

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

Applicant/Program: Fern Creek Fire Protection District Polaris Response Vehicle
Applicant Requested Amount: \$18,638.08
Appropriation Request Amount: 18,638.08

Executive Summary of Request
Fern Creek Fire Protection District Polaris Response Vehicle (\$18,675.84). The funding will provide 3/4 of the financial assistance for the purchase of a Polaris All Terrain Response Vehicle. The vehicle is needed for emergency response into the 21st Century Park System and surrounding rural areas. Fern Creek Fire has responded to several emergency incidences where their normal vehicles could not remotely access the area causing a delay in medical care.

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.

20 District # *Scott Benson* Primary Sponsor Signature 8319.04 Amount May 30, 2017 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
Final Appropriations Amount: _____

Applicant/Program:

Fern Creek Fire Protection District Polaris Response Vehicle

Additional Disclosure and Signatures

Additional Council Office Disclosure

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

N/A

Council Member Signature and Amount

District 1	_____	\$ _____
District 2	_____	\$ _____
District 3	_____	\$ _____
District 4	_____	\$ _____
District 5	_____	\$ _____
District 6	_____	\$ _____
District 7	_____	\$ _____
District 8	_____	\$ _____
District 9	_____	\$ _____
District 10	_____	\$ _____
District 11	_____	\$ _____
District 12	_____	\$ _____
District 13	_____	\$ _____
District 14	_____	\$ _____
District 15	_____	\$ _____

Applicant/Program:

Fern Creek Fire Protection District Polaris Response Vehicle

Additional Disclosure and Signatures

Additional Council Office Disclosure

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

N/A

District 16	_____	\$ _____
District 17	_____	\$ _____
District 18	_____	\$ _____
District 19	_____	\$ _____
District 20	_____	\$ _____
District 21	_____	\$ _____
District 22	<i>Robin Engel Lee</i>	\$ 8319.04
District 23	<i>James Paul TP</i>	\$ 2000.00
District 24	_____	\$ _____
District 25	_____	\$ _____
District 26	_____	\$ _____

**LOUISVILLE METRO COUNCIL
NEIGHBORHOOD DEVELOPMENT FUND APPLICATION**

Legal Name of Applicant Organization Fern Creek Fire Protection District

Program Name and Request Amount Fern Creek Fire Protection District Polaris Response Vehicle/\$18,638.08

	Yes/No/NA
Is the NDF Transmittal Sheet Signed by all Council Member(s) Appropriating Funding?	<input type="checkbox"/> Yes
Is the funding proposed by Council Member(s) less than or equal to the request amount?	<input type="checkbox"/> Yes
Is the proposed public purpose of the program viable and well-documented?	<input type="checkbox"/> Yes
Will all of the funding go to programs specific to Louisville/Jefferson County?	<input type="checkbox"/> Yes
Has Council or Staff relationship to the Agency been adequately disclosed on the cover sheet?	<input type="checkbox"/> Yes
Has prior Metro Funds committed/granted been disclosed?	<input type="checkbox"/> Yes
Is the application properly signed and dated by authorized signatory?	<input type="checkbox"/> Yes
Is proof of Tax Exempt status of 501(c) 3, 4, 6, 19, 1120-H included?	<input 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 type="checkbox"/> No
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 type="checkbox"/> Yes
Is the current Fiscal Year Budget included?	<input type="checkbox"/> Yes
Is the entity's board member list (with term length/term limits) included?	<input type="checkbox"/> Yes
Is recommended funding less than 33% of total agency operating budget?	<input type="checkbox"/> Yes
Does the application budget reflect only the revenue and expenses of the project/program?	<input type="checkbox"/> Yes
Is the cost estimate(s) from proposed vendor (if request is for capital expense) included?	<input type="checkbox"/> Yes
Is the most recent annual audit (if required by organization) included?	<input 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"/> Yes
Is the IRS Form W-9 included?	<input 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"/> No
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"/> No

Prepared by: 

Date: 5/30/2017



MIKE O'CONNELL
JEFFERSON COUNTY ATTORNEY

531 Court Place, Suite 900
Louisville, KY 40202

(502) 574-6333
Fax (502) 574-5573

Julie Lott Hardesty
First Assistant

January 13, 2017

Sent via e-mail only

Councilwoman Marilyn Parker
Vice Chair of Minority Caucus

RE: NDFs to Separate Taxing Districts

Dear Councilwoman Parker,

You asked my office for a written opinion regarding the basis for prohibiting certain Metro Council Neighborhood Development Fund (“NDF”) grants to other separate taxing districts. Your request followed a denial of a previous NDF proposal for the Jeffersontown Fire Protection District (“JFPD”) to purchase an ATV for patrol and rescue operations in the Floyds Fork park area. This denial was based on our initial interpretation of Section 179 of the Kentucky Constitution, which prohibits certain grants to separate taxing districts. However, upon further review, it appears that Section 179’s taxing district prohibition does not create a blanket ban on such grants but rather requires a case by case review of the taxing districts statutory obligations and the anticipated benefits to be derived by Louisville Metro.

The Metro Council Policies and Procedures restrict Metro Council from granting funds to separate taxing districts that will be used to pay for a statutorily mandated expenditure.¹ Metro Council adopted this rule as a compliance measure to safeguard against violating Section 179 of the Kentucky Constitution, which states:

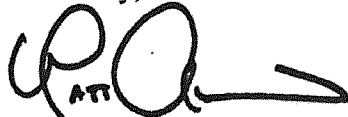
The General Assembly shall not authorize any county or subdivision thereof, city, town or incorporated district, to become a stockholder in any company, association or corporation, or to obtain or appropriate money for, or to loan its credit to, any corporation, association or individual, except for the purpose of constructing or maintaining bridges, turnpike roads, or gravel roads: Provided, If any municipal corporation shall offer to the

¹ “Ineligible activities include, but are not limited to: . . . funding to another taxing district for its statutorily required expenditures.” Louisville Metro Council Policies and Procedures, Section 3, p. 13 (As of March 2016).

2. Louisville Metro is statutorily authorized to engage in the activity receiving the grant;
and
3. Louisville Metro's taxpayers will benefit from the grant.

I hope that this opinion provides helpful guidance for this and future NDF requests. If you believe the NDF proposal for the JFPD purchase of an ATV in the Floyds Fork park area satisfies the public purpose criteria above, please re-submit the NDF request for our review. We are available if you have any questions or would like discuss in more detail.

Sincerely,

A handwritten signature in black ink, appearing to be 'M. Golden', with a horizontal line extending to the right. The initials 'AT' are written in the center of the signature.

Matthew J. Golden
Director, Civil Division
Jefferson County Attorney's Office

cc: Beth Stenberg

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 1 - APPLICANT INFORMATION			
Legal Name of Applicant Organization: Fern Creek Fire Protection District <i>(as listed on: http://www.sos.ky.gov/business/records)</i>			
Main Office Street & Mailing Address: 9409 Old Bardstown Rd., Louisville, KY 40291			
Website: www.ferncreekfire.com			
Applicant Contact:	Nathan Mulvey	Title:	Major
Phone:	502-657-1211	Email:	nmulvey@ferncreekfire.com
Financial Contact:	Nancy Daugherty	Title:	Bookkeeper
Phone:	502657-1216	Email:	ndaugherty@ferncreekfire.com
Organization's Representative who attended NDF Training:			
GEOGRAPHICAL AREA(S) WHERE PROGRAM ACTIVITIES ARE (WILL BE) PROVIDED			
Program Facility Location(s):	9409 Old Bardstown Rd., Louisville, Ky 40291		
Council District(s):	Benson, Engel, Peden	Zip Code(s):	40291
SECTION 2 - PROGRAM REQUEST & FINANCIAL INFORMATION			
PROGRAM/PROJECT NAME: Polaris Response Vehicle			
Total Request: (\$)	18,638.08	Total Metro Award (this program) in previous year: (\$)	0
Purpose of Request (check all that apply):			
<input type="checkbox"/> Operating Funds (generally cannot exceed 33% of agency's total operating budget)			
<input checked="" type="checkbox"/> Programming/services/events for direct benefit to community or qualified individuals			
<input checked="" type="checkbox"/> Capital Project of the organization (equipment, furnishing, building, etc)			
The Following are Required Attachments:			
<input checked="" type="checkbox"/> IRS Exempt Status Determination Letter <input checked="" type="checkbox"/> Current year projected budget <input checked="" type="checkbox"/> Current financial statement Most recent IRS Form 990 or 1120-H <input checked="" type="checkbox"/> Articles of Incorporation (current & signed) Cost estimates from proposed vendor if request is for capital expense		Signed lease if rent costs are being requested <input checked="" type="checkbox"/> IRS Form W9 Evaluation forms if used in the proposed program <input checked="" type="checkbox"/> Annual audit (if required by organization) Faith Based Organization Certification Form, if applicable	
For the current fiscal year ending June 30, list all funds appropriated and/or received from Louisville Metro Government for this or any other program or expense, including funds received through Metro Federal Grants, from any department or Metro Council Appropriation (Neighborhood Development Funds). Attach additional sheet if necessary.			
Source:		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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 3 – AGENCY DETAILS

Describe Agency's Vision, Mission and Services:

I am writing to request your support in Fern Creek Fire Departments request for a multipurpose All Terrain Vehicle for emergency responses to incidents with the 21st Century Parks system and surrounding rural areas. Over the past few years this park system has grown exponentially. The traffic of visitors that come through daily increases the threat of wildfires, waterway incidents and other medical emergencies. These incidents are some of what are at times inaccessible to us by vehicle given the area and the terrain. This inability to access can cause some delays in our response to the victims in need. The Fern Creek Fire Department covers a large area of the Parkland's, approximately 2400 of the 3700 acres in total. This vehicle would allow us to provide additional fire suppression to those hard to reach areas as well as provide the ability for our personnel to not exhaust themselves while performing life saving measures and hauling in gear for medical emergencies.

I have attached a document showing the requested equipment needed to the council members.

The Fern Creek Fire Department mission is to provide quality fire protection and emergency services to the citizens of our community. This vehicle will assist greatly in us maintaining this promise to the people we serve.


LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 4 - BOARD OF DIRECTORS AND PAID STAFF

Board Member	Term End Date
Dan Bannon, Chairman, Mayor Appointed Trustee	Jun 30, 2017
Susan Pierce, Treasurer, Mayor Appointed Trustee	Jun 30, 2018
Douglas Sharp, Secretary, Property Owner Trustee	Jun 30, 2018
Charles J Bauer JR, Property Owner Trustee	Jun 30, 2020
Craig Hampton, Firefighter Elected Trustee	Jun 30, 2017
Keith Jackson, Mayor Appointed Trustee	Jun 30, 2019
Todd Newman, Firefighter Elected Trustee	Jun 30, 2019

Describe the Board term limit policy:
 Mayor Appointed Trustees position is a 3 year term
 Property Owner Elected Trustee Position is a 4 year term
 Firefighter Elected Trustee position is a 4 year term

Three Highest Paid Staff Names	Annual Salary
Chief Mike Schmidt	101,034
Major Nathan Mulvey	79,905
Captain Craig Hampton and Captain James Epley	58,751

Applicant's Initials 

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 5 - PROGRAM/PROJECT NARRATIVE

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

Start Date: Once Funds are made available.

Finish Date: Within 2 weeks of equipment arrival.

Program funding would allow continued use of all the park system and enhance emergency response to those locations.

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

Funds would be spent on the listed equipment below for emergency response use, which would enhance our emergency response abilities to 21st Century Parks System and surrounding areas.

Polaris ATV
Upgraded Spring Suspension REquired for weight distribution
Medical Transport Attachment
Winch
Trailer for Transportation
Water Tank and Skid Pump for Fire Extinguishment

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:

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

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

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

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

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

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

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

In 2016 The Fern Creek Fire Department responded to several incidents within the park system. These incidents ranged from water rescues, medical emergencies and wildland fires over several acres. As the park grows and adds attractions we believe that the need for proper equipment is a must for us to provide our community with the best resources available.

This equipment would increase the functions of our responders and provide a shorter time period for the proper care to be given.

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.

Fern Creek Fire Department will be setting aside \$8373.62 towards this project which approximately 31% of the project total. These funds along with the additional \$18,638.08 if provided by the Metro Council members will make up the total funds needed to build and purchase this Polaris Response Vehicle. Breakdown of proposed Metro funds are as follows; Representative Benson and Engel to provide \$8319.04 each and Representative Peden to provide \$2000 totalling 69% of total project.

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 6 - PROGRAM/PROJECT BUDGET SUMMARY

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

Program/Project Expenses	Column 1	Column 2	Column (1+2)=3
	Proposed Metro Funds	Non-Metro Funds	Total Funds
A: Personnel Costs Including Benefits			
B: Rent/Utilities			
C: Office Supplies			
D: Telephone			
E: In-town Travel			
F: Client Assistance (See Detailed List on Page 8)			
G: Professional Service Contracts			
H: Program Materials			
I: Community Events & Festivals (See Detailed List on Page 8)			
J: Machinery & Equipment			
K: Capital Project			
L: Other Expenses (See Detailed List on Page 8)	18638.08		
*TOTAL PROGRAM/PROJECT FUNDS	18638.08	8373.62	27011.70
% of Program Budget	69 %	31 %	100%

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

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

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

**Must equal or exceed total in column 2.

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

Detail for Client Assistance, Community Events & Festivals or Other Expenses shown on Page 7 (circle one and use multiple sheets if necessary)	Column 1	Column 2	Column (1 + 2)=3
	Proposed Metro Funds	Non-Metro Funds	Total Funds
Polaris ATV	10,523.19	4,727.81	15,251
Skid Tank and Pump	5,039.07	2,263.93	7,303
Trailer	1,587	713	2,300
Light Package	825.58	370.91	1,196.49
Suspension upgrade for weight distribution	663.24	297.97	961.21
Total	18,638.08	8,373.62	27,011.7

Applicant's Initials AK

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

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

Agency Fiscal Year Start Date: July 01, 2017

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

If YES, please explain:

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 7 – CERTIFICATIONS & ASSURANCES

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

Standard Assurances

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

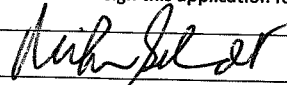
Standard Certifications

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

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

SECTION 8 – CERTIFICATIONS & ASSURANCES

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

Signature of Legal Signatory:		Date:	5/16/17
Legal Signatory: (please print):	Mike Schmidt	Title:	Chief
Phone:	502-657-1210	Extension:	
Email:	mschmidt@ferncreekfire.com		

Department of the Treasury
Internal Revenue Service

49212908

Date of This Notice

If you inquire about your account, please refer to this number or attach a copy of this notice

02-26-81
Employer Identification Number
[REDACTED]

FERN CREEK FIRE PROTECTION DISTRICT
FERN CREEK VOLUNTEER FIRE
DEPARTMENT
6200 BARDSTOWN RD
FERN CREEK

KY 40291

575 N

NOTICE OF NEW EMPLOYER IDENTIFICATION NUMBER ASSIGNED

Thank you for your application for an employer identification number. The number above has been assigned to you. We will use it to identify your business tax returns and any other related documents, even if you have no employees.

Please keep this number in your permanent records. Use the number and your name, exactly as shown above, on all Federal tax forms that require this information, and refer to the number in all tax payments and in tax-related correspondence or documents. You may wish to make a record of the number for reference in case this notice is lost or destroyed.

We appreciate your cooperation.

Sent 3/31/81

51B129
7-75

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF REVENUE
FRANKFORT
40601

TO: Fern Creek Fire Protection District
6200 ~~6110~~ Bardstown Road PO. BOX 91025
Fern Creek, Kentucky 40291

Permit Number: [REDACTED]

DATE: July 16, 1975

SUBJECT: Tax Free Purchases

Based on the information submitted in your "Application for Classification as an Exempt Unit of Local Government," you are hereby authorized to make tax free purchases as provided by Regulation 103 KAR 30:225E. A copy of this letter should be presented to the vendor to be retained by him as authorization to make such sales.

Every vendor making such sales must require an official or an employee exercising comparable authority of the local governmental unit to sign and acknowledge in writing on a copy of the invoice that the sale and delivery of the property was actually made to a unit of local government. The invoice shall be retained by the vendor as documentary evidence in support of his deduction of the sale from gross receipts on his sales tax return. For proper reporting, the vendor must deduct receipts from these sales on line 22 of his return.

If any of the property or service is not used for an exempt purpose, the purchaser will be required to pay any tax due on purchases made tax free under this exemption.

In the event there is a change in your operations from the information submitted in your application, you must notify the department immediately.

Claude B. Slone

Claude B. Slone
Director
Sales and Severance Tax Division



Fern Creek Fire Protection District
Financial Disclosure Report 2017

SPGE INFORMATION		
CONTACT NAME Nancy Daugherty	TELEPHONE NUMBER (502) 239-7075	FAX NUMBER (502) 239-1872
MAILING ADDRESS PO Box 91025	EMAIL ndaugherty@ferncreekfire.com	
CITY Louisville	STATE KY	ZIP CODE 40291
DO YOU HAVE A DULY ADOPTED BUDGET IN PLACE? Yes	IF NO, EXPLANATION: N/A	

FINANCIAL INFORMATION			
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<i>Description</i>	<i>Current Year Estimates</i>	<i>Amendments / Transfers</i>	<i>Year End Actuals</i>
Revenues			
Taxes (all categories)	\$2,810,000.00	\$0.00	\$0.00
Permits and Licenses	\$0.00	\$0.00	\$0.00
Payments in Lieu of Taxes	\$0.00	\$0.00	\$0.00
Intergovernmental Revenues	\$77,321.00	\$0.00	\$0.00
Charges for Services	\$21,500.00	\$0.00	\$0.00
Other Revenues	\$0.00	\$0.00	\$0.00
Interest Earned	\$7,500.00	\$0.00	\$0.00
TOTALS	\$2,916,321.00	\$0.00	\$0.00

Receipts and Cash			
Carryover from Prior Fiscal Year	\$1,900,000.00	\$0.00	\$0.00
Bonded Debt, Public Corporation	\$0.00	\$0.00	\$0.00
Transfers to Other Funds	\$0.00	\$0.00	\$0.00
Transfers from Other Funds	\$0.00	\$0.00	\$0.00
Borrowed Money (all short term /	\$0.00	\$0.00	\$0.00
Governmental Leasing Act	\$0.00	\$0.00	\$0.00
Fire Commission Loans	\$0.00	\$0.00	\$0.00
All Other Borrowed Money	\$0.00	\$0.00	\$0.00
TOTALS	\$1,900,000.00	\$0.00	\$0.00

Appropriations			
Personnel	\$1,752,253.00	\$0.00	\$0.00
Operations	\$526,466.00	\$0.00	\$0.00

FINANCIAL INFORMATION

<i>Description</i>	<i>Current Year Estimates</i>	<i>Amendments / Transfers</i>	<i>Year End Actuals</i>
Administration	\$88,975.00	\$0.00	\$0.00
Capital Outlay	\$235,775.00	\$0.00	\$0.00
Debt Service	\$312,852.00	\$0.00	\$0.00
TOTALS	\$2,916,321.00	\$0.00	\$0.00

*** Year End Actual Figures are the actual figures reported at the end of the fiscal year and are un-audited ***



Fiscal Year: 16/17
 Fund Name: Fern Creek Fire Protection District

SPGE Budget Summary - Non Enterprise	<u>Current Year Estimates</u> (Due July 15)	<u>Budget As Amended (As</u> of June 30)
Revenues		
Taxes (all categories)	\$2,810,000	\$0
Permits and Licenses	\$0	\$0
Payments in Lieu of Taxes	\$0	\$0
Intergovernmental Revenues	\$77,321	\$0
Charges for Services	\$21,500	\$0
Other Revenues	\$0	\$0
Interest Earned	\$7,500	\$0
Total Revenues	\$2,916,321	\$0
Receipts and cash		
Carryover from Prior Fiscal Year	\$1,900,000	\$0
Bonded Debt, Public Corporation & G.O.	\$0	\$0
Transfers to Other Funds	\$0	\$0
Transfers from Other Funds	\$0	\$0
Borrowed Money (all short term/single year)	\$0	\$0
Governmental Leasing Act	\$0	\$0
All Other Borrowed Money	\$0	\$0
Total Receipts and Cash	\$1,900,000	\$0
Total Available (sum of Total Receipts, Cash & Total Revenues)	\$4,816,321	\$0
Appropriations		
Personnel	\$1,752,253	\$0
Operations	\$526,466	\$0
Administration & Reserves	\$88,975	\$0
Capital Outlay	\$235,775	\$0
Debt Service	\$312,852	\$0
Total Appropriations	\$2,916,321	\$0



Fund Name:

SPGE Budget Workbook - Non Enterprise

	<u>Current Year</u> <u>Estimates</u>	<u>Budget As</u> <u>Amended (As of</u> <u>June 30)</u>	<u>Year-End Actual</u>
Revenues			
1. Taxes			
1A. Real Property Taxes	\$2,500,000	\$0	\$0
1B. Tangible Personal Property	\$90,000	\$0	\$0
1C. Motor Vehicles	\$220,000	\$0	\$0
1D. Delinquent Taxes	\$0	\$0	\$0
1E. Other Tax (define)	\$0	\$0	\$0
2. Permits and Licenses			
2A. (define)	\$0	\$0	\$0
2B. (define)	\$0	\$0	\$0
3. Payments In Lieu of Taxes			
3A. (define)	\$0	\$0	\$0
4. Intergovernmental Revenues			
4A. From Federal Government	\$0	\$0	\$0
4B. From State Government	\$77,321	\$0	\$0
4C. From County Government	\$0	\$0	\$0
4D. From City Government	\$0	\$0	\$0
4E. From Other Districts	\$0	\$0	\$0
4F. Other (define)	\$0	\$0	\$0
5. Charges for Services			
5A. Service Charges	\$12,500	\$0	\$0
5B. User Fees	\$0	\$0	\$0
5C. Rental Income	\$9,000	\$0	\$0
5D. Special Assessments	\$0	\$0	\$0
5E. Other (define)	\$0	\$0	\$0
5F. Other (define)	\$0	\$0	\$0
6. Other Revenues			
6A. (define)	\$0	\$0	\$0
6B. (define)	\$0	\$0	\$0
6C. (define)	\$0	\$0	\$0
6D. (define)	\$0	\$0	\$0
7. Interest Earned			
7A. (define)	\$7,500	\$0	\$0
7B. (define)	\$0	\$0	\$0
Total Revenues	\$2,916,321	\$0	\$0
Receipts and cash			
8. Cash, Borrowed Money, & Transfers			
8A. Cash Balance, July 1	\$1,900,000	\$0	\$0
8C. Bond Sale Proceeds	\$0	\$0	\$0
8D. Cash Transfers to Other Funds	\$0	\$0	\$0
8E. Cash Transfers from Other Funds	\$0	\$0	\$0
8F. Borrowed Money (short term/single year)	\$0	\$0	\$0
8G. Governmental Leasing Act Proceeds	\$0	\$0	\$0
8H. Loan(s) from Other Governments	\$0	\$0	\$0
Total Cash, Borrowed Money, & Transfers	\$1,900,000	\$0	\$0
Total Available (Revenues, Cash, Borrowed Money & Transfers)	\$4,816,321	\$0	\$0
Appropriations			
9. Personnel			
9A. Salaries and Wages (Gross)	\$1,010,314	\$0	\$0
9B. Per Diem (Lump Expense Allowance)	\$0	\$0	\$0
9C. Health (Medical) Insurance	\$313,941	\$0	\$0
9D. FICA (Social Security)	\$81,776	\$0	\$0
9E. Worker's Compensation	\$39,994	\$0	\$0
9F. Unemployment Insurance	\$0	\$0	\$0
9G. Pensions (Retirement)	\$306,227	\$0	\$0
9H. Other Fringe (define)	\$0	\$0	\$0
9I. Other Fringe (define)	\$0	\$0	\$0
Total, Personnel	\$1,752,253	\$0	\$0
10. Operating Expense			
Contracted Services (sub-category)			
10A. Advertising and Printing	\$0	\$0	\$0
10B. Professional Services (defined by K.R.S. 45A.380 (3))	\$26,500	\$0	\$0



Fund Name:

SPGE Budget Workbook - Non Enterprise

	<u>Current Year</u> <u>Estimates</u>	<u>Budget As</u> <u>Amended (As of</u> <u>June 30)</u>	<u>Year-End Actual</u>
10C. Maintenance and Repairs	\$143,000	\$0	\$0
Appropriations (cont'd.)			
10D. Utilities (includes telephone)	\$105,000	\$0	\$0
10E. Rents and Leases	\$0	\$0	\$0
10F. Insurance and Bonds	\$40,145	\$0	\$0
10G. Other Contract (define)	\$0	\$0	\$0
10H. Other Contract (define)	\$0	\$0	\$0
10I. Other Contract (define)	\$0	\$0	\$0
Subtotal Contracted Services	\$314,645	\$0	\$0
Materials and Supplies (sub-category)			
10J. Materials	\$0	\$0	\$0
10K. Supplies	\$56,300	\$0	\$0
Subtotal Materials and Supplies	\$56,300	\$0	\$0
Other Operating Expense (sub-category)			
10L. Other Operating (define)	\$155,521	\$0	\$0
10M. Other Operating (define)	\$0	\$0	\$0
Subtotal Other Operating Expense	\$155,521	\$0	\$0
Total, Operating Expenses	\$526,466	\$0	\$0
11. Administration			
11A. Dues and Subscriptions	\$2,000	\$0	\$0
11B. Travel and Training	\$28,000	\$0	\$0
11C. Court Judgements	\$0	\$0	\$0
11D. Grants and Donations	\$0	\$0	\$0
11E. Reserve for Transfer (no expenditures from this account)	\$0	\$0	\$0
11F. Other (define)	\$58,975	\$0	\$0
Total Administration	\$88,975	\$0	\$0
12. Capital Outlay			
12A. Land	\$0	\$0	\$0
12B. Land Improvement	\$0	\$0	\$0
12C. Building Construction	\$0	\$0	\$0
12D. Building Improvement	\$46,758	\$0	\$0
12E. Furniture and Fixtures	\$0	\$0	\$0
12F. Equipment	\$89,017	\$0	\$0
12G. Vehicles	\$40,000	\$0	\$0
12H. Other (define) Reserves	\$60,000	\$0	\$0
12J. Other (define)	\$0	\$0	\$0
Total Capital Outlay	\$235,775	\$0	\$0
13. Debt Service			
13A. Short Term Debt Principal	\$278,903	\$0	\$0
13B. Short Term Debt Interest	\$33,949	\$0	\$0
13C. Loan Principal, Other Governments	\$0	\$0	\$0
13D. Loan Interest, Other Governments	\$0	\$0	\$0
13E. Public Properties Corporation & G.O. Bonds Principal	\$0	\$0	\$0
13F. Public Properties Corporation & G.O. Bonds Interest	\$0	\$0	\$0
13G. Governmental Leasing Act Principal	\$0	\$0	\$0
13H. Governmental Leasing Act Interest	\$0	\$0	\$0
Total Debt Service	\$312,852	\$0	\$0
GRAND TOTAL ALL APPROPRIATIONS	\$2,916,321	\$0	\$0

Fern Creek Fire Protection District Income Statement
For the Eleven Months Ending May 31, 2017

REVENUES

	<u>Budget</u>	<u>Current Month</u>	<u>Y T D</u>
Real Estate Tax	2,500,000.00	0.00	2,534,216.59
Personal Property Tax	90,000.00	0.00	78,936.94
Motor Vehicle Tax	220,000.00	4,322.16	200,107.51
State Aid - Equipmt reimb	8,250.00	0.00	11,000.00
State Aid - Incentive Reimb	52,700.00	0.00	55,032.33
State Aid - Incentive Retiremt	16,371.00	0.00	17,092.65
Investment Income	7,500.00	0.00	6,451.77
Rental Income Net	0.00	0.00	0.00
Lease Income	9,000.00	0.00	9,005.43
Grant income	0.00	0.00	0.00
Miscellaneous	12,000.00	0.00	12,046.53
Sale of Equipment	0.00	0.00	1,000.00
Pension Reserve Fund	0.00	0.00	0.00
Fund Balance Transfer	0.00	0.00	0.00
Plan Approval Income	500.00	0.00	475.00
Training Income	0.00	0.00	0.00
Cost Recovery Income	0.00	0.00	0.00
HAZMAT Cost Recovery Income	0.00	0.00	0.00
TOTAL REVENUES & AVAIL FUNDS	2,916,321.00	4,322.16	2,925,364.75

EXPENSES

CAPITAL EQUIPMENT

Vehicles	40,000.00	0.00	36,964.00
Hose	840.00	0.00	2,799.10
Nozzles Valves Adapters	0.00	0.00	0.00
Buildings and Additions	46,758.31	0.00	83,885.72
Firefighting Equipment	6,177.00	0.00	11,220.04
SCBA	0.00	0.00	0.00
Electrical Equipment	5,000.00	0.00	5,518.93
Communication Equipment	3,000.00	0.00	1,913.40
Uniforms	8,000.00	170.00	4,771.33
Build. Furn. & Office Eqpt.	0.00	0.00	6,173.34
Training Aids	16,000.00	0.00	323.75
Building/Other Equipment	0.00	0.00	9,678.32
Pers Protective Equipment	50,000.00	0.00	23,763.96
CAPITAL EQUIPMENT	175,775.31	170.00	187,011.89

ASSET CAPITAL EQUIPMENT

Bldg. Improv. Furniture Equip.	0.00	0.00	0.00
Vehicles	0.00	0.00	0.00
Communication Equipment	0.00	0.00	0.00
Firefighter Equipment	0.00	0.00	0.00
Station # 4 Construction	0.00	0.00	0.00
ASSET CAPITAL EQUIPMENT	0.00	0.00	0.00

Fern Creek Fire Protection District Income Statement
For the Eleven Months Ending May 31, 2017

	<u>Budget</u>	<u>Current Month</u>	<u>Y T D</u>
<u>PERSONNEL OPERATING</u>			
Misc. Food Supplies	3,700.00	166.68	3,601.81
Awards Banquet	20,000.00	350.00	17,267.39
Flowers and Fruit	600.00	0.00	582.55
Recreation Equipment	0.00	0.00	0.00
Volunteer Reimbursement	90,221.00	0.00	67,673.25
Volunteer Retention Plan	0.00	0.00	0.00
Pension Buy-out	0.00	0.00	0.00
Pension non-vested	0.00	0.00	0.00
Volunteer Deferred Compensatio	15,000.00	0.00	9,331.68
Health and Safety Program	25,000.00	0.00	17,631.80
Recruitment	1,000.00	0.00	0.00
	<hr/>		
TOTAL PERSONNEL OPER	155,521.00	516.68	116,088.48
<u>ADMINISTRATIVE</u>			
Accounting Fees	16,500.00	0.00	14,043.72
Legal Fees	10,000.00	0.00	1,075.83
Insurance Expenses	40,145.00	(500.00)	49,021.87
Treasurer's Expenses	600.00	0.00	159.89
Fire Prevention	5,375.00	0.00	3,617.73
Fire Alliance Apport. Expenses	25,000.00	0.00	2,878.56
Dues And Subscriptions	2,000.00	0.00	2,000.00
Computer and Supplies	25,000.00	688.00	16,184.68
Community Affairs	3,000.00	0.00	2,317.46
	<hr/>		
TOTAL ADMINISTRATIVE	127,620.00	188.00	91,299.74
<u>OPERATING</u>			
Cleaning & Maint. Supplies	5,000.00	0.00	3,868.38
Office Supplies & Printing	3,000.00	0.00	1,919.08
First Aid /MERT	2,200.00	0.00	911.20
Seminar Classes	20,000.00	399.00	6,442.69
Utilities	105,000.00	1,217.33	82,900.44
Gasoline Fuel & Oil	45,000.00	5.00	23,830.66
Petty Cash	0.00	0.00	0.00
Misc. Supplies	100.00	(40.01)	(420.01)
Conference Expenses	8,000.00	0.00	8,958.14
Postage	1,000.00	0.00	788.65
	<hr/>		
TOTAL OPERATING	189,300.00	1,581.32	129,199.23

Fern Creek Fire Protection District Income Statement
For the Eleven Months Ending May 31, 2017

	<u>Budget</u>	<u>Current Month</u>	<u>Y T D</u>
<u>MAINTENANCE</u>			
Vehicle Maintenance	60,000.00	0.00	86,225.66
Hose & Hydrant Maintenance	500.00	21.84	124.20
Nozzles Valves & Adapter Maint	500.00	0.00	0.00
Building Maintenance	60,000.00	88.13	41,335.38
Firefighting Equipment Maint.	7,500.00	0.00	4,701.91
SCBA Maintenance	11,000.00	0.00	7,872.87
Electrical Equipment Maint.	500.00	0.00	403.46
Communication Equipment Maint.	500.00	0.00	440.14
Pers.Prot.Equip & Uniform Main	500.00	0.00	398.00
Building Furnishing Maint.	2,000.00	29.86	3,460.41
TOTAL MAINTENANCE	143,000.00	139.83	144,962.03
<u>PAYROLL</u>			
Firefighter Employees	899,585.94	0.00	762,069.31
Firefighter Employee Insurance	292,969.03	2,321.08	211,031.67
Firefighter Retirement	295,780.01	0.00	256,154.98
Sick Time Payout FF	0.00	0.00	0.00
Sick Time Payout Non-FF	0.00	0.00	4,342.65
Non-Firefighter Employees	58,027.80	0.00	50,026.11
Non-Firefighter Employee Ins.	20,972.20	127.16	14,217.47
Non-Firefighter Retirement	10,447.31	0.00	9,056.27
Firefighter Emp. Payroll Tax	77,421.88	0.00	65,357.59
Non-FF Emp Payroll Tax	4,354.55	0.00	3,969.36
Employee Workmen's Comp.	39,994.00	0.00	44,173.15
Employee Incentive Pay	52,700.00	0.00	55,027.80
Deferred Compensation	0.00	0.00	0.00
Supporting Heroes	0.00	0.00	0.00
TOTAL PAYROLL	1,752,252.72	2,448.24	1,475,426.36
<u>NOTES & LEASES</u>			
Long term debt payments	0.00	0.00	0.00
KADD Lease - Station # 4	61,139.59	5,283.33	55,856.26
LOSAP buyout loan Repub BK	150,000.00	0.00	144,640.60
KACo Apparatus & SCBA Lease	101,712.38	0.00	100,960.51
TOTAL NOTES & LEASES	312,851.97	5,283.33	301,457.37
<u>RESERVE ACCOUNTS</u>			
General Reserve Fund	50,000.00	0.00	0.00
Training Center Reserve Fund	10,000.00	0.00	10,000.00
TOTAL RESERVES	60,000.00	0.00	10,000.00
TOTAL EXPENSES	2,916,321.00	10,327.40	2,455,445.10
REVENUES LESS EXPENSES	0.00	(6,005.24)	469,919.65

Commonwealth of Kentucky

OFFICE OF
SECRETARY OF STATE

FRANCES JONES MILLS
Secretary



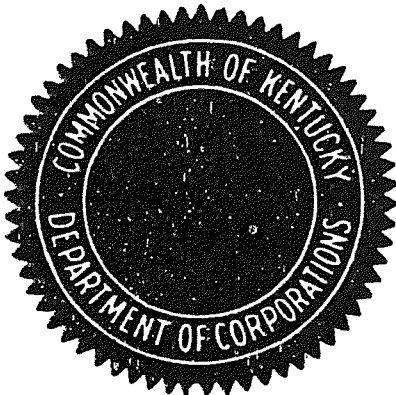
FRANKFORT,
KENTUCKY

CERTIFICATE OF AMENDMENT TO ARTICLES OF INCORPORATION

I, FRANCES JONES MILLS, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Amended Articles of Incorporation of

FERN CREEK FIRE PROTECTION DISTRICT HOLDING COMPANY, INC.

amended pursuant to Kentucky Revised Statutes, ~~277A~~, (273) duly signed and verified or acknowledged according to law, have been filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.



SECRETARY OF STATE

Given under my hand and seal of Office as Secretary of State, at Frankfort, Kentucky, this 18TH
day of SEPTEMBER, 19 81.

Frances Jones Mills
SECRETARY OF STATE

ASSISTANT SECRETARY OF STATE

SECRETARY OF STATE OF KENTUCKY
FRANKFORT, KENTUCKY

SEP 18 1981

ARTICLES OF AMENDMENT

OF

FERN CREEK FIRE PROTECTION DISTRICT HOLDING COMPANY, Inc.

[Signature]
SECRETARY OF STATE

PREAMBLE

WHEREAS, a meeting of the Members/Directors of the Fern Creek Fire Protection District Holding Company, Inc., was held on September 1, 1981, after proper notice to all Members/Directors as required by law; a quorum being present and voting throughout said meeting, and

WHEREAS, a discussion was held concerning the terms and conditions of a certain Letter of Conditions whereunder the United States Department of Agriculture, Farmers Home Administration, has proposed to make a loan to the Fern Creek Fire Protection District Holding Company, Inc., in the principal amount of \$529,500 for the purpose of constructing a fire station and acquiring fire fighting equipment, and

WHEREAS, certain of the terms and conditions of said Letter of Conditions require that in order to qualify for the loan from Farmers Home Administration, Fern Creek Fire Protection District Holding Company, Inc. is required to make certain amendments in its original Articles of Incorporation filed with the Secretary of State of Kentucky on January 3, 1973, and

WHEREAS, upon a vote being taken on a Resolution authorizing the execution of these Articles of Amendment, the Members/Directors unanimously approved the execution of these

Articles of Amendment;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That the undersigned President and Secretary of the Fern Creek Fire Protection District Holding Company, Inc., in accordance with a Resolution unanimously adopted by the Members/Directors of said corporation, do hereby execute on behalf of said corporation the following Articles of Amendment which shall amend the original Articles of Incorporation to the extent that each Article enumerated herein repeals and replaces the comparably numbered Article set forth in the original Articles of Incorporation filed with the Secretary of the State of Kentucky on January 3, 1973; as follows;

ARTICLE III

It is not the purpose of this organization to operate for pecuniary profit, and the nature of the business and objects and purposes to be transacted, promoted and carried on shall be the acquisition of real estate and the construction of improvements thereon and the acquisition and operation of personal property, including fire fighting equipment, for and on behalf of the Fern Creek Fire Protection District and the promotion of the public interests of said District, and in that connection without profit to the corporation or its members, to receive, hold and disburse gifts, bequests and other funds for such purpose, to acquire, own, maintain, sell, mortgage or pledge real estate or personal property and to issue or assume bonds, notes or other evidences of indebtedness to evidence its obligations, and generally do any

and all things necessary and incidental to its general purposes aforesaid and, without limiting the generality of the foregoing, to acquire real and personal property, including fire fighting equipment, for and on behalf of the Fern Creek Fire Protection District.

ARTICLE IV

The corporation shall have no stock and is not formed for profit, but to provide adequate real estate, improvements thereon and personal property, including fire fighting equipment, for and on behalf of the Fern Creek Fire Protection District.

All of the assets and earnings of the corporation shall be used exclusively for the purposes herein set out, including the payment of expenses incidental thereto, and no part of the net earnings of the corporation shall inure to the benefit of any member or individual, and no substantial part of the corporation's activities shall be the carrying on of propaganda or otherwise attempting to influence legislation.

In the event of the dissolution of this corporation, or in the event it shall cease to carry out the objectives and purposes herein set forth, all business, property, and assets of the corporation shall go and be distributed to the Fern Creek Fire Protection District in accordance with the provisions of Section 58.180 of the Kentucky Revised Statutes, or such successor to said Fern Creek Fire Protection District as may be designated by the General Assembly of the Commonwealth of Kentucky upon the enactment of appropriate legislation. Notwithstanding the

foregoing, in the event it is determined that the Fern Creek Fire Protection District, or its statutory successor, does not exist at the time of the dissolution of this corporation, then upon the approval of not less than seventy-five percent (75%) of the Members/Directors of this corporation, all business, property, and assets of the corporation shall go and be distributed to one or more non-profit corporations or public bodies to be used for, and devoted to, the purpose of a community facility project or other purpose to serve the public welfare of the Fern Creek community. In no event shall any of the assets or property, in the event of the dissolution of this corporation, go or be distributed to members, directors, stockholders, or others having a financial or managerial interest in the corporation either for the reimbursement of any sums subscribed, donated or contributed by such members or for any other purpose, provided that nothing herein shall prohibit the corporation from paying its just debts.

No further amendment to the original Articles of Incorporation of the corporation shall be made subsequent to the filing of these Articles of Amendment with the Secretary of State of Kentucky without the prior written consent of the United States of America, Farmers Home Administration or such successor agency as is designated by the Congress of the United States of America.

ARTICLE VII

The affairs and business of the Corporation shall be conducted by its members, who shall constitute the governing body

of the corporation, to be known as its Board of Directors; sometimes referred to in these Articles of Amendment and in the original Articles of Incorporation as the Members/Directors. The Members/Directors shall be the same persons who are at the time the duly elected or appointed members of the Board of Trustees of the Fern Creek Fire Protection District qualified as such under the provisions of Chapter 75 of the Kentucky Revised Statutes. Upon any of said ex-officio Members/Directors of the corporation ceasing to hold the office of Trustee of the Fern Creek Fire Protection District, said persons shall no longer be a member/director of this corporation and his successor in the required office of Trustee, whether elected or appointed, shall automatically succeed to be a Member/Director of this corporation.

The officers of the corporation shall consist of a President, a Secretary, a Treasurer (the offices of Secretary and Treasurer may be combined) and such Vice-Presidents as the Members/Directors may elect.

The members of the corporation shall act as a Board of Directors and shall have full power to make all by-laws in order to regulate the business of the corporation as will not be inconsistent with the provisions of the original Articles of Incorporation, these Articles of Amendment and the laws of the Commonwealth of Kentucky.

CONCLUSION

All remaining Articles as set forth in the original Articles

of Incorporation filed with the Secretary of State of Kentucky on January 3, 1973 shall remain in full force and effect.

IN TESTIMONY WHEREOF, witness our hands this ~~first~~ ^{Tenth} day of September, 1981.

Gerald D. Swan
Gerald D. Swan, President

Attest:

John R. Miller
Secretary

COMMONWEALTH OF KENTUCKY)
) SS
COUNTY OF JEFFERSON)

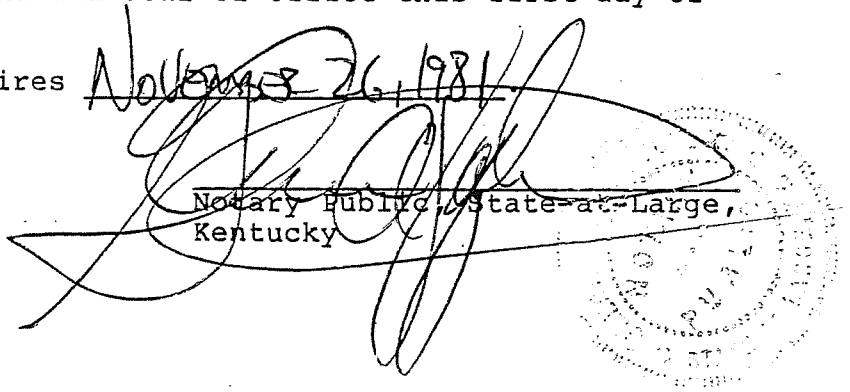
I, a notary public in and for the State and County aforesaid, do hereby certify that the foregoing Articles of Amendment, including the Preamble thereto, of Fern Creek Fire Protection District Holding Company, Inc. were this day produced to me in said State by Gerald D. Swan and JOHN R. MILLER, personally known to me and personally known by me to be the President and Secretary of the Fern Creek Fire Protection District Holding Company, Inc. who acknowledge the execution of the foregoing Articles of Amendment to be their free act and deed in accordance with a Resolution unanimously adopted by the Members/Directors of said corporation on the first day of September, 1981.

Given under my hand and seal of office this first day of September, 1981.

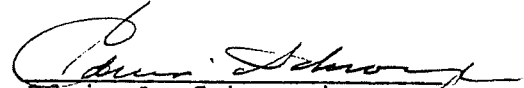
My commission expires ~~November 26, 1981~~

[Signature]
Notary Public, State-at-Large, Kentucky

(Seal of Notary)



The foregoing Articles of Amendment of Fern Creek Fire Protection Holding Company, Inc. were prepared by Edwin A. Schroering, Jr., Attorney at Law, Suite 1210 Citizens Plaza, Louisville, Kentucky 40202.


Edwin A. Schroering, Jr.

BY-LAWS
OF
FERN CREEK FIRE PROTECTION
DISTRICT HOLDING COMPANY, INC.

Orange
1931 SEP 30 AM 8:41
A 2585
RECORDED BY [Signature]
AND INDEXED
FEB 2 1960 INC. TAX
COMM. REC. FILED IN J.C.C.

ARTICLE I

NAME

The name of the Corporation shall be the Fern Creek Fire Protection District Holding Company, Inc. The principal office of the Corporation shall be Fern Creek Firehouse, Fern Creek, Kentucky.

ARTICLE II

PURPOSE

It is not the purpose of this organization to operate for pecuniary profit, and the nature of the business and objects and purposes to be transacted, promoted and carried on shall be the acquisition of real estate and the construction of improvements thereon and the acquisition and operation of personal property, including fire fighting equipment, for and on behalf of the Fern Creek Fire Protection District and the promotion of the public interests of said District, and in that connection without profit to the corporation or its members, to receive, hold and disburse gifts, bequests and other funds for such purpose, to acquire, own, maintain, sell, mortgage or pledge real estate or personal property and to issue or assume bonds, notes or other evidences of indebtedness to evidence its obligations, and generally do any and all things necessary and incidental to its general purposes aforesaid and, without limiting the generality of the foregoing, to acquire real and personal property, including fire fighting equipment, for and on behalf of the Fern Creek Fire Protection District.

ARTICLE III

LIMITATION OF ACTIVITIES

The Corporation shall be non-partisan and non-sectarian, and shall take no part in or lend its influence or facilities, either directly or indirectly to the nomination, election or appointment of any candidate for office. Notwithstanding the foregoing, nothing in these By-Laws shall prevent the Corporation from leasing facilities owned by it to private partisan or sectarian organizations on a commercial basis; provided, however, that all organizations shall have equal access to said facilities.

ARTICLE IV

MEMBERSHIP

The affairs and business of the Corporation shall be conducted by its members, who shall constitute the governing body of the Corporation, to be known as its Board of Directors. The Board of Directors shall be the Trustees of the Fern Creek Fire Protection District and they shall be known as the Board of Directors. Upon any members of the Board of Directors ceasing to hold the required elective office, said person shall no longer be a member of the Corporation's Board of Directors; his successor in the required elective office, whether elected or appointed, shall automatically succeed to be a member of the Board of Directors.

The officers of the Corporation shall be a President, a Secretary and a Treasurer and such other officers as the Board of Directors may elect from time to time.

The members of the Corporation shall act as a Board of Directors and shall have full power to make all By-Laws, to regulate the business of the Corporation as will not be inconsistent with the provisions of the Articles of Incorporation and the laws of the Commonwealth of Kentucky.

ARTICLE V

MEETINGS

The Board of Directors may provide for holding meetings whenever it may be considered necessary and desirable.

Notwithstanding the preceding paragraph, the Board of Directors shall hold at least one annual meeting which shall be held on the second regular meeting date after the close of the Fiscal year. At this meeting, the annual election of officers shall be held.

At all meetings, a quorum of four (4) voting members in addition to one (1) elected officer shall be necessary to transact business.

ARTICLE VI

OFFICERS

At the annual meeting of the Board of Directors, said Board shall elect a President, Secretary and Treasurer to act as officers of the Corporation for the ensuing year. Except for the President, officers need not be members of the Board of Directors of the Corporation.

The President shall preside at all meetings of the Corporation and the Board of Directors and perform all duties incident to the office of President. However, the President shall vote only in the event of a tie.

The Secretary shall take the minutes at all meetings of the Board of Directors, conduct the official correspondence, preserve all books, documents and maintain an accurate record of the proceedings of the Corporation

The Treasurer shall receive and disburse the funds of the Corporation. He shall keep all monies of the Corporation deposited in its name and shall report not less than annually to the Board of Directors.

Disbursements of funds of the Corporation shall be made by checks signed by the Treasurer at the direction of the President.

ARTICLE VII

PARLIAMENTARY PROCEDURE

The proceedings of the Corporation shall be governed and conducted according to the latest edition of Roberts Manual of Parliamentary Rules.

ARTICLE VIII

AMENDMENTS

These By-Laws may be amended only by the approval of the membership of the Board of Directors in strict accordance with the Articles of Incorporation.

ARTICLE IX

STATE POLICY OF CORPORATION

The Corporation having been organized to act on behalf of the Trustees of the Fern Creek Fire Protection District in connection with the holding of real estate, fire fighting equipment and in connection with the financing and construction of an additional fire station or stations to be operated for the public use. It is the stated intent of the Board of Directors of the Fern Creek Fire Protection District Holding Company, Inc. to comply with the various conditions required of the borrowers by the Farmers Home Administration, including but not being limited to the execution of form FmHA 400-4 "Non-discriminatory Agreement" and the form FmHA 400-1 "Equal Opportunity Agreement" and the legislative intent and policy of the consolidated Farm and Rural Development Act (7 U.S.C. 1921 et. seq.).

These By-Laws of the Fern Creek Fire Protection District Holding Company, Inc. having been adopted at the called meeting of the Fern Creek Fire Protection District Holding Company, Inc. Board of Directors this the 29 day of September 1981.

FERN CREEK FIRE PROTECTION DISTRICT
HOLDING COMPANY, INC.

Herold D. Lewis
PRESIDENT

John R. Little
SECRETARY

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.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. Fern Creek Fire Protection District	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input checked="" type="checkbox"/> Other (see instructions) ▶ Local Government	
	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>	
	5 Address (number, street, and apt. or suite no.) P.O. Box 91025	Requester's name and address (optional)
	6 City, state, and ZIP code Louisville, KY 40291	
	7 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 line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the 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 instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number												
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> </tr> </table>												
or												
Employer identification number												

Part II Certification

Under penalties of perjury, I certify that:

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

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶ <i>Tony Saugberg</i>	Date ▶ <u>May 8, 2017</u>
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General Instructions

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

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

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

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

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

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- 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
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

FERN CREEK FIRE PROTECTION DISTRICT HOLDING COMPANY, INC.

General Information

Organization Number	0017265
Name	FERN CREEK FIRE PROTECTION DISTRICT HOLDING COMPANY, INC.
Profit or Non-Profit	N - Non-profit
Company Type	KCO - Kentucky Corporation
Status	A - Active
Standing	G - Good
State	KY
Organization Date	1/3/1973
Last Annual Report	4/13/2017
Principal Office	6200 BARDSTOWN RD. P. O. BOX 91025 FERN CREEK, KY 40291
Registered Agent	TODD J. NEWMAN 6200 BARDSTOWN RD. P. O. BOX 91025 LOUISVILLE, KY 40291

Current Officers

President	<u>CHARLES J BAUER JR</u>
Secretary	<u>DAN BANNON</u>
Treasurer	<u>DOUG SHARP</u>
Director	<u>DOUG SHARP</u>
Director	<u>DAN BANNON</u>
Director	<u>SUSAN PIERCE</u>

Individuals / Entities listed at time of formation

Director	<u>PAUL EFFINGER</u>
Director	<u>ART VOGEDES</u>
Director	<u>EARL SEXTON</u>
Director	<u>DON ESPY</u>
Director	<u>TINSLEY ROMAN</u>
Incorporator	<u>PAUL EFFINGER</u>
Incorporator	<u>ART VOGEDES</u>
Incorporator	<u>EARL SEXTON</u>
Incorporator	<u>DON ESPY</u>
Incorporator	<u>TINSLEY ROMAN</u>

Images available online

Documents filed with the Office of the Secretary of State on September 15, 2004 or thereafter are available as scanned images or PDF documents. Documents filed prior to September 15, 2004 will become available as the images are

created.

<u>Annual Report</u>	4/13/2017	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	3/21/2016	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	4/30/2015	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	3/25/2014	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	3/26/2013	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	2/16/2012	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	3/30/2011	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	4/12/2010	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	2/11/2009	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	4/3/2008	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	3/16/2007	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	4/3/2006	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	3/24/2005	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	4/28/2003	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	4/30/2002	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	6/15/2001	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	5/26/2000	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	7/20/1999	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	7/7/1998	1 page	<u>tiff</u>	<u>PDF</u>
<u>Statement of Change</u>	5/18/1998	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	7/1/1996	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	7/1/1995	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	7/1/1994	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	7/1/1993	1 page	<u>tiff</u>	<u>PDF</u>
<u>Reinstatement</u>	9/24/1992	2 pages	<u>tiff</u>	<u>PDF</u>
<u>Statement of Change</u>	9/24/1992	1 page	<u>tiff</u>	<u>PDF</u>
<u>Revocation of Certificate of Authority</u>	3/15/1987	2 pages	<u>tiff</u>	<u>PDF</u>
<u>Revocation Return</u>	3/15/1987	2 pages	<u>tiff</u>	<u>PDF</u>
<u>Six Month Notice</u>	9/1/1986	1 page	<u>tiff</u>	<u>PDF</u>
<u>Six Month Notice</u>	9/1/1986	1 page	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	7/1/1986	1 page	<u>tiff</u>	<u>PDF</u>
<u>Amendment</u>	9/18/1981	9 pages	<u>tiff</u>	<u>PDF</u>
<u>Annual Report</u>	5/5/1977	5 pages	<u>tiff</u>	<u>PDF</u>
<u>Articles of Incorporation</u>	1/3/1973	7 pages	<u>tiff</u>	<u>PDF</u>

Assumed Names

Activity History

Filing	File Date	Effective Date	Org. Referenced
Annual report	4/13/2017 9:50:01 AM	4/13/2017	
Annual report	3/21/2016 9:47:15 AM	3/21/2016	
Annual report	4/30/2015 3:32:42 PM	4/30/2015	
Annual report	3/25/2014 3:39:08 PM	3/25/2014	

Annual report	3/26/2013 11:12:37 AM	3/26/2013
Annual report	2/16/2012 9:05:04 AM	2/16/2012
Annual report	3/30/2011 2:29:07 PM	3/30/2011
Annual report	4/12/2010 4:29:39 PM	4/12/2010
Annual report	2/11/2009 12:02:28 PM	2/11/2009
Annual report	4/3/2008 12:33:35 PM	4/3/2008
Annual report	3/16/2007 12:41:31 PM	3/16/2007
Annual report	4/3/2006 2:04:23 PM	4/3/2006
Registered agent address change	5/7/2004 7:11:06 AM	5/7/2004
Annual report	5/18/1998	5/18/1998
Registered agent address change	5/18/1998	5/18/1998
Amendment - Change purpose	9/18/1981	9/18/1981

Microfilmed Images

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

Annual Report	3/9/2005	1 page
Annual Report	8/19/2004	1 page
Statement of Change	5/7/2004	1 page
Annual Report	4/28/2003	1 page
Annual Report	4/30/2002	1 page
Annual Report	6/15/2001	1 page
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Annual Report	7/1/1986	1 page
Amendment	9/18/1981	8 pages

Annual Report
Articles of Incorporation

5/5/1977
1/3/1973

7 pages
6 pages

YAMAHA/POLARIS OF LOUISVILLE

400 N. ENGLISH STATION ROAD
LOUISVILLE, KY 40223
(502) 254-1188

BUYER'S NAME Fern Creek Fire Department

DATE 5/2/17

BUYER'S ADDRESS 6200 Baldstown Rd.

RESIDENCE PHONE _____

CITY, STATE & ZIP Fern Creek, Ky. 40291

BUSINESS PHONE _____

COUNTY _____ SOC. SEC. NO. _____

BIRTH MONTH _____

VEHICLE BEING PURCHASED

PLEASE ENTER MY ORDER FOR THE FOLLOWING NEW OTHER USED

STOCK NO. _____

YEAR 2017 MAKE Polaris MODEL/SERIES Ranger 900 XP (EPS)
BODY TYPE SXS COLOR/TRIM Red

M.V.I. OR SERIAL NUMBER _____
TO BE DELIVERED ON OR ABOUT _____ SALESMAN Jason Suter

I state that odometer mileage on VEHICLE BEING PURCHASED described above is _____ at time of transfer.

Check one box only:
 I hereby certify that to the best of my knowledge the odometer reading as stated above reflects the actual mileage of the vehicle described above.
 I hereby certify that the odometer reading reflects the amount of mileage in excess of designed mechanical odometer limit of 99,999 miles of the vehicle described above.
 I hereby certify that to the best of my knowledge the odometer reading as stated above is NOT the actual mileage of vehicle described above, and should not be relied upon.
 (Check either box)
 I hereby certify that the odometer of said vehicle was not altered, set back, or disconnected while in my possession and I have no knowledge of anyone else doing so.
 I hereby certify that the odometer was altered for repair or replacement purposes while in my possession, and that the mileage registered on the repaired or replacement odometer is identical to that before such service. I further certify that if the repaired or replacement odometer was incapable of registering the same mileage, that it was reset to zero, and that the mileage on the original odometer or the odometer before repair was _____ miles.

SIGNED _____

USED VEHICLE TRADED-IN AND/OR OTHER CREDITS

YEAR _____ MAKE _____ MODEL/SERIES _____ STOCK NO. _____
BODY TYPE _____ COLOR/TRIM _____

M.V.I. OR SERIAL NUMBER _____

BALANCE OWED TO _____

PERSONAL PROPERTY TAX _____

USED TRADE-IN ALLOWANCE _____

BALANCE OWED ON TRADE-IN _____

NET ALLOWANCE ON USED TRADE-IN _____

DEPOSIT OR PARTIAL PAYMENT _____

ADDITIONAL CASH WITH ORDER _____

TOTAL CREDIT (TRANSFER TO RIGHT COLUMN) \$ _____

I state that odometer mileage on VEHICLE TRADE-IN described above is _____ at time of transfer.

(Check one box only)
 I hereby certify that to the best of my knowledge the odometer reading as stated above reflects the actual mileage of the vehicle described above.
 I hereby certify that the odometer reading reflects the amount of mileage in excess of designed mechanical odometer limit of 99,999 miles of the vehicle described above.
 I hereby certify that to the best of my knowledge the odometer reading as stated above is NOT the actual mileage of vehicle described above, and should not be relied upon.
 (Check either box)
 I hereby certify that the odometer of said vehicle was not altered, set back, or disconnected while in my possession and I have no knowledge of anyone else doing so.
 I hereby certify that the odometer was altered for repair or replacement purposes while in my possession, and that the mileage registered on the repaired or replacement odometer is identical to that before such service. I further certify that if the repaired or replacement odometer was incapable of registering the same mileage, that it was reset to zero, and that the mileage on the original odometer or the odometer before repair was _____ miles.

Original odometer or the odometer before repair was _____ miles.

SIGNED _____

DISCLAIMER OF WARRANTIES

Any warranties on the products sold hereby are those made by the manufacturer. The Selling Dealer hereby expressly disclaims all warranties, either express or implied, including any implied warranty of merchantability or fitness for a particular purpose, and the Selling Dealer neither assumes nor authorizes any other person to assume for it any liability in connection with the sale of said products. The buyer shall not be entitled to recover from the Selling Dealer any consequential damages, damages to property, damages for loss of use, loss of time, loss of profits, or income, or any incidental damages.

The only warranties applying to this vehicle are those offered by the manufacturer.

CASH DELIVERED PRICE OF VEHICLE	13,299.00
ACCESSORIES - \$1000 rebate	- 1,299.00
Front Bumpguard - 2879201	360.00
6000lb. Winch - 28816688	765.00
poly roof - 2882285	288.00
poly HC windshield - 2879127	450.00
Tire Upgrade - 609306 x2	285.00
609307 x2	315.00

CASH PRICE OF VEHICLE & ACCESSORIES \$ 14,762.00

STATE AND LOCAL TAXES exempt

License, License Transfer, Title, Registration Fee

Freight & Setup Fee 129.00

LABOR 360.00

TOTAL PRICE OF UNIT \$ 15,251.00

TOTAL CREDIT (TRANSFERRED FROM LEFT COLUMN) \$ _____

UNPAID CASH BALANCE DUE ON DELIVERY _____

Purchaser agrees that this Order includes all of the terms and conditions on both the face and reverse side hereof, that this Order cancels and supersedes any prior agreement and as of the date hereof comprises the complete and exclusive statement of the terms of the agreement relating to the subject matters covered hereby, and that THIS ORDER SHALL NOT BECOME BINDING UNTIL ACCEPTED BY DEALER OR HIS AUTHORIZED REPRESENTATIVE. Purchaser by his execution of this order certifies he is of majority age and acknowledges that he has read its terms and conditions and has received a true copy of this order.

PURCHASERS SIGNATURE _____

ACCEPTED BY Jason Suter

PER _____ (NAME AND TITLE)



America's Bravest Equipment Co

Specializing in Fire & Safety Equipment

7405 Fegenbush Lane
 Louisville, KY 40228
 Phone (502) 231-7991 Fax (502) 231-7993

Bill To:
 Fern Creek Fire Protection District
 Nathan Mulvey

QUOTATION

DATE: 5/11/2017
 CUSTOMER:

GOOD THRU: 6/10/2017
 QUOTE BY: Dave Goldsmith

Comments and/or Special Directions:

PART NUMBER	DESCRIPTION	QUANTITY	EACH	PRICE
	HIGH PRESSURE SKID UNIT PACKAGE for POLARIS 900 50 Gallon Poly Tank Stokes Basket Carrier with Storage HYPRO D30 2 CYLINDER PUMP Maximum Pressure: 580 PSI Maximum Volume: 9.5 GPM Maximum Speed: 550 RPM ENGINE HONDA 5.5 HP GX160-K1 FREEZE PROTECTION KIT HANNAY MANUAL HOSE REEL 1520-17-18-RT 175FT CAPACITY HOSE ASSEMBLY 1/2in X 100ft W/ENDS (1) GUN, MO-11 Nozzle 270 LBS. DRY 800 LBS Wet	1	\$7,303.00	\$7,303.00
Shipping and handling charges are included in the pricing above.				\$7,303.00

If you have any questions concerning this quotation, contact Customer Service, 502-231-7991

THANK YOU FOR YOUR BUSINESS!

QUOTE

KY. TRAILER SALES

4809 POPLAR LEVEL ROAD.
LOUISVILLE, KY 40213
502-409-7572 Phone
JEPLEY@KYTRAILERSALES.COM

INVOICE # 1
DATE: MAY 8, 2017

EXPIRATION DATE: JUNE 9, 2017

TO NATHEN MULVEY
FERN CREEK FIRE
6200 BARDSTOWN ROAD
LOUISVILLE, KY 40291

SALESPERSON	JOB	SHIPPING METHOD	SHIPPING TERMS	DELIVERY DATE	PAYMENT TERMS	DUE DATE
MHOBBS	1				30 DAYS	

QTY	ITEM #	DESCRIPTION	UNIT PRICE	DISCOUNT	LINE TOTAL
1	79228	DIAMOND C. GENERAL DUTY UTILITY TRAILER	2909.95	609.95	2300.00
TOTAL DISCOUNT					
SUBTOTAL					2300.00
SALES TAX					EXEMPT
TOTAL					2300.00

Quotation prepared by: _____

This is a quotation on the goods named, subject to the conditions noted below: [Describe any conditions pertaining to these prices and any additional terms of the agreement. You may want to include contingencies that will affect the quotation.]

To accept this quotation, sign here and return: _____

THANK YOU FOR YOUR BUSINESS!



The Leaders in Wireless Communication
 Products and Services...
 SINCE 1952.

Date: May 15, 2017

Account #: 4729
 Customer: Fern Creek Fire
 Contact: Jack Miller
 Address: 6200 Bardstown Road
 City, State, Zip: Louisville, Ky. 40291
 Phone: 502-552-9368
 E-Mail: jmiller@ferncreekfire.com

Project Description:

Qty.	Model	Description	Unit Price	Total
1	12.1308	Able2 Mini Show-Off Light Bar, Permanent Mount Red	\$499.99	\$499.99
4	MCRNSR	Whelen Microns Surface Mount Light Head Red	\$75.00	\$300.00
2	MCRNSC	Whelen Microns Surface Mount Light Head Clear	\$75.00	\$150.00
1	WSSPA30	Whelen 30 watt Siren w/ PA Mic	\$192.56	\$192.56
1	WSSMSW3	Whelen 3 Function Siren, Air Horn, and Lights Switch	\$53.94	\$53.94

Proposal Summary

Equipment		\$1,196.49
Shopmat		\$0.00
Installation		\$0.00
Shipping & Handling		\$0.00
Tax -	Exempt	0% \$0.00
System Total		\$1,196.49

Notes:

Contact: Arvel R. Hall
 Address: 4445 Robards Lane
 Zip Code: Louisville, KY. 40218
 Phone: 502-558-1241
 E-Mail: ahall@rcs.info

Customer Signature _____ Date _____

Proposal Valid 30 Days
 Payment Terms: Due at Receipt
 Upon termination/cancellation, a 20% restocking fee will apply. See terms and conditions for additional details.
 By signing this proposal, I hereby agree to the terms and conditions.

Side By Side Sports

INVOICE

Escondido Powersports
 SideBySideSports.com
 632 Aero Way
 Escondido, CA 92029

760-746-0600 phone
 760-269-3144 fax
 sales@sidebysidesports.com

Bill To

*Fern Creek Fire Dept.
 9409 Old Bardstown Rd.
 Lou. KY 40291*

Ship To

*Fern Creek Fire Dept.
 9409 Old Bardstown Rd.
 Lou. KY 40291*

Invoice # I18203
 Account # C13869

Date 05-17-2017

Terms On Receipt

Sales Rep Brad

Code	Description	QTY	Rate	T	Amount
we-903-16-522	Walker Evans 2013+ Polaris Ranger XP 900 2.0 Needle Coil Over Shocks - Rear Remote Reservoir 1000lbs	1	\$929.99	N	\$929.99

Subtotal	\$929.99
Tax	\$0.00
Shipping (UPS Ground)	\$31.22
Total	\$961.21
Balance Due	\$961.21

**FERN CREEK FIRE PROTECTION DISTRICT AND
FERN CREEK FIRE PROTECTION DISTRICT
HOLDING COMPANY, INC.**

COMBINED FINANCIAL STATEMENTS

June 30, 2016

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INDEPENDENT AUDITOR'S REPORT	1-2
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Jones, Nale & Mattingly PLC

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Fern Creek Fire Protection District and
Fern Creek Fire Protection District
Holding Company, Inc.
Louisville, Kentucky

Report on the Financial Statements

We have audited the accompanying combined financial statements of the governmental activities and each major fund of the Fern Creek Fire Protection District and the Fern Creek Fire Protection District Holding Company, Inc. (the District), as of and for the year ended June 30, 2016, and the related notes to the combined financial statements, which collectively comprise the District's basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined 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 combined 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 combined 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 combined 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 combined 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 Fern Creek Fire Protection District and the Fern Creek Fire Protection District Holding Company, Inc., as of June 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 5, Schedule of District's Proportionate Share of Net Pension Liability on page 27, and Schedule of District Contributions on page 28 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 audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2016, on our consideration of the Fern Creek Fire Protection District and the Fern Creek Fire Protection District Holding Company, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Jones, Nale & Mattingly PLC

Louisville, Kentucky
September 22, 2016

**FERN CREEK FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2016**

The purpose of the management's discussion and analysis is to provide an overview of the financial activities of the Fern Creek Fire Protection District and Fern Creek Fire Protection District Holding Company, Inc. (collectively the District) based on currently known facts, decisions, or conditions and should be read in conjunction with the District's combined financial statements, which begin on page 6.

Financial Highlights

The combined financial statements included in this report provide insight into the financial status of the District as of and for the year ended June 30, 2016. Effective July 1, 2014, the District adopted GASB Statement No. 68, Accounting and Financial Reporting for Pensions. The statement requires the liability of employers, such as the District, to employees for defined benefit pensions (net pension liability) to be measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position.

The District's operations for the year ended June 30, 2016 resulted in an increase in the District's net position of \$49,124. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, the District depreciates its capital assets resulting in a calculation of total accumulated depreciation in the amount of \$5,995,215 as of June 30, 2016. Depreciation expense for the year ended June 30, 2016 was \$313,206.

Total expenditures for all governmental funds were \$2,677,371 which was \$195,571 less than the total revenues of \$2,872,941 for the year ended June 30, 2016.

In April 2008, the District entered into a lease agreement with the Kentucky Association of Counties Leasing Trust in order to finance the purchase of a new fire engine and the equipment that is being used on it. With regard to this lease, in Note 4 to the combined financial statements, the District has disclosed various risks associated with an interest rate swap arrangement with a third party financial institution utilized to fix the interest rate paid on the lease. The rate is fixed at 4.01%. The additional disclosures concerning the interest rate swap arrangement are required under GASB Statement No. 53 and include comprehensive and lengthy reporting requirements. If the lease and/or interest rate swap arrangement are terminated prior to maturity for any reason, the District may incur additional costs. However, District management believes that the potential impact on the combined financial statements would not be material.

Reporting the District as a Whole

There was an increase of \$174,275 in cash and investments, from \$2,277,938 at June 30, 2015 to \$2,452,213 at June 30, 2016. The combined statement of net assets and the combined statement of activities report financial information about the District as a whole and about its activities in a concise form. These combined statements include all assets and liabilities using the full accrual basis of accounting. All of the 2016 fiscal year's revenues and expenses are taken into account when revenue is earned or an expense is incurred.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Governmental Activities

The District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. The analysis of governmental funds begins on page 8 of these statements. The General and Debt Fund revenues for the fiscal year were more than the amount budgeted by \$16,923 and the total expenditures were \$120,639 less than the amounts budgeted. The majority of expenditures were less than the amounts budgeted for the tenth consecutive year. This was due to a concerted effort by the Trustees, the Chief and the Board of Directors to reduce expenditures in order to preserve the cash reserves during the current economic recession. The District froze and bought out the defined benefit volunteer firefighter pension, and now offers a defined contribution plan.

During the year ended June 30, 2016 the District responded to 883 requests for assistance, of which 159 of those responses were to assist Louisville Metro EMS. Our responses to assist EMS were up from the 109 runs that were made in the prior year. Even though the District has reduced its response level to only to life threatening situations such as patients having difficulty breathing calls to assist EMS rose due to an inadequate number of EMS units. Responses to assist EMS were 18% of the District's run volume during the current year, compared to 39%, 35%, 21%, and 13% for fiscal years 2012, 2013, 2014 and 2015, respectively. Although the District is experiencing a substantial increase in operating costs for medical responses to assist Louisville Metro EMS, it does not currently charge for those medical services or receive compensation from Louisville Metro Government.

The District levies a property tax at the rate of ten cents (\$.10) per hundred dollars (\$100) of property valuation for both real and personal property. The District is legally prohibited from assessing a rate, which is higher than the ten cents per hundred dollars of valuation. The current property tax rate has been capped for over 60 years and was based on departments that did not have career firefighters. Currently, the District has only one station that is staffed on a 24 hour basis. The total cost including benefits to staff a station with career firefighters is approximately \$900,000 per year. At that rate it would cost the District an additional \$2,700,000 to provide 24 hour staffing at the other three stations that are now manned by volunteers and would require that the size of the present budget be more than doubled. During the past year the number of volunteers decreased from 40 to 38. In spite of the increased effort to recruit volunteers, the number of volunteers is decreasing because of the busy lifestyle of the current generation. The District's goal is to have volunteers stay at Station 1 during the overnight hours in order to provide a faster response to calls for assistance. In order to provide sleeping quarters for the volunteers, the administrative offices at Station 1 were moved to Station 2 in 2012. An analysis of the calls for assistance indicated that the majority of runs are centered along the Bardstown Road corridor. Therefore, the 24-hour crew is now quartered at Station 1 with volunteers.

The District has only four (4) stations, and yet is responsible for protecting an area that is approximately the size of the City of Louisville, before the merger of city and county governments. Still, our average response time during the year ended June 30, 2016 was only 5:41 minutes. For response purposes, the suburban fire districts basically operate now as one fire department, so that the closest staffed unit will respond to a call for help, even if the call is outside its district boundary. In the opinion of the District's management, the District consistently provides the highest level of service possible to our community with the current level of financial resources available.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the District's financial position and to show the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact the District's Treasurer, Susan Pierce, CPA, Fern Creek Fire Protection District, P.O. Box 91025, Louisville, KY 40291.

FERN CREEK FIRE PROTECTION DISTRICT
COMBINED STATEMENT OF NET POSITION
June 30, 2016

	2016
ASSETS	
Current assets:	
Cash	\$ 1,403,887
Accounts receivable, property taxes, and other	51,099
Investments - short term	502,698
Total current assets	1,957,684
Non-current assets:	
Investments	545,628
Capital assets, net of depreciation	3,761,071
Land	191,141
Total non-current assets	4,497,840
Total assets	6,455,524
DEFERRED OUTFLOWS OF RESOURCES	\$ 640,036
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 7,095,560
LIABILITIES	
Current liabilities:	
Current maturities of long-term debt	\$ 38,432
Current portion of capital lease	147,083
Accounts payable	3,795
Accrued wages and benefits	154,381
Total current liabilities	343,691
Non-current liabilities:	
Long-term debt, less current maturities	281,357
Capital leases, less current portion	422,084
Net pension liability	2,663,519
Total non-current liabilities	3,366,960
Total liabilities	3,710,651
DEFERRED INFLOWS OF RESOURCES	162,400
NET POSITION	
Net investment in capital assets	3,383,045
Unrestricted (deficit)	(160,536)
Total net position	\$ 3,222,509
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 7,095,560

The Notes to Combined Financial Statements are an integral part of this statement.

FERN CREEK FIRE PROTECTION DISTRICT

COMBINED STATEMENT OF ACTIVITIES

Year Ended June 30, 2016

	<u>2016</u>
EXPENSES	
Salaries, wages, and benefits	\$ 2,014,192
Operating expenses	308,567
Repairs and maintenance expense	150,998
Interest expense and debt refunding fees	36,854
Depreciation expense	<u>313,206</u>
Total expenses	<u>2,823,817</u>
GENERAL REVENUES	
Property taxes	2,766,126
State aid incentives and other	99,171
Interest earnings	<u>7,644</u>
Total general revenues	<u>2,872,941</u>
Change in net position	49,124
Net position, beginning of year	<u>3,173,385</u>
Net position, end of year	<u><u>\$ 3,222,509</u></u>

The Notes to Combined Financial Statements are an integral part of this statement.

FERN CREEK FIRE PROTECTION DISTRICT

COMBINED BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2016

	General Fund	Debt Service Fund	Total Governmental Funds
ASSETS			
Cash	\$ 1,163,067	\$ 240,820	\$ 1,403,887
Accounts receivable, property taxes, and other	51,099	--	51,099
Investments	1,048,326	--	1,048,326
Total assets	<u>\$ 2,262,492</u>	<u>\$ 240,820</u>	<u>\$ 2,503,312</u>
LIABILITIES			
Accounts payable	\$ 3,795	\$ --	\$ 3,795
Accrued wages and benefits	154,381	--	154,381
Total liabilities	<u>158,176</u>	<u>--</u>	<u>158,176</u>
FUND BALANCES			
Non spendable	29,432	--	29,432
Restricted for:			
Debt Service	--	240,820	240,820
Assigned for:			
Vehicle replacement	219,334	--	219,334
Building maintenance	413,428	--	413,428
Training	52,953	--	52,953
Equipment	89,086	--	89,086
Future payroll costs	261,595	--	261,595
Volunteer Fund	24,509	--	24,509
Unassigned	1,013,979	--	1,013,979
Total fund balances	<u>2,104,316</u>	<u>240,820</u>	<u>2,345,136</u>
Total liabilities and fund balances	<u>\$ 2,262,492</u>	<u>\$ 240,820</u>	<u>\$ 2,503,312</u>

The Notes to Combined Financial Statements are an integral part of this statement.

FERN CREEK FIRE PROTECTION DISTRICT

RECONCILIATION OF THE COMBINED BALANCE SHEET - GOVERNMENTAL
FUNDS TO THE COMBINED STATEMENT OF NET POSITION

June 30, 2016

Total fund balances for governmental funds	\$ 2,345,136
Total net position reported for governmental activities in the statement of net position is different because:	
Land and capital assets, net of depreciation, used in governmental activities are not financial resources, and therefore, not reported in governmental funds.	3,952,212
Liabilities such as capital leases and notes payable are applicable to the District's governmental activities are not reported as liabilities in governmental funds. Such non-current liabilities are reported in the statement of net position.	(888,956)
Liabilities such as net pension liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in governmental funds. The District's net pension liability is reported in the combined statement of net position.	(2,663,519)
Deferred outflows and inflows of resources related to pension plans are related to future periods and, therefore, are not reported in governmental funds. The District's deferred outflows (\$640,036) and deferred inflows (\$162,400) are reported in the combined statement of net position.	<u>477,636</u>
Total net position of governmental activities	<u>\$ 3,222,509</u>

The Notes to Combined Financial Statements are an integral part of this statement.

FERN CREEK FIRE PROTECTION DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended June 30, 2016

	Actual				Over (Under) Budget
	Total Budget	General Fund	Debt Service Fund	Total Governmental Funds	
REVENUES					
Property taxes	\$ 2,748,000	\$ 2,766,126	\$ --	\$ 2,766,126	\$ 18,126
State aid incentives and other	100,018	99,171	--	99,171	(847)
Interest earnings	8,000	7,644	--	7,644	(356)
Total revenues	2,856,018	2,872,941	--	2,872,941	16,923
EXPENDITURES					
Property and equipment additions					
Land and buildings	32,000	44,435	-	44,435	12,435
Vehicles and fire fighting equipment	117,500	85,528	--	85,528	(31,972)
Communication and other equipment	8,500	--	--	--	(8,500)
Personnel operating expenses	25,250	25,324	--	25,324	74
Administrative expenses:					
Insurance	44,000	43,895	--	43,895	(105)
Retirement costs	328,422	324,885	--	324,885	(3,537)
Legal and accounting	26,500	20,626	--	20,626	(5,874)
Fire prevention	5,725	12,612	--	12,612	6,887
Treasurer's expenses	525	523	--	523	(2)
Wages, payroll taxes, and insurance	1,477,122	1,447,292	--	1,447,292	(29,830)
Health and safety programs	44,000	17,241	--	17,241	(26,759)
Other supplies and miscellaneous	31,500	8,015	--	8,015	(23,485)
Operating expenses:					
Utilities	105,000	95,988	--	95,988	(9,012)
Gasoline and oil	40,000	28,812	--	28,812	(11,188)
Fire school, fire fighting, and training supplies	24,000	16,368	--	16,368	(7,632)
Other supplies and miscellaneous	11,300	29,163	--	29,163	17,863
Training academy	10,000	10,000	--	10,000	--
Repairs and maintenance expenses:					
Vehicles	60,000	53,245	--	53,245	(6,755)
Buildings	65,000	73,207	--	73,207	8,207
Communication equipment	1,000	284	--	284	(716)
Fire fighting equipment	24,500	16,251	--	16,251	(8,249)
Personnel equipment	500	8,011	--	8,011	7,511
Debt service:					
Principal payments	278,812	--	278,812	278,812	--
Interest payments	36,854	--	36,854	36,854	--
Total expenditures	2,798,010	2,361,705	315,666	2,677,371	(120,639)
Excess (deficiency) of revenues over expenditures	58,008	511,236	(315,666)	195,571	137,563
Other financing sources (uses)					
Transfers from other funds	--	--	312,852	312,852	312,852
Transfers to other funds	(58,008)	(312,852)	--	(312,852)	(254,844)
Total other financing sources (uses)	(58,008)	(312,852)	312,852	--	58,008
Net change in fund balances	\$ --	198,384	(2,813)	195,571	\$ 195,571
Fund balances, beginning of year		1,905,932	243,633	2,149,565	
Fund balances, end of year		<u>\$ 2,104,316</u>	<u>\$ 240,820</u>	<u>\$ 2,345,136</u>	

The Notes to Combined Financial Statements are an integral part of this statement.

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1. Nature of Operations and Significant Accounting Policies

Nature of operations

The Fern Creek Fire Protection District is a Special Taxing District under Commonwealth of Kentucky law and was established for the purpose of providing fire protection and fire prevention services to the citizens and property owners within its geographic coverage area. The Fern Creek Fire Protection District Holding Company, Inc. is a non-profit corporation which principally finances property and equipment acquisitions.

The combined financial statements include the accounts of the Fern Creek Fire Protection District and the Fern Creek Fire Protection District Holding Company, Inc. (collectively, the District). The District is responsible for its debts and is entitled to surpluses. No separate agency receives a financial benefit nor imposes a financial burden on the District. The District is exempt from income taxes. Any significant intercompany transactions and balances have been eliminated in combination.

Management's Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires 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 combined financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Combined Government-Wide Financial Statements

In accordance with GASB, the District has presented a combined statement of net position and a combined statement of activities for the District as a whole. These statements include the primary government and its component units, if applicable. Government-wide accounting is designed to provide a more comprehensive view of the District's operations and financial position as a single economic entity.

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

Policies specific to the government-wide statements are as follows

Capitalizing Assets – Tangible assets used in operations with an initial useful life that extends beyond one year are capitalized. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the combined statements of net position.

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Combined Fund Financial Statements

The District uses funds to report on its financial position and the result of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate entity with a self-balancing set of accounts. Funds of the District are classified as governmental. This category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds – Governmental funds account for all or most of the District's general activities, including the collection of legally restricted monies, administrative expenses, and the acquisition or construction of capital assets. Governmental funds include:

General Fund – The general operating fund of the District accounts for all financial resources, except those required to be accounted for in other funds.

Debt Service Fund – This fund accounts for the resources accumulated and payments made for principal and interest on general long-term debt associated with capital assets of the District.

Post-Employment Retirement Fund – This fund accounts for the resources accumulated and payments made to current and former firefighters previously included in the Length of Service Retirement Plan.

Measurement Focus and Basis of Accounting

The accounting and financial treatment applied to a fund is determined by the type of financial statement presentation.

The combined government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows in the statement of activities. In these combined financial statements, capital assets are reported and depreciated in each fund.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the combined balance sheet. 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Expenditures for capital assets are reported as current expenses, and such assets are not depreciated.

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1. Nature of Operations Significant Accounting Policies (Continued)

Budgetary Accounting

The budget information reflected in the combined financial statements is the annual budget adopted by the District in accordance with the provisions of the Commonwealth of Kentucky law. The budget is prepared on a basis consistent with U.S. GAAP.

Cash

Cash include cash and highly liquid investments with an original maturity date of three months or less from the date of acquisition.

Investments

Investments consist of certificates of deposit and are stated at cost plus accrued interest which approximates fair value.

Capital assets and land

Capital assets and land, including buildings and improvements, and equipment, are reported in the governmental activity column in the combined 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. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

All capital assets are depreciated using the straight-line depreciation method over the following estimated useful lives:

Buildings and improvements	50 years
Light duty apparatus	10 to 25 years
Major fire fighting apparatus	25 years
Vehicles	10 years
Equipment	5 to 15 years

Net Position/Fund Balances

In the combined statement of net position, the difference between the District's assets and liabilities is recorded as net position. Three components of net position are as follows:

Net Investment in Capital Assets – This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes, or other borrowing attributable to the acquisition, construction, or improvement of capital assets.

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Net Position/Fund Balances (continued)

Restricted— Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District had no restricted amounts as of June 30, 2016.

Unrestricted— This category represents net position not appropriated for expenditures or legally segregated for a specific future use.

In the combined balance sheet of governmental funds the difference between the assets and liabilities of governmental funds is reported as fund balance. Fund balance is divided into the following classifications, as applicable:

Nonspendable— These resources include amounts that cannot be spent because they are either not spendable in form or legally or contractually required to be maintained intact. The District's nonspendable funds consisted of prepaid expenses as of June 30, 2016.

Restricted— Amounts constrained for a specific purpose by external parties, constitutional provisions, or enabling legislation. The District had funds restricted for debt service as of June 30, 2016.

Assigned— Includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Amounts may be assigned by the Board of Trustees or the member from the Board of Trustees given authority to assign amounts. The District had assigned funds for vehicle replacement, building maintenance, training, equipment, volunteer fund and future payroll costs as of June 30, 2016.

Unassigned— Includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund.

It is policy of the District to spend restricted funds first when both restricted and unrestricted are available. Once restricted funds are spent then committed, assigned and unassigned funds are spent in that order.

Compensated Absences

All unpaid, compensated absences that will be liquidated with expendable available resources have been accrued as a liability in the general fund. In the combined government-wide statement of net position, the total amount of unpaid, compensated absences is reported within accrued wages and benefits. Earned vacation pay may be paid upon termination of employment.

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to future years and will not be recognized as an expense or expenditure until then. The District has one item that meets this criterion, contributions made to the pension plan during the year ended June 30, 2016. Deferred inflows of resources represent an acquisition of net position that applies to future years and will not be recognized until then. The District has one item that meets this criterion, differences between projected and actual investment earnings on pension plan investments.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County Employees Retirement Systems (CERS) and additions to/deductions from CERS's fiduciary net position have been determined on the same basis as they are reported by CERS. For this purpose, benefit payments (including refunds of District employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Revenue Recognition – Property Taxes

The District determines the property tax rate by September 1 of each year. The Jefferson County Sheriff collects substantially all real estate property tax revenues and remits monthly to the District its portion, less applicable discounts and collection fees.

The Jefferson County Clerk collects substantially all motor vehicle and delinquent real estate taxes and remits them monthly to the District.

Note 2. Deposits and Investments

Deposits

The District maintained deposits of public funds with depository institutions insured by the Federal Deposit Insurance Corporation (FDIC) as required by KRS 66.480(1)(d). According to KRS 41.240(4), the depository institution should pledge or provide sufficient collateral which, together with FDIC insurance, equals or exceeds the amount of public funds on deposit at all times.

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a written deposit policy for custodial credit risk but rather follows the requirements of KRS 41.240(4). As of June 30, 2016, all deposits were covered by FDIC insurance or properly executed security agreement.

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 2. Deposits and Investments (Continued)

Investments

As of June 30, 2016, the District's investment balances were as follows:

	<u>Maturity</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
Certificates of deposit:			
Interest rate of 0.55%	December 2016	\$ 151,750	\$ 151,750
Interest rate of 0.30%	September 2016	100,948	100,948
Interest rate of 0.30%	February 2017	250,000	250,000
Interest rate of 0.35%	February 2017	45,628	45,628
Interest rate of 0.45%	August 2016	250,000	250,000
Interest rate of 0.75%	May 2017	250,000	250,000
		<u>\$ 1,048,326</u>	<u>\$ 1,048,326</u>

Interest Rate Risk – The District does not have a formal written investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changes in interest rates.

Credit Risk – Commonwealth of Kentucky law under KRS 66.480, limits investments to obligations of the United States Government, obligations backed by the full faith and credit of the United States Government, obligations of any corporation or agency of the United States Government, certificates of deposits, commercial paper, bonds or securities issued by a state or local government, and shares of mutual funds. The District has no written investment policy that would further limit its investment choices as they are defined in KRS 66.480.

Concentration of Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District places no limit on the amount the District may invest in any one issuer.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of failure of the counterparty or bank, the District will not be able to recover the value of its investments held in the possession of an outside party. Consistent with the District's investment policy as of June 30, 2016, all investments were covered by FDIC insurance or a properly executed collateral security agreement.

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 3. Capital Assets

Capital asset activity for the year ended June 30, 2016 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Land and buildings	\$ 4,325,504	\$ 34,767	\$ --	\$ 4,360,271
Vehicles and fire fighting equipment	4,385,337	85,529	--	4,470,866
Communications and other equipment	1,106,623	9,667	--	1,116,290
Total cost	<u>9,817,464</u>	<u>129,963</u>	<u>-</u>	<u>9,947,427</u>
Less accumulated depreciation for:				
Buildings	(1,824,633)	(89,782)	-	(1,914,415)
Vehicles and fire fighting equipment	(2,850,512)	(189,944)	--	(3,040,456)
Communications and other equipment	(1,006,864)	(33,480)	--	(1,040,344)
Total accumulated	<u>(5,682,009)</u>	<u>(313,206)</u>	<u>-</u>	<u>(5,995,215)</u>
Net book value	<u>\$ 4,135,455</u>	<u>\$ (183,243)</u>	<u>\$ --</u>	<u>\$ 3,952,212</u>

The net book value of capital assets financed through capital leases was \$980,241 at June 30, 2016.

Note 4. Long-Term Debt

Capital Lease Obligations

The District finances certain buildings and firefighting equipment acquisitions under capital lease agreements expiring through 2024. The assets and liabilities on the capital lease are recorded at the fair value of the assets and are depreciated over the estimated productive life of the asset which is generally longer than the lease term.

Interest Rate Swap

In April 2008, the District entered into a finance lease agreement with the Kentucky Association of Counties Leasing Trust (KACoLT) in the original amount of \$850,000 for the purchase of a new fire apparatus. The rate in the lease was fixed at 4.013% through the use of an interest rate swap between the trustee and a third party financial institution, whereby the third party financial institution pays the trustee the variable rate interest within the swap (which is equivalent to the variable rate within the lease) and the District pays the fixed rate stated by the swap. The trustee has the right to charge any costs associated with the interest rate swap, including costs associated with the termination of the swap, to the District through additional future rentals.

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 4. Long-Term Debt (Continued)

Interest Rate Swap (continued)

The swap became effective on the date that the District exercised its option to convert the variable interest rate in the lease to a fixed rate. The notional amount of the swap at that exercised date was equivalent to the then outstanding principal balance. The notional amount reduces over the term of the lease by the same amount as the principal payments on the lease, as they fall due. The swap terminates on the same date as the final principal payment is due on the lease.

The interest rate swap in effect as of June 30, 2016 is as follows:

	<u>Effective Date</u>	<u>Termination Date</u>	<u>Notional Amount at June 30, 2016</u>	<u>Settlement Value at June 30, 2016</u>
Fire Apparatus	April 24, 2008	February 1, 2018	<u>\$ 195,000</u>	<u>\$ (6,175)</u>

The settlement value of (\$6,175) at June 30, 2016 represents the trustee's settlement cost that would be paid to the third party financial institution if the swap agreement was to be terminated. The settlement value above is calculated using the zero-coupon rate and is considered by the District to represent the fair value of the interest rate swap at June 30, 2016. The variable rate on the swap is the USD-BMA Municipal Swap Index.

The swap exposes the District to the following risks that could give rise to additional rentals:

Credit risk: Credit risk is the risk that the third party financial institution will not fulfill its obligations to pay the variable rate interest. The third party financial institution party to the interest rate swap has a credit quality of A. The value of the transaction to the District depends upon the third party financial institution maintaining its perceived creditworthiness in the municipal marketplace and fulfilling its obligation under the interest rate swap agreement. Should the third party financial institution fail to fulfill its obligation, the District will be required to pay additional rentals for any costs associated with terminating the swap agreement.

Basis risk: Basis risk is a term used to refer to a mismatch in the source of the variable interest rates in the lease agreement and the swap agreement. When an agency uses an interest rate swap agreement in conjunction with a variable rate debt instrument, the variable rate index used to calculate the payments due under the swap agreement (in this case, the USD-BMA Municipal Swap Index) may not match the rate at which the variable rate debt is remarketed (the interest rate on KACoLT's variable rate bonds, which is reset on a daily basis). This mismatch could potentially be magnified if KACoLT were to administer the program in such a way that the underlying bonds were determined to be taxable obligations, which would be considered an event of default according to the terms of the letter of credit agreement.

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 4. Long-Term Debt (Continued)

Interest Rate Swap (continued)

Termination risk: Termination risk is the risk that a derivative's unscheduled end will affect the District's asset/liability strategy or will present the District with potentially significant unscheduled termination payments to the trustee. For example, the District relies on the interest rate swap to insulate it from the possibility of increasing interest rate payments. If the swap has an unscheduled termination, that benefit would not be available. The District would also be required to pay any costs associated with terminating the swap agreement.

Market access risk: Market access risk is the risk that the District will not be able to enter credit markets or credit will become more costly. If the District is required to pay additional rentals or be required to pay higher variable rates, additional debt could become more expensive. The District may also be required to pay additional rentals for fees relating to any letters of credit being used to collateralize the interest rate swap. Furthermore, if the interest rates in the municipal bond market were to decrease and the District wanted to refinance the debt at a lower interest rate, the District would first have to terminate the swap agreement. When the interest rate swap agreement is terminated prior to the contract's maturity, one party to the agreement will owe the other party a termination payment that reflects the value of the swap under current market conditions. It is likely that if rates have decreased to the extent that the District would want to refinance the debt, the District would be the party that would have to make a termination payment. The use of the interest rate swap agreement may limit the District's flexibility in managing the lease obligation going forward.

Summary

A summary of the District's long-term debt activity is as follows:

	<u>June 30, 2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2016</u>
Note Payable	\$ 453,601	\$ --	\$(133,812)	\$ 319,789
Capital lease obligations	714,167	--	(145,000)	569,167
Total long-term debt	<u>\$ 1,167,768</u>	<u>\$ --</u>	<u>\$(278,812)</u>	<u>\$ 888,956</u>

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 4. Long-Term Debt (Continued)

Summary (continued)

A summary of the District's long-term debt payments (principal, interest and fees), excluding any additional rentals resulting from the interest rate swap, at June 30, 2016, is as follows:

Fiscal year	KACoLT Dated	Kentucky Bond Corporation Dated	Republic Bank Loan Dated	Total
	April 21, 2008	November 18, 2012	August 27, 2013	
	Interest Rate	Interest Rate	Interest Rate	
	4.013%	2.00% - 2.25%	3.740%	
2017	\$ 101,712	\$ 61,140	\$ 53,569	\$ 216,421
2018	102,633	60,801	53,569	217,003
2019	--	58,777	234,347	293,124
2020	--	60,522	--	60,522
2021-2025	--	179,852	--	179,852
Total	<u>\$ 204,345</u>	<u>\$ 421,092</u>	<u>\$ 341,485</u>	<u>\$ 966,922</u>

The present value of the minimum debt service payments on the remaining \$569,167 capital lease obligations at June 30, 2016, is summarized as follows:

Minimum debt service payments	\$ 625,437
Less interest	<u>(56,270)</u>
Present value, debt service payment	<u>\$ 569,167</u>

Note 5. Retirement Plans

Pension Plan

Plan Description: The District has elected to participate in the County Employees Retirement System (CERS), pursuant to Kentucky Revised Statute 78.530 administered by the Board of Trustees of the Kentucky Retirement Systems (KRS). This is a cost sharing, multiple-employer defined benefit pension plan, which covers all eligible full-time employees and provides for retirement, disability and death benefits to plan members. Benefit contributions and provisions are established by statute. Historical trend information showing CERS' progress in accumulating sufficient assets to pay benefits when due is presented in the Kentucky Retirement Systems' annual financial report. This report may be obtained by writing the Kentucky Retirement Systems, 1260 Louisville Road, Frankfort, KY 40601-6124, or by telephone at 502-696-8800.

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 5. Retirement Plans (Continued)

Pension Plan (continued)

Benefits Provided: Benefits fully vest on reaching five years of service for nonhazardous employees. Aspects of benefits for nonhazardous employees include retirement after 27 years of service or age 65. Nonhazardous employees who begin participation on or after September 1, 2008 must meet the rule of 87 (members age plus years of service credit must equal 87, and the member must be a minimum of 57 years of age) or the member is age 65, with a minimum of 60 months service credit.

Aspects of benefits for hazardous employees include retirement after 20 years of service or age 55. For hazardous employees who begin participation on or after September 1, 2008 aspects of benefits include retirement after 25 years of service or the member is age 60, with a minimum of 60 months of service credit.

Contributions: Nonhazardous covered employees are required to contribute 5.00% of their salary to the plan. Nonhazardous covered employees who begin participation on or after September 1, 2008 are required to contribute 6.00% of their salary to the plan. The District's contribution rate for nonhazardous employees was 17.06%, 17.67%, and 18.89% for the years ended June 30, 2016, 2015 and 2014, respectively.

Hazardous covered employees are required to contribute 8.00% of their salary to the plan. Hazardous covered employees who begin participation on or after September 1, 2008 are required to contribute 9.00% of their salary to be allocated as follows: 8.00% will go to the member's account and 1.00% will go to the Kentucky Retirement Systems insurance fund. The District's contribution rate for hazardous employees was 32.95%, 34.31%, and 35.70% for the years ended June 30, 2016, 2015 and 2014, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2016, the District reported a liability of \$2,663,519 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the District's proportion was 0.17% for hazardous covered employees and .0023% for nonhazardous covered employees.

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 5. Retirement Plans (Continued)

Pension Plan (continued)

Pension expense totaled \$554,762 for the year ended June 30, 2016. As of June 30, 2016, the District had deferred outflows and inflows of resources related to its pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ --	\$ (162,400)
Change in assumptions	231,600	--
Net differences between projected and actual earnings on investments	16,993	--
Differences between actual and expected experiences	56,521	--
Changes in proportion and differences between District's contributions and proportionate share of contributions	22,176	--
District contributions subsequent to the measurement date	312,746	--
	\$ 640,036	\$ (162,400)

The District's deferred outflows of resources of \$312,746 related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the year ending June 30, 2017. Other amounts reported as deferred inflows and outflows of resources as of June 30, 2016 will be recognized into pension expense as follows:

Year Ending June 30:

2017	\$	68,496
2018		68,497
2019		68,497
2020		(40,600)
	\$	164,890

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 5. Retirement Plans (Continued)

Pension Plan (continued)

Actuarial assumptions: The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to years included in the measurement:

Inflation:	3.25%
Salary increases:	4.00%, average, including inflation
Investment rate of return:	7.50%, net of pension plan investment expense, including inflation

The Mortality Table used for active members is RP-200 Combined Mortality Table projected with Scale BB to 2013 (multiplied by 50% for males and 30% for females). For healthy retired members and beneficiaries, the mortality table used is the RP-2000 Combined Mortality Table projected with Scale BB to 2013 (setback one year for females). For disabled members, the RP-2000 Combined Disabled Mortality Table projected with Scale BB to 2013 (setback four years for males) is used for the period after disability retirement. There is some margin in the current mortality tables for possible future improvement in mortality rates and that margin will be reviewed again when the next experience investigation is conducted.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2013.

The long-term expected return on plan assets is reviewed as part of the regular experience studies prepared every five years for KRS. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense, and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Combined Equity	44%	5.40%
Combined Fixed Income	19%	1.50%
Real Return (Diversified Inflation Strategies)	10%	3.50%
Real Estate	5%	4.50%
Absolute Return (Diversified Hedge Funds)	10%	4.25%
Private Equity	10%	8.50%
Cash Equivalent	2%	-0.25%
	100%	

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 5. Retirement Plans (Continued)

Pension Plan (continued)

Discount rate: The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment return of 7.50%. The long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate: The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease - 6.50%	Current Discount Rate - 7.50%	1% Increase - 8.50%
Net Pension Liability - Hazardous	\$ 3,385,074	\$ 2,564,450	\$ 1,846,404
Net Pension Liability - Non-hazardous	129,780	99,069	73,311
Total Net Pension Liability	\$ 3,514,854	\$ 2,663,519	\$ 1,919,715

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued KRS financial report.

Deferred Compensation Plans

The District's employees may elect to participate in two deferred compensation plans offered by the Kentucky Public Employees Deferred Compensation Authority under sections 401(k) and 457 of the Internal Revenue Code. Under these plans, employees may defer up to 100% of their compensation after deducting required contributions to the CERS plan. The District does not make matching contributions to these plans.

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 6. District Revenue Profile

An eight year summary of the District's assessed property and revenue collected is as follows:

<u>Fiscal Year</u>	<u>Tax Rate</u>	<u>Real Estate Assessed Valuation</u>	<u>Motor Vehicle Assessed Valuation</u>	<u>Boat Assessed Valuation</u>	<u>Tax Revenue Budgeted</u>	<u>Tax Revenue Collected</u>	<u>Tax Collection Percentage</u>
2008-2009	0.10	\$2,241,547,165	\$ 203,589,580	\$ 4,588,492	\$ 2,405,000	\$ 2,413,003	1.00
2009-2010	0.10	2,306,129,395	182,836,413	4,635,895	2,505,000	2,502,645	1.00
2010-2011	0.10	2,333,066,495	194,233,773	4,874,482	2,575,000	2,570,046	1.00
2011-2012	0.10	2,343,155,345	203,354,423	4,641,651	2,621,000	2,584,267	0.99
2012-2013	0.10	2,360,721,217	216,147,725	4,620,529	2,621,000	2,621,898	1.00
2013-2014	0.10	2,392,780,857	224,847,872	4,707,811	2,645,000	2,646,408	1.00
2014-2015	0.10	2,438,782,312	235,174,822	4,684,657	2,665,000	2,711,820	1.02
2015-2016	0.10	2,499,414,920	241,371,693	4,861,541	2,748,000	2,766,126	1.01

<u>Fiscal Year</u>	<u>Real Estate Assessed Valuation</u>	<u>Number of Taxpayer Accounts</u>	<u>Average Assessment</u>
2008-2009	\$ 2,241,547,165	13,660	\$ 164,096
2009-2010	2,306,129,395	13,788	167,256
2010-2011	2,333,066,495	13,786	169,234
2011-2012	2,343,155,345	13,909	168,463
2012-2013	2,360,721,217	13,935	169,409
2013-2014	2,392,780,857	13,960	171,403
2014-2015	2,438,782,312	14,021	173,938
2015-2016	2,499,414,920	14,136	176,812

**FERN CREEK FIRE PROTECTION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF DISTRICT'S SHARE OF
NET PENSION LIABILITY**

	2015	2014
NON-HAZARDOUS		
District's proportion of net pension liability	.0023%	.0023%
District's proportionate share of the net pension liability	\$ 99,069	\$ 73,000
District's covered-employee payroll	\$ 53,760	\$ 51,805
District's proportionate share of the net pension liability as a percentage of its employee-covered payroll	184.28%	140.91%
Plan Fiduciary net position as a percentage of the total pension liability	61.52%	66.80%
 HAZARDOUS		
District's proportion of net pension liability	.17%	.17%
District's proportionate share of the net pension liability	\$ 2,564,450	\$ 1,984,000
District's covered-employee payroll	\$ 892,260	\$ 871,354
District's proportionate share of the net pension liability as a percentage of its employee-covered payroll	287.41%	227.69%
Plan Fiduciary net position as a percentage of the total pension liability	57.52%	63.46%

**FERN CREEK FIRE PROTECTION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF DISTRICT CONTRIBUTIONS

	<u>2015</u>	<u>2014</u>
NON-HAZARDOUS		
Contractually required contribution	\$ 9,499	\$ 9,786
Contributions in relation to the contractually required contribution	<u>(9,499)</u>	<u>(9,786)</u>
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>
District's covered employee-payroll	\$ 53,760	\$ 51,805
Contributions as a percentage of covered-employee payroll	17.67%	18.89%
 HAZARDOUS		
Contractually required contribution	\$ 306,633	\$ 298,448
Contributions in relation to the contractually required contribution	<u>(306,633)</u>	<u>(298,448)</u>
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>
District's covered employee-payroll	\$ 892,260	\$ 871,354
Contributions as a percentage of covered-employee payroll	34.37%	34.25%



Jones, Nale & Mattingly PLC

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Trustees
Fern Creek Fire Protection District and
Fern Creek Fire Protection District
Holding Company, Inc.
Louisville, 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 combined financial statements of Fern Creek Fire Protection District and Fern Creek Fire Protection District Holding Company, Inc. (the "District"), as of and for the year ended June 30, 2016, and the related notes to the combined financial statements, and have issued our report thereon dated September 22, 2016.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's combined 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.

Jones, Nale & Mattingly PLC

Louisville, Kentucky
September 22, 2016