



**Van Gorder, Walker & Co., Inc.**  
Certified Public Accountants

Charles A. Van Gorder, CPA  
Lori A. Owen, CPA  
John R. Chamberlin, CPA, MBA  
Members of AICPA & KyCPA  
Licensed in Kentucky & Ohio

## INDEPENDENT AUDITOR'S REPORT

**To the Honorable Mayor and  
Members of the Council of the  
City of Cold Spring, Kentucky**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, and each major fund of the City of Cold Spring, Kentucky, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

#### ***-Management's Responsibility for the Financial Statements***

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

#### ***-Auditor's Responsibility***

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

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

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



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**-Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the City of Cold Spring, Kentucky as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

**-Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis* on pages 4-8, the budgetary comparison schedules on pages 35-37, and the pension disclosure on pages 38-41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 14, 2020 on our consideration of the City of Cold Spring, Kentucky's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Cold Spring, Kentucky's internal control over financial reporting and compliance.

*Van Gorder, Walker & Co., Inc.*

Van Gorder, Walker, & Co., Inc.  
Erlanger, Kentucky  
February 14, 2020

<b>CITY OF COLD SPRING, KENTUCKY</b> <b>BUDGETARY COMPARISON SCHEDULE - BUDGET TO ACTUAL - GENERAL FUND</b> <b>For the Year Ended June 30, 2019</b>
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	Budgeted Amounts			Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Revisions	Final		
<b>Budgetary fund balance, July 1</b>	\$ 5,844,673	\$ -	\$ 5,844,673	\$ 6,803,630	\$ 958,957
<b>Resources (inflows)</b>					
Property taxes	978,000	-	978,000	1,003,794	25,794
Licenses/permits	156,050	-	156,050	180,836	24,786
Intergovernmental	98,543	-	98,543	103,762	5,219
Fines and forfeitures	6,000	-	6,000	7,085	1,085
Charges for services	303,232	-	303,232	341,639	38,407
Parks, trees and recreation	1,200	-	1,200	2,882	1,682
Other	1,985,200	-	1,985,200	2,463,703	478,503
<b>Amounts available for appropriation</b>	<b>9,372,898</b>	<b>-</b>	<b>9,372,898</b>	<b>10,907,331</b>	<b>1,534,433</b>
<b>Charges to appropriations (outflows)</b>					
General government	991,615	-	991,615	882,069	109,546
Police	1,332,360	-	1,332,360	1,226,906	105,454
Public works	488,843	-	488,843	460,742	28,101
Enterprises	33,200	-	33,200	21,981	11,219
Parks, trees and recreation	55,900	-	55,900	46,592	9,308
Capital expenditures	240,500	-	240,500	176,387	64,113
<b>Total charges to appropriations</b>	<b>3,142,418</b>	<b>-</b>	<b>3,142,418</b>	<b>2,814,677</b>	<b>327,741</b>
Proceeds from capital lease	-	-	-	-	-
Transfer from (to) other fund	-	-	-	-	-
<b>Budgetary fund balance, June 30</b>	<b>\$ 6,230,480</b>	<b>\$ -</b>	<b>\$ 6,230,480</b>	<b>\$ 8,092,654</b>	<b>\$ 1,862,174</b>

**CITY OF COLD SPRING, KENTUCKY**  
**BUDGETARY COMPARISON SCHEDULE - BUDGET TO ACTUAL -**  
**MUNICIPAL AID ROAD FUND**  
**For the Year Ended June 30, 2019**

	Budgeted Amounts			Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Revisions	Final		
<b>Budgetary fund balance, July 1</b>	\$ 101,613	\$ (84,017)	\$ 17,596	\$ (122,080)	\$ (139,676)
<b>Resources (inflows)</b>					
Other income	20	-	20	760	740
Intergovernmental	116,870	-	116,870	117,132	262
<b>Amounts available for appropriation</b>	<u>218,503</u>	<u>(84,017)</u>	<u>134,486</u>	<u>(4,188)</u>	<u>(138,674)</u>
<b>Charges to appropriations (outflows)</b>					
Municipal road fund	179,414	-	179,414	45,638	133,776
Construction	497,086	-	497,086	18,263	478,823
Debt service	25,000	-	25,000	232,237	(207,237)
<b>Total charges to appropriations</b>	<u>701,500</u>	<u>-</u>	<u>701,500</u>	<u>296,138</u>	<u>405,362</u>
<b>Transfer from General Fund</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Budgetary fund balance, June 30</b>	<u>\$ (482,997)</u>	<u>\$ (84,017)</u>	<u>\$ (567,014)</u>	<u>\$ (300,326)</u>	<u>\$ 266,688</u>

**CITY OF COLD SPRING, KENTUCKY**  
**BUDGETARY COMPARISON SCHEDULE - BUDGET TO ACTUAL -**  
**STORM SEWER FUND**  
**For the Year Ended June 30, 2019**

	Budgeted Amounts			Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Revisions	Final		
<b>Budgetary fund balance, July 1</b>	\$ (205)	\$ 283,953	\$283,748	\$ 466,166	\$ 182,418
<b>Resources (inflows)</b>					
Commercial fees	175,300	-	175,300	181,163	5,863
Residential fees	73,400	-	73,400	77,112	3,712
Application fees	-	-	-	-	-
<b>Amounts available for appropriation</b>	<u>248,495</u>	<u>283,953</u>	<u>532,448</u>	<u>724,441</u>	<u>191,993</u>
<b>Charges to appropriations (outflows)</b>					
Storm sewer expense	<u>217,829</u>	<u>-</u>	<u>217,829</u>	<u>176,678</u>	<u>41,151</u>
<b>Total charges to appropriations</b>	<u>217,829</u>	<u>-</u>	<u>217,829</u>	<u>176,678</u>	<u>41,151</u>
<b>Transfer out</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Budgetary fund balance, June 30</b>	<u>\$ 30,666</u>	<u>\$ 283,953</u>	<u>\$314,619</u>	<u>\$ 547,763</u>	<u>\$ 233,144</u>



City of Cold Spring  
Audit Report – year ending 6/30/2019

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The City of Cold Spring audit report is published in compliance with KRS 91A.040(6). You can find the Auditor's Opinion Letter and Budgetary Comparison Schedules online at [www.coldspringky.gov](http://www.coldspringky.gov) under the Public Notices page. The entire audit report including financial statements and supplemental information is available for public inspection at the Cold Spring City Building, 5694 E. Alexandria Pk. Cold Spring, KY during normal business hours. Citizens may obtain a copy of the complete audit report at a cost of ten cents per page