



COMMISSION MEETING AGENDA

January 11, 2023

7:00 PM at Park Place Community Center in Pride Park (5606 Taylor Mill Road)

CALL TO ORDER:

INVOCATION/PLEDGE OF ALLEGIANCE: Mayor Bell

MINUTES: Approval of Minutes from the 12/14/2022 Commission Meeting
Approval of Minutes from the 01/06/2023 Special Commission Meeting

GUESTS: Proclamation – Recognizing Jessica Fisk, Kentucky School Psychologist of the Year
Von Lehman – FY22 Audit Presentation
Eric Blankenship – 5440 Stonehill Drive (Code Enforcement Issue)

LEGISLATION:

Municipal Order 126 – Reappointment of the NKY Regional Ethics Authority and approval of the Interlocal Agreement

Municipal Order 127 – Planning and Development Services Council (PDS) – Appointment for Ed Kuehne and Caroline Braden Calendar 2013

Resolution 371 - KY Public Employees' Deferred Compensation Authority Participation Agreement

UNFINISHED BUSINESS:

NEW BUSINESS:

DEPARTMENT REPORTS:

City Administrator
City Treasurer
Engineering
Fire

Legal Counsel
Parks and Recreation
Public Works
Police

OTHER:

ADJOURNMENT

**City of Taylor Mill
COMMISSION MEETING
Wednesday, December 14, 2022**

CALL TO ORDER & WELCOME:

Mayor Bell called the meeting to order at 6:59 p.m. and welcomed those in attendance. In attendance were Mayor Daniel L. Bell, Commissioner Caroline Braden, Commissioner Mark Kreimborg, Commissioner Rose Merritt, Commissioner Dan Murray, City Administrative Officer Brian Haney, and City Attorney Jack Gatlin.

INVOCATION/PLEDGE OF ALLEGIANCE:

Commissioner Merritt led the invocation followed by the Pledge of Allegiance.

APPROVAL OF MINUTES:

November 9, 2022 – Commission Meeting

Mayor Bell called for a motion to approve the minutes of the November 9, 2022, Commission Meeting. Commissioner Merritt so moved, with a second from Commissioner Kreimborg. The Commission approved by unanimous voice call vote.

APPROVED

LEGISLATION: *Legislation was sent to and received by the commission prior to the meeting.*

Municipal Order 122

A MUNICIPAL ORDER OF THE CITY OF TAYLOR MILL IN KENTON COUNTY, KENTUCKY APPROVING THE HIRING OF PATROL OFFICER KYLE DUNCAN

City Attorney Jack Gatlin provided the reading of Municipal Order 122. Mayor Bell called for a motion to approve Municipal Order 122 to hire Kyle Duncan for the vacant position of patrol officer. Commissioner Kreimborg made a motion with a second from Commissioner Murray. Commission approved by unanimous vote.

MOTION APPROVED

GUESTS:

Chief James Mills and Commissioner Kreimborg introduced Officer Kyle Duncan who was sworn in. City Attorney Jack Gatlin led the Oath of Office.

LEGISLATION: *Legislation was sent to and received by the commission prior to the meeting.*

Municipal Order 123

A MUNICIPAL ORDER OF THE CITY OF TAYLOR MLL IN KENTON COUNTY KENTUCKY MAKING THE WRITTEN DETERMINATIONS REQUIRED BY KRS 82.083 FOR THE SALE OR OTHER DISPOSITION OF PROPERTY OWNED BY THE CITY

City Attorney Jack Gatlin provided the reading of Municipal Order 123. Mayor Bell called for a motion to approve a Municipal Order 123 for the sale of two motor vehicles. Commissioner Braden made a motion with a second from Commissioner Murray. Commission approved by unanimous vote.

MOTION CARRIED

Municipal Order 124

A MUNICIPAL ORDER OF THE CITY OF TAYLOR MLL IN KENTON COUNTY KENTUCKY REAPPOINTING MATT MARTIN AS A MEMBER OF THE KENTON COUNTY PLANNING COMMISSION TO REPRESENT THE CITY OF TAYLOR MILL

City Attorney Jack Gatlin provided the reading of Municipal Order 124. Mayor Bell called for a motion to approve a Municipal Order 124 for the reappointment of Matt Martin to the KCPC as a representative of the City for the term of January 1, 2023, to December 31, 2027. Commissioner Kreimborg made a motion with a second from Commissioner Braden. Commission approved by unanimous vote.

MOTION CARRIED

GUESTS:

Stu Bowns of 2400 Shadow Hill Court addressed the Commission suggesting the City look at the software that the City of Edgewood uses for records.

Ed Kuehne of 5303 Old Taylor Mill Road addressed the Commission requesting that the BOA Minutes and Commission Minutes be updated on the City website.

UNFINISHED BUSINESS: None

NEW BUSINESS: None

DEPARTMENT REPORTS:

The Commission reviewed reports from the following staff members: City Administrator, Treasurer, Engineering, Fire/EMS, Legal Counsel, Parks and Recreation, Public Works, and Police.

There being no further business to discuss, Mayor Bell called for a motion to adjourn. Commissioner Kreimborg so moved, with a second from Commissioner Merritt to adjourn the meeting. The motion passed with the unanimous approval of the Commission, the time being 7:51 p.m.

MOTION CARRIED

The next Commission Meeting will be Wednesday, January 11, 2023, at 7:00 p.m.

APPROVED:

Daniel L. Bell, Mayor

ATTEST:

Kristy Webb, City Clerk

Date: _____

**City of Taylor Mill
SPECIAL COMMISSION MEETING
Friday, January 6, 2023**

CALL TO ORDER & WELCOME:

Mayor Bell called the special meeting to order at 10:00 a.m. Those present were Mayor Daniel L. Bell, Commissioner Caroline Braden, Commissioner Ed Kuehne, Commissioner Dan Murray, and City Administrative Officer Brian Haney. Commissioner Mark Kreimborg was absent.

LEGISLATION:

MUNICIPAL ORDER 125 – Emergency Order Server Weather and Water Line Break

A MUNICIPAL ORDER OF THE CITY OF TAYLOR MILL, IN KENTON COUNTY, COMMONWEALTH OF KENTUCKY, ADDING TO THE SPECIAL MEETING AGENDA DURING THE STATE OF EMERGENCY

City Administrator provided the reading of Municipal Order 125. Mayor Bell called for a motion to approve Municipal Order 125 to declare an Emergency due to the severe and prolonged temperatures that caused a waterline break in the City building. Commissioner Murray made a motion with a second from Commissioner Braden. Commission approved by unanimous voice call vote.

MOTION APPROVED

ADJOURNMENT:

There being no further business to discuss, Mayor Bell called for a motion to adjourn. Commissioner Kuehne so moved, with a second from Commissioner Murray to adjourn the meeting. Commission approved by unanimous vote, the time being 10:02 a.m.

MOTION CARRIED

The next Special Commission Meeting will be on Wednesday, January 11, 2023, at 7:00 p.m. at the Park Place Community Center in Pride Park located at 5606 Taylor Mill Road.

APPROVED:

Daniel L. Bell, Mayor

ATTEST:

Kristy Webb, City Clerk

Date: _____

MUNICIPAL ORDER NO. 126 (01-11-23)

AN ORDER ACCEPTING THE RE-APPOINTMENT OF MARCUS CAREY, DARRYL CUMMINS, ROBERT SANDERS, TOM QUIRK, BRYCE C. RHOADES, AND JACK WESTWOOD AND THE APPOINTMENT OF JAMES DADY AS MEMBERS OF THE NORTHERN KENTUCKY REGIONAL ETHICS AUTHORITY ENFORCEMENT COMMITTEE FOR A TWO-YEAR TERM, COMMENCING FEBRUARY 1, 2023 AND EXPIRING ON JANUARY 31, 2025.

WHEREAS, Ordinance No. 355 (04/08/20) (as amended) established a code of ethical conduct applicable to the officers and employees of the City of Taylor Mill and its agencies; and

WHEREAS, the city of Taylor Mill entered into an inter-local agreement to join the Northern Kentucky Regional Ethics Authority (NKREA) to implement said CODE OF ETHICS; and

WHEREAS, Article III(A) of the Inter-local gives the NKREA Authority Board the authorization to select members of the NKREA Enforcement Committee subject to the approval of each member jurisdiction's relevant legislative body;

WHEREAS, the Authority Board re-nominated Marcus Carey, Darryl Cummins, Robert Sanders, Tom Quirk, and Bryce Rhoades to each serve a two-year term on the NKREA Enforcement Committee;

WHEREAS, NKREA Enforcement Committee Member James Dady was appointed by the NKREA Authority Board to fill the committee's vacancy; and

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF TAYLOR MILL, KENTON COUNTY, KENTUCKY:

Section 1

That the appointment of Marcus Carey, Darryl Cummins, Robert Sanders, Tom Quirk, Bryce Rhoades, Jack Westwood, and James Dady as members of the NKREA Enforcement Committee for a two-year term commencing on February 1, 2023, and expiring on January 31, 2025, is hereby approved.

Section 2

That this order/resolution shall take effect and be in full force when passed and recorded according to law.

DANIEL L. BELL, Mayor
CITY OF TAYLOR MILL

ATTEST:

Kristy Webb, City Clerk

Date: _____

MUNICIPAL ORDER NO. 127 (01-11-2023)

A MUNICIPAL ORDER OF THE CITY OF TAYLOR MILL IN KENTON COUNTY, KENTUCKY APPOINTING ED KUEHNE AS REPRESENTATIVE AND CAROLINE BRADEN AS ALTERNATE TO THE PLANNING AND DEVELOPMENT SERVICES COUNCIL TO REPRESENT THE CITY OF TAYLOR MILL

WHEREAS, the Planning and Development Services Council is different from the Kenton County Area Planning Commission;

WHEREAS, representation on the Planning and Development Services Council guarantees that the City's needs are considered within the PDS' annual work priorities and budget;

WHEREAS, Commissioner Ed Kuehne will be appointed as the representative for 2023 to represent the City of Taylor Mill;

WHEREAS Commissioner Caroline Braden will be appointed as the alternative for 2023 to represent the City of Taylor Mill;

NOW THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:

Section 1.0 Appointment

Ed Kuehne is hereby appointed as the representative and Caroline Braden as an alternate of the City of Taylor Mill on the Planning and Development Services, for a term of one (1) year that expires at midnight on the evening of January 30, 2024.

Section 2.0 Severability

The provisions of this Municipal Order are severable, and the invalidity of any provision of this municipal order shall not affect the validity of any other provision thereof, and such other provisions shall remain in full force and effect as long as they remain valid in the absence of those provisions determined to be invalid.

Section 3.0 Repeal of Conflicting Provisions

All Municipal Orders or parts of Municipal Orders in conflict with the provisions of this Municipal Order are hereby repealed to the extent of such conflict.

Section 4.0 Effective Date

This Municipal Order shall be effective as soon as possible according to law.

DANIEL L. BELL, Mayor

Attest: _____

KRISTY WEBB, City Clerk

Date: _____

**RESOLUTION
OF THE
CITY OF TAYLOR MILL**

January 11, 2023

WHEREAS, the General Assembly of the Commonwealth of Kentucky has enacted Sections 18A.230-18A.275 of the Kentucky Revised Statutes authorizing the creation of the Kentucky Public Employees' Deferred Compensation Authority Board of Trustees and the establishment of the Kentucky Public Employees' Deferred compensation Authority (KDC); and

WHEREAS, the Commonwealth by KDC sponsors the Kentucky Employees' 457 Deferred Compensation Plan and the Kentucky Public Employees' 401(k) Deferred Compensation Plan which includes KDC's Deemed IRA Program (the Plans) for adoption by local governmental political subdivisions and units; and

WHEREAS, the City of Taylor Mill wishes to adopt and enter the certain Joinder Agreement attached hereto, dates January 11, 2023;

NOW THEREFORE BE IT:

RESOLVED that the City of Taylor Mill Commission, of Kenton County, Commonwealth of Kentucky, hereby enters and adopts a Joinder Agreement with KDC for participation in the 457 Plan and the 401(k) Plan for the benefit of its eligible employees; and,

FURTHER RESOLVED, that Mayor Daniel L. Bell be, and hereby is, authorized and directed by the City of Taylor Mill Commission to execute the Joinder Agreement with KDC, which authorizes KDC to administer the Plans on behalf of the City of Taylor Mill, and do all further acts and things, and to execute all further documents in writing, which the authorized signature determines to be necessary or desirable in order to affect this Resolution.

Signed and adopted this 11th day of January 2023 by the City of Taylor Mill, Kenton County, Kentucky.

DANIEL L. BELL, Mayor

**COMMONWEALTH OF KENTUCKY
INCORPORATED CITY OF TAYLOR MILL**

I, Kristy Webb, City Clerk of Taylor Mill certify that the foregoing is a true copy of the Order above. Given under my hand and seal of office this the 11th day of January 2023.

Attest: _____
KRISTY WEBB, City Clerk

**PROCLAMATION
OF THE
CITY OF TAYLOR MILL**

January 11, 2023

WHEREAS, the Kentucky Association for Psychology in Schools (KAPS) Award recognizes one school psychologist each year who goes above and beyond each day, demonstrating a great commitment to help students succeed; and

WHEREAS, Mrs. Jessica Fisk, a school psychologist with Scott High School, has been named 2022 School Psychologist of the Year by the Kentucky Association for Psychology in Schools (KAPS).

WHEREAS, as a School psychologist, Jessica Fisk is a uniquely qualified member of Scott High School that support students' ability to learn and teachers' ability to teach. She applies expertise in mental health, learning, and behavior, to help students succeed.

WHEREAS, Jessica Fisk partners with families, teachers, school administrators, and other professionals to create safe, healthy, and supportive learning environments that strengthen connections between home, school, and the community.

WHEREAS, as a School psychologist, she provides in-depth psychological services with the goal of helping students succeed academically, socially, behaviorally and emotionally.

WHEREAS, Jessica Fisk helps students who are bullied and those who face struggles like poor academic performance, problems at home or mental health issues, and help students who have disabilities.

WHEREAS, the City of Taylor Mill wishes to recognize and honor Scott High School Psychologist Mrs. Jessica Fisk as having been awarded the 2022 KAPS Award by the Kentucky Association for Psychology in the Schools; and

WHEREAS, we honor Jessica Fisk for the exceptional difference she makes in the lives of her students and peers; and

NOW THEREFORE, I, Daniel L. Bell, Mayor of the Taylor Mill City and the City Commission, wish to express congratulations and gratitude to Jessica Fisk for her service to the community.

This proclamation shall have the full effect and force of the law upon passage according to the laws and ordinances of the Commonwealth of Kentucky, and under my signature on this 11th day of January 2023.

Daniel L. Bell, Mayor



City of Taylor Mill

CAO REPORT

TO: Mayor and City Commissioners
FROM: Brian Haney, CAO
DATE: 1/4/2023
RE: CAO Report – January 2023

The pipes breaking on Christmas Eve and Christmas Day has dominated much of staff's time during the past week and a half. All of you have surveyed the damage and see what steps we are taking to get back into our respective space as quickly as possible. The immediate remediation was handled by Teasdale Fenton. They set up their fans and dehumidifiers and removed the damaged flooring and drywall that had wicked the water. Now I must get two bids on the repair. I am asking to replace much of the common space flooring with the vinyl planks like we have in the hallway and at the community center. Only the small individual offices will go back as carpet. I am also proposing to do the same in the commission chamber as its carpet was also damaged and must be replaced. The vinyl will wear much longer than even the best commercial carpets and will be much easier to keep clean.

At this meeting we will have Von Lehman's FY22 audit presentation. We will also recognize Jessica Fisk, a school psychologist at Scott who was named KY School Psychologist of the Year. And there is a resident from Stonehill Drive who wishes to complain about receiving a warning notice from Code Enforcement for having a trailer parked in his driveway.

Please review the MO to reappoint representatives to the NKY Regional Ethics Authority and the necessary Interlocal Agreement that we need to adopt to continue to participate in the regional authority. A second MO is to appoint Commissioner Ed Kuehne as the city's representative to the PDS Council and Commissioner Braden as our alternate. Formerly these two positions were held by Commissioner Murray and Commissioner Kreimborg.

Marc and his crew did an excellent job trying to stay ahead of the storm. Unfortunately, the temperatures rendered our salt nearly useless and there wasn't enough snow to get down and scrape. The crew switched to sand and was able to provide traction for travelers.

Kristy kept the office open all day on Saturday December 31st to allow stragglers to get their taxes paid without penalty. Thank you, Kristy, for your dedication and work ethic. There were a few people who took advantage of the last-minute opportunity.

The city's employee appreciation and recognition dinner will be held this Friday at the community center beginning at 6:30. We will recognize some employees who stood out this past year and celebrate making 2022 a great year overall. The city will cater the event, but alcohol is BYOB.

The KLC City Day/City Night event is scheduled for February 22. During the day city officials are encouraged to meet with legislators and attend committee meetings. City officials can make appointments to discuss important issues with their local legislators. The City Night reception will be

held at the Kentucky History Center beginning at 4:30. Please let me know who wishes to attend and I will make the necessary reservations. The event itself is free.

At your convenience I would recommend going to the Tuscan Development and see the condominium complexes currently being erected within Taylor Mill's portion of the development. It is exciting to see new housing coming into our city.

Regarding the assignments of commissioners as liaisons for the departments, I would ask that we wait and have that discussion at our January 25 caucus meeting. If not, we can bring it up in new business.

Until we get city hall repaired, we will hold all our meetings at the community center.

Welcome Commissioner Kuehne. I look forward to working with you in the coming months.



CITY OF TAYLOR MILL
General Fund
Budget vs. Actual
July 2022 thru December 2022

	Jul - Dec 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
10.4049 · FEMA Grant - FD	59,038.10	-	59,038.10	100.0%
10.4048 · LWCF Grant for Pride Park	-	-	-	0.0%
10.4001 · Real Estate Taxes	2,109,973.71	2,200,000.00	(90,026.29)	95.9%
10.4002 · Real Estate Taxes Prior	43.87	5,000.00	(4,956.13)	0.9%
10.4003 · Penalty & Interest RE	1,296.67	10,000.00	(8,703.33)	13.0%
10.4004 · Real Estate Legal Fees	700.00	1,500.00	(800.00)	46.7%
10.4005 · ABC Licenses	8,580.00	10,040.00	(1,460.00)	85.5%
10.4006 · Net Profits Tax	52,826.76	215,500.00	(162,673.24)	24.5%
10.4007 · Insurance Fees	215,210.69	725,000.00	(509,789.31)	29.7%
10.4008 · Occupational Taxes	560,354.87	1,100,000.00	(539,645.13)	50.9%
10.4009 · Utility Taxes	101,707.50	200,000.00	(98,292.50)	50.9%
10.4010 · Cable Franchise Fees	11,147.30	48,000.00	(36,852.70)	23.2%
10.4011 · Public Service Taxes	31,935.19	85,000.00	(53,064.81)	37.6%
10.4012 · R/R Tangible Tax	18,238.65	22,500.00	(4,261.35)	81.1%
10.4013 · R/R Car Line Tax	-	45,000.00	(45,000.00)	0.0%
10.4014 · Omitted Tangible Property Tax	-	1,000.00	(1,000.00)	0.0%
10.4015 · Base Court Revenue	2,500.92	8,000.00	(5,499.08)	31.3%
10.4016 · KLEPF/KFFPF Receipts	49,799.70	86,000.00	(36,200.30)	57.9%
10.4017 · Waste Collection	458,117.77	392,040.00	66,077.77	116.9%
10.4018 · Interest Earned	16,444.54	10,000.00	6,444.54	164.4%
10.4019 · Ambulance Reimbursements	75,762.75	160,000.00	(84,237.25)	47.4%
10.4020 · Impound Fees	250.00	250.00	-	100.0%
10.4021 · Police Fines	-	50.00	(50.00)	0.0%
10.4022 · Civil Citations	200.00	150.00	50.00	133.3%
10.4023 · Forfeitures	547.00	-	547.00	100.0%
10.4024 · State Aid-Fire Department	-	11,000.00	(11,000.00)	0.0%
10.4025 · Bank Deposit Tax	-	12,000.00	(12,000.00)	0.0%
10.4026 · Code Enforcement Citation Fees	100.00	-	100.00	100.0%
10.4027 · Off Duty Details -PD	-	4,000.00	(4,000.00)	0.0%
10.4028 · SRO Contract Reimbursements	-	88,570.00	(88,570.00)	0.0%
10.4029 · PD Explorer Program	-	-	-	0.0%
10.4030 · Senior Membership Dues	805.00	750.00	55.00	107.3%
10.4033 · Brick Paver Sales	35.00	-	35.00	100.0%
10.4034 · Yard Sale Permits	90.00	100.00	(10.00)	90.0%
10.4035 · Park Event Receipts	50.00	-	50.00	100.0%
10.4036 · Shelter House Rentals	2,055.00	7,500.00	(5,445.00)	27.4%
10.4037 · Park Place Rentals	15,000.00	28,000.00	(13,000.00)	53.6%
10.4040 · Oxford Hills Assessment	-	-	-	0.0%
10.4041 · Holland Drive Assessment	26,313.12	26,313.00	0.12	100.0%



CITY OF TAYLOR MILL
General Fund
Budget vs. Actual
July 2022 thru December 2022

	Jul - Dec 22	Budget	\$ Over Budget	% of Budget
10.4042 · LWCF Grant	-	45,625.00	(45,625.00)	0.0%
10.4043 · Unrealized Gain	(43,581.08)	-	(43,581.08)	100.0%
10.4044 · Realized Gain	-	-	-	0.0%
10.4045 · CARES Funding	-	-	-	0.0%
10.4046 · American Recovery Funding	-	-	-	0.0%
10.4047 · SNK Federal Funds	-	174,000.00	(174,000.00)	0.0%
10.4111 · Miscellaneous Income	12,333.25	20,000.00	(7,666.75)	61.7%
Total Income	3,787,876.28	5,742,888.00	(1,955,011.72)	66.0%
Expense				
10.10 · Admin Department				
10.5001 · Salary/Electeds	6,096.50	14,632.00	(8,535.50)	41.7%
10.5002 · Salary CAO	51,689.79	105,738.00	(54,048.21)	48.9%
10.5003 · Salary City Clerk	28,442.06	58,466.00	(30,023.94)	48.6%
10.5004 · Salary Treasurer	32,642.41	66,880.00	(34,237.59)	48.8%
10.5005 · Overtime	4,363.35	6,000.00	(1,636.65)	72.7%
10.5006 · Retirement	30,392.81	64,145.00	(33,752.19)	47.4%
10.5007 · FICA	10,909.54	19,257.00	(8,347.46)	56.7%
10.5008 · Medical Insurance	25,834.68	32,072.00	(6,237.32)	80.6%
10.5009 · Medical Ins. Alternative	-	-	-	0.0%
10.5010 · Life/LTD	1,263.00	2,905.00	(1,642.00)	43.5%
10.5011 · Workers Comp	547.15	382.00	165.15	143.2%
10.5013 · Employee Asst Program	262.50	525.00	(262.50)	50.0%
10.5015 · Association Dues/Memberships	1,255.00	7,000.00	(5,745.00)	17.9%
10.5016 · Training/Education	4,298.37	5,000.00	(701.63)	86.0%
10.5017 · Publications	684.19	500.00	184.19	136.8%
10.5018 · Uniforms/Clothing	-	300.00	(300.00)	0.0%
10.5019 · Cellular	1,262.26	3,200.00	(1,937.74)	39.4%
10.5020 · IT Support	1,187.50	2,850.00	(1,662.50)	41.7%
10.5021 · Computer Equipment	-	2,500.00	(2,500.00)	0.0%
10.5022 · Fuel	320.27	600.00	(279.73)	53.4%
10.5023 · Vehicle Maintenance	721.51	1,000.00	(278.49)	72.2%
10.5024 · Printing	660.39	2,000.00	(1,339.61)	33.0%
10.5025 · Postage	2,021.67	2,500.00	(478.33)	80.9%
10.5026 · Electric	474.13	6,000.00	(5,525.87)	7.9%
10.5027 · Water-City Bldg	228.27	315.00	(86.73)	72.5%
10.5028 · Sanitation	1,080.78	1,750.00	(669.22)	61.8%
10.5029 · City Bldg Repair/Maintenance	229.74	12,000.00	(11,770.26)	1.9%
10.5030 · Office Supplies	1,279.74	5,750.00	(4,470.26)	22.3%
10.5031 · Telephone/Internet Services	891.43	1,300.00	(408.57)	68.6%
10.5033 · Office Equipment	-	1,000.00	(1,000.00)	0.0%
10.5034 · Insurance	4,934.84	14,000.00	(9,065.16)	35.2%



CITY OF TAYLOR MILL
General Fund
Budget vs. Actual
July 2022 thru December 2022

	Jul - Dec 22	Budget	\$ Over Budget	% of Budget
10.5035 · Service Agreements/Contracts	12,460.40	21,000.00	(8,539.60)	59.3%
10.5037 · Janitorial Services	1,737.24	3,000.00	(1,262.76)	57.9%
10.5038 · Landscaping	-	1,500.00	(1,500.00)	0.0%
10.5042 · Equipment Repair/Maintenance	-	-	-	0.0%
10.5043 · Advertisements	-	2,000.00	(2,000.00)	0.0%
10.5044 · Audit Services	4,410.00	25,000.00	(20,590.00)	17.6%
10.5045 · City Attorney Services	16,332.39	32,500.00	(16,167.61)	50.3%
10.5046 · Codification	1,128.51	3,500.00	(2,371.49)	32.2%
10.5047 · Data Processing	25,221.78	25,500.00	(278.22)	98.9%
10.5048 · Employee Enrichment	609.21	1,750.00	(1,140.79)	34.8%
10.5049 · Banking Fees	780.16	3,000.00	(2,219.84)	26.0%
10.5050 · Kenton County Dog Warden	4,679.60	11,000.00	(6,320.40)	42.5%
10.5051 · Payroll Service Fees	2,841.46	7,750.00	(4,908.54)	36.7%
10.5052 · Planning and Zoning Fees	8,818.41	24,000.00	(15,181.59)	36.7%
10.5053 · Prof. Accounting Services	4,560.00	9,600.00	(5,040.00)	47.5%
10.5054 · Real Estate Tax Refund CY	550.41	1,200.00	(649.59)	45.9%
10.5055 · Real Estate Tax Refund PY	2,543.33	2,250.00	293.33	113.0%
10.5056 · Street Lights	24,301.23	40,000.00	(15,698.77)	60.8%
10.5057 · Waste Collection	157,322.20	388,833.00	(231,510.80)	40.5%
10.5058 · Special Counsel	-	-	-	0.0%
10.5111 · Miscellaneous Expenses	4,490.13	2,500.00	1,990.13	179.6%
Total 10.10 · Admin Department	486,760.34	1,046,450.00	(559,689.66)	46.5%
10.20. · Police Department				
20.5001 · Police Chief Salary	56,900.12	105,093.00	(48,192.88)	54.1%
20.5002 · Police Officer Salaries	219,788.72	530,321.00	(310,532.28)	41.4%
20.5003 · SRO Salaries	40,357.19	90,065.00	(49,707.81)	44.8%
20.5004 · Admin Clerk Salary	23,402.93	47,940.00	(24,537.07)	48.8%
20.5005 · Overtime	36,608.41	75,000.00	(38,391.59)	48.8%
20.5006 · Retirement	106,985.91	333,175.00	(226,189.09)	32.1%
20.5007 · FICA	31,525.87	68,852.00	(37,326.13)	45.8%
20.5008 · Medical Insurance	59,317.69	123,836.00	(64,518.31)	47.9%
20.5009 · Medical Insurance Alternative	9,109.80	28,560.00	(19,450.20)	31.9%
20.5010 · Life/LTD	3,360.92	9,075.00	(5,714.08)	37.0%
20.5011 · Workers Comp	13,691.25	21,025.00	(7,333.75)	65.1%
20.5013 · Employee Asst Program	262.50	525.00	(262.50)	50.0%
20.5014 · KLEPF	21,039.10	51,600.00	(30,560.90)	40.8%
20.5015 · Assoc. Dues/Memberships	4,270.00	8,500.00	(4,230.00)	50.2%
20.5016 · Training/Education	10,050.44	15,000.00	(4,949.56)	67.0%
20.5017 · Publications	-	100.00	(100.00)	0.0%
20.5018 · Uniforms	6,751.52	11,600.00	(4,848.48)	58.2%
20.5019 · Cellular Expense	2,050.87	5,420.00	(3,369.13)	37.8%



CITY OF TAYLOR MILL
General Fund
Budget vs. Actual
July 2022 thru December 2022

	Jul - Dec 22	Budget	\$ Over Budget	% of Budget
20.5020 · IT Support	1,187.50	3,000.00	(1,812.50)	39.6%
20.5021 · Computer Equipment	212.50	2,500.00	(2,287.50)	8.5%
20.5022 · Fuel	8,992.46	35,000.00	(26,007.54)	25.7%
20.5023 · Vehicle Maintenance	8,021.36	12,000.00	(3,978.64)	66.8%
20.5024 · Printing	523.65	750.00	(226.35)	69.8%
20.5025 · Postage	-	250.00	(250.00)	0.0%
20.5029 · Building Repair and Maintenance	586.89	5,000.00	(4,413.11)	11.7%
20.5030 · Office Supplies	731.77	2,500.00	(1,768.23)	29.3%
20.5031 · Telephone/Internet Services	949.63	1,600.00	(650.37)	59.4%
20.5033 · Office Equipment	9,135.65	10,000.00	(864.35)	91.4%
20.5034 · Insurance	15,955.26	32,000.00	(16,044.74)	49.9%
20.5035 · Service Agreements/Contracts	21,534.47	25,000.00	(3,465.53)	86.1%
20.5037 · Janitorial Supplies	-	-	-	0.0%
20.5039 · Technical Supplies	4,236.07	6,000.00	(1,763.93)	70.6%
20.5040 · Technical Equipment	1,122.70	6,000.00	(4,877.30)	18.7%
20.5041 · Crime Prevention NEAT	435.33	1,000.00	(564.67)	43.5%
20.5042 · Equipment Repair/Maintenance	89.99	500.00	(410.01)	18.0%
20.5043 · Explorer Program	-	-	-	0.0%
20.5044 · Impoundment Fees	-	-	-	0.0%
20.5045 · Off Duty Police Details	-	-	-	0.0%
20.5046 · Cruiser Washes	165.00	750.00	(585.00)	22.0%
20.5047 · Patrol Vehicles	-	-	-	0.0%
20.5048 · Police Department Forfeitures	82.05	-	82.05	100.0%
20.5111 · Miscellaneous Expenses	1,949.62	2,500.00	(550.38)	78.0%
Total 10.20 · Police Department	721,385.14	1,672,037.00	(950,651.86)	43.1%
10.30 · Fire Department				
30.5001 · Fire Chief Salary	44,601.17	91,238.00	(46,636.83)	48.9%
30.5002 · Full Time Firemen Salaries	241,883.91	456,252.00	(214,368.09)	53.0%
30.5003 · Part Time FF Salaries	110,084.12	233,750.00	(123,665.88)	47.1%
30.5005 · Overtime	28,217.36	50,000.00	(21,782.64)	56.4%
30.5006 · Retirement	170,083.87	388,282.00	(218,198.13)	43.8%
30.5007 · FICA	33,112.88	62,100.00	(28,987.12)	53.3%
30.5008 · Medical Insurance	32,687.67	104,820.00	(72,132.33)	31.2%
30.5009 · Medical Insurance Alternative	9,109.80	15,600.00	(6,490.20)	58.4%
30.5010 · Life/LTD	3,202.29	6,380.00	(3,177.71)	50.2%
30.5011 · Workers Comp	13,551.77	23,021.00	(9,469.23)	58.9%
30.5013 · Employee Asst. Program	262.50	525.00	(262.50)	50.0%
30.5014 · KFFPF	17,643.91	38,700.00	(21,056.09)	45.6%
30.5015 · Assoc. Dues/Memberships	430.00	2,500.00	(2,070.00)	17.2%
30.5016 · Training/Education	2,767.66	7,000.00	(4,232.34)	39.5%
30.5017 · Publications	757.11	2,000.00	(1,242.89)	37.9%



CITY OF TAYLOR MILL
General Fund
Budget vs. Actual
July 2022 thru December 2022

	Jul - Dec 22	Budget	\$ Over Budget	% of Budget
30.5018 · Uniforms	2,930.13	11,000.00	(8,069.87)	26.6%
30.5019 · Cellular	3,025.72	12,500.00	(9,474.28)	24.2%
30.5020 · IT Support	1,187.50	3,000.00	(1,812.50)	39.6%
30.5021 · Computer Expense	277.91	2,500.00	(2,222.09)	11.1%
30.5022 · Fuel	8,045.83	24,000.00	(15,954.17)	33.5%
30.5023 · Vehicle Maintenance	17,984.11	30,000.00	(12,015.89)	59.9%
30.5024 · Printing	958.50	2,000.00	(1,041.50)	47.9%
30.5025 · Postage	33.60	100.00	(66.40)	33.6%
30.5026 · Electric	11,809.59	27,000.00	(15,190.41)	43.7%
30.5027 · Water	469.01	1,000.00	(530.99)	46.9%
30.5028 · Sanitation	689.11	500.00	189.11	137.8%
30.5029 · Building Repair/Maintenance	999.14	5,000.00	(4,000.86)	20.0%
30.5030 · Office Supplies	316.94	1,300.00	(983.06)	24.4%
30.5031 · Telephone/Internet Services	1,105.26	1,500.00	(394.74)	73.7%
30.5033 · Office Equipment	328.94	2,500.00	(2,171.06)	13.2%
30.5034 · Insurance	16,305.38	32,000.00	(15,694.62)	51.0%
30.5035 · Service Agreements/Contracts	12,370.41	21,000.00	(8,629.59)	58.9%
30.5037 · Janitorial Supplies	1,409.36	3,700.00	(2,290.64)	38.1%
30.5041 · Fire Vehicles	-	-	-	0.0%
30.5042 · Equipment Repair/Maintenance	1,835.16	7,500.00	(5,664.84)	24.5%
30.5043 · ALS Medications	1,294.12	6,000.00	(4,705.88)	21.6%
30.5044 · EMS Licensures	1,519.89	2,000.00	(480.11)	76.0%
30.5045 · Staff Medicals/Immunizations	1,850.00	3,000.00	(1,150.00)	61.7%
30.5046 · Major Squad Equipment	2,267.51	15,000.00	(12,732.49)	15.1%
30.5047 · Major Fire Equipment	63,959.59	6,000.00	57,959.59	1066.0%
30.5048 · Medical Director	5,000.00	5,000.00	-	100.0%
30.5049 · Public Education	785.35	1,000.00	(214.65)	78.5%
30.5050 · Radios	-	8,000.00	(8,000.00)	0.0%
30.5051 · Rehab. Fire/EMS	225.08	600.00	(374.92)	37.5%
30.5054 · Squad Billing Services	-	4,000.00	(4,000.00)	0.0%
30.5055 · Squad Equipment	390.98	5,000.00	(4,609.02)	7.8%
30.5056 · Squad Supplies	256.36	12,000.00	(11,743.64)	2.1%
30.5057 · State Aid Equipment	-	11,000.00	(11,000.00)	0.0%
30.5059 · Vol. Benefit Payments	-	1,100.00	(1,100.00)	0.0%
30.5061 · Vol. Recruitment/Appreciation	-	750.00	(750.00)	0.0%
30.5062 · PPE Replacement	10,962.05	14,000.00	(3,037.95)	78.3%
30.5063 · Stryker Purchase Agreement	-	22,555.00	(22,555.00)	0.0%
30.5064 · Ambulance Provider Assessment	6,151.74	11,000.00	(4,848.26)	55.9%
30.5111 · Miscellaneous	1,487.97	2,500.00	(1,012.03)	59.5%
Total 10.30 · Fire Department	886,628.26	1,800,773.00	(914,144.74)	49.2%
10.40 · Public Works				



CITY OF TAYLOR MILL
General Fund
Budget vs. Actual
July 2022 thru December 2022

	Jul - Dec 22	Budget	\$ Over Budget	% of Budget
40.5001 · Public Works Director Salary	42,473.37	84,685.00	(42,211.63)	50.2%
40.5002 · Public Work Salaries	72,413.23	163,671.00	(91,257.77)	44.2%
40.5005 · Overtime	13,317.49	30,000.00	(16,682.51)	44.4%
40.5006 · Retirement	31,465.55	74,571.00	(43,105.45)	42.2%
40.5007 · FICA	10,930.56	21,295.00	(10,364.44)	51.3%
40.5008 · Medical Insurance	9,079.47	45,436.00	(36,356.53)	20.0%
40.5009 · Medical Insurance Alternative	4,920.23	7,800.00	(2,879.77)	63.1%
40.5010 · Life/LTD	1,432.14	3,306.00	(1,873.86)	43.3%
40.5011 · Workers Comp	5,676.70	9,274.00	(3,597.30)	61.2%
40.5012 · Longevity	350.00	-	350.00	100.0%
40.5013 · Employee Asst. Program	262.50	525.00	(262.50)	50.0%
40.5015 · Assoc. Dues/Memberships	-	100.00	(100.00)	0.0%
40.5016 · Training/Education	180.00	500.00	(320.00)	36.0%
40.5018 · Uniforms	1,098.54	2,400.00	(1,301.46)	45.8%
40.5019 · Cellular	992.20	2,250.00	(1,257.80)	44.1%
40.5020 · IT Support	1,187.50	2,850.00	(1,662.50)	41.7%
40.5021 · Computer Equipment	-	500.00	(500.00)	0.0%
40.5022 · Fuel	13,918.13	30,000.00	(16,081.87)	46.4%
40.5023 · Vehicle Maintenance	7,914.56	25,000.00	(17,085.44)	31.7%
40.5029 · Building Repair/Maintenance	683.76	1,000.00	(316.24)	68.4%
40.5030 · Office Supplies	141.33	200.00	(58.67)	70.7%
40.5031 · Telephone/Internet Services	463.00	900.00	(437.00)	51.4%
40.5034 · Insurance	7,356.18	15,000.00	(7,643.82)	49.0%
40.5035 · Service Agreement/Contracts	702.55	2,500.00	(1,797.45)	28.1%
40.5037 · Janitorial Supplies	1,309.69	-	1,309.69	100.0%
40.5038 · Equipment Repair/Maintenance	12,653.80	13,000.00	(346.20)	97.3%
40.5040 · Major Equipment	39,650.00	40,000.00	(350.00)	99.1%
40.5041 · Tools and Supplies	2,520.93	5,000.00	(2,479.07)	50.4%
40.5042 · Road Signs	4,317.84	5,000.00	(682.16)	86.4%
40.5047 · Public Works Vehicles	-	-	-	0.0%
40.5111 · Miscellaneous Expenses	1,494.39	2,000.00	(505.61)	74.7%
Total 10.40 · Public Works	288,905.64	588,763.00	(299,857.36)	49.1%
10.50 · Senior Services				
50.5001 · Senior Hospitality	653.07	2,000.00	(1,346.93)	32.7%
50.5002 · Senior Speaker Series	-	-	-	0.0%
50.5111 · Senior Miscellaneous	49.90	200.00	(150.10)	25.0%
10.50 · Senior Services - Other	-	-	-	0.0%
Total 10.50 · Senior Services	702.97	2,200.00	(1,497.03)	32.0%
10.60 · Community Events				
60.5001 · Homecoming Parade	263.84	300.00	(36.16)	87.9%
60.5002 · Park Movies	435.00	950.00	(515.00)	45.8%



CITY OF TAYLOR MILL
General Fund
Budget vs. Actual
July 2022 thru December 2022

	Jul - Dec 22	Budget	\$ Over Budget	% of Budget
60.5003 · Tree Lighting Ceremony	2,227.92	3,000.00	(772.08)	74.3%
60.5004 · Santa On Trucks	153.77	1,000.00	(846.23)	15.4%
60.5005 · Easter Egg Hunt	-	3,000.00	(3,000.00)	0.0%
60.5006 · Holiday Yard Decorating	-	250.00	(250.00)	0.0%
60.5024 · Printing	-	500.00	(500.00)	0.0%
60.5025 · Postage	36.00	-	36.00	100.0%
60.5026 · Equipment/Supplies	-	2,000.00	(2,000.00)	0.0%
60.5027 · Signs	-	2,000.00	(2,000.00)	0.0%
60.5028 · Special Events	7,080.00	15,000.00	(7,920.00)	47.2%
60.5111 · Miscellaneous Expenses	396.97	1,000.00	(603.03)	39.7%
10.60 · Community Events - Other	126.39	-	126.39	100.0%
Total 10.60 · Community Events	10,719.89	29,000.00	(18,280.11)	37.0%
10.70 · Parks Department				
70.5040 · LWCF Grant for Pride Park Match	-	45,625.00	(45,625.00)	0.0%
70.5041 · Amphitheater	-	-	-	0.0%
70.5043 · LWCF Grant for Pride Park	-	-	-	0.0%
70.5002 · Basketball Court Repair/Maint.	-	2,500.00	(2,500.00)	0.0%
70.5005 · Fire Monitoring Services	959.33	1,200.00	(240.67)	79.9%
70.5006 · Flags	532.71	400.00	132.71	133.2%
70.5007 · Lighting Maintenance	-	600.00	(600.00)	0.0%
70.5008 · Equipment/Supplies	1,069.10	1,000.00	69.10	106.9%
70.5010 · Shelter Houses Maint.	1,137.53	2,500.00	(1,362.47)	45.5%
70.5013 · Playground Equip Repair/Maint.	64.94	2,500.00	(2,435.06)	2.6%
70.5014 · Safety Surface Repair/Maint.	-	2,000.00	(2,000.00)	0.0%
70.5015 · Park Place Maintenance	1,004.85	5,000.00	(3,995.15)	20.1%
70.5017 · Signage & Trail Markers	32.98	1,000.00	(967.02)	3.3%
70.5020 · Trail Construction/Maint.	-	1,500.00	(1,500.00)	0.0%
70.5024 · Printing	-	-	-	0.0%
70.5026 · Electric	3,928.53	9,000.00	(5,071.47)	43.7%
70.5027 · Water	2,610.11	1,700.00	910.11	153.5%
70.5028 · Sanitation	2,617.13	5,800.00	(3,182.87)	45.1%
70.5031 · Cable/Phone/Internet Park Place	2,060.64	4,000.00	(1,939.36)	51.5%
70.5034 · Insurance-Pride Park	1,776.48	4,000.00	(2,223.52)	44.4%
70.5035 · Service Agreements/Contracts	10,025.00	19,000.00	(8,975.00)	52.8%
70.5037 · Janitorial Supplies	-	10,000.00	(10,000.00)	0.0%
70.5038 · Landscaping	-	7,500.00	(7,500.00)	0.0%
70.5039 · Janitorial Services	5,780.00	10,000.00	(4,220.00)	57.8%
70.5111 · Miscellaneous Expenses	463.00	2,500.00	(2,037.00)	18.5%
Total 10.70 · Parks Department	34,062.33	139,325.00	(105,262.67)	24.4%
10.80 · Capital Improvements				
80.5018 · Water Line Break City Hall	412.22	-	412.22	100.0%



CITY OF TAYLOR MILL
General Fund
Budget vs. Actual
July 2022 thru December 2022

	Jul - Dec 22	Budget	\$ Over Budget	% of Budget
80.5018 · Paving in Pride Park	-	125,000.00	(125,000.00)	0.0%
80.5006 · GF Transfer to MRA	215,000.00	720,000.00	(505,000.00)	29.9%
80.5007 · Engineering Consultants	5,769.25	175,000.00	(169,230.75)	3.3%
80.5008 · TM Road Sidewalk Phase II	-	-	-	0.0%
80.5010 · Street Program	13,857.50	-	13,857.50	100.0%
80.5011 · TM Rd Sidewalk Phase 3	46,404.17	216,820.00	(170,415.83)	21.4%
80.5012 · Pride Pkwy Lighting Loan Payabl	55,367.27	55,367.00	0.27	100.0%
80.5013 · Capital Savings/Investment	-	-	-	0.0%
80.5014 · Gas Pump Replacement	-	-	-	0.0%
80.5015 · Firehouse Rehab	-	-	-	0.0%
80.5016 · Public Works Storage	-	-	-	0.0%
80.5017 · Stormwater Cost Share	813.34	50,000.00	(49,186.66)	1.6%
Total 10.80 · Capital Improvements	337,623.75	1,342,187.00	(1,004,563.25)	25.2%
Total Expense	2,766,788.32	6,620,735.00	(3,853,946.68)	41.8%

**General Fund
 Profit & Loss
 July through December 2022**

	Jul - Dec 22
Ordinary Income/Expense	
Income	
10.4049 · FEMA Grant - FD	59,038.10
10.4001 · Real Estate Taxes	2,109,973.71
10.4002 · Real Estate Taxes Prior	43.87
10.4003 · Penalty & Interest RE	1,296.67
10.4004 · Real Estate Legal Fees	700.00
10.4005 · ABC Licenses	8,580.00
10.4006 · Net Profits Tax	52,826.76
10.4007 · Insurance Fees	215,210.69
10.4008 · Occupational Taxes	560,354.87
10.4009 · Utility Taxes	101,707.50
10.4010 · Cable Franchise Fees	11,147.30
10.4011 · Public Service Taxes	31,935.19
10.4012 · R/R Tangible Tax	18,238.65
10.4015 · Base Court Revenue	2,500.92
10.4016 · KLEPF/KFFPF Receipts	49,799.70
10.4017 · Waste Collection	458,117.77
10.4018 · Interest Earned	16,444.54
10.4019 · Ambulance Reimbursements	75,762.75
10.4020 · Impound Fees	250.00
10.4022 · Civil Citations	200.00
10.4023 · Forfeitures	547.00
10.4026 · Code Enforcement Citation Fees	100.00
10.4030 · Senior Membership Dues	805.00
10.4033 · Brick Paver Sales	35.00
10.4034 · Yard Sale Permits	90.00
10.4035 · Park Event Receipts	50.00
10.4036 · Shelter House Rentals	2,055.00
10.4037 · Park Place Rentals	15,000.00
10.4041 · Holland Drive Assessment	26,313.12
10.4043 · Unrealized Gain	-43,581.08
10.4111 · Miscellaneous Income	12,333.25
Total Income	3,787,876.28
Gross Profit	3,787,876.28
Expense	
10.10 · Admin Department	
10.5001 · Salary/Electeds	6,096.50
10.5002 · Salary CAO	51,689.79
10.5003 · Salary City Clerk	28,442.06
10.5004 · Salary Treasurer	32,642.41
10.5005 · Overtime	4,363.35
10.5006 · Retirement	30,392.81
10.5007 · FICA	10,909.54
10.5008 · Medical Insurance	25,834.68
10.5010 · Life/LTD	1,263.00
10.5011 · Workers Comp	547.15
10.5013 · Employee Asst Program	262.50
10.5015 · Association Dues/Memberships	1,255.00
10.5016 · Training/Education	4,298.37
10.5017 · Publications	684.19
10.5019 · Cellular	1,262.26
10.5020 · IT Support	1,187.50
10.5022 · Fuel	320.27
10.5023 · Vehicle Maintenance	721.51
10.5024 · Printing	660.39
10.5025 · Postage	2,021.67
10.5026 · Electric	474.13
10.5027 · Water-City Bldg	228.27
10.5028 · Sanitation	1,080.78
10.5029 · City Bldg Repair/Maintenance	229.74
10.5030 · Office Supplies	1,279.74
10.5031 · Telephone/Internet Services	891.43

**General Fund
Profit & Loss
July through December 2022**

	<u>Jul - Dec 22</u>
10.5034 · Insurance	4,934.84
10.5035 · Service Agreements/Contracts	12,460.40
10.5037 · Janitorial Services	1,737.24
10.5044 · Audit Services	4,410.00
10.5045 · City Attorney Services	16,332.39
10.5046 · Codification	1,128.51
10.5047 · Data Processing	25,221.78
10.5048 · Employee Enrichment	609.21
10.5049 · Banking Fees	780.16
10.5050 · Kenton County Dog Warden	4,679.60
10.5051 · Payroll Service Fees	2,841.46
10.5052 · Planning and Zoning Fees	8,818.41
10.5053 · Prof. Accounting Services	4,560.00
10.5054 · Real Estate Tax Refund CY	550.41
10.5055 · Real Estate Tax Refund PY	2,543.33
10.5056 · Street Lights	24,301.23
10.5057 · Waste Collection	157,322.20
10.5111 · Miscellaneous Expenses	4,490.13
Total 10.10 · Admin Department	486,760.34
10.20. · Police Department	
20.5001 · Police Chief Salary	56,900.12
20.5002 · Police Officer Salaries	219,788.72
20.5003 · SRO Salaries	40,357.19
20.5004 · Admin Clerk Salary	23,402.93
20.5005 · Overtime	36,608.41
20.5006 · Retirement	106,985.91
20.5007 · FICA	31,525.87
20.5008 · Medical Insurance	59,317.69
20.5009 · Medical Insurance Alternative	9,109.80
20.5010 · Life/LTD	3,360.92
20.5011 · Workers Comp	13,691.25
20.5013 · Employee Asst Program	262.50
20.5014 · KLEPF	21,039.10
20.5015 · Assoc. Dues/Memberships	4,270.00
20.5016 · Training/Education	10,050.44
20.5018 · Uniforms	6,751.52
20.5019 · Cellular Expense	2,050.87
20.5020 · IT Support	1,187.50
20.5021 · Computer Equipment	212.50
20.5022 · Fuel	8,992.46
20.5023 · Vehicle Maintenance	8,021.36
20.5024 · Printing	523.65
20.5029 · Building Repair and Maintenance	586.89
20.5030 · Office Supplies	731.77
20.5031 · Telephone/Internet Services	949.63
20.5033 · Office Equipment	9,135.65
20.5034 · Insurance	15,955.26
20.5035 · Service Agreements/Contracts	21,534.47
20.5039 · Technical Supplies	4,236.07
20.5040 · Technical Equipment	1,122.70
20.5041 · Crime Prevention NEAT	435.33
20.5042 · Equipment Repair/Maintenance	89.99
20.5046 · Cruiser Washes	165.00
20.5048 · Police Department Forfeitures	82.05
20.5111 · Miscellaneous Expenses	1,949.62
Total 10.20. · Police Department	721,385.14

**General Fund
 Profit & Loss
 July through December 2022**

	Jul - Dec 22
10.30 · Fire Department	
30.5001 · Fire Chief Salary	44,601.17
30.5002 · Full Time Firemen Salaries	241,883.91
30.5003 · Part Time FF Salaries	110,084.12
30.5005 · Overtime	28,217.36
30.5006 · Retirement	170,083.87
30.5007 · FICA	33,112.88
30.5008 · Medical Insurance	32,687.67
30.5009 · Medical Insurance Alternative	9,109.80
30.5010 · Life/LTD	3,202.29
30.5011 · Workers Comp	13,551.77
30.5013 · Employee Asst. Program	262.50
30.5014 · KFFPF	17,643.91
30.5015 · Assoc. Dues/Memberships	430.00
30.5016 · Training/Education	2,767.66
30.5017 · Publications	757.11
30.5018 · Uniforms	2,930.13
30.5019 · Cellular	3,025.72
30.5020 · IT Support	1,187.50
30.5021 · Computer Expense	277.91
30.5022 · Fuel	8,045.83
30.5023 · Vehicle Maintenance	17,984.11
30.5024 · Printing	958.50
30.5025 · Postage	33.60
30.5026 · Electric	11,809.59
30.5027 · Water	469.01
30.5028 · Sanitation	689.11
30.5029 · Building Repair/Maintenance	999.14
30.5030 · Office Supplies	316.94
30.5031 · Telephone/Internet Services	1,105.26
30.5033 · Office Equipment	328.94
30.5034 · Insurance	16,305.38
30.5035 · Service Agreements/Contracts	12,370.41
30.5037 · Janitorial Supplies	1,409.36
30.5042 · Equipment Repair/Maintenance	1,835.16
30.5043 · ALS Medications	1,294.12
30.5044 · EMS Licensures	1,519.89
30.5045 · Staff Medicals/Immunizations	1,850.00
30.5046 · Major Squad Equipment	2,267.51
30.5047 · Major Fire Equipment	63,959.59
30.5048 · Medical Director	5,000.00
30.5049 · Public Education	785.35
30.5051 · Rehab. Fire/EMS	225.08
30.5054 · Squad Billing Services	0.00
30.5055 · Squad Equipment	390.98
30.5056 · Squad Supplies	256.36
30.5062 · PPE Replacement	10,962.05
30.5064 · Ambulance Provider Assessment	6,151.74
30.5111 · Miscellaneous	1,487.97
Total 10.30 · Fire Department	886,628.26
10.40 · Public Works	
40.5001 · Public Works Director Salary	42,473.37
40.5002 · Public Work Salaries	72,413.23
40.5005 · Overtime	13,317.49
40.5006 · Retirement	31,465.55
40.5007 · FICA	10,930.56
40.5008 · Medical Insurance	9,079.47
40.5009 · Medical Insurance Alternative	4,920.23
40.5010 · Life/LTD	1,432.14
40.5011 · Workers Comp	5,676.70
40.5012 · Longevity	350.00
40.5013 · Employee Asst. Program	262.50
40.5016 · Training/Education	180.00
40.5018 · Uniforms	1,098.54

**General Fund
 Profit & Loss
 July through December 2022**

	Jul - Dec 22
40.5019 · Cellular	992.20
40.5020 · IT Support	1,187.50
40.5022 · Fuel	13,918.13
40.5023 · Vehicle Maintenance	7,914.56
40.5029 · Building Repair/Maintenance	683.76
40.5030 · Office Supplies	141.33
40.5031 · Telephone/Internet Services	463.00
40.5034 · Insurance	7,356.18
40.5035 · Service Agreement/Contracts	702.55
40.5037 · Janitorial Supplies	1,309.69
40.5038 · Equipment Repair/Maintenance	12,653.80
40.5040 · Major Equipment	39,650.00
40.5041 · Tools and Supplies	2,520.93
40.5042 · Road Signs	4,317.84
40.5111 · Miscellaneous Expenses	1,494.39
Total 10.40 · Public Works	288,905.64
10.50 · Senior Services	
50.5001 · Senior Hospitality	653.07
50.5111 · Senior Miscellaneous	49.90
Total 10.50 · Senior Services	702.97
10.60 · Community Events	
60.5001 · Homecoming Parade	263.84
60.5002 · Park Movies	435.00
60.5003 · Tree Lighting Ceremony	2,227.92
60.5004 · Santa On Trucks	153.77
60.5025 · Postage	36.00
60.5028 · Special Events	7,080.00
60.5111 · Miscellaneous Expenses	396.97
10.60 · Community Events - Other	126.39
Total 10.60 · Community Events	10,719.89
10.70 · Parks Department	
70.5005 · Fire Monitoring Services	959.33
70.5006 · Flags	532.71
70.5008 · Equipment/Supplies	1,069.10
70.5010 · Shelter Houses Maint.	1,137.53
70.5013 · Playground Equip Repair/Maint.	64.94
70.5015 · Park Place Maintenance	1,004.85
70.5017 · Signage & Trail Markers	32.98
70.5026 · Electric	3,928.53
70.5027 · Water	2,610.11
70.5028 · Sanitation	2,617.13
70.5031 · Cable/Phone/Internet Park Place	2,060.64
70.5034 · Insurance-Pride Park	1,776.48
70.5035 · Service Agreements/Contracts	10,025.00
70.5039 · Janitorial Services	5,780.00
70.5111 · Miscellaneous Expenses	463.00
Total 10.70 · Parks Department	34,062.33

**General Fund
Profit & Loss
July through December 2022**

	<u>Jul - Dec 22</u>
10.80 · Capital Improvements	
80.5019 · Water Line Break City Hall	412.22
80.5006 · GF Transfer to MRA	215,000.00
80.5007 · Engineering Consultants	5,769.25
80.5010 · Street Program	13,857.50
80.5011 · TM Rd Sidewalk Phase 3	46,404.17
80.5012 · Pride Pkwy Lighting Loan Payabl	55,367.27
80.5017 · Stormwater Cost Share	813.34
Total 10.80 · Capital Improvements	<u>337,623.75</u>
Total Expense	<u>2,766,788.32</u>
Net Ordinary Income	<u>1,021,087.96</u>
Net Income	<u><u>1,021,087.96</u></u>

**General Fund
Balance Sheet
As of December 31, 2022**

	Dec 31, 22
ASSETS	
Current Assets	
Checking/Savings	
10.1004 · KLC Investment Account	43,628.42
10.1005 · Police Dept Evidence Funds	2,594.00
10.1006 · General Fund Heritage Bank Chec	6,477,978.25
10.1007 · Heritage Restricted Capital	100,117.62
10.1009 · Ameriprise Financial - Bonds	1,415,062.81
10.1010 · Ameriprise Financial - CDs	1,004,273.33
Total Checking/Savings	9,043,654.43
Other Current Assets	
10.1012 · Inventory - Fuel	6,286.48
10.1013 · Special Events Start up Cash	500.00
10.1030 · Tax & Waste Receivable	67,367.09
10.1031 · Waste Collection Receivable	14,216.76
10.1033 · Public Service Tax Receivable	-84.97
10.1042 · Prepaid Expenses	98,859.89
10.1501 · Current Portion Holland Rec	26,313.00
Total Other Current Assets	213,458.25
Total Current Assets	9,257,112.68
Other Assets	
10.1502 · Holland Receivable LT	26,313.33
Total Other Assets	26,313.33
TOTAL ASSETS	9,283,426.01
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
10.2000 · Accounts Payable	27,371.18
Total Accounts Payable	27,371.18
Credit Cards	
10.2030 · Heritage Bank CC	1,568.27
Total Credit Cards	1,568.27
Other Current Liabilities	
10.2060 · Sales Tax Payable	543.60
10.2063 · Employee Paid Vision Insurance	70.90
10.2062 · Employee Paid Dental Insurance	178.40
10.2065 · CERS Withheld	15,675.21
10.2066 · Park Place Security Deposits	6,600.00
10.2067 · Shelter Security Deposits	200.00
10.2068 · Evidence Fund Escrow	2,594.00
Total Other Current Liabilities	25,862.11
Total Current Liabilities	54,801.56
Long Term Liabilities	
10.2071 · Deferred Revenue	1,872,828.69
10.2701 · Unearned Revenue	52,626.45
Total Long Term Liabilities	1,925,455.14
Total Liabilities	1,980,256.70

**General Fund
Balance Sheet
As of December 31, 2022**

	<u>Dec 31, 22</u>
Equity	
10.3099 - Fund Balance	6,282,081.35
Net Income	<u>1,021,087.96</u>
Total Equity	<u>7,303,169.31</u>
TOTAL LIABILITIES & EQUITY	<u><u>9,283,426.01</u></u>



CITY OF TAYLOR MILL
MRA Fund
Budget vs. Actual
July 2022 thru December 2022

	Jul - Dec 22	Budget	\$ Over Budget	% of Budget
Income				
20.4001 · State Assistance/MRA	82,095.00	127,000.00	(44,905.00)	64.6%
20.4002 · Interest checking	146.70	200.00	(53.30)	73.4%
20.4003 · Interfund Transfer	215,000.00	720,000.00	(505,000.00)	29.9%
Total Income	297,241.70	847,200.00	(549,958.30)	35.1%
Expense				
20.5001 · Road Repair/Maintenance	-	-	-	0.0%
20.5002 · Emergency Road Repairs	-	75,000.00	(75,000.00)	0.0%
20.5003 · In-House Road Projects	18,604.66	75,000.00	(56,395.34)	24.8%
20.5004 · Annual Street Program	594,232.56	796,405.00	(202,172.44)	74.6%
20.5005 · Salt	1,276.87	25,000.00	(23,723.13)	5.1%
20.5049 · Bank Fees	80.75	125.00	(44.25)	64.6%
Total Expense	614,194.84	971,530.00	(357,335.16)	63.2%

CITY OF TAYLOR MILL (MRA)
Profit & Loss
July through December 2022

	<u>Jul - Dec 22</u>
Income	
20.4001 · State Assistance/MRA	82,095.00
20.4002 · Interest checking	146.70
20.4003 · Interfund Transfer	215,000.00
	<hr/>
Total Income	297,241.70
	<hr/>
Gross Profit	297,241.70
	<hr/>
Expense	
20.5003 · In-House Road Projects	18,604.66
20.5004 · Annual Street Program	594,232.56
20.5005 · Salt	1,276.87
20.5049 · Bank Fees	80.75
	<hr/>
Total Expense	614,194.84
	<hr/>
Net Income	-316,953.14
	<hr/> <hr/>

CITY OF TAYLOR MILL (MRA)
Balance Sheet
As of December 31, 2022

	<u>Dec 31, 22</u>
ASSETS	
Current Assets	
Checking/Savings	
20.1006 · MRA Heritage Checking	105,436.43
Total Checking/Savings	<u>105,436.43</u>
Total Current Assets	<u>105,436.43</u>
TOTAL ASSETS	<u><u>105,436.43</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	1,276.87
Total Accounts Payable	<u>1,276.87</u>
Total Current Liabilities	<u>1,276.87</u>
Total Liabilities	1,276.87
Equity	
20.3200 · Fund Balance	421,112.70
Net Income	<u>-316,953.14</u>
Total Equity	<u>104,159.56</u>
TOTAL LIABILITIES & EQUITY	<u><u>105,436.43</u></u>



TAYLOR MILL FINANCIAL SUMMARY JULY to DECEMBER 2022

Revenues	Budgeted Income	YTD Income
General Fund	5,742,888.00	3,787,876.28
Municipal Road Aid Fund	847,200.00	297,241.70
Totals	6,590,088.00	4,085,117.98
Expenditures	Budgeted Expenditures	YTD Expenditures
General Fund		
Administration	1,046,450.00	486,760.34
Police	1,672,037.00	721,385.14
Fire	1,800,773.00	886,628.26
Public Works	588,763.00	288,905.64
Senior Services	2,200.00	702.97
Community Events	29,000.00	10,719.89
Parks Department	139,325.00	34,062.33
Capital Improvements	1,342,187.00	337,623.75
Municipal Road Aid Fund	971,530.00	614,194.84
Totals	7,592,265.00	3,380,983.16
Property Tax Summary	Current MTD	Fiscal YTD
October, 2022	441,192.95	441,192.95
November, 2022	182,865.84	624,058.79
December, 2022	1,487,053.53	2,111,112.32
January, 2023	-	-
February, 2023	-	-
March, 2023	-	-
April, 2023	-	-
May, 2023	-	-
June, 2023	-	-



MONTHLY PROJECT STATUS UPDATE

Taylor Mill, Kentucky

January 4, 2023

City

Date

Prepared by: Shawn Riggs, P.E.

Item No.	Status	
1	Taylor Mill Sidewalk Phase III (SNK Funded)	Project Number: 200793
	<p>Comments:</p> <p>May 2018 – December 2020: CT met with the Mayor on April 26, 2018 with the Mayor to discuss the SNK funding application process. CT prepared the responses to all of the questions for the application and all required supporting documents and sent the information to the City on May 23, 2018. The City submitted the SNK funding application to OKI prior to the June 01, 2018 deadline. OKI awarded the Taylor Mill Sidewalk Phase III Project. Funding for the design of the project will be made available in Fiscal Year 2021 (October 1, 2020). Funding for the right-of-way/easement acquisitions will be available in FY 2022 (October 1, 2021). Funding for construction will be available FY 2023 (October 1, 2022). An RFQ will need to be prepared soon, as the SNK design funding will become available on October 1, 2020 (KYTC Item No. 6-463). It is likely that a supplemental MOA between KYTC and the City will need to be executed before the RFQ is posted. On November 20, KYTC District 6 requested the funding authorization for the design phase for the construction of new sidewalk along the north/east side of Taylor Mill Road (KY 3716) between Saddlebrook Drive and Walnut Street</p> <p>January – May 2021: The MOA was received on December 22nd and a resolution to authorize the Mayor to sign the agreement was presented during the January Commissioners Meeting. The signed MOA and resolution was submitted to KYTC on January 25, 2021. The MOA was fully executed on January 27, 2021. The RFQ was advertised on March 26, 2021 and posted on the City News and Notices webpage. Responses were received until 11:00 AM on April 15, 2021.</p> <p>June – July 2021: CT Consultants was awarded the professional services contract at the May Commissioners Meeting. A scope and fee proposal for Phase 1 (Preliminary) Design services was submitted to the City and KYTC on June 2, 2021. The Phase 1 design scope of work includes survey and preliminary design to obtain Preliminary Line and Grade (PL&G) and Environmental (NEPA) approval from KYTC as well as to get a better understanding of ROW and utility impacts. The scope of work can later be amended to include future phase activities such as Phase 2 (Final) Design, ROW, and Construction Admin. Services. The KYTC Pre-design conference was held on June 24. KYTC provided the Notice to Proceed with the Phase 1 (Preliminary) Design scope of services on June 25. Survey is scheduled to begin in mid-July with Phase 1 Design expected to be completed towards the end of 2021.</p> <p>August 2021 - January 2022: Field survey work began on July 19. Initial utility coordination efforts began on July 20. Preliminary plans that show the sidewalk horizontal alignment was shared with the Utilities on August 25. Preliminary plans were shared with the City and the utility agencies on October 18. A joint utility coordination meeting was held on November 3. A public meeting was held on November 22 at 7:00 P.M at the municipal building. The public</p>	



January 4, 2023

	<p>comment/survey period expired on December 15. The Preliminary Line and Grade Meeting was held on December 16, 2021 at KYTC D6. Updated PL&G plans to reflect KYTC review comments are expected to be submitted to KYTC in mid-January so that KYTC can begin the NEPA (environmental) process. NEPA approval is expected to be received in May 2022 however; final design fees may begin to be negotiated now. The City should coordinate the current programming estimate with OKI in order to reallocate or request additional funds (approx. \$238,000 total = \$190.4k Fed & \$47.6k Local).</p> <p>February 2022 - September 2022: Updated PL&G plans were submitted to KYTC on January 10, 2022. The right-of-way phase federal SNK fund budget was increased by \$84,642 under OKI's Administrative Modification #16 on February 8, 2022. The Final Design scope and fee proposal was submitted to the City and KYTC on February 23, 2022. The Final Design scope and fee proposal was approved on March 22, 2022. The 34 Property Title Reports were completed on May 24, 2022. There are three properties that will require additional documentation and discussion to determine how best to proceed. A meeting with the City Attorney to discuss these issues was held on Friday, June 3, 2022. A copy of the current plan set was submitted to KYTC on June 16, 2022 for completion of the CE document. KYTC indicated that Central Office environmental staff are backlogged however, the District 6 Office provided plan review comments on June 20, 2022. Revised plans (80% plans) that include the anticipated right-of-way impacts were submitted to KYTC on September 2, 2022.</p> <p>October 2022: The geotechnical report was completed on September 20, 2022. Based on the September 2, 2022 plans, an updated right-of-way cost estimate was shared with the City on September 29 while an updated construction cost estimate was shared with the City on October 4, 2022. The current ROW phase budget is \$146,803 whereas the new ROW estimate is \$140,400. The current Construction budget is \$776,460 whereas the current construction estimate is 1,211,155.00. KYTC has not yet issued NEPA (CE Document) approval. No right-of-way work beyond the completed title searches may begin until NEPA approval. KYTC was requested to provide a status update of the NEPA approval on September 29, 2022.</p> <p>November 2022: KYTC provided plan review comments on October 20, 2022 and updated ROW Plans (80% Plans) were submitted to KYTC on 10/25/2022 for NEPA (CE Document) approval.</p> <p>December 2022: On December 2, 2022, KYTC indicated that the Section 106 historic review process is taking longer than anticipated. There is a severe backlog of project approvals at KYTC Central Office DEA (including the Brent Spence Bridge) and SHPO staff turnovers have made projects, especially LPA projects come to virtual standstill. A meeting with KYTC to discuss options to avoid further NEPA delays is to be held soon. OKI's TIP currently has the anticipated project award date listed as 4Q23.</p> <p>January 2023: A meeting with KYTC was held on December 16, 2022 to discuss the environmental approval status and Section 106 concerns. In order to minimize impacts to a known historical property, a few minor design modifications are to be made and revised 80% plans are expected to be submitted to KYTC in January 2023 for a February 2023 Joint Inspection Meeting.</p>
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January 4, 2023

	2022 Street Program & Keavy Dr. Improvements	Project Number: 210859
2	<p>Comments:</p> <p>June 2021: A fee proposal was submitted on May 19, 2021 for the following street segments: Roselawn Drive, Valley Square Drive, Heatherstone Court, Stoneledge Court, Millstone Court, Homestead Drive, Eureka Drive, Beech Drive, Honeysuckle Drive (From Sawmill Drive To End), And Sunny Acres Lane. The Preliminary Opinion of Construction Cost for these roadways is \$417,720.</p> <p>July 2021– January 2022: CT received project authorization on August 2, 2021. Final Plans, Specifications, and Estimates are to be completed by the end of the year to allow for a January construction advertisement date. A field review meeting was held on October 13, 2021. The 2022 Street Program and Keavy Drive Improvements Contract was advertised on January 5, 2022 with a January 27, 2022 bid opening.</p> <p>February 2022: The bid opening was held on January 27, 2022. Three bid proposals were received with prices ranging from \$759,059 to \$872,384. It recommended that the project be awarded to Michels Construction, Inc. The pre-construction meeting is expected to be held in March 2022.</p> <p>March 2022: The contract was awarded to Michels Construction, Inc. The pre-con meeting is expected to be held in March. The NKWD is to replace the water main on Roselawn Drive ahead of the street improvements project. The NKWD bid opening is expected to take place on March 9 with the results being presented to the Board on March 17. The water main replacement work on Roselawn Drive is be completed by June 1.</p> <p>April 2022: The 2022 street program and Keavy Drive improvements pre-construction meeting was held on March 17, 2022. The contractor is expected to begin concrete work in late April / early May with Asphalt work beginning in mid-summer. The Keavy Drive reconstruction work may begin sooner. A meeting is to be held soon to discuss the Keavy Drive project schedule. The NKWD water main replacement project on Roselawn Drive was awarded to Larry Smith, Inc. The preconstruction meeting for the Roselawn Drive Water Main Replacement has been scheduled for Wednesday, April 6, 2022.</p> <p>May 2022: The water main replacement work on Roselawn Drive is underway and is expected to be complete by the end of May. The City's 2022 Street Program contractor, Michel's Construction, began concrete work on Valley Square Drive on May 2.</p> <p>June 2022: The water main replacement work on Roselawn Drive is substantially complete. Michel's Construction continues the concrete replacement work on Valley Square Drive.</p> <p>July 2022: The concrete replacement work on Valley Square Drive is expected to be completed by July 8, 2022. The concrete replacement work on Roselawn Drive is expected to begin by July 8, 2022. The roadway reconstruction work on Keavy Drive is expected to begin during the second week of July and the asphalt resurfacing work is expected to begin in late July.</p> <p>August 2022: The Concrete replacement work on Valley Square Drive is complete and the concrete replacement work on Roselawn Drive is expected to complete later this month. The roadway reconstruction work on Keavy Drive is now expected to begin later this month. The Contractor has agreed to complete the asphalt resurfacing of Parkview Drive under a contract</p>	



January 4, 2023

	<p>change by October 31st. The concrete repair work on Parkview Drive is to be performed under the 2023 street program that will be bid in early 2023.</p> <p>September 2022: All project work with the exception of the Keavy Drive Improvements is substantially complete. The roadway reconstruction work on Keavy Drive is expected to begin during the third or fourth week of September.</p> <p>October 2022: The Keavy Drive improvements are underway. The roadway aggregate base has been placed and asphalt base course is expected to be placed on Friday, Oct. 7, 2022. All remaining project work is expected to be substantially completed before October 31, 2022</p> <p>November 2022: All project work including the Keavy Drive Improvements are substantially complete.</p> <p>December 2022: The final inspection was performed on December 2, 2022. All punch list items have been addressed. The final invoice may be approved once the required closeout documentation has been provided.</p> <p>January 2023: No Change</p>	
<p>3</p>	<p>Fire Department Planning Study</p>	<p>Project Number: 210935</p>
<p>Comments:</p> <p>December 2021: A proposal for design services related to facility planning and site planning work in connection with the City of Taylor Mill Fire Department was submitted on November 23, 2021. The proposal includes the evaluation of the fire department facility and City property to determine its feasibility and suitability for adding a New Fire Station or rehabilitating the current fire station under three different options 1) Create a New Fire Station Facility at north vacant parcel and renovate existing Fire Station building into a repurposed Public Works building 2) Remodel Admin/Bunkroom east wing only, and 3) Evaluate adding a new west wing Admin/Bunkroom addition and demolish the east Admin/Bunkroom wing. The total proposed lump sum fee for this service is \$25,000.</p> <p>January 2022: The City Commissioners approved the fire department planning study proposal during the December 2021 Commissioners Meeting. The authorization to proceed was issued on January 3, 2022. An internal kick-off meeting is scheduled to be held on January 11th and the programming kick-off /interview meeting with the City will be scheduled shortly after.</p> <p>February 2022: The kick-off meeting with the City is to be held on February 7, 2022.</p> <p>March 2022: CT Consultants met with Commissioner Braden and Brian Haney to kick-off the fire department planning study. Chief John Steger and Asst. Chief General Fernbach were identified as primary members of the Fire Department planning study needs and analysis information gathering phase. A questionnaire was provided to both members and was received completed by our team. A programming interview was held on Tuesday 2/22 to review the responses and further understand the needs of the Department. A follow-up meeting is tentatively scheduled for the week of March 7th to review a preliminary site diagram memorializing necessary programming requirements.</p>		



January 4, 2023

April 2022: : CT Consultants met with Chief John Steger and Asst. Chief General Fernbach again on March 18, 2022 to review the design progress of (2) Firehouse Plan Design Concepts, both of which meet their approval as viable options. A concept review presentation package for the April 27, 2022 Caucus Meeting consisting of building plan diagrams and site plan diagrams has been prepared for the City's review. A follow-up meeting was held on April 4th with Brian Haney to review the concept review presentation package.

May 2022: The design team continues to make revisions of the design concepts to reflect feedback provided by City staff. The concept plans and estimates are expected to be presented at the May 25, 2022 Caucus Meeting.

June 2022: Updated concept plans were submitted to the City for staff review on March 16, 2022. Rough Order of Magnitude Opinion of Costs for the two Firestation Concepts were submitted to the City on May 20, 2022 for staff review. The concept plans and estimates are expected to be presented at the June 22 Caucus Meeting.

July 2022: The concept plans and estimates were presented at the June 22, 2022 Caucus Meeting. The Preliminary Opinion of Project Cost for Option 1- New Construction is approx. \$9.23M and the Preliminary Opinion of Project Cost for Option 1- Rehabilitate Ex. Bays and New Addition is approx. \$7.61M. It was noted that the estimate for Option 2 is to be revised to include the relocation of the fuel pumps and possibly the tanks. For comparison, the cost to perform the renovations to the existing firehouse as presented during the October 21 Commissioners Meeting was \$376,000. The renovation project would only address 12 of the items that were originally recommended be performed. The total opinion of construction cost for all the items was originally estimated at \$730,000 in January 2021.

August 2022: No Change

September 2022: The public was invited to come to one of two open houses at the firehouse to view the facility in person. The first open house was held on Tuesday, August 30, and the second open house was on Saturday, September 3. A public hearing to discuss the Firehouse renovations/construction was held on Wednesday September 7, 2022 at 6PM in the Community Center. The project is expected to be discussed during the September 28, 2022 Caucus Meeting.

October 2022: On October 4, 2022, CT was requested to provide updated costs for all recommended items in the original January 5, 2021 Facility Assessment. In February 2021, the City Commissioners elected to move forward with construction plans (Project No. 201071) to address to the 12 of the 15 items originally recommended (Items 1-10 and 13 & 15). The total original opinion of probable cost stated in the assessment was \$730,000, which included professional services fees and contingency allowances. The original opinion of probable cost stated in the assessment for the 12 items to be addressed by the construction plans was \$256,000 that grew to \$321,000 with the October 2021 construction cost estimate, not including two bid alternatives that cost an additional \$51,000 (Partial removal of the hose tower & floor covering replacements in select areas).

November 2022: The City Commissioners voted to move forward with the design and construction of a new firehouse during the October Commissioners Meeting.



January 4, 2023

	December 2022: No Change	
	January 2023: No Change	
4	Vincent Drive Drainage & Roadway Improvements	Project Number: TBD
	<p>Comments:</p> <p>October 2021: A fee proposal was submitted on September 22, 2021 for the design and construction engineering services associated with the proposed public improvements as included as outlined in Mason Carr Civil Engineer's April 19, 2021 Technical Memorandum. The total estimated construction cost for the Vincent Drive Drainage and Roadway Improvements is approximately \$804,700 (\$245,700 Drainage & \$559,000 Roadway). The total estimated fee for this project is \$91,400.</p> <p>November 2021 – December 2022: No Change</p> <p>January 2023: No Change</p>	
5	Pride Park Amphitheater Site Concept	Project Number TBD
	<p>Comments:</p> <p>December 2021: A fee proposal was submitted on November 23, 2021 for the facility planning and site planning work services associated with the construction of an amphitheater within Pride Park. The total proposed lump sum fee for this service is \$19,500.</p> <p>January 2022: The City Commissioners elected to table the Pride Park Amphitheater planning proposal until there is a final ruling on the use of ARPA funds during the December 2021 Commissioners Meeting.</p> <p>February 2022: The U.S. Department of the Treasury issued the final rule of the State and Local Fiscal Recovery Funds provided through the American Rescue Plan Act (ARPA) on January 6, 2022.</p> <p>March 2022 – April 2022: No Change</p> <p>May 2022: The City was a Land and Water Conservation Fund (LWCF) Grant from the Dept. of Local Government (\$45,000 Grant + \$46,250 Local = \$91,250 Total) for construction of an amphitheater stage and associated drainage improvements. The application included construction of a 40' x 20' x 12" thick (800 CF) concrete stage along with associated site drainage and utility improvements.</p> <p>June 2022: The City is currently evaluating the location of the amphitheater stage and the project is on hold until the site is selected.</p> <p>July 2022: No Change</p> <p>August 2022: During the July Commissioners meeting it was decided that the concrete stage is to be constructed in the back field as opposed to existing Amphitheater area. CT is to meet with Brian to review the proposed site.</p>	



January 4, 2023

	<p>September 2022: The City is currently working with the Department of Local Government to complete the required documentation prior to execution of the funding agreement and is researching nearby park stages for consideration.</p> <p>October 2022 – November 2022: No Change</p> <p>December 2022: A meeting was held with RCP shelters / Playpros, the band shell manufacturer used in the City of Edgewood’s Presidents Park Band Shell project to discuss options and pricing on December 5, 2022. RCP shelters / Playpros is to provide details/information for the City to consider. RCP shelters / Playpros indicated that the current lead-time on their products is approximately 6 months.</p> <p>January 2023: During our December 5, 2023 conversion with RCP Shelters/Playpros, they mentioned that they were part of several purchasing cooperatives. It was later noticed that RCP Shelters/Playpros was listed as a vendor under the KPC purchasing cooperative, which meets KY’s model procurement code. . It was also noticed that Kenton County Schools are members of KPC. The funding MOA with the State states that the Local Agency (City) shall use its own procurement procedures that reflect applicable state and local laws for all purchase of goods or services (KRS 45A) related to the Project. It also states that the project shall comply with 2 CRF Part 200, which includes the federal procurement standards. On December 19, 2022, KPC has confirmed that their contracts follow all requirements for KRS 45A and on December 30, 2022, KPC also confirmed that their contract is missing three federal clauses to comply with 2 CRF Part 200 however they may be added by a contract amendment. Stamped bandshell drawings by RCP/Playpros for the City of Edgewood’s Presidents Park Band Shell was shared with the City on December 28, 2022. On January 2, 2023, KPC confirmed that they could amend their contract with RCP/Playpros to include the missing clauses. CT is currently scheduled to hold a meeting with KPC to discuss the project and next steps on January 6, 2023.</p>	
6	<p>2023 Street Program</p>	<p>Project Number 220835</p>
	<p>Comments:</p> <p>July 2022: The following street segments are to be included in the 2023 Street Program per the City’s 5-year plan: Cleveland Avenue (from Howard Avenue to Forest View Lane), Forest View Lane, Hogan Street, and Wilson Road. A field review of these streets was performed with Brian Haney and Marc Roden on June 9, 2022. Public Works extracted four pavement cores from the existing pavement on June 30, 2022. The purpose of the investigation was to determine the thickness of the existing asphalt/ concrete. The existing asphalt thickness along Forest Drive varies from 4” to 6”. The scope of repair work to be included under the 2023 Street program is expected to be finalized by the end of the month.</p> <p>August 2022: A fee proposal was submitted on June 27, 2022 that includes the addition of the concrete replacement on Parkview Drive. The total length of the 2023 street program is 3,520 LF (0.67 miles) and the Preliminary Opinion of Construction Costs for these roadways as is \$650,685.</p>	



January 4, 2023

	<p>September 2022 – November 2022: A fee proposal was submitted on September 6, 2022 that also includes improvements to the Pride Park roadway as well as sealing and restriping the three parking lots within Pride Park. The total Preliminary Opinion of Construction Costs for all the improvements to be made under the 2023 Street Program as is \$837,293. The 2023 Street Program fee proposal is expected to be on the November Commissioners Meeting Agenda for approval.</p> <p>December 2022: CT received project authorization on November 14, 2022. A field review meeting is to be held on December 7, 2022. 90% construction drawings are anticipated to be available in January 2023 for a February 2023 bid opening.</p> <p>January 2023: 90% construction drawings and estimate are expected to be submitted for review by January 16, 2022.</p>
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Fire Department Commission Report for: January

Data for December 2022

Fire and EMS Calls for Service		
EMS/RESCUE Calls: 66	Fire Department Service Calls: 23	Total Calls for Service: 89

Mutual Aid Given			Mutual Aid Received		
Covington			Covington	3	(1) EMS (2) Fire
Piner			Wilder		
Ft. Wright	3	EMS	Ft. Wright	2	Fire
Ft. Mitchell			Wilder	1	Fire
Independence	1	EMS	Ryland Heights		
Ryland	7	EMS	Ft. Mitchell	1	(1) Fire

EMS Level of Service: December		Fire Prevention: December		Training: December	
ALS Service Calls	33	Inspections: 0	Agency Training Hours 116	Training Classes <ul style="list-style-type: none"> Pediatric EMS Fire Control Extinguishers Fire Code Pre-Plans Foam Operations Methodology 	
BLS Service Calls	27	Re-Inspections: 0			
Total Hospital Transports	37	Violations: 0	Probationary: Ron Burchfield III – PT FF/EMT		
Current Projects		Public Events <ul style="list-style-type: none"> Santa's Neighborhood Visit 	Department Activity Hours: <ul style="list-style-type: none"> # Of Dept Activities: 492 Staff Activity Hours: 316 		
Scott Phase 5	Reserves of TM Tuscany Phase C				

Dept. Information:

- 2022 Calls for Service – 978 Up 8.546% from 2021 901 Calls for Service
 - 781 EMS & 197 Fire/Rescue
- 2022 Total Training Hours: 971 Class Hours, 2232 Total Personnel Training Hours
- 2022 EMS Billing: Charges \$365,941, Revenues \$137,677
- Fire Station Structural/Leak Issues – Progress
- Dept. Closed out the 2022 Fire/EMS Training Program
- Department's Annual Chief's Breakfast
- Eng. 801 OOS with Pump Transfer Case Gear Issues



City of Taylor Mill

MEMORANDUM

DATE: January 4, 2023
TO: Brian Haney, CAO
Mayor and City Commissioners
From: Kristy Webb, City Clerk/Special Events Coordinator
RE: Recreation Report

Past Events:

Sun., December 18th: Holiday Yard Decoration Contest Judging
Taylor Mill residents really got into the holiday spirit and decorated their yards beautifully and wonderfully. There were some streets in which every yard was decorated.

1st Place Winner: 20 N. Sunset Place

2nd Place Winner: 6189 Parkland Court

3rd Place Winner: 3264 Huntersridge Lane

Upcoming Events:

Fri., January 13th: Christmas Tree Recycling at Pride Park (Sponsored by Kenton County)

Sat., Feb. 11th: We Love Our Volunteers! - Pancake Breakfast at Community Ctr for Volunteers

Sat. April 1st: Easter Egg Hunt at Pride Park

Sat. April 8th: Easter Egg Hunt at Pride Park RAINDATE

Sat. April 22nd: Shred Event

Fri. & Sat., May 26th & May 27th: City-wide Yard Sale



Taylor Mill Police Department

January Report for December 2022 submitted by the Police Dept.

Motor Vehicle Accidents:		
Accidents without injuries:		22
Accidents with injuries:		2
	Total	24

Accidents on Pride Parkway at:	<i>w/Injuries</i>	<i>w/o Injuries</i>
Honey Drive	0	1
Taylor Creek Drive	0	0
Blackstone Court	0	0
Lakewood Drive	0	0
Scott High School area	0	0
Wayman Branch	0	0
Intersection of Pride & TM Road	0	0
Other Areas of Pride Parkway	0	2
Total	1	3

Citations		
Kentucky Uniform Citations		59
Taylor Mill City Citations		0
Courtesy Notices		2
	Total	61

Adult Offenses:		
Alcohol Intoxication		0
Arson		0
Assaults		1
Auto Theft/Unauthorized Use of MV		0
Burglary		0
Criminal Mischief		0
Drugs / Drug Paraphernalia		1
DUI Arrest		0
Forgery / Counterfeiting		0
Fraud		0
Others		0
Sexual Offenses		0
Shoplifting		0
Theft (Except Auto Theft)		0

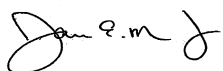
Adult Offenses: (Continued)		
Traffic Violations		53
Vandalism / Criminal Mischief		0
Wanton Endangerment		0
Warrant		6
	Total	61

Reports:		
Incident Reports		2
Missing Person		0
JC3 – Abuse Reports		0
Overdose / QRT Referrals		0
Death Investigation		0
	Total	2

Juvenile Incidents/Offenses:		
JC-3 / Assault / Domestic Violence		1
Missing Person		0
Criminal Mischief / Damage		0
Sexual Offenses		2
Alcohol / Drug Related		5
Weapons (Handguns)		0
Abuse of a Teacher		0
Disorderly Conduct		0
Harassing Communications		0
Terroristic Threatening		2
Beyond Control of School		0
Crisis Intervention		0
Theft		0
Others		5
	Total	

Additional Information:		
Alarm Drops		6
Calls for Service		1215
Physical Arrests		15
Vacation / Business Checks		332

Respectfully submitted,



James E. Mills, Jr.
Chief of Police



City of Taylor Mill

MEMORANDUM

DATE: January 5, 2023
TO: Brian Haney, CAO
Mayor and City Commissioners
From: Marc Roden, Public Works Director
RE: Public Works Report

PUBLIC WORKS REPORT

Road and Street Maintenance

1. We had a couple of days of snow and cold weather. We used 200 tons of salt and 30 tons of sand for this past snow and ice. We had some trucks break down. On one of the extremely cold weather days, all of our trucks and backhoe was outside and none of them would start due to the cold weather. We worked on them all day to get them running. One truck would not start at all that day, but a couple of days later when it warmed up, we got it running. There are some lawns that we will need to do repairs to due to damage from the snow plow.
2. We started replacing street signs and stop signs on Mason Road.
3. There was water damage to the City building during the extreme cold weather temperatures. We came in to help clean the Police Department. Jerry repaired the water line break on the administrative side and repaired the furnace in the garage.

Pride Park

1. We have been taking care of the trash and mutt mitts, as well as checking on the shelter's water lines.

Thank you,
Marc Roden
Public Works Director

December 2022 - Issued Permits

Project Address	Permit Issued / Owner Name	Permit Type	Permit Sub-Type	Description	Total Fees	Project Cost
3186 MCCOWAN DR	12/1/2022 RACHEL A & ADAM J MCCOY	HVAC Residential	Residential	Replace existing gas furnace and ac	105	0
5269 TAYLOR MILL RD	12/1/2022 MOORE KATHERINE	Deck	Residential	16 ft x 20 ft deck rebuild	290	9900
3186 HIGH RIDGE DR	12/1/2022 KATHRYN L HOSEA TRUSTEE	HVAC Residential	Residential	New HVAC	105	0
3201 HIGH RIDGE DR	12/1/2022 DIANE L VASKE	HVAC Residential	Residential	furnace replacement	105	0
647 Cardinal Dr	12/7/2022 VOGELPOHL RACHELE E DUNN WESLEY O & LINDSEY	HVAC Residential	Residential	Replace gas furnace replacement of furnace and a/c	105	0
782 LAKEWOOD DR	12/12/2022 T	HVAC Residential	Residential	a/c	105	0
1073 ROBERTSON RD	12/13/2022 ANNE M MAXFIELD	HVAC Residential	Residential	Family Out Building	105	60000
5160 TAYLOR MILL RD	12/14/2022 SUNNY ACRES UNITED METHODIST	Sign	Commercial	HIGHER GROUND METHODIST CHURCH - install new EMC sign on existing foundation	148	15000
2452-2480 AREZZO ST	12/15/2022 HOLDS BRANCH INVESTMENTS	Multi-Family	Commercial	SIENA AT TUSCANY - Construct new 14 unit multi-family home	6959.27	1163980
2412-2440 AREZZO ST	12/15/2022 HOLDS BRANCH INVESTMENTS	Multi-Family	Commercial	SIENA AT TUSCANY - Construct new 14 unit multi-family home	7539.27	1114992
3235 TAYLOR CREEK DR	12/16/2022 REBECCA M & BARRY T MACDONALD	HVAC Residential	Residential	New system	105	0
773 MILLSTREAM DR	12/22/2022 ASHLEY & MATTHEW TERRELL	Deck	Residential	Remove and replace existing deck with upgraded materials, same footprint.	290	35000
738 OAKLAND DR	12/22/2022 KELLY KENDALL	Accessory Structures /	Residential	Garbage can enclosure	110	150
5324 TAYLOR MILL RD	12/27/2022 WARNER MARK & MALANA	Electrical Permit	Residential	CONST TEMP & NEW CONST	39	0
713 FOREST LN	12/27/2022 BOTKIN PHILLIP C	Electrical Permit	Residential	Solar Panels	39	0
628 CLEVELAND AVE	12/27/2022 RICHARDSON JEREMY B	Electrical Permit	Residential	SOLAR PANEL	39	0
5433 TAYLOR MILL RD	12/27/2022 SELECT HOLDINGS LLC MCDONALDS REAL ESTATE	Electrical Permit	Residential	Service Only MCDONALDS - TENANT	39	0
5055 OLD TAYLOR MILL	12/27/2022 COMPANY	Electrical Permit	Commercial	REMODEL	39	0
718 MILLS VALLEY DR	12/27/2022 BALLINGER KELLY W	Electrical Permit	Residential	SOLAR PANELS	39	0

[Date]

Members of the City Commission
c/o Mr. Brian Haney, City Administrator
City of Taylor Mill, Kentucky
Taylor Mill, Kentucky

We have audited the financial statements of the governmental activities and each major fund of City of Taylor Mill, Kentucky for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 22, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Taylor Mill, Kentucky are described in the Summary of Significant Accounting Policies note to the financial statements. As described in Note 1, the City adopted GAB Statement No. 87, *Leases*, and GASB Statement No. 92, *Omnibus 2020*, during the year ended June 30, 2022. No other new accounting policies were adopted and the application of existing policies was not changed during 2022. We noted no transactions entered into by City of Taylor Mill, Kentucky during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City of Taylor Mill, Kentucky's financial statements were:

Management's estimate of the allowance for doubtful accounts is based on its best estimate of accounts receivable that may possibly not be collected. We evaluated the key factors and assumptions used to develop the allowance for doubtful accounts in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the depreciation expense of capital assets is based on the useful lives of the assets using the straight-line method. We evaluated the key factors and assumptions used to develop the depreciation expense of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the Net Pension and OPEB Liability, Deferred Inflows and Outflows and Pension and OPEB Expense are based on an actuarial valuation as of the measurement date. We evaluated the key factors and assumptions used to develop the Net Pension and OPEB Liability, Deferred Inflows and Outflows, and Pension and OPEB Expense in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Members of the City Commission
c/o Mr. Brian Haney, City Administrator
City of Taylor Mill, Kentucky
[Date]
Page 2

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached Adjusting Journal Entries Report summarizes misstatements either provided to us by management or detected as a result of audit procedures and corrected by management. In addition, none of these misstatements were material, either individually or in the aggregate, to the financial statements taken as a whole and were posted at management's request.

Additionally, the attached Schedule of Passed Adjusting Journal Entries summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated [Date].

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to City of Taylor Mill, Kentucky's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as City of Taylor Mill, Kentucky's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, budgetary comparison schedules, and the pension and OPEB schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Members of the City Commission
c/o Mr. Brian Haney, City Administrator
City of Taylor Mill, Kentucky
[Date]
Page 3

Restriction on Use

This information is intended solely for the information and use of Members of the City Commission and management of City of Taylor Mill, Kentucky and is not intended to be, and should not be, used by anyone other than these specified parties.

VonLehman & Company Inc.

**DRAFT
FOR DISCUSSION
PURPOSES ONLY**

Client: 015042.001 - City of Taylor Mill
 Engagement: 2022 Audit - City of Taylor Mill
 Period Ending: 6/30/2022
 Trial Balance: 1225.00 - Government Fund Trial Balance
 Workpaper: 1251.00 - Adjusting Journal Entries Report
 Fund Level: All
 Index: All

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 5				
To record grant receivable for the Sidewalk Phase 3				
VL999912	Grant Receivable		103,276.00	
100.10.2071	Deferred Revenue			103,276.00
Total			<u>103,276.00</u>	<u>103,276.00</u>
	Total Adjusting Journal Entries		<u>103,276.00</u>	<u>103,276.00</u>
	Total All Journal Entries		<u>103,276.00</u>	<u>103,276.00</u>

DRAFT
 FOR DISCUSSION
 PURPOSES ONLY

SCHEDULE OF PASSED ADJUSTING JOURNAL ENTRIES - GOVERNMENT-WIDE

Governmental Unit:

Financial Statement Date:

Description (Nature) of Audit Difference (AD)	Factual (F), Judgmental (J), or Projected (P)	Cause	Financial Statement Effect—Amount of Over- (Under-) statement of:					
			Total Assets	Total Liabilities	Working Cap.	Fund Balance/Net Position	Revenues	Expen.
Depreciation was not recorded for Donated Asset	F	The City did not include the donated asset in its depreciation schedule.	12,763					-12,763
Copier lease is not recorded as a right of use asset and lease liability.	F	The City does not consider the lease material to record.	-6,290	-6,290				
Total			6,473	-6,290	0	0	0	-12,763

DRAFT
FOR DISCUSSION
PURPOSES ONLY



FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT INCLUDING SUPPLEMENTARY INFORMATION

June 30, 2022

CITY OF TAYLOR MILL, KENTUCKY

**CITY OF TAYLOR MILL, KENTUCKY
TABLE OF CONTENTS**

	PAGE
Independent Auditors' Report	
Management's Discussion and Analysis (MD&A) Unaudited	1
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements	
Balance Sheet – Governmental Funds	11
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	12
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds to the Statement of Activities	14
Notes to the Financial Statements	15
Required Supplementary Information	
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (with Variances) – General Fund	42
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (with Variances) – Municipal Road Aid Fund	43
Schedule of the City's Proportionate Share of the Net Pension Liability	44
Schedule of the City's Pension Contributions	45
Notes to the City's Schedule of the City's Pension Contributions	46
Schedule of the City's Proportionate Share of the Net OPEB Liability	47
Schedule of the City's OPEB Contributions	48
Notes to the City's Schedule of the City's OPEB Contributions	49
Required Regulatory Information	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	50

INDEPENDENT AUDITORS' REPORTS
WILL BE PRESENTED IN THE FINAL REPORT

**DRAFT
FOR DISCUSSION
PURPOSES ONLY**

**CITY OF TAYLOR MILL, KENTUCKY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED**

Our discussion and analysis of the City of Taylor Mill, Kentucky's (the City) financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the City's basic financial statements that begin on page 9.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The statement of net position and the statement of activities on pages 9 and 10, respectively, provide information about the activities of the City as a whole and present a fair view of the City's finances. Fund financial statements begin on page 11. For government activities these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2022 are as follows:

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by \$4,110,612 (net position) at June 30, 2022. The City's total net position increased by \$1,188,901.
- As of June 30, 2022, the City's governmental funds reported combined ending fund balances of \$6,703,192, an increase of \$403,468.
- As of June 30, 2022, unassigned fund balance for the General Fund was \$6,001,927.
- The City's cash and cash equivalents decreased by \$356,077 from \$5,940,145 at June 30, 2021 to \$5,584,068 at June 30, 2022.
- The City's investments increased by \$2,457,960 from \$48,815 at June 30, 2021 to \$2,506,775 at June 30, 2022.
- The City's accounts receivable increased by \$114,646 from \$850,600 at June 30, 2021 to \$965,246 at June 30, 2022.
- The City's total debt decreased by \$77,425, including compensated absences but excluding net pension liability and net other postemployment benefit liability, during the current year.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

**CITY OF TAYLOR MILL, KENTUCKY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED
(Continued)**

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements outline functions of the City that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the City include general government, police, fire, public works, parks and recreation. Capital assets and related debt are also supported by taxes and intergovernmental revenues.

The government-wide financial statements can be found on pages 9 and 10 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City are governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains individual governmental funds. Information is presented separately in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Municipal Road Aid Fund.

The City adopts an annual budget for each of its funds. A budgetary comparison statement has been provided for each fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 11 - 14 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 15 - 41 of this report.

**CITY OF TAYLOR MILL, KENTUCKY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED
(Continued)**

Government-Wide Financial Analysis

The perspective of the statement of net position is of the City as a whole. Table 1 provides a summary of the City's net position for 2022 compared to 2021.

**Table 1
Net Position**

	Governmental Activities	
	2022	2021
Assets		
Current and Other Assets	\$ 9,236,173	\$ 6,913,847
Capital Assets, Net	4,363,125	3,861,654
Total Assets	<u>13,599,298</u>	<u>10,775,501</u>
Deferred Outflows of Resources	<u>1,853,509</u>	<u>1,648,238</u>
Liabilities		
Current Liabilities	2,128,925	346,418
Long-Term Liabilities	7,679,085	8,315,371
Total Liabilities	<u>9,808,010</u>	<u>8,661,789</u>
Deferred Inflows of Resources	<u>1,534,185</u>	<u>840,239</u>
Net Position		
Net Investment in Capital Assets	4,233,072	3,656,872
Unrestricted	(122,460)	(735,161)
Total Net Position	<u><u>\$ 4,110,612</u></u>	<u><u>\$ 2,921,711</u></u>

Net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows or resources exceeded liabilities and deferred inflows of resources by approximately \$4.1 million as of June 30, 2022.

A large portion of the City's net position (approximately \$4.2 million) reflects its investment in capital assets (e.g. land and improvements, buildings and improvements, vehicles, furniture and equipment and infrastructure); less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**CITY OF TAYLOR MILL, KENTUCKY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED
(Continued)**

The City's financial position is the product of several financial transactions, including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following points explain the major changes impacting net position as shown on the previous page.

1. Cash and cash equivalents decreased by \$356,077 from the previous year primarily due to the results of current year operations while also considering the City transferred funds to an investment account.
2. Investments increased by \$2,457,960 from the previous year due to the City opening a new investment account with an initial contribution of \$2,494,615.
3. Accounts receivable increased by \$114,646 from the previous year primarily due to the City having a grant receivable related to its sidewalk project of \$103,276 outstanding at year end.
4. Capital assets increased by \$501,471 due to current year capital asset acquisitions. Total capital asset acquisitions were approximately \$1,020,000, total capital asset disposals were approximately \$54,000, and total depreciation expense in the current year was approximately \$520,000.
5. Unearned revenue increased by \$1,792,221 as a result of receiving Coronavirus State and Local Fiscal Recovery Funds but not incurring qualifying expenditures in the fiscal year.
6. Long-term liabilities decreased by \$636,286. The decrease is due to a decrease in the net pension liability for approximately \$407,000, and a decrease in the net other postemployment benefits liability for approximately \$157,000.
7. Deferred inflows of resources increased by \$693,946. Deferred inflows related to pension increased by approximately \$421,000 and deferred inflows related to OPEB increased by approximately \$273,000 largely due to an increase in the net difference between projected and actual earnings on plan investments.
8. The City has \$122,460 of unrestricted net deficit as of June 30, 2022.

**CITY OF TAYLOR MILL, KENTUCKY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED
(Continued)**

Table 2 reflects the change in net position for fiscal years 2022 and 2021.

**Table 2
Change in Net Position**

	Governmental Activities	
	Years Ended June 30,	
	2022	2021
Revenues		
General Revenues		
Property Taxes	\$ 2,420,652	\$ 2,431,445
Payroll Taxes	1,338,313	1,132,683
Insurance Taxes	788,264	737,614
Utility Tax	236,880	200,504
Other Taxes	452,203	268,102
Penalties and Interest on Taxes	20,012	11,069
Investment Income	(27,720)	12,741
Other Revenue	18,454	14,339
Donated Assets	510,520	-
Gain on Sale of Assets	6,307	21,796
Total General Revenues	5,763,885	4,830,293
Program Revenues		
Charges for Service	614,469	542,211
Operating Grants and Contributions	218,364	472,684
Capital Grants and Contributions	234,005	126,433
Total Program Revenues	1,066,838	1,141,328
Total Revenues	6,830,723	5,971,621
Program Expenses		
General Government	1,070,652	933,072
Police	1,339,533	1,178,540
Fire	1,405,126	1,213,708
Public Works	545,290	596,946
Streets	557,615	649,055
Parks and Recreation	117,010	121,638
Senior Services	1,258	2,288
Community Events	20,860	14,055
Interest Expense	3,193	4,216
Pension Expense	459,855	626,099
Other Postemployment Benefits Expense	121,430	211,448
Total Program Expenses	5,641,822	5,551,065
Change in Net Position	\$ 1,188,901	\$ 420,556

**CITY OF TAYLOR MILL, KENTUCKY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED
(Continued)**

Governmental Activities

Governmental activities increased the City's net position by \$1,188,901. Key changes during the year are as follows:

- Payroll taxes revenue increased by \$205,630 primarily due to economic activity increasing from the previous year due to closures from the coronavirus pandemic.
- Other taxes revenue increased \$184,101 primarily due to an increase in net profit tax. This increase is similar to that of payroll taxes revenue above.
- Donated assets revenue increased \$510,520 due to the State transferring ownership of property to the City during the fiscal year.
- Operating Grants and Contributions decreased by \$254,320 primarily due to the City receiving reimbursement for expenses from the Coronavirus Relief Fund in the prior fiscal year.
- Capital grants and contributions increased by \$107,572 due to recognizing revenue related to a sidewalk project for approximately \$103,000.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$6,703,192, an increase of \$403,468, in comparison to the prior year. This total consists of: General Fund, \$6,282,079 and Municipal Road Aid Fund, \$421,113.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$6,001,927. The total fund balance increased by \$423,342.

The fund balance of the Municipal Road Aid Fund decreased by \$19,874.

General Fund Budgeting Highlights

The City's budget is prepared according to City Charter and is based on accounting for certain transactions on the modified accrual basis of accounting. The General Fund's beginning fund balance for the beginning of the fiscal year was \$5,858,737.

For the General Fund, actual revenues, in the amount of approximately \$6.1 million were higher than budgeted revenues of approximately \$5.8 million.

Expenditures were budgeted at approximately \$6.2 million, while actual expenditures were approximately \$5.5 million.

**CITY OF TAYLOR MILL, KENTUCKY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED
(Continued)**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2022, the City had approximately \$4.4 million net investment in capital assets, all in governmental activities.

Table 3 reflects fiscal year 2022 balances compared to fiscal year 2021.

**Table 3
Capital Assets at June 30
(Net of Depreciation)**

	Governmental Activities	
	2022	2021
Land	\$ 924,751	\$ 924,751
Construction in Progress	158,200	20,000
Buildings and Improvements	538,415	563,881
Infrastructure	2,128,163	1,873,900
Equipment	189,547	232,257
Vehicles	424,049	246,865
	<u>\$ 4,363,125</u>	<u>\$ 3,861,654</u>

Major capital asset events during the current fiscal year included the following:

- Additions of new capital assets totaling approximately \$1,020,000 included four new police cruisers, a truck for public works, a vehicle for the fire department, engineering costs related to the sidewalk project and fire department, and donated assets from the State.
- Disposals of approximately \$54,000 for vehicles and equipment sold and disposed of during the year.

Long-Term Debt

At June 30, 2022, the City had approximately \$217,000 in outstanding long-term debt.

The following is a summary of the City's long-term debt transactions during 2022.

	June 30, 2021	Additions	Repayments	June 30, 2022
Compensated Absences	\$ 90,032	\$ -	\$ 2,696	\$ 87,336
Notes Payable	204,782	-	74,729	130,053
	<u>\$ 294,814</u>	<u>\$ -</u>	<u>\$ 77,425</u>	<u>\$ 217,389</u>

The City's long-term debt decreased \$77,425 due to payments made on the long-term debt agreements.

**CITY OF TAYLOR MILL, KENTUCKY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED
(Continued)**

Economic Factors and Next Year's Budget

Fortunately, the effects of the pandemic have had very little impact on the overall revenues of the City. The fact that the City is a bedroom community means that most of the revenue is generated from real estate taxes rather than business taxes. The three largest employers in the City have not had any significant reduction in payroll tax revenue. The City does not anticipate a significant loss in net profit tax, however, even that will not create any undue burden on the City's finances. The small businesses that continue to be affected will be the restaurants. The taxes generated from these types of business are insignificant compared to other revenue streams that the City relies upon.

The increased cost for the City's first responders has mostly been offset by other non-city funding sources or private donations. The few City employees that have contracted COVID-19 have fortunately been short term absences. So, while the pandemic itself has caused an overall feeling of gloom in the City, the overall fiscal health of the City is not expected to be adversely affected.

Requests for Information

This financial report is designed to provide a general overview of the City's financial condition for all of those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Administrator's office, City of Taylor Mill, 5225 Taylor Mill Road, Taylor Mill, Kentucky 41015.

**CITY OF TAYLOR MILL, KENTUCKY
STATEMENT OF NET POSITION
JUNE 30, 2022**

	Governmental Activities
Assets and Deferred Outflows of Resources	
Current Assets	
Cash and Cash Equivalents	\$ 5,584,068
Investments	2,506,775
Accounts Receivable	938,933
Prepaid Expenses	177,025
Inventory	3,059
Total Current Assets	9,209,860
Noncurrent Assets (Net of Current Portion)	
Accounts Receivable	26,313
Capital Assets	
Non-Depreciable	1,082,951
Depreciable, Net	3,280,174
Total Capital Assets	4,363,125
Total Noncurrent Assets	4,389,438
Total Assets	13,599,298
Deferred Outflows of Resources	
Deferred Outflows Related to Pension	1,052,719
Deferred Outflows Related to Other Postemployment Benefits	800,790
Total Deferred Outflows of Resources	1,853,509
Total Assets and Deferred Outflows of Resources	15,452,807
Liabilities and Deferred Inflows of Resources	
Current Liabilities	
Accounts Payable	197,778
Accrued Liabilities	43,310
Unearned Revenue	1,792,221
Notes Payable	75,771
Compensated Absences	19,845
Total Current Liabilities	2,128,925
Noncurrent Liabilities (Net of Current Portion)	
Notes Payable	54,282
Compensated Absences	67,491
Net Pension Liability	5,800,223
Net Other Postemployment Benefits Liability	1,757,089
Total Noncurrent Liabilities	7,679,085
Total Liabilities	9,808,010
Deferred Inflows of Resources	
Deferred Inflows Related to Pension	825,412
Deferred Inflows Related to Other Postemployment Benefits	708,773
Total Deferred Inflows of Resources	1,534,185
Total Liabilities and Deferred Inflows of Resources	11,342,195
Net Position	
Net Investment in Capital Assets	4,233,072
Unrestricted	(122,460)
Total Net Position	\$ 4,110,612

See accompanying notes.

**CITY OF TAYLOR MILL, KENTUCKY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Total Governmental Activities
Primary Government					
Governmental Activities					
General Government	\$ 1,070,652	\$ 409,402	\$ 50,590	\$ -	\$ (610,660)
Police	1,339,533	2,848	159,249	-	(1,177,436)
Fire	1,405,126	163,685	8,525	-	(1,232,916)
Public Works	545,290	-	-	103,276	(442,014)
Streets	557,615	-	-	130,729	(426,886)
Parks and Recreation	117,010	37,654	-	-	(79,356)
Senior Services	1,258	880	-	-	(378)
Community Events	20,860	-	-	-	(20,860)
Interest Expense	3,193	-	-	-	(3,193)
Pension Expense	459,855	-	-	-	(459,855)
Other Postemployment Benefits Expense	121,430	-	-	-	(121,430)
Total Primary Government	\$ 5,641,822	\$ 614,469	\$ 218,364	\$ 234,005	(4,574,984)
General Revenues					
Property Taxes					2,420,652
Payroll Taxes					1,338,313
Insurance Premium Taxes					788,264
Utility Tax					236,880
Other Taxes					452,203
Penalties and Interest on Taxes					20,012
Investment Loss					(27,720)
Other Revenue					18,454
Donated Assets					510,520
Gain on Sale of Capital Assets					6,307
Total General Revenues					5,763,885
Change in Net Position					1,188,901
Net Position July 1, 2021					2,921,711
Net Position June 30, 2022					\$ 4,110,612

See accompanying notes.

**CITY OF TAYLOR MILL, KENTUCKY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022**

	General Fund	Municipal Road Aid Fund	Total Governmental Fund
Assets			
Cash and Cash Equivalents	\$ 5,065,108	\$ 518,960	\$ 5,584,068
Investments	2,506,775	-	2,506,775
Receivables			
Property Taxes	67,367	-	67,367
Waste Assessments	14,217	-	14,217
Accounts	850,948	-	850,948
Other Receivables	19,080	13,634	32,714
Prepaid Expenses	177,025	-	177,025
Inventories	3,059	-	3,059
Total Assets	\$ 8,703,579	\$ 532,594	\$ 9,236,173
Liabilities			
Accounts Payable	\$ 86,297	\$ 111,481	\$ 197,778
Accrued Liabilities	43,310	-	43,310
Unearned Revenue	1,792,221	-	1,792,221
Total Liabilities	1,921,828	111,481	2,033,309
Deferred Inflows of Resources			
Unavailable Revenue - Taxes	332,769	-	332,769
Unavailable Revenue - Assessments	52,627	-	52,627
Unavailable Revenue - Other	114,276	-	114,276
Total Deferred Inflows of Resources	499,672	-	499,672
Fund Balances			
Non-Spendable			
Prepaid Expenses	177,025	-	177,025
Inventories	3,059	-	3,059
Committed			
Capital Projects	100,068	-	100,068
Streets	-	421,113	421,113
Unassigned	6,001,927	-	6,001,927
Total Fund Balances	6,282,079	421,113	6,703,192
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 8,703,579	\$ 532,594	\$ 9,236,173

See accompanying notes.

**CITY OF TAYLOR MILL, KENTUCKY
RECONCILIATION OF THE BALANCE SHEET
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2022**

Total Fund Balance - Governmental Funds		\$ 6,703,192
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not current financial resources and therefore are not reported as assets in the governmental funds.</p>		
Cost of Capital Assets	15,701,728	
Accumulated Depreciation	<u>(11,338,603)</u>	4,363,125
<p>Other assets are not available to pay for current period expenditures, and therefore, are deferred in the governmental funds.</p>		
Taxes Receivable	332,769	
Assessments Receivable	52,627	
Other Receivables	<u>114,276</u>	499,672
<p>Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds.</p>		
Compensated Absences	(87,336)	
Notes Payable	<u>(130,053)</u>	(217,389)
<p>Deferred outflows and inflows of resources related to pensions and other postemployment benefits are applicable to future periods and, therefore, are not reported in the funds.</p>		
Deferred Outflows of Resources Related to Pension	1,052,719	
Deferred Outflows of Resources Related to Other Postemployment Benefits	800,790	
Deferred Inflows of Resources Related to Pension	(825,412)	
Deferred Inflows of Resources Related to Other Postemployment Benefits	<u>(708,773)</u>	319,324
<p>Long-term liabilities, including net pension obligations and net other postemployment benefit obligations, are not due and payable in the current period, and therefore, are not reported as liabilities in governmental funds.</p>		
Net Pension Liability	(5,800,223)	
Net Other Postemployment Benefits Liability	<u>(1,757,089)</u>	(7,557,312)
Net Position of Governmental Activities in the Statement of Net Position		\$ <u>4,110,612</u>

See accompanying notes.

CITY OF TAYLOR MILL, KENTUCKY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	General Fund	Municipal Road Aid Fund	Total Governmental Fund
Revenues			
Taxes	\$ 3,676,976	\$ -	\$ 3,676,976
Licenses and Permits	1,490,008	-	1,490,008
Intergovernmental	225,568	130,729	356,297
Charges for Services	640,524	-	640,524
Fines and Forfeitures	22,960	-	22,960
Investment (Loss) Income	(28,131)	411	(27,720)
Miscellaneous	24,071	-	24,071
Total Revenues	6,051,976	131,140	6,183,116
Expenditures			
General Government	1,091,429	-	1,091,429
Police	1,495,295	-	1,495,295
Fire	1,657,381	-	1,657,381
Public Works	572,324	-	572,324
Streets	-	276,014	276,014
Parks and Recreation	82,721	-	82,721
Senior Services	1,258	-	1,258
Community Events	20,860	-	20,860
Debt Service			
Principal	74,729	-	74,729
Interest	3,193	-	3,193
Capital Outlay	510,751	-	510,751
Total Expenditures	5,509,941	276,014	5,785,955
Excess (Deficit) of Revenues Over Expenditures	542,035	(144,874)	397,161
Other Financing (Uses) Sources			
Proceeds From Sale of Capital Assets	6,307	-	6,307
Transfers In	-	125,000	125,000
Transfers Out	(125,000)	-	(125,000)
Total Other Financing (Uses) Sources	(118,693)	125,000	6,307
Net Change in Fund Balances	423,342	(19,874)	403,468
Fund Balance July 1, 2021	5,858,737	440,987	6,299,724
Fund Balance June 30, 2022	\$ 6,282,079	\$ 421,113	\$ 6,703,192

See accompanying notes.

**CITY OF TAYLOR MILL, KENTUCKY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

Change in Fund Balances - Total Governmental Funds	\$	403,468
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which depreciation expense exceed capital outlays in the period.</p>		
Depreciation Expense	(519,800)	
Capital Outlays	<u>510,751</u>	(9,049)
<p>The net effect of various transactions involving capital assets is to decrease net position as follows:</p>		
Proceeds from Sale of Capital Assets	(6,307)	
Gain on Sale of Capital Assets	<u>6,307</u>	-
<p>Compensated absences are reported in the government-wide statement of activities, but do not require the use of current financial resources. Therefore, compensated absences are not reported as expenditures in governmental funds financial statements. This is the amount of the change in the compensated absences in the current period.</p>		
		2,696
<p>Governmental funds report City other postemployment benefit contributions as as expenditures. However, other postemployment benefit expense is reported in the statement of activities. This is the amount by which other postemployment benefit expense exceeded contributions.</p>		
City Other Postemployment Benefit Contributions - June 30, 2021	(121,303)	
City Other Postemployment Benefit Contributions - June 30, 2022	152,184	
Change in Other Postemployment Benefit Liability	<u>(126)</u>	30,755
<p>Governmental funds report City pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.</p>		
City Pension Contributions - June 30, 2021	(405,248)	
City Pension Contributions - June 30, 2022	504,858	
Cost of Benefits Earned Net of Employee Contributions	<u>(54,608)</u>	45,002
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes financial resources of governmental funds. Neither transaction, however has any effect on net position. This amount is the net effect of the differences in the treatment of long-term debt on the statement of activities, comprised of the following:</p>		
Principal Repayment of Note Payable		74,729
<p>Donated capital assets are not reported on the governmental fund statements. However, for governmental activities, these assets are reported on the statement of net position.</p>		
		510,520
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.</p>		
		<u>130,780</u>
Change in Net Position - Governmental Activities	\$	<u>1,188,901</u>

See accompanying notes.

**CITY OF TAYLOR MILL, KENTUCKY
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

Kentucky Revised Statutes and Ordinances of the City Commission of the City of Taylor Mill, Kentucky (the City) designate the purpose, function and restrictions of the various funds. The financial statements included herein consist of the General Fund and Municipal Road Aid Fund.

The City, for financial purposes, includes all of the funds and account groups relevant to the operations of the City of Taylor Mill, Kentucky.

The City of Taylor Mill, Kentucky is a Charter City, in which citizens elect the mayor at large and four commissioners who together form the City Commission. The accompanying financial statements present the City's primary government. Component units are those over which the City exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the City (as distinct from legal relationships). The City has no component units.

Basis of Presentation and Measurement Focus

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities. The City has no business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements

Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*Governmental Fund Financial Statements*

Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balance for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements.

All governmental funds are accounted for on a spending or “*current financial resources*” measurement focus. Accordingly, only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in current assets

The City has the following funds:

Governmental Fund Types

- (A) The General Fund is the main operating fund of the City. It accounts for financial resources used for general types of operations. This is a budgeted fund, and any unrestricted fund balances are considered as resources available for use. This is a major fund of the City.
- (B) The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes. The Municipal Road Aid Fund is a major special revenue fund of the City.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

Revenues - Exchange and Non-exchange Transactions – Revenues resulting from exchange transactions, in which each party receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of the fiscal year end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenues from non-exchange transactions must also be available before they can be recognized.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Cash and Cash Equivalents

The City considers demand deposits, money market funds, and other investments with an original maturity of ninety days or less, to be cash equivalents.

Investments

In accordance with GASB reporting standards, investments are reported at fair value.

Accounts Receivable

Accounts receivable are presented, when considered necessary, net of an allowance for doubtful accounts. There was no allowance as of June 30, 2022.

Capital Assets

General capital assets are assets that generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of art, and similar items, received in a service concession arrangement are reported at their acquisition value. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives for general capital assets:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Buildings	40 Years
Building Improvements	10 – 20 Years
Public Domain Infrastructure	25 – 40 Years
Equipment	3 – 5 Years
Vehicles	5 – 10 Years

Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period, and therefore deferred until that time. The City recognized deferred outflows of resources related to pensions and other postemployment benefits on the government-wide financial statements.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and is therefore deferred until that time. The City recognizes deferred inflows of resources related to pensions and other postemployment benefits on the government-wide financial statements. In the governmental funds, certain revenue transactions have been reported as unavailable revenue. Revenue cannot be recognized until it has been earned as is available to finance expenditures of the current period. Revenue that is earned but not available is reported as a deferred inflow of resources until such time as the revenue becomes available.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused sick pay benefits. There is a liability for unpaid accumulated sick leave since the City does have a policy to pay specified amounts when employees separate from service with the City. All sick pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

Unearned Revenue

Unearned revenue represents the amount for which revenue recognition criteria has not been met. In subsequent periods, when the incurrence of qualifying expenditures has been made, the liability for the unearned revenue is removed and the revenue is recognized.

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 System (CERS) and additions to/deductions from CERS' fiduciary net position have been determined on the same basis as they are reported by CERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position

The government-wide financial statements utilize a net position presentation. Net Position is displayed as three components:

- Net Investment in Capital Assets – Represents capital assets, net of accumulated depreciation, reduced by the outstanding balances of capital leases, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted Net Position – Consists of net position with constraints places on their use by external groups such as creditors, grantors, contributors, or laws or regulations of other governments.
- Unrestricted Net Position – Represents the net position available for future operations.

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

- Non-Spendable – Amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
- Restricted – Amounts that can be spent only for specific purposes because of the City Charter, the City Code, state or federal laws, or externally imposed conditions by grantors or creditors.
- Committed – Amounts that can be used only for specific purposes determined by a formal action by City Commission ordinance or resolution.
- Assigned – Amounts that are designated by the Mayor for a particular purpose but are not spendable until a budget ordinance is passed or there is a majority vote approval by City Commission.
- Unassigned – All amounts not included in other spendable classifications.

When an expense is incurred that can be paid using either restricted or unrestricted resources (net assets), the City's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the City's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications-committed and then assigned fund balances before using unassigned fund balances.

Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires the use of estimates and assumptions regarding certain types of assets, liabilities, designated fund balances, revenues and expenditures. Certain estimates relate to unsettled transactions and events as of the date of the financial statements. Other estimates relate to assumptions about the ongoing operations and may impact future periods. Accordingly, upon settlement, actual results could differ from estimated amounts.

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "receivables/payables". These amounts are eliminated in the governmental activities column of the statement of net position, except for the net residual amounts due between governmental and business type activities, which are presented as interfund balances.

Property Taxes

Property taxes include amounts levied on real property. Property values were assessed on January 1st and property taxes were due on December 31st.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Adoption of New Accounting Standards***Lease Accounting Standard*

GASB Statement No. 87, Leases, was issued to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The requirements of GASB Statement No. 87 are effective for reporting periods beginning after June 15, 2021. The implementation of GASB Statement No. 87 resulted in the City reclassifying a previously identified capital lease as a financed purchase.

Omnibus 2020

GASB Statement No. 92, Omnibus 2020, was issued to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of GASB Statement No. 92 are effective for reporting periods beginning after June 15, 2021, other than the requirements related to the effective date of GASB Statement No. 87, which is effective upon issuance. The implementation of GASB Statement No. 92 had no material impact on the financial statement of the City for the year ended June 30, 2022.

Recently Issued Significant Accounting Standards*Conduit Debt Obligations*

GASB Statement No. 91, *Conduit Debt Obligations*, was issued to provide a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related not disclosures. The requirements of GASB Statement No. 91 are effective for reporting periods beginning after December 15, 2021. The City is currently evaluating the impact GASB Statement No. 91 may have on its financial statements.

Public-Private and Public-Public Partnerships and Availability Payment Arrangements

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, was issued to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements and to provide guidance for accounting and financial reporting for availability payment arrangements. The requirements of GASB Statement No. 94 are effective for reporting periods beginning after June 15, 2022. The City is currently evaluating the impact GASB Statement No. 94 may have on its financial statements.

Subscription-Based Information Technology Arrangements

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, was issued to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. The requirements of GASB Statement No. 96 are effective for reporting periods beginning after June 15, 2022. The City is currently evaluating the impact GASB Statement No. 96 may have on its financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*Omnibus 2022*

GASB Statement No. 99, *Omnibus 2022*, was issued to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of GASB Statement No. 99 related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023. Other aspects of GASB 99 are effective immediately. However, there was not a significant impact to the City's financial statements for the year ended December 31, 2021. The City is currently evaluating the impact the remaining aspects of GASB Statement No. 99 may have on its financial statements.

Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62

GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, was issued to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of GASB Statement No. 100 are effective for reporting periods beginning after June 15, 2023. The City is currently evaluating the impact GASB Statement No. 100 may have on its financial statements.

Compensated Absences

GASB Statement No. 101, *Compensated Absences*, was issued to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of GASB Statement No. 101 are effective for reporting periods beginning after December 15, 2023. The City is currently evaluating the impact GASB Statement No. 101 may have on its financial statements.

Subsequent Events

The City has evaluated subsequent events through [REDACTED], which is the date the financial statements were available to be issued.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) In accordance with City ordinance, by May 31, the Mayor submits to the City Commission, a proposed operating budget on the modified accrual basis of accounting for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
- b) A public meeting is conducted to obtain citizen comment.
- c) By July 1, the budget is legally enacted through passage of an ordinance.
- d) The Mayor is required by Kentucky Revised Statutes to present a quarterly report to the Commission explaining any variance from the approved budget.
- e) Appropriations continue in effect until a new budget is adopted.
- f) The Commission may authorize supplemental appropriations during the year.

NOTE 3 - DEPOSITS AND INVESTMENTS**Investment Policy**

It is the policy of the City to invest public funds in a manner that will provide the maximum security and highest investment of principle while meeting the daily cash flow demands of the City and conforming to both KRS 91A.060 and KRS 66.480.

In accordance with KRS 66.480, the City is authorized to invest in the following:

- A) Obligations of the United States and of its agencies and instrumentalities, including obligations subject to repurchase agreements, provided that delivery of these obligations subject to repurchase agreements is taken either directly or through an authorized custodian.
- B) U.S. Treasury and other U.S. government obligations that carry the full faith and credit guarantee of the United States for the payment of principal and interest.
- C) Federal Agency or U.S. government-sponsored enterprises obligations, participations or other instruments.
- D) CDs issued by or other interest-bearing accounts of any bank or savings and loan institution having a physical presence in Kentucky and that are insured by the Federal Deposit Insurance Corporation or similar entity or that are collateralized by any obligations, including surety bonds permitted by KRS 41.240. KRS 66.480(1)(d).
- E) Uncollateralized CDs issued by any bank or savings and loan having a physical presence in Kentucky rated in one of three highest categories by a competent rating agency.
- F) Bankers' acceptances, which must be rated in one of the three highest categories by a competent rating agency.
- G) Commercial paper, rated in the highest tier (e.g., A-1, P-1, F-1, or D-1 or higher) by a competent rating organization.
- H) Bonds or certificates of indebtedness of this state and of its agencies and instrumentalities.
- I) Investment-grade obligations of state or local governments or instrumentality thereof rated one of three highest categories by a competent rating agency.
- J) Shares of mutual funds and exchange traded funds as identified by KRS 66.480(1)(j).
- K) Individual equity securities if the funds are managed by a professional investment manager regulated by a federal regulatory agency and are included within the S&P 500 pursuant to KRS 66.480(1)(k).
- L) Individual high-quality corporate bonds managed by a professional investment manager pursuant to KRS 66.480(1)(l).

Overall investments in (E), (F), (G), (K), and (L) investment types are restricted to 20% of total local government investments.

Deposits

Custodial credit risk – deposits. For deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned. The City maintains deposits with financial institutions insured by the Federal Deposit Insurance Corporation (FDIC). As allowed by law, the depository bank should pledge securities along with FDIC insurance at least equal to the amount on deposit at all times. As of June 30, 2022, the City's deposits exceeded FDIC insurance and collateral with securities held by the financial institutions on behalf of the City by \$1,560,441.

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Investments

Custodial credit risk - investments. For an investment, this is the risk that, in the event of failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City had no custodial credit risk at June 30, 2022.

Interest rate risk – investments. For an investment, interest rate risk is the risk that interest rates will change and cause a decrease in the value of an entity's investments. The City's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from interest rate risk.

Credit risk – investments. For an investment, credit risk is the risk that issuers of securities owned by an entity will default or that other parties that owe the entity money will not fulfill its obligations. At June 30, 2022, the City held investments in U.S. Government securities and municipal bonds that were all rated AAA by Moody's. Funds held in the Kentucky League of Cities Investment Pool are not rated.

Investments as of June 30, 2022, that are subject to rating for credit risk and interest rate risk are summarized by maturity below:

	Investment Maturities (in Years)			Credit Rating
	Carrying Value	Less Than 1	1 - 5	
Certificates of Deposit	\$ 1,002,894	\$ 1,002,894	\$ -	Not Rated
Money Market Funds	6,038	6,038	-	Not Rated
U.S. Government Obligations	1,292,934	-	1,292,934	Moody's - AAA
Municipal Bonds	159,426	-	159,426	Moody's - AAA
Kentucky League of Cities Investment Pool - Government Bond Fund	45,483	45,483	-	Not Rated
	<u>\$ 2,506,775</u>	<u>\$ 1,054,415</u>	<u>\$ 1,452,360</u>	

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Investment Valuation

The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City does not have any investments that are measured using Level 3 inputs.

For those investments measured at fair value, the investments' fair value measurements are as follows at June 30, 2022:

	Fair Value Measurements Using			Total
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	
Certificates of Deposit	\$ 1,002,894	\$ -	\$ -	\$ 1,002,894
Money Market Funds	6,038	-	-	6,038
U.S. Government Obligations	1,292,934	-	-	1,292,934
Municipal Bonds	-	159,426	-	159,426
	<u>\$ 2,301,866</u>	<u>\$ 159,426</u>	<u>\$ -</u>	<u>2,461,292</u>
Kentucky League of Cities Investment Pool - Government Bond Fund Measured at NAV				<u>45,483</u>
Total Investments				<u>\$ 2,506,775</u>

Investments held in the Kentucky League of Cities Investment Pool (KLCIP) are measured at net asset value per share (NAV), determined by the pool. The KLCIP is administered by the Kentucky League of Cities, which is a nonprofit membership association established to serve Kentucky cities and municipal agencies. The KLCIP is governed by a board of trustees and managed by an outside asset management company.

NOTE 4 - CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the fiscal year ended June 30, 2022 was as follows:

	Balance June 30, 2021	Additions	Deductions	Balance June 30, 2022
Governmental Activities				
Capital Assets Not Being Depreciated				
Land	\$ 924,751	\$ -	\$ -	\$ 924,751
Construction in Progress	20,000	178,200	40,000	158,200
Total Capital Assets Not Being Depreciated	944,751	178,200	40,000	1,082,951
Depreciable Capital Assets				
Buildings and Improvements	1,461,586	-	-	1,461,586
Infrastructure	9,208,634	550,520	-	9,759,154
Equipment	1,478,940	29,186	5,683	1,502,443
Vehicles	1,640,512	303,365	48,283	1,895,594
Total Depreciable Capital Assets	13,789,672	883,071	53,966	14,618,777
Total Capital Assets at Historical Cost	14,734,423	1,061,271	93,966	15,701,728
Less Accumulated Depreciation				
Buildings and Improvements	897,705	25,466	-	923,171
Infrastructure	7,334,734	296,257	-	7,630,991
Equipment	1,246,683	71,896	5,683	1,312,896
Vehicles	1,393,647	126,181	48,283	1,471,545
Total Accumulated Depreciation	10,872,769	519,800	53,966	11,338,603
Depreciable Capital Assets, Net	2,916,903	363,271	-	3,280,174
Governmental Activities				
Capital Assets - Net	\$ 3,861,654	\$ 541,471	\$ 40,000	\$ 4,363,125

Depreciation was charged to functions as follows for the year ended June 30, 2022:

General Government	\$ 31,865
Police	66,218
Fire	70,836
Public Works	34,991
Streets	281,601
Parks and Recreation	34,289
Total	\$ 519,800

NOTE 5 - LONG-TERM LIABILITIES

Notes Payable from Direct Borrowings

Company Note Payable

In March 2020, the City entered into a note with a company to finance an accounts payable balance due on a previous streetscape lighting improvement project. The note agreement was for \$210,824 at an interest rate of 2.0%, maturing in August 2023.

The note is scheduled to mature as follows:

<u>Years Ending June 30,</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total Debt Service</u>
2023	53,217	2,151	55,368
2024	54,282	1,086	55,368
Total	\$ 107,499	\$ 3,237	\$ 110,736

The note payable contains an event of default provision that changes the timing of repayment of outstanding amounts to become immediately due if the City is unable to make payment.

Equipment Financing

In May 2021, the City entered into a financed purchase agreement for the purchase of equipment to be used by the fire department. The agreement charges interest at 0.00% and expires in May 2023. At the conclusion of the agreement, ownership passes to the City.

The following is a summary of the remaining future minimum payments under the agreement:

<u>Years Ending June 30,</u>	
2023	\$ 22,554

NOTE 5 - LONG-TERM LIABILITIES (Continued)

Changes in Long-Term Liabilities

The following is a summary of the City's long-term liability transactions (excluding the net pension and net OPEB liability) for the year ended June 30, 2022.

Governmental Activities	June 30, 2021	Additions	Retired	June 30, 2022	Amounts Expected to be Paid Within One Year
Notes from Direct Borrowings	\$ 204,782	\$ -	\$ 74,729	\$ 130,053	\$ 75,771
Compensated Absences	90,032	-	2,696	87,336	19,845
	<u>\$ 294,814</u>	<u>\$ -</u>	<u>\$ 77,425</u>	<u>\$ 217,389</u>	<u>\$ 95,616</u>

NOTE 6 - PENSION PLAN

General Information about the Pension Plan

Plan description: County Employees Retirement System consists of two plans, Non-Hazardous and Hazardous. Each plan is a cost-sharing multiple-employer defined benefit pension plan administered by the Kentucky Public Pensions Authority (KPPA) under the provisions of Kentucky Revised Statute Section 78.782 and 61.645. The plan was formerly administered by the Kentucky Retirement System (KRS). However, during the 2020 Legislative Session, House Bill 484 was passed establishing a new governance structure for the agency that operates the system. Effective April 1, 2021, KRS as an agency of the Commonwealth became known as the KPPA. The plan covers all regular full-time members employed in non-hazardous and hazardous duty positions of each participating county, city, and any additional eligible local agencies electing to participate in CERS.

Benefits provided: These systems provide for retirement, disability, and death benefits to system members. Retirement benefits may be extended to beneficiaries of plan members under certain circumstances.

NOTE 6 - PENSION PLAN (Continued)

Non-Hazardous Plan:

Tier 1: Retirement Eligibility for Members Whose Participation Began Before 09/01/2008

Age	Years of Service	Allowance Reduction
65	1 month	None
Any	27	None
55	5	6.5% per year for first five years, and 4.5% for next five years before age 65 or 27 years of service.
Any	25	6.5% per year for first five years, and 4.5% for next five years before age 65 or 27 years of service.

Tier 2: Retirement Eligibility for Members Whose Participation Began On or After 09/01/2008 but Before 01/01/2014

Age	Years of Service	Allowance Reduction
65	5	None
57	Rule of 87	None
60	10	6.5% per year for first five years, and 4.5% for next five years before age 65 or Rule of 87 (age plus years of service).

Tier 3: Retirement Eligibility for Members Whose Participation Began On or After 01/01/2014

Age	Years of Service	Allowance Reduction
65	5	None
57	Rule of 87	None

Benefit Formula for Tiers 1 & 2

Final Compensation	X	Benefit Factor	X	Years of Service
Average of the five highest years of compensation		2.20% if:		Includes earned service, purchased service, prior service, and sick leave service (if the member's employer participates in an approved sick leave program).
			Member begins participating prior to 08/01/2004.	
Average of the last complete five years of compensation		2.00% if:		
			Member begins participating on or after 08/01/2004 and before 09/01/2008.	
Average of the last complete five years of compensation		Increasing percent based on service at retirement up to 30 years* plus 2.00% for each year of service over 30 if:		
			Member begins participating on or after 09/01/2008 but before 01/01/2014.	

* Service (and Benefit Factor): 10 years or less (1.10%); 10 - 20 years (1.30%); 20 - 26 years (1.50%); 26 - 30 years (1.75%)

NOTE 6 - PENSION PLAN (Continued)

Hazardous Plan:

Tier 1: Retirement Eligibility for Members Whose Participation Began Before 09/01/2008

Age	Years of Service	Allowance Reduction
55	1 month	None
Any	20	None
50	15	6.5% per year for first five years, and 4.5% for next five years before age 55 or 20 years of service.

Tier 2: Retirement Eligibility for Members Whose Participation Began On or After 09/01/2008 but before 01/01/2014

Age	Years of Service	Allowance Reduction
60	5	None
Any	25	None
50	15	6.5% per year for first five years, and 4.5% for next five years before age 60 or 25 years of service.

Tier 3: Retirement Eligibility for Members Whose Participation Began On or After 01/01/2014

Age	Years of Service	Allowance Reduction
60	5	None
Any	25	None

Benefit Formula for Tiers 1 & 2

Final Compensation	X	Benefit Factor	X	Years of Service
Average of the three highest years of compensation		2.50% if:		Member begins participating prior to 09/01/2008.
Average of the three highest complete years of compensation		Increasing percent based on service at retirement* if:		Member begins participating on or after 09/01/2008 but before 01/01/2014.
				Includes earned service, purchased service, prior service, and sick leave service (if the member's employer participates in an approved sick leave program).

* Service (and Benefit Factor): 10 years or less (1.30%); 10 - 20 years (1.50%); 20 - 25 years (2.25%); 25 + years (2.50%)

Benefit Formula for Tier 3

Accumulate Account Balance / Actuarial Factor = Monthly Life Annuity				
Accumulate Account Balance				
Member Contributions	Employer Contributions	Base Annual Interest	Upside Sharing Interest (FY 2021)	Actuarial Factor
8.00%	7.50%	4.00%	6.53%	Various*

* See www.kyret.ky.gov for most recent Actuarial Factors

NOTE 6 - PENSION PLAN (Continued)Non-Hazardous and Hazardous Plans:

For post-retirement death benefits, if the member is receiving a monthly benefit based on at least four (4) years of creditable service, the retirement system will pay a \$5,000 death benefit payment to the beneficiary named by the member specifically for this benefit.

For disability benefits, members participating before August 1, 2004 may retire on account of disability provided the member has at least 60 months of service credit (requirement is waived if line of duty disability) and is not eligible for an unreduced benefit. Additional service credit may be added for computation of benefits under the benefit formula. Members participating on or after August 1, 2004 but before January 1, 2014 may retire on account of disability provided the member has at least 60 months of service credit. Benefits are computed at the higher of 20% for non-hazardous and 25% for hazardous of final rate of pay or the amount calculated under the Benefit Formula based upon actual service. Members participating on or after January 1, 2014 may retire on account of disability provided the member has at least 60 months of service credit. The hybrid account which includes member contributions, employer contributions, and interest credits can be withdrawn from the System as a lump sum or an annuity equal to the larger of 20% for non-hazardous and 25% for hazardous of the member's monthly final rate of pay or the annuitized hypothetical account into a single life annuity option. Members disabled as a result of a single duty-related injury or act of violence related to their job may be eligible for special benefits.

For pre-retirement death benefits, the beneficiary of a deceased active member will be eligible for a monthly benefit if the member was: (1) eligible for retirement at the time of death or, (2) under the age of 55 with at least 60 months of service credit and currently working for a participating agency at the time of death or (3) no longer working for a participating agency but at the time of death had at least 144 months of service credit. If the beneficiary of a deceased active member is not eligible for a monthly benefit, the beneficiary will receive a lump sum payment of the member's contributions and any accumulated interest.

The Kentucky General Assembly has the authority to increase, suspend, or reduce Cost of Living Adjustments (COLAs). Senate Bill 2 of 2013 eliminated all future COLAs unless the State Legislature so authorizes on a biennial basis and either (1) the system is over 100.00% funded or (2) the Legislature appropriates sufficient funds to pay the increased liability for the COLA.

Senate Bill 169 passed during the 2021 legislative session and increased the disability benefits for qualified members who become "totally and permanently disabled" as a result of a duty-related disability. The minimum disability benefit increased from 25% of the member's monthly final rate of pay to 75% of the member's monthly average pay. The insurance premium for the member, the member's spouse, and the member's dependent children shall also be paid in full by the System. For non-hazardous members to be eligible for this benefit, they must be working in a position that could be certified as a hazardous position. There were no other material plan provision changes since the prior valuation.

Contributions: The employee contribution rate is set by state statute. Plan members who began participating prior to September 1, 2008 are required to contribute 5.00% (non-hazardous) or 8.00% (hazardous) of their annual creditable compensation. These members are classified in the Tier 1 structure of benefits. Interest is paid each June 30th on members' accounts at a rate of 2.50%. If a member terminates employment and applies to take a refund, the member is entitled to a full refund of contributions and interest.

NOTE 6 - PENSION PLAN (Continued)

Tier 2 plan members, who began participating on or after September 1, 2008, and before January 1, 2014 are required to contribute 6.00% (non-hazardous) or 9.00% (hazardous) of their annual creditable compensation. Further, 1.00% of these contributions are deposited to an account created for the payment of health insurance benefits under 26 USC section 401(h) in the Insurance Fund. These members were classified in the Tier 2 structure of benefits. Interest is paid each June 30th on members' accounts at a rate of 2.50%. If a member terminates employment and applies to take a refund, the member is entitled to a full refund of contributions and interest; however, the 1.00% contribution to the 401(h) account is non-refundable and is forfeited.

Tier 3 plan members who began participating on or after January 1, 2014, are required to contribute to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan. Members contribute 5.00% (non-hazardous) or 8.00% (hazardous) of their monthly creditable compensation which is deposited into their account, and an additional 1.00% which is deposited to an account created for payment of health insurance benefits under 26 USC Section 401(h) in the Insurance Fund, which is not refundable. Tier 3 member accounts are also credited with an employer pay credit in the amount of 4.00% (non-hazardous) or 7.50% (hazardous) of the members monthly creditable compensation. The employer pay credit amount is deducted from the total employer contribution rate paid on the member's monthly creditable compensation.

Interest is paid into the Tier 3 member's account. The account currently earns 4.00% interest credit on the member's accumulated account balance as of June 30th of the previous year. The member's account may be credited with additional interest if the fund's five-year Geometric Average Net Investment Return (GANIR) exceeded 4.00%. If the member was actively employed and participating in the fiscal year, and if KPPA's GANIR for the previous five years exceeds 4.00%, then the member's account will be credited with 75.00% of the amount of returns over 4.00% on the account balance as of June 30th of the previous year (Upside Sharing Interest). It is possible that one fund in KPPA may get an Upside Sharing Interest, while another may not.

Local government participating employers are required to contribute an actuarially determined rate for CERS pension contributions, per the Kentucky Revised Statute Section 78.545(33). The CERS Board of Trustees establishes the employer contribution rate based on Kentucky Revised Statute section 78.454(33) each year following the annual actuarial valuation as of July 1 and prior to July 1 of the succeeding fiscal year for local governments in Kentucky. House Bill 362 passed during the 2018 legislative session, which caps CERS employer contribution rate increases up to 12% per year over the prior fiscal year for the period of July 1, 2018 to June 30, 2028.

For the fiscal years ended June 30, 2022, participating employers contributed 26.95% (21.17% pension fund and 5.78% insurance fund) for the non-hazardous system of each employee's creditable compensation and 44.33% (33.86% pension fund and 10.47% insurance fund) for the hazardous system of each employee's creditable compensation. The actuarially determined rates set by the Board for the fiscal years was a percentage of each employee's creditable compensation. Contributions to the pension fund (excluding the insurance portion) from the City were \$504,858 for the year ended June 30, 2022.

NOTE 6 - PENSION PLAN (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the City reported a liability of \$5,800,223 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year end, June 30, 2021, using generally accepted accounting principles. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At June 30, 2022, the City's proportion for the non-hazardous system was 0.020378% and for the hazardous system was 0.169072%, which was an increase of 0.001074% and 0.012296% from its proportion measured for the non-hazardous and hazardous systems, respectively, as of June 30, 2021.

For the year ended June 30, 2022, the City recognized pension expense of \$459,855. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 139,041	\$ 12,610
Net Difference Between Projected and Actual Earnings on Plan Investments	-	656,358
Changes of Assumptions	73,654	-
Changes In Proportion and Difference Between Employer Contributions and Proportionate Share of Contributions	335,166	156,444
Contributions After Measurement Date	<u>504,858</u>	<u>-</u>
Total	<u>\$ 1,052,719</u>	<u>\$ 825,412</u>

The \$504,858 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years Ending June 30,</u>	
2023	\$ (17,718)
2024	(35,638)
2025	(54,745)
2026	<u>(169,450)</u>
Total	<u>\$ (277,551)</u>

NOTE 6 - PENSION PLAN (Continued)

Actuarial assumptions: The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial methods and assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2020
Experience Study	July 1, 2013 – June 30, 2018
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Pay Amortization Method
Remaining Amortization Period	30 years, Closed
Asset Valuation Method	20% of the Difference Between the Market Value of Assets and the Expected Actuarial Value of Assets is Recognized
Inflation	2.30%
Payroll Growth Rate	2.00%
Salary Increase	3.30 to 10.30%, Varies by Service for Non-hazardous; 3.55% to 19.05%, Varies by Service for Hazardous
Investment Rate of Return	6.25% Net of Pension Plan Investment Expense, Including Inflation

There have been no actuarial assumption or method changes since June 30, 2020. Senate Bill 169 passed during the 2021 legislative session increased the disability benefits for certain qualifying members who become "totally and permanently disabled" in the line of duty or as a result of a duty-related disability. The total pension liability as of June 30, 2021, is determined using these updated benefit provisions.

The mortality table used for active members was a PUB-2010 General Mortality table with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010. The mortality table used for healthy retired members was a system-specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2020. The mortality table used for the disabled members was PUB-2010 Disabled Mortality table, with a 4-year set-forward for both male and female rates, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010.

The long-term (10-year) expected rates of return were determined by using a building block method in which best estimated ranges of expected future real rates of return were developed for each asset class. The ranges were combined by weighting the expected future real rate of return by the target asset allocation percentage.

NOTE 6 - PENSION PLAN (Continued)

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
Growth		
US Equity	21.75 %	5.70 %
Non-US Equity	21.75	6.35
Private Equity	10.00	9.70
Specialty Credit/High Yield	15.00	2.80
Liquidity		
Core Bonds	10.00	0.00
Cash	1.50	(0.60)
Diversifying Strategies		
Real Estate	10.00	5.40
Real Return	10.00	4.55
Total	100.00 %	

Discount rate: The single discount rate used to measure the total pension liability was 6.25%. The single discount rate was based on the expected rate of return on pension plan investments for the system. Based on the stated assumptions and the projection of cash flows as of each fiscal year ending, the pension plan's fiduciary net position and future contributions were projected to be sufficient to finance all the future benefit payments of the current plan member. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability for the system.

The projections of cash flows used to determine the single discount rate must include an assumption regarding actual employer contributions made each future year. Future contributions are projected assuming that each participating employer in CERS contributes the actuarially determined employer contribution each future year calculated in accordance with the current funding policy, as most recently revised by House Bill 8, passed during the 2021 Legislative Session. The assumed future employer contributions for CERS reflect the provisions of House Bill 362 (passed during the 2018 legislative session) which limit the increases to the employer contribution rates to 12% over the prior fiscal year through June 30, 2028.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate: The following presents the City's proportionate share of the net pension liability using the discount rate of 6.25%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Non-Hazardous	\$ 1,666,359	\$ 1,299,257	\$ 995,489
Hazardous	\$ 5,737,106	\$ 4,500,966	\$ 3,493,517

Changes of assumptions: There were no changes in actuarial assumptions for the June 30, 2021 valuation date.

NOTE 6 - PENSION PLAN (Continued)**Other Information about the Pension Plan**

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's fiduciary net position is available in the separately issued Kentucky Public Pensions Authority Annual Comprehensive Financial Report on the KPPA website at www.kyret.ky.gov.

Deferred Compensation Plan

The City also participates in a 401(k)-plan administered by the Kentucky Employees Deferred Compensation Authority. All payments to the Authority are payroll withheld. The City does not contribute to the plan for any employee.

NOTE 7 - OPEB PLAN**General Information About the OPEB Plan**

Plan description: County Employees Retirement System consists of two plans, Non-Hazardous and Hazardous. Each plan is a cost-sharing multiple-employer defined benefit OPEB plan administered by the Kentucky Public Pensions Authority (KPPA) under the provisions of Kentucky Revised Statute Section 78.782 and 61.645. The plan was formerly administered by the Kentucky Retirement System (KRS). However, during the 2020 Legislative Session, House Bill 484 was passed establishing a new governance structure for the agency that operates the system. Effective April 1, 2021, KRS as an agency of the Commonwealth became known as the KPPA. The plan covers all regular full-time members employed in non-hazardous and hazardous duty positions of each participating county, city, and any additional eligible local agencies electing to participate in CERS.

Benefits provided: The KRS' Insurance Fund was established to provide hospital and medical insurance for eligible members receiving benefits from CERS. The eligible non-Medicare retirees are covered by the Department of Employee Insurance (DEI) plans. The Board contracts with Humana to provide health care benefits to the eligible Medicare retirees through a Medicare Advantage Plan. KPPA submits the premium payments to DEI and Humana. The Insurance Plan pays a prescribed contribution for whole or partial payment of required premiums to purchase hospital and medical insurance.

The amount of contribution paid by the Insurance Fund is based on years of service. For members who began participating prior to July 1, 2003, a percentage of the contribution rate is paid based on years of service with 100% of the contribution rate being paid with 20 years of service. Since the passage of House Bill 290 (2004 Kentucky General Assembly), medical insurance benefits are calculated differently for members who began participating on or after July 1, 2003. Once members reach a minimum vesting period of 10 years, non-hazardous employees whose participation began on or after July 1, 2003, earn \$10 per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. Hazardous employees whose participation began on or after July 1, 2003 earn \$15 per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. Upon death of a hazardous employee, the employee's spouse receives \$10 per month for insurance benefits for each year of the deceased employee's earned hazardous service. This dollar amount is subject to adjustment annually, which is currently 1.5% based upon Kentucky Revised Statutes. House Bill 1 (2008 Kentucky General Assembly) changed the minimum vesting requirement for participation in the health insurance plan to 15 years for members whose participation began on or after September 1, 2008. This benefit is not protected under the inviolable contract provisions of Kentucky Revised Statutes 16.652, 61.692, and 78.852. The Kentucky General Assembly reserves the right to suspend or reduce this benefit if, in its judgment, the welfare of the Commonwealth so demands. The Insurance Plan pays 100% of the contribution rate for hospital and medical insurance premiums for the spouse and dependents of retired hazardous members who dies as a direct result of an act in the line of duty or from a duty-related injury.

NOTE 7 - OPEB PLAN (Continued)

For members participating prior to July 1, 2003, years of service and respective percentages of the maximum contribution are as follows:

Portion Paid by Insurance Fund	
Years of Service	Paid by Insurance Fund (%)
20 + Years	100.00%
15 - 19 Years	75.00%
10 - 14 Years	50.00%
4 - 9 Years	25.00%
Less Than 4 Years	0.00%

Contributions: The employee contribution rate is set by state statute. Plan members who began participating prior to September 1, 2008 are required to contribute 5.00% (non-hazardous) or 8.00% (hazardous) of their annual creditable compensation. These members are classified in the Tier 1 structure of benefits. Interest is paid each June 30th on members' accounts at a rate of 2.50%. If a member terminates employment and applies to take a refund, the member is entitled to a full refund of contributions and interest.

Tier 2 plan members, who began participating on or after September 1, 2008, and before January 1, 2014 are required to contribute 6.00% (non-hazardous) or 9.00% (hazardous) of their annual creditable compensation. Further, 1.00% of these contributions are deposited to an account created for the payment of health insurance benefits under 26 USC section 401(h) in the Insurance Fund. These members were classified in the Tier 2 structure of benefits. Interest is paid each June 30th on members' accounts at a rate of 2.50%. If a member terminates employment and applies to take a refund, the member is entitled to a full refund of contributions and interest; however, the 1.00% contribution to the 401(h) account is non-refundable and is forfeited.

Tier 3 plan members who began participating on or after January 1, 2014, are required to contribute to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan. Members contribute 5.00% (non-hazardous) or 8.00% (hazardous) of their monthly creditable compensation which is deposited into their account, and an additional 1.00% which is deposited to an account created for payment of health insurance benefits under 26 USC Section 401(h) in the Insurance Fund, which is not refundable. Tier 3 member accounts are also credited with an employer pay credit in the amount of 4.00% (non-hazardous) or 7.50% (hazardous) of the members monthly creditable compensation. The employer pay credit amount is deducted from the total employer contribution rate paid on the member's monthly creditable compensation.

Interest is paid into the Tier 3 member's account. The account currently earns 4.00% interest credit on the member's accumulated account balance as of June 30th of the previous year. The member's account may be credited with additional interest if the fund's five-year Geometric Average Net Investment Return (GANIR) exceeded 4.00%. If the member was actively employed and participating in the fiscal year, and if KPPA's GANIR for the previous five years exceeds 4.00%, then the member's account will be credited with 75.00% of the amount of returns over 4.00% on the account balance as of June 30th of the previous year (Upside Sharing Interest). It is possible that one fund in KPPA may get an Upside Sharing Interest, while another may not.

NOTE 7 - OPEB PLAN (Continued)

Local government participating employers are required to contribute an actuarially determined rate for CERS pension contributions, per the Kentucky Revised Statute Section 78.545(33). The CERS Board of Trustees establishes the employer contribution rate based on Kentucky Revised Statute section 78.454(33) each year following the annual actuarial valuation as of July 1 and prior to July 1 of the succeeding fiscal year for local governments in Kentucky. House Bill 362 passed during the 2018 legislative session, which caps CERS employer contribution rate increases up to 12% per year over the prior fiscal year for the period of July 1, 2018 to June 30, 2028.

For the fiscal years ended June 30, 2022, participating employers contributed 26.95% (21.17% pension fund and 5.78% insurance fund) for the non-hazardous system of each employee's creditable compensation and 44.33% (33.86% pension fund and 10.47% insurance fund) for the hazardous system of each employee's creditable compensation. The actuarially determined rates set by the Board for the fiscal years was a percentage of each employee's creditable compensation. Contributions to the insurance fund (excluding the pension portion) from the City were \$152,184 for the year ended June 30, 2022.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, the City reported a liability of \$1,757,089 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. The total OPEB liability was rolled-forward from the valuation date to the plan's fiscal year end, June 30, 2021, using generally accepted actuarial principles. The City's proportion of the net OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At June 30, 2022, the City's proportion for the non-hazardous system was 0.020374% and for the hazardous system was 0.169071% which was an increase of 0.001076% and 0.012345% from its proportion measured for the non-hazardous and hazardous systems, respectively, as of June 30, 2021.

For the year ended June 30, 2022, the City recognized OPEB expense of \$121,430. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 104,053	\$ 263,527
Net Difference Between Projected and Actual Earnings on Plan Investments	-	318,325
Changes of Assumptions	446,233	874
Changes In Proportion and Difference Between Employer Contributions and Proportionate Share of Contributions	98,320	126,047
Contributions After Measurement Date	152,184	-
Total	\$ 800,790	\$ 708,773

NOTE 7 - OPEB PLAN (Continued)

The \$152,184 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending June 30,	
2023	\$ (60,026)
2024	(3,488)
2025	3,910
2026	(43,441)
2027	42,878
Total	<u>\$ (60,167)</u>

Actuarial assumptions: The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial methods and assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2020
Experience Study	July 1, 2013 – June 30, 2018
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Payroll Amortization Method
Amortization Period	30 Years, Closed
Asset Valuation Method	20% of the Difference Between the Market Value of Assets and the Expected Actuarial Value of Assets is Recognized
Inflation	2.30%
Payroll Growth Rate	2.00%
Salary Increase	3.30% to 10.30%, Varies by Services for Non-Hazardous; 3.05% to 19.05%, Varies by Service for Hazardous
Investment Rate of Return	6.25%
Healthcare Cost Trend Rates (Pre-65)	Initial Trend Starting at 6.25% at January 1, 2021 and Gradually Decreasing to an Ultimate Trend Rate of 4.05% Over a Period of 13 Years. The 2020 Premiums were Known at the Time of the Valuation and were Incorporated into the Liability Measurement.
Healthcare Cost Trend Rates (Post-65)	Initial Trend Starting at 5.50% at January 1, 2021 and Gradually Decreasing to an Ultimate Trend Rate of 4.05% Over a Period of 14 Years. The 2020 Premiums were Known at the Time of the Valuation and were Incorporated into the Liability Measurement.
Mortality Pre-retirement	PUB-2010 General Mortality Table, for the Non-Hazardous Systems, Projected with the Ultimate Rates from the MP-2014 Mortality Improvement Scale Using a Base Year of 2010
Post Retirement (non-disabled)	System-Specific Mortality Table Based on Mortality Experience from 2013-2018, Projected with the Ultimate Rates from MP-2014 Mortality Improvement Scale Using a Base Year of 2019.

NOTE 7 - OPEB PLAN (Continued)

Post Retirement (disabled) PUB-2010 Disabled Mortality Table, with a 4-year Set-forward for both Male and Female Rates, Projected With the Ultimate Rates from the MP-2014 Mortality Improvement Scale Using a Base Year of 2010

Senate Bill 249 passed during the 2020 legislative session changed the funding period for the amortization of the unfunded liability to 30 years as of June 30, 2019. Gains and losses incurring in future years will be amortized over separate 20-year amortization bases. This change does not impact the calculation of the Total OPEB Liability and only impacts the calculation of the contribution rates that were payable starting July 1, 2020.

Senate Bill 169 passed during the 2021 legislative session and increased the disability benefits for certain qualifying members who become "totally and permanently disabled" in the line of duty or as a result of a duty-related disability. The total OPEB liability as of June 30, 2021, is determined using these updated benefit provisions.

The long-term expected return on plan assets was determined by using a building-block method in which best-estimate ranges of expected future real returns are developed for each asset class. The ranges are combined by weighting the expected future real rate of return by the target asset allocation percentage.

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 Nominal Return
Growth		
US Equity	21.75 %	5.70 %
Non-US Equity	21.75	6.35
Private Equity	10.00	9.70
Specialty Credit/High Yield	15.00	2.80
Liquidity		
Core Bonds	10.00	-
Cash	1.50	(0.60)
Diversifying Strategies		
Real Estate	10.00	5.40
Real Return	10.00	4.55
Total	<u>100.00 %</u>	

NOTE 7 - OPEB PLAN (Continued)

Discount rate: The single discount rate used to measure the total OPEB liability was 5.20% for nonhazardous and 5.05% for hazardous. The single discount rate was based on the expected rate of return on the OPEB plan investments of 6.25% and a municipal bond rate of 1.92%, as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of June 28, 2021. Based on the stated assumptions and the projection of cash flows as of each fiscal year ended, the plan's insurance fiduciary net position and future contributions were projected to be sufficient to finance the future benefit payments of the current plan members. Therefore, the long-term expected rate of return on Insurance Plan investments was applied to all period of the projected benefit payments paid from the retirement plan. However, the cost associated with the implicit subsidy is not currently being included in the calculation of the system's actuarial determined contributions, and it is understood that any cost associated with the implicit subsidy will not be paid out of the plan's trust. Therefore, the municipal bond rate was applied to future expected benefit payments associated with the implicit subsidy.

The projection of cash flows used to determine the single discount rate must include an assumption regarding future employer contributions made each year. Future contributions are projected assuming that each participating employer in each insurance plan contributes the actuarially determined employer contribution each future year calculated in accordance with the current funding policy, as most recently revised by House Bill 8, passed during the 2021 legislative session. The assumed future employer contributions reflect the provisions of House Bill 362 (passed during the 2018 legislative session) which limit the increases to the employer contribution rates to 12% over the prior fiscal year through June 30, 2028.

Sensitivity of the City's proportionate share of the net OPEB liability to changes in the discount rate: The following presents the City's proportionate share of the net OPEB liability, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.20% for non-hazardous and 4.05% for hazardous) or 1-percentage-point higher (6.20% for non-hazardous and 6.05% for hazardous) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Non-Hazardous	\$ 535,536	\$ 390,050	\$ 270,655
Hazardous	\$ 1,981,948	\$ 1,367,039	\$ 872,996

Sensitivity of the City's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates: The following presents the City's proportionate share of the net OPEB liability, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
Non-Hazardous	\$ 280,790	\$ 390,050	\$ 521,929
Hazardous	\$ 895,759	\$ 1,367,039	\$ 1,944,246

NOTE 7 - OPEB PLAN (Continued)

Changes of assumptions: There were no changes in actuarial assumptions for the June 30, 2021 valuation date.

OPEB plan fiduciary net position: Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued Kentucky Public Pensions Authority Annual Comprehensive Financial Report on the KPPA website at www.kyret.ky.gov.

NOTE 8 - RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The City has obtained insurance coverage through a commercial insurance company. In addition, the City has effectively managed risk through various employee education and prevention programs. All risk general liability management activities are accounted for in the General Fund. Expenditures and claims are recognized when probable that a loss has occurred and the amount of loss can be reasonably estimated.

The City Attorney estimates that the amount of actual or potential claims against the City as of June 30, 2022 will not materially affect the financial condition of the City. Therefore, the General Fund contains no provision for estimated claims. No claim has exceeded insurance coverage amounts in the past three fiscal years.

NOTE 9 - CLAIMS AND JUDGEMENTS

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

NOTE 10 - TRANSFER OF FUNDS

The following transfers were made during the year.

From Fund	To Fund	Purpose	Amount
General	Municipal Road Aid	To fund road projects	\$ 125,000

NOTE 11 - RISKS AND UNCERTAINTIES – COVID-19 OUTBREAK

In 2020, the World Health Organization announced a global health emergency, later classified as a global pandemic as a result of the COVID-19 outbreak. The outbreak and response have impacted financial and economic markets across the World and within the United States of America. The full impact continues to evolve and as such, it is uncertain as to the full magnitude that the pandemic will have on the City’s financial condition, liquidity, and future results of operations. Management is actively monitoring the possible effects on every aspect of the City.

REQUIRED SUPPLEMENTARY INFORMATION

**DRAFT
FOR DISCUSSION
PURPOSES ONLY**

CITY OF TAYLOR MILL, KENTUCKY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (WITH VARIANCES)
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues	\$ 5,812,842	\$ 5,812,842	\$ 6,051,976	\$ 239,134
Expenditures				
General Government	1,073,219	1,125,178	1,091,429	33,749
Police	1,515,866	1,726,910	1,495,295	231,615
Fire	1,426,739	1,771,809	1,657,381	114,428
Public Works	560,086	593,326	572,324	21,002
Parks and Recreation	111,285	123,450	82,721	40,729
Senior Services	5,150	5,150	1,258	3,892
Community Events	25,050	26,475	20,860	5,615
Debt Service				
Principal	74,729	74,729	74,729	-
Interest	3,193	3,193	3,193	-
Capital Outlay	887,820	767,500	510,751	256,749
Total Expenditures	5,683,137	6,217,720	5,509,941	707,779
Excess (Deficit) of Revenues Over Expenditures	129,705	(404,878)	542,035	946,913
Other Financing Sources (Uses)				
Proceeds From Sale of Assets	-	-	6,307	6,307
Transfers Out	(125,000)	(125,000)	(125,000)	-
Total Other Financing (Uses) Sources	(125,000)	(125,000)	(118,693)	6,307
Net Change in Fund Balances	4,705	(529,878)	423,342	953,220
Fund Balance July 1, 2021	5,858,737	5,858,737	5,858,737	-
Fund Balance June 30, 2022	\$ 5,863,442	\$ 5,328,859	\$ 6,282,079	\$ 953,220

**CITY OF TAYLOR MILL, KENTUCKY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (WITH VARIANCES)
MUNICIPAL ROAD AID FUND
YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget (Unfavorable) Favorable</u>
	<u>Original</u>	<u>Final</u>		
Revenues	\$ 684,380	\$ 667,250	\$ 131,140	\$ (536,110)
Expenditures				
Streets	<u>798,220</u>	<u>500,000</u>	<u>276,014</u>	<u>223,986</u>
Excess (Deficit) of Revenues Over Expenditures	(113,840)	167,250	(144,874)	(760,096)
Other Financing Sources				
Operating Transfers In	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>	<u>-</u>
Net Change in Fund Balances	11,160	292,250	(19,874)	(760,096)
Fund Balance July 1, 2021	<u>440,987</u>	<u>440,987</u>	<u>440,987</u>	<u>-</u>
Fund Balance June 30, 2022	<u>\$ 452,147</u>	<u>\$ 733,237</u>	<u>\$ 421,113</u>	<u>\$ (760,096)</u>

CITY OF TAYLOR MILL, KENTUCKY
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2022

County Employees Retirement System
Last 10 Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's Proportion of the Net Pension Liability								
Non-Hazardous	0.020378%	0.019304%	0.018846%	0.021346%	0.020929%	0.020230%	0.020110%	0.019727%
Hazardous	0.169072%	0.156776%	0.164816%	0.182247%	0.214109%	0.241189%	0.251290%	0.245706%
City's Proportionate Share of the Net Pension Liability								
Non-Hazardous	\$ 1,299,257	\$ 1,480,601	\$ 1,325,447	\$ 1,300,037	\$ 1,225,039	\$ 995,726	\$ 864,635	\$ 640,018
Hazardous	4,500,966	4,726,841	4,552,705	4,407,565	4,790,214	4,138,657	3,857,568	2,952,956
Total City's Proportionate Share of the Net Pension Liability	<u>\$ 5,800,223</u>	<u>\$ 6,207,442</u>	<u>\$ 5,878,152</u>	<u>\$ 5,707,602</u>	<u>\$ 6,015,253</u>	<u>\$ 5,134,383</u>	<u>\$ 4,722,203</u>	<u>\$ 3,592,974</u>
City's Covered Payroll	\$ 1,534,448	\$ 1,410,421	\$ 1,416,335	\$ 1,662,183	\$ 1,688,874	\$ 1,746,950	\$ 1,754,629	\$ 1,698,952
City's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	378.00%	440.11%	415.03%	343.38%	356.17%	293.91%	269.13%	211.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability - Non-Hazardous	57.33%	47.81%	50.45%	53.54%	53.32%	55.50%	59.97%	66.80%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability - Hazardous	52.26%	44.11%	46.63%	49.26%	49.78%	53.95%	57.52%	63.46%

**Only eight years of information available. Additional years' information will be displayed as it becomes available.*

**CITY OF TAYLOR MILL, KENTUCKY
SCHEDULE OF THE CITY'S PENSION CONTRIBUTIONS
JUNE 30, 2022**

**County Employees Retirement System
Last 10 Fiscal Years***

<u>Non-Hazardous</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 108,459	\$ 100,460	\$ 95,433	\$ 77,414	\$ 76,645	\$ 71,084	\$ 59,918	\$ 60,048	\$ 62,302
Contributions in Relation to the Contractually Required Contribution	(108,459)	(100,460)	(95,433)	(77,414)	(76,645)	(71,084)	(59,918)	(60,048)	(62,302)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered Payroll	\$ 512,321	\$ 520,516	\$ 494,470	\$ 477,685	\$ 529,054	\$ 509,565	\$ 482,433	\$ 469,244	\$ 453,673
Contributions as a Percentage of Covered Payroll	21.17%	19.30%	19.30%	16.21%	14.49%	13.95%	12.42%	12.80%	13.73%
<u>Hazardous</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 396,399	\$ 304,788	\$ 275,334	\$ 233,348	\$ 251,657	\$ 256,028	\$ 256,191	\$ 271,572	\$ 270,957
Contributions in Relation to the Contractually Required Contribution	(396,399)	(304,788)	(275,334)	(233,348)	(251,657)	(256,028)	(256,191)	(271,572)	(270,957)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered Payroll	\$ 1,170,698	\$ 1,013,932	\$ 915,951	\$ 938,650	\$ 1,133,129	\$ 1,179,309	\$ 1,264,517	\$ 1,285,385	\$ 1,245,279
Contributions as a Percentage of Covered Payroll	33.86%	30.06%	30.06%	24.86%	22.21%	21.71%	20.26%	21.13%	21.76%

*Only nine years of information available. Additional years' information will be displayed as it becomes available.

**CITY OF TAYLOR MILL, KENTUCKY
NOTES TO SCHEDULE OF THE CITY'S PENSION CONTRIBUTIONS
JUNE 30, 2022**

NOTE 1 - ACTUARIAL ASSUMPTIONS

The actuarially determined contribution effective for fiscal year ended 2021 that are documented in the schedule of the City's pension contributions, were calculated as of June 30, 2019. Separate contribution rates are determined for the non-hazardous fund and the hazardous fund based on the liabilities associated with the current active members, former inactive members, and members receiving benefits from each respective fund, as well as the separately maintained asset balance for each fund.

Based on the June 30, 2019 actuarial valuation report (as amended by Senate Bill 249, passed during the 2020 legislative session), the actuarial methods and assumptions used to calculate the required contributions are below:

Determined by the Actuarial Valuation as of:	June 30, 2019
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	20% of the difference between the market value of assets and the expected actuarial value of assets is recognized
Amortization Method:	Level Percent of Pay
Amortization Period:	30-year, closed period at June 30, 2019, gains/losses incurring after 2019 will be amortized over separate closed 20-year amortization bases.
Payroll Growth:	2.00%
Investment Return:	6.25%
Inflation:	2.30%
Salary Increase:	3.30% to 10.30%, for non-hazardous members, varies by service. 3.55% to 19.05% for hazardous members, varies by service.
Mortality:	System-specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019.
Phase-in Provision:	Board certified rate is phased into the actuarially determined rate in accordance with HB 362 enacted in 2018.

CITY OF TAYLOR MILL, KENTUCKY
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
JUNE 30, 2022

County Employees Retirement System
Last 10 Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
City's Proportion of the Net OPEB Liability					
Non-Hazardous	0.020374%	0.019298%	0.018841%	0.021345%	0.020929%
Hazardous	0.169071%	0.156726%	0.164783%	0.182259%	0.214109%
City's Proportionate Share of the Net OPEB Liability					
Non-Hazardous	\$ 390,050	\$ 465,988	\$ 316,897	\$ 378,976	\$ 420,744
Hazardous	<u>1,367,039</u>	<u>1,448,314</u>	<u>1,219,163</u>	<u>1,299,433</u>	<u>1,769,979</u>
Total City's Proportionate Share of the Net OPEB Liability	<u>\$ 1,757,089</u>	<u>\$ 1,914,302</u>	<u>\$ 1,536,060</u>	<u>\$ 1,678,409</u>	<u>\$ 2,190,723</u>
City's Covered Payroll	\$ 1,534,448	\$ 1,410,421	\$ 1,416,335	\$ 1,662,183	\$ 1,688,874
City's Proportionate Share of the Net OPEB Liability as a Percentage of Its Covered Payroll	114.51%	135.73%	108.45%	100.98%	129.72%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability - Non-Hazardous	62.91%	51.67%	60.44%	57.62%	52.39%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability - Hazardous	66.81%	58.84%	64.44%	64.24%	58.99%

**Only five years of information available. Additional years' information will be displayed as it becomes available.*

**CITY OF TAYLOR MILL, KENTUCKY
SCHEDULE OF THE CITY'S OPEB CONTRIBUTIONS
JUNE 30, 2022**

**County Employees Retirement System
Last 10 Fiscal Years***

<u>Non-Hazardous</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 29,612	\$ 24,777	\$ 23,537	\$ 25,105	\$ 24,878
Contributions in Relation to the Contractually Required Contribution	<u>(29,612)</u>	<u>(24,777)</u>	<u>(23,537)</u>	<u>(25,105)</u>	<u>(24,878)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 512,321	\$ 520,516	\$ 494,470	\$ 477,685	\$ 529,054
Contributions as a Percentage of Covered Payroll	5.78%	4.76%	4.76%	5.26%	4.70%
<u>Hazardous</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 122,572	\$ 96,526	\$ 87,198	\$ 98,371	\$ 105,990
Contributions in Relation to the Contractually Required Contribution	<u>(122,572)</u>	<u>(96,526)</u>	<u>(87,198)</u>	<u>(98,371)</u>	<u>(105,990)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 1,170,698	\$ 1,013,932	\$ 915,951	\$ 938,650	\$ 1,133,129
Contributions as a Percentage of Covered Payroll	10.47%	9.52%	9.52%	10.48%	9.35%

**Only five years of information available. Additional years' information will be displayed as it becomes available.*

**CITY OF TAYLOR MILL, KENTUCKY
 NOTES TO SCHEDULE OF THE CITY'S OPEB CONTRIBUTIONS
 JUNE 30, 2022**

NOTE 1 – ACTUARIAL ASSUMPTIONS

The actuarially determined contribution effective for fiscal year ended 2021 that are documented in the schedule of the City's OPEB contributions, were calculated as of June 30, 2019. Separate contribution rates are determined for the non-hazardous fund and the hazardous fund based on the liabilities associated with the current active members, former inactive members, and members receiving benefits from each respective fund, as well as the separately maintained asset balance for each fund.

Based on the June 30, 2019 actuarial valuation report (as amended by Senate Bill 249, passed during the 2020 legislative session), the actuarial methods and assumptions used to calculate the required contributions are below:

Determined by the Actuarial Valuation as of:	June 30, 2019
Actuarial Cost Method:	Entry Age Normal
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Amortization Method:	Level Percent of Pay
Amortization Period:	30-year, closed period at June 30, 2019, gains/losses incurring after 2019 will be amortized over separate closed 20-year amortization bases.
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Investment Return:	6.25%
Inflation:	2.30%
Salary Increase:	3.30% to 10.30%, for non-hazardous members, varies by service. 3.55% to 19.05% for hazardous members, varies by service.
Mortality:	System-specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019.
Healthcare Trend Rates:	
Pre-65:	Initial trend starting at 6.25% at January 1, 2021, and gradually decreasing to an ultimate trend rate of 4.05% over a period of 13 years. The 2020 premiums were known at the time of the valuation and were incorporated into the liability measurement.
Post-65:	Initial trend starting at 5.50% at January 1, 2021, and gradually decreasing to an ultimate trend rate of 4.05% over a period of 14 years. The 2020 premiums were known at the time of the valuation and were incorporated into the liability measurement.
Phase-in Provision:	Board certified rate is phased into the actuarially determined rate in accordance with HB 362 enacted in 2018.

REQUIRED REGULATORY INFORMATION

**DRAFT
FOR DISCUSSION
PURPOSES ONLY**

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

Honorable Mayor and
Members of City Commission
City of Taylor Mill, Kentucky
Taylor Mill, Kentucky

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the City of Taylor Mill, Kentucky (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Taylor Mill, Kentucky's basic financial statements, and have issued our report thereon dated ____, 2022.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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 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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

VonLehman & Company Inc.

Fort Wright, Kentucky
____, 2022

DRAFT
FOR DISCUSSION
ONLY

_____, 2022

Honorable Mayor, Management and
Members of the City Commission
City of Taylor Mill, Kentucky
Taylor Mill, Kentucky

In planning and performing our audit of the financial statements of the City of Taylor Mill, Kentucky (the City) for the year ended June 30, 2022, we considered the City's internal controls in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

During our audit, we became aware of matters that are an opportunity for strengthening internal controls and operating efficiency. This letter summarizes our comments and suggestion regarding this matter. We previously reported on the City's internal controls in our report dated _____, 2022. This letter does not affect our report dated _____, 2022 on the financial statements of the City of Taylor Mill, Kentucky.

Bank Deposits

The City is required to have its deposits either entirely insured and/or collateralized with securities held by the financial institution on the City's behalf. During audit procedures, it was noted that the City had bank deposits which were not fully insured or collateralized. We recommend the City ensure that all of their deposits are appropriately insured or collateralized.

Budget

The City does not budget for transfers out of the General Fund and transfers into the Municipal Road Aid Fund as a separate line item. During the audit, it was noted that these were budgeted for; however, the detail for transfers out of the General Fund was budgeted as capital improvements and the transfers into the Municipal Road Aid Fund was budgeted as revenue for that fund. We recommend that these be included as a separate line item on the approved budget to be in line with the City's financial reporting.

We have already discussed this matter with City management. We will be pleased to discuss this matter in further detail at your convenience, to perform any additional study of this matter or to assist you in implementing the recommendation.

VonLehman & Company Inc.