks as other cities of its size. The City carries general liability, worker's compensation and errors and omissions coverage. The City has not had any significant reduction in coverage in the past year.

NOTE 6 – COMMITMENTS

The City renewed its sanitation contract to provide waste removal and recycling services to its residents at a monthly cost of \$13.05 per household, with an average monthly total cost of \$3,341 through June 2017.

The City has an annual contract with its lawn care provider through November 2015 for a total contract of \$6,795.

NOTE 7 – SUBSEQUENT EVENTS

City management has evaluated subsequent events through October 24, 2015, which is the date the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF WELLINGTON, KENTUCKY
BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2015**

17

BEGINNING FUND BALANCE AT JUNE 30, 2014

REVENUE

Assessments
Insurance premium tax
Investment income
Miscellaneous revenue
Total Revenues

EXPENDITURES

Garbage and recycling
Fire protection
Police protection
General and administrative
Total Expenditures

SURPLUS

ENDING FUND BALANCE AT JUNE 30, 2015

GENERAL FUND		
ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
\$ 369,979	\$ 381,682	\$ 11,703
100,000	101,556	1,556
35,000	37,004	2,004
11,000	1,484	(9,516)
1,280	16,535	15,255
147,280	156,579	9,299
40,200	39,936	264
36,000	35,014	986
17,000	12,425	4,575
54,080	51,216	2,864
147,280	138,591	8,689
-	17,988	17,988
\$ 369,979	\$ 399,670	\$ 29,691

BEGINNING FUND BALANCE AT JUNE 30, 2014

REVENUES

Road fund revenue
Investment income
Total Revenues

EXPENDITURES

Sidewalk improvements
General and administrative
Total Expenditures

SURPLUS

ENDING FUND BALANCE AT JUNE 30, 2015

MUNICIPAL ROAD AID FUND		
ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
\$ 98,064	\$ 96,904	\$ (1,160)
12,000	13,486	1,486
15	21	6
12,015	13,507	1,492
30,000	-	30,000
13,000	6,584	6,416
43,000	6,584	36,416
(30,985)	6,923	37,908
\$ 67,079	\$ 103,827	\$ 36,748

Kentucky Secretary of State

Alison Lundergan Grimes

Secretary of State / Administration / Land Office / Kentucky Cities

Land Office

Wellington, Kentucky

Search Again

Class (ending Dec. 31, 2014):	6
Class (effective Jan. 1, 2015):	Home Rule
Status:	Active
Incorporated:	1946-05-21
County:	Jefferson
Area Development	KIPDA
County Seat	No
Form Of Government:	Mayor - Commission
Type of Election (City Officials):	Non-Partisan
City Waives Primary Election (City Officials):	Yes

There are no pictures for Wellington, Kentucky.
Post one on our website today. [Click Here.](#)

Interactive Map (Courtesy Kentucky Geography Network)

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[Genealogy](#)

[Jefferson County PVA](#)

[Jefferson County Sheriff](#)

Population Estimates:

1990: 593

1991: 603

1992: 615

1993: 618

1994: 616

1995: 614

1996: 610

1997: 609

1998: 608

1999: 621

2000: 561

2001: 560

2002: 560

Mayor Rick Sims
 Meeting Times: 4th Tue 7:00pm
 Office Hours: No Regular Hours

2003: 562
 *Compiled by the Ky. State Data Center. Population Estimates may change as city boundaries are adjusted.

U.S. Decennial Census (April 1):	2000: 561	1990: 593	1980: 653	1970: 727
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Current Filings (KRS 81.045 to present date)

Date Filed	Type	Ordinance	Map Status	Notes
2016-05-19	Population Estimate			U. S. Census Bureau Population Estimate as of July 1, 2015: 579
2015-05-21	Population (2010)			Population Total per 2010 U.S. Decennial Census: 565
2014-07-28	Declaration (TIFF) (PDF)	pursuant to HB 331 (2014)		Acknowledgment of Reclassification (Home Rule), Statement of Form of Government (Mayor-Commission), Name of City, & Year of Incorporation
2007-03-12	Notification of Vacancy & Appointment			City Clerk
2006-10-09	Notification of Resignations & Appointments			Mayor; City Commissioner; Clerk
1981-04-09	KRS 81.045 Filing		MAPPABLE	

Pre KRS 81.045 Filings (1942 to July 15, 1980)

Date Filed	Type	Ordinance	Notes
1946-07-18	Incorporation	#294-679	Jefferson Circuit Court Judgment

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