

FINANCIAL STATEMENTS
for
CITY OF PROSPECT
For the One Month Ended July 31, 2014

Accountant's Compilation Report

City of Prospect
9200 U. S. Highway 42
P.O. Box 1
Prospect, Kentucky 40059

We have compiled the accompanying Statement of Net Position – Modified Cash Basis of City of Prospect - General Fund as of July 31, 2014, Statements of Revenues and Expenditures – Actual and Budget – Modified Cash Basis and Statements of Revenues, Expenditures and Changes in Restricted Fund Balance – Modified Cash Basis for the one month then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis of accounting.

Management is responsible for the preparation and fair representation of the financial statements in accordance with the modified cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit all of the disclosures ordinarily included in financial statements prepared on the modified cash basis of accounting as well as other required statements. If the omitted disclosures and statements were included in the financial statements, they might influence the user's conclusions about the entity's financial position and results of operations and cash flow. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to City of Prospect.



Mountjoy Chilton Medley LLP
Louisville, Kentucky
August 8, 2014

City of Prospect - General Fund
Statement of Net Position - Modified Cash Basis
July 31, 2014

ASSETS

ASSETS

CURRENT ASSETS

1010 · Petty Cash - Reading Center	\$	100.00
1020 · Petty Cash - General Fund		200.00
1040 · Tax Account - Republic Bank		806,029.93
1052 · Putney Pond - Republic Bank		18.65
1320 · Prepaid Expenses		381.17
1110 · Property Taxes Receivable		53,641.84
1180 · ICS - Republic Bank		1,036,618.68

TOTAL CURRENT ASSETS		1,896,990.27
----------------------	--	--------------

NONCURRENT ASSETS

1600 · Restricted Cash		448,773.92
------------------------	--	------------

TOTAL ASSETS	\$	2,345,764.19
--------------	----	--------------

LIABILITIES AND NET POSITION

LIABILITIES

CURRENT LIABILITIES

2120 · Clean Up Deposits		12,078.80
2130 · Accrued Expenses		2,415.00
2310 · Deferred Rev - Eagle Scout Prj		500.00

TOTAL CURRENT LIABILITIES		14,993.80
---------------------------	--	-----------

TOTAL LIABILITIES		14,993.80
-------------------	--	-----------

NET POSITION

RESTRICTED FUNDS

Municipal Road Aid - Prior Year		439,097.51
Municipal Road Aid - Net Activity Current Year		9,685.26

TOTAL RESTRICTED FUNDS		448,782.77
------------------------	--	------------

Unrestricted		1,881,987.62
--------------	--	--------------

TOTAL NET POSITION		2,330,770.39
--------------------	--	--------------

TOTAL LIABILITIES AND NET POSITION	\$	2,345,764.19
------------------------------------	----	--------------

**City of Prospect- General Fund
Statements of Revenues an Expenditures
Actual and Budget - Modified Cash Basis
For the One Month Ended July 31, 2014**

	<u>1 Month Ended July 31, 2014</u>	<u>Budget Remaining</u>	<u>Total Budget</u>
REVENUES			
4101 Property Taxes	\$ 3,345.90	\$ 1,676,654.10	\$ 1,680,000.00
4104 Utility Tax	0.00	12,000.00	12,000.00
4105 Insurance Tax	175,928.04	924,071.96	1,100,000.00
4106 Liquor Licenses	350.00	4,650.00	5,000.00
4107 Permits	550.00	3,450.00	4,000.00
4108 Cable TV Franchise Fee	2,918.32	32,081.68	35,000.00
4109 Bank Deposit Tax	0.00	57,000.00	57,000.00
4110 Business Licenses	0.00	9,500.00	9,500.00
4111 Community Contributions	1,750.00	8,250.00	10,000.00
4112 Library Contributions	289.55	710.45	1,000.00
4201 LGEA Grant	0.00	250.00	250.00
4202 KLEFPF Grant	2,620.34	22,179.66	24,800.00
4203 HB413 (Base Court Revenue)	2,831.28	9,168.72	12,000.00
4301 Interest Income	52.53	447.47	500.00
4302 Tax Records Request	100.00	900.00	1,000.00
4310 Miscellaneous Revenue	155.00	3,345.00	3,500.00
4316 City Property Use Payments	90.00	360.00	450.00
TOTAL REVENUE	<u>190,980.96</u>	<u>2,765,019.04</u>	<u>2,956,000.00</u>
EXPENDITURES			
GENERAL GOVERNMENT			
5111 Salaries-Administrative	27,335.13	189,977.26	217,312.39
5112 FICA-Administrative	2,013.54	14,610.86	16,624.40
5113 Overtime-Administrative	202.28	597.72	800.00
5114 Pensions-Administrative	2,576.20	32,147.53	34,723.73
5115 Health Insurance-Administrative	4,885.34	13,819.22	18,704.56
5116 Worker's Comp - Administrative	0.00	9,840.00	9,840.00
5117 Life Insurance - Administrative	590.46	(252.06)	338.40
5119 Salaries - Legislative & Other Administrative	500.00	7,250.80	7,750.80
SALARIES AND BENEFITS	<u>38,102.95</u>	<u>267,991.33</u>	<u>306,094.28</u>
5121 Legal - City Attorney	2,517.92	39,482.08	42,000.00
5124 Engineering Services	0.00	2,500.00	2,500.00
5125 Surveyors/Architects	0.00	500.00	500.00
5127 Audit	0.00	6,400.00	6,400.00
5128 Contract Bookkeeping	2,415.00	14,585.00	17,000.00
5129 Computer Services	635.63	9,364.37	10,000.00
5130 PVA Assessment	0.00	39,000.00	39,000.00
5131 Ordinance Codification	0.00	1,000.00	1,000.00
5132 Bank Charges	8.85	41.15	50.00
5133 Liens/Lien Releases	0.00	950.00	950.00
5135 Transcription	533.50	5,466.50	6,000.00
PROFESSIONAL SERVICES	<u>6,110.90</u>	<u>119,289.10</u>	<u>125,400.00</u>
5140 Office Cleaning	325.00	4,175.00	4,500.00
5143 Service Contracts-Office Equipment	797.45	11,502.55	12,300.00
5144 Pest Control	0.00	400.00	400.00
5145 Facilities & Vehicle Maintenance	220.47	24,779.53	25,000.00
MAINTENANCE AND REPAIRS	<u>1,342.92</u>	<u>40,857.08</u>	<u>42,200.00</u>

City of Prospect- General Fund
Statements of Revenues an Expenditures
Actual and Budget - Modified Cash Basis
For the One Month Ended July 31, 2014

	1 Month Ended July 31, 2014	Budget Remaining	Total Budget
5151 Lodging/Meals	0.00	200.00	200.00
5153 Mileage & Parking	0.00	1,000.00	1,000.00
5155 Registration Fees	0.00	500.00	500.00
TRAVEL AND TRAINING	0.00	1,700.00	1,700.00
5161 LG&E/Street Lighting	10,949.72	109,050.28	120,000.00
5163 Utilities - Louisville Water Company	393.54	19,606.46	20,000.00
5164 Telephone - Local & LD - Admin.	611.33	2,588.67	3,200.00
5166 Cellular Phone Usage	78.80	671.20	750.00
UTILITIES	12,033.39	131,916.61	143,950.00
5171 Stamps - General Office & Police	444.03	955.97	1,400.00
5172 Postage - Tax Bills	0.00	1,000.00	1,000.00
5173 Postage - Newsletter	0.00	3,600.00	3,600.00
5174 Other Bulk Mailings	0.00	1,500.00	1,500.00
POSTAGE	444.03	7,055.97	7,500.00
5183 Postage Meter Leasing	360.75	439.25	800.00
RENTAL & LEASING	360.75	439.25	800.00
5191 General Liability	0.00	11,750.00	11,750.00
5193 Public Officials E & O	0.00	12,000.00	12,000.00
5194 Employee Bonds	1,679.70	(179.70)	1,500.00
5195 Property/Contents	0.00	3,000.00	3,000.00
INSURANCE	1,679.70	26,570.30	28,250.00
5201 General Office Supplies	463.17	3,536.83	4,000.00
5202 Plaques and Signs	18.25	481.75	500.00
5205 Other Book Purchases - Outside Contract	0.00	1,500.00	1,500.00
5206 Reading Ctr Operations Supplies	0.00	300.00	300.00
5207 Computer Services - Library	0.00	300.00	300.00
5208 Reading Center Special Purchase	0.00	300.00	300.00
MATERIALS AND SUPPLIES	481.42	6,418.58	6,900.00
5211 Dues	0.00	2,500.00	2,500.00
5212 Subscriptions	0.00	275.00	275.00
5213 Printing Minutes - Newsletter Paper	433.00	3,067.00	3,500.00
5215 Legal Advertising	0.00	3,000.00	3,000.00
5216 Community Celebrations	20,514.03	24,485.97	45,000.00
5217 Bereavement/Get Well	0.00	500.00	500.00
5220 Mayor's Contingency Account	265.00	4,735.00	5,000.00
5222 Infor. & Communication Website	0.00	500.00	500.00
5224 Reading Ctr Book Lease & Purchase	0.00	9,500.00	9,500.00
5225 Read Ctr Computer License/Maint	0.00	1,000.00	1,000.00
5226 Prospect History Book	0.00	35,000.00	35,000.00
INFORMATION & COMMUNICATION	21,212.03	84,562.97	105,775.00
5241 Office Equipment	0.00	3,500.00	3,500.00
5245 Computer Hardware/Software	0.00	2,500.00	2,500.00
CAPITAL OUTLAY	0.00	6,000.00	6,000.00
TOTAL GENERAL GOVERNMENT EXPENDITURES	81,768.09	692,801.19	774,569.28

City of Prospect- General Fund
Statements of Revenues an Expenditures
Actual and Budget - Modified Cash Basis
For the One Month Ended July 31, 2014

	<u>1 Month Ended</u> <u>July 31, 2014</u>	<u>Budget Remaining</u>	<u>Total Budget</u>
POLICE DEPARTMENT			
5311 Salaries - Police	57,753.44	429,704.50	487,457.94
5313 Overtime - Police	867.77	6,132.23	7,000.00
5314 Pensions - Police	10,183.37	116,675.75	126,859.12
5315 Life Insurance - Police	249.90	1,812.90	2,062.80
5316 Health Insurance - Police	12,849.83	31,132.45	43,982.28
5317 FICA - Police	4,345.69	32,944.84	37,290.53
5318 Worker's Comp. - Police	0.00	35,332.80	35,332.80
5319 KLEFPF Pay	2,120.40	22,679.60	24,800.00
POLICE DEPARTMENT SALARIES & BENEFITS	<u>88,370.40</u>	<u>676,415.07</u>	<u>764,785.47</u>
5329 Computer Service - Police	30.00	4,470.00	4,500.00
PROFESSIONAL SERVICES	<u>30.00</u>	<u>4,470.00</u>	<u>4,500.00</u>
5361 Equipment Maintenance	892.47	3,907.53	4,800.00
5371 Uniform Allowance	310.99	5,089.01	5,400.00
5391 Travel Expenses	0.00	300.00	300.00
5392 Per Diem Reimbursement	0.00	1,100.00	1,100.00
5393 Tuition/Class Fees	0.00	400.00	400.00
5394 Training Materials & Supplies	0.00	500.00	500.00
UNIFORMS, TRAVEL & TRAINING	<u>1,203.46</u>	<u>11,296.54</u>	<u>12,500.00</u>
5411 Police Officers' Liability	0.00	24,000.00	24,000.00
5412 Vehicle and Property Coverage	0.00	18,000.00	18,000.00
POLICE INSURANCE	<u>0.00</u>	<u>42,000.00</u>	<u>42,000.00</u>
5421 Police Supplies	20.00	1,580.00	1,600.00
5422 Office Supplies - Police	409.67	2,040.33	2,450.00
5423 Facility Maintenance - Police	105.68	4,894.32	5,000.00
5424 Police Vehicle Maintenance	606.32	15,393.68	16,000.00
5425 Motor Fuels	2,571.74	31,428.26	34,000.00
5426 Community Oriented Policing Materials	0.00	1,300.00	1,300.00
5427 Telephone - Local & LD - Police	521.12	(121.12)	400.00
5428 Telephone - Cellular - Police	120.03	3,879.97	4,000.00
MATERIALS & SUPPLIES	<u>4,354.56</u>	<u>60,395.44</u>	<u>64,750.00</u>
5431 Police Equipment	0.00	17,000.00	17,000.00
5432 New Police Vehicles	0.00	34,000.00	34,000.00
CAPITAL OUTLAY	<u>0.00</u>	<u>51,000.00</u>	<u>51,000.00</u>
TOTAL POLICE DEPARTMENT EXPENDITURES	<u>93,958.42</u>	<u>845,577.05</u>	<u>939,535.47</u>

City of Prospect- General Fund
Statements of Revenues an Expenditures
Actual and Budget - Modified Cash Basis
For the One Month Ended July 31, 2014

	<u>1 Month Ended</u> <u>July 31, 2014</u>	<u>Budget Remaining</u>	<u>Total Budget</u>
PUBLIC WORKS			
5441 Garbage & Recycling Collection	0.00	696,732.40	696,732.40
SOLID WASTE	<u>0.00</u>	<u>696,732.40</u>	<u>696,732.40</u>
5523 Street Maintenance & Repair	0.00	7,500.00	7,500.00
5524 Existing Sign Replacing/Repair	0.00	2,500.00	2,500.00
MAINTENANCE	<u>0.00</u>	<u>10,000.00</u>	<u>10,000.00</u>
5531 Arborist Services	0.00	2,320.00	2,320.00
PUBLIC WORKS PROFESSIONAL SERVICES	<u>0.00</u>	<u>2,320.00</u>	<u>2,320.00</u>
5541 Mowing/Spraying/Mulching	10,119.00	122,381.00	132,500.00
5542 Public/Street Tree Planting	0.00	8,600.00	8,600.00
5543 Tree Maintenance/Stump Removal	2,943.00	5,357.00	8,300.00
5544 Grounds Improvement	2,396.02	32,603.98	35,000.00
5545 Snow Removal	0.00	60,000.00	60,000.00
5546 Sprinkler System - Water/Repair	562.75	5,437.25	6,000.00
5549 Parks & Public Lands	4,537.00	31,863.00	36,400.00
5551 Landscaping/Planting	0.00	40,000.00	40,000.00
5552 Street Cleaning	0.00	11,000.00	11,000.00
CONTRACTUAL MAINTENANCE	<u>20,557.77</u>	<u>317,242.23</u>	<u>337,800.00</u>
5600 Transfers to Unallocated Reserve	0.00	195,042.85	195,042.85
MISCELLANEOUS	<u>0.00</u>	<u>195,042.85</u>	<u>195,042.85</u>
TOTAL PUBLIC WORKS EXPENDITURES	<u>20,557.77</u>	<u>1,221,337.48</u>	<u>1,241,895.25</u>
TOTAL EXPENDITURES	<u>196,284.28</u>	<u>2,759,715.72</u>	<u>2,956,000.00</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>\$ (5,303.32)</u>	<u>\$ 5,303.32</u>	<u>\$ -</u>

City of Prospect
Statements of Revenues, Expenditures, and Changes in
Restricted Fund Balance - Modified Cash Basis
For the One Month Ended
July 31, 2014

	1 Month Ended
	July 31, 2014
REVENUES	
4800 · Municipal Road Aid Contribution	\$ 9,733.53
4810 · Interest Income - Restricted	7.55
Increase in Municipal Road Aid Fund	9,741.08
 EXPENDITURES	
5800 · Bank Charges - Restricted	55.82
5805 · Paving - Restricted	0.00
5807 · Snow Removal - Restricted	0.00
Decrease in Municipal Road Aid Fund	55.82
Net Change in Municipal Road Aid Fund	\$ 9,685.26