

CITY OF WILDER, KENTUCKY

JUNE 30, 2016

FINANCIAL STATEMENTS



MADDOX & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

City of Wilder, Kentucky
520 Licking Pike
Wilder, KY 41071

To the Honorable Mayor
and Members of the City Council

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Wilder, Kentucky (City) as of and for the year ended June 30, 2016 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Wilder, Kentucky, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof 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 and budgetary comparison, and pension information, as listed in the table of contents, 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 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 other assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basis financial statements.

The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 23, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Maddox & Associates CPAs Inc.

Fort Thomas, Kentucky

April 23, 2017

City of Wilder, Kentucky
Statement of Net Position
June 30, 2016

	Primary Government	
	Governmental Activities	Total
Assets:		
Cash and cash equivalents	\$ 1,798,509	\$ 1,798,509
Receivables:		
Taxes	170,150	170,150
Accounts	455,423	455,423
Assessment	15,125	15,125
Intergovernmental	6,209	6,209
Capital assets, net of depreciation	6,201,129	6,201,129
Total assets	8,646,545	8,646,545
Deferred outflows of resources		
Related to pensions	1,087,361	1,087,361
Total assets and deferred outflows of resources	9,733,906	9,733,906
Liabilities:		
Accounts payable	43,271	43,271
Payroll related liabilities	2,987	2,987
Compensated absences	44,722	44,722
Net pension liability	3,998,767	3,998,767
Due within one year	216,185	216,185
Total liabilities	4,305,932	4,305,932
Deferred inflows of resources		
Related to pensions	6,926	6,926
Total liabilities and deferred inflows of resources	4,312,858	4,312,858
Net position:		
Net investment in capital assets	5,984,944	5,984,944
Restricted	250,024	250,024
Unrestricted	(813,920)	(813,920)
Total net position	\$ 5,421,048	\$ 5,421,048

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

City of Wilder, Kentucky
Statement of Activities
For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues		Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions		
Primary government:					
Governmental activities:					
General government	\$ 1,001,816	\$ 0	\$ 0	\$ 0	\$ (1,001,816)
Police	1,144,532		60,299		(1,084,233)
Fire	1,490,049		26,162		(1,463,887)
Public works	739,184		56,752		(682,432)
Recreation	36,745				(36,745)
Interest	8,722				(8,722)
Total governmental activities	<u>4,421,048</u>	<u>0</u>	<u>143,213</u>	<u>0</u>	<u>(4,277,835)</u>
Total primary government	<u>\$ 4,421,048</u>	<u>\$ 0</u>	<u>\$ 143,213</u>	<u>\$ 0</u>	<u>(4,277,835)</u>
General revenues:					
Taxes					1,892,710
Licenses and permits					2,000,868
Fines and forfeitures					9,114
Other revenues					100,307
Investment income					7,274
Total general revenues					<u>4,010,273</u>
Change in net position					(267,562)
Net position - beginning					<u>5,688,610</u>
Net position - ending					<u>\$ 5,421,048</u>

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

