

**CITY OF WATTERSON PARK, KENTUCKY**  
**FINANCIAL STATEMENTS**  
**WITH REPORT OF INDEPENDENT AUDITOR**  
**YEAR ENDED JUNE 30, 2025**

CITY OF WATTERSON PARK, KENTUCKY

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council  
City of Watterson Park, Kentucky

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund, of the City of Watterson Park, Kentucky, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Watterson Park, Kentucky's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the City of Watterson Park, Kentucky as of June 30, 2025, and the respective changes in financial position for the City of Watterson Park, Kentucky for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Watterson Park, Kentucky and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Watterson Park, Kentucky's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City of Watterson Park, Kentucky's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Watterson Park, Kentucky's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 January 5, 2026 on our consideration of the City of Watterson Park, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Watterson Park, Kentucky's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Watterson Park, Kentucky's internal control over financial reporting and compliance.

*Cobb & Associates PLLC*

COBB & ASSOCIATES PLLC  
Louisville, Kentucky

January 5, 2026

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Our discussion and analysis of the City of Watterson Park, Kentucky's (the City) financial performance provides an overview of the City's financial activities for the year ended June 30, 2025. Please read it in conjunction with the City's financial statements, which begin on page 11.

### **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 11-12) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending, if applicable. 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.

### **Reporting the City as a Whole**

#### **The Statement of Net Position and the Statement of Activities**

Our analysis of the City as a whole begins on page 11. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in them. You can think of the City's net position – the difference between assets and liabilities – as one way to measure the City's health, or financial position. Over time, increases and decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall health of the City.

Most of the City's basic services are reported here, including general administration, police, street maintenance, and recreation. Property taxes and insurance premium taxes finance most of the activities.

## **Reporting the City's Most Significant Funds**

### **Fund Financial Statements**

Our analysis of the City's major funds begins on page 14. The fund financial statements provide detailed information about the governmental fund. Most of the City's basic services are reported in the governmental fund, which focuses on how money flows into and out of the fund and the balance left over at year-end that is available for spending. This fund is reported using the accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The government fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and Statement of Activities) and governmental fund in reconciliation on page 17.

### **FINANCIAL COMPARISONS**

The following condensed financial information has been derived from the government-wide financial statements for the fiscal years ending June 30, 2025 and 2024. The two-year comparisons are organized in the following:

Statement of Net Position  
Revenues  
Expenditures  
Excess/Deficiency of Revenues over Expenditures  
Change in Net Position  
Capital Assets

#### **Statement of Net Position**

Total net position increased \$603,058 during the year ending June 30, 2025. One method used to determine the City's financial health in the short term is to compare current assets to current liabilities. Current assets exceed current liabilities by \$1,816,905. This indicator clearly points out that the City has sufficient capacity to service its current debt. This number represents the "book value" of the city.

**FINANCIAL COMPARISONS (CONTINUED)**

	<u>2024</u>	<u>2025</u>	<b>Positive (Negative) Variance</b>
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 277,108	\$ 711,740	\$ 434,632
Cash and Cash Equivalents, Restricted	54,750	73,560	18,810
Short Term Investments	2,776,169	932,518	(1,843,651)
Prepaid Expenses	8,041	15,410	7,369
Property Taxes Receivable	-	-	-
Accrued Interest Receivable	26,343	36,503	10,160
Insurance Premium Tax Receivable	119,511	127,639	8,128
Total Current Assets	<u>3,261,922</u>	<u>1,897,370</u>	<u>(1,364,552)</u>
Noncurrent Assets:			
Property Taxes Receivable	4,615	7,831	3,216
Investments	3,169,318	5,227,470	2,058,152
Capital Assets (Net)	2,568,554	2,511,719	(56,835)
Total Noncurrent Assets	<u>5,742,487</u>	<u>7,747,020</u>	<u>2,004,533</u>
Total Assets	<u><u>9,004,409</u></u>	<u><u>9,644,390</u></u>	<u><u>639,981</u></u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	40,399	79,898	39,499
Accrued Payroll Liabilities	530	567	37
Unearned Revenue	2,613	-	(2,613)
Total Current Liabilities	<u>43,542</u>	<u>80,465</u>	<u>36,923</u>
Total Liabilities	<u>43,542</u>	<u>80,465</u>	<u>36,923</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	2,568,554	2,511,719	(56,835)
Restricted for Roads	52,600	73,560	20,960
Unrestricted	6,339,713	6,978,646	638,933
Total Net Position	<u>8,960,867</u>	<u>9,563,925</u>	<u>603,058</u>
Total Liabilities and Net Position	<u><u>\$ 9,004,409</u></u>	<u><u>\$ 9,644,390</u></u>	<u><u>\$ 639,981</u></u>

## FINANCIAL COMPARISONS (CONTINUED)

### Revenues

Total governmental revenues are derived from several sources. However, the two primary sources of revenue are property and insurance taxes and assessments. These two sources represent 73% of the City's total revenues. Property tax revenue was almost identical, showing a slight increase compared with the prior year. Compared with the prior year, total revenues decrease by \$132,632.

	<u>2024</u>	<u>2025</u>	<u>Positive (Negative) Variance</u>
<b>REVENUES</b>			
Property Taxes	\$ 341,334	\$ 361,943	\$ 20,609
Insurance Premium Taxes	611,178	598,847	(12,331)
Franchise Fees	3,118	3,118	-
Investment Income	156,882	208,032	51,150
Net (Decrease)/ Increase in Fair Value of Investments	224,954	108,889	(116,065)
American Rescue Plan Act	78,542	2,613	(75,929)
State Municipal Aid	23,353	20,703	(2,650)
Other Revenue	<u>2,879</u>	<u>5,463</u>	<u>2,584</u>
Total Revenue	<u>\$ 1,442,240</u>	<u>\$ 1,309,608</u>	<u>\$ (132,632)</u>

### Expenditures

Total Governmental expenses increased by \$78,342 compared to the prior year. The two largest program expense increases were public works and sanitation.

	<u>2024</u>	<u>2025</u>	<u>Positive (Negative) Variance</u>
<b>EXPENDITURES</b>			
Governmental Activities:			
General Government	\$ 272,064	\$ 274,511	\$ 2,447
Public Works	132,173	202,854	70,681
Public Safety	93,152	82,758	(10,394)
Sanitation	64,732	77,046	12,314
Road Maintenance	3,125	-	(3,125)
Unallocated Depreciation	<u>62,962</u>	<u>69,381</u>	<u>6,419</u>
Total Expenditures	<u>\$ 628,208</u>	<u>\$ 706,550</u>	<u>\$ 78,342</u>

## FINANCIAL COMPARISONS (CONTINUED)

### Excess / Deficiency of Revenues over Expenses

This information represents the "bottom line" from a revenue-expense standpoint. Revenues exceeded expenses by \$603,058 for 2025 and revenues exceeded expenditures by \$814,032 for 2024.

	<u>2024</u>	<u>2025</u>	<u>Positive (Negative) Variance</u>
Total Revenue	\$ 1,442,240	\$ 1,309,608	\$ (132,632)
Total Expenditures	<u>628,208</u>	<u>706,550</u>	<u>78,342</u>
Change in Net Position	<u>\$ 814,032</u>	<u>\$ 603,058</u>	<u>\$ (210,974)</u>

### Change in Net Position

Another way to view the City's financial condition is Change in Net Position. One is able to address the question; is the City as a whole better off than the prior year? The answer to this question is, yes, the City's ending net position increased by \$603,058.

	<u>2024</u>	<u>2025</u>
Net Position - Beginning of Year	\$ 8,146,835	\$ 8,960,867
Change in Net Position	<u>814,032</u>	<u>603,058</u>
Net Position - End of Year	<u>\$ 8,960,867</u>	<u>\$ 9,563,925</u>

## CAPITAL ASSET ADMINISTRATION

For the year ended June 30, 2025, the City showed a net decrease in capital assets of \$56,835 compared to the previous year. The activity included the purchase of land and infrastructure improvements of \$12,546, and less a depreciation expense of \$69,381 for the year. The City purchased 4.8 acres of land at 1391 Gardiner Lane for \$1.928 million on March 20, 2024. Cash from investments was used to purchase the property and no debt was incurred. The City plans to keep the property as a 'green space' for the residents at this time, but various options will be considered. The City's \$2,511,719 in capital assets consists of land, infrastructure, signage, and equipment.

## CAPITAL ASSET ADMINISTRATION (CONTINUED)

Capital assets activity for the year ended June 30, 2025, is as follows:

	Balance July 1, 2024	Additions	Disposals	Balance June 30, 2025
Governmental activities:				
Land	\$ 2,088,088	\$ 146	\$ -	\$ 2,088,234
Infrastructure	1,092,734	12,400	-	1,105,134
Signage	32,176	-	-	32,176
Equipment	5,920	-	-	5,920
Totals at historical cost	<u>3,218,918</u>	<u>12,546</u>	<u>-</u>	<u>3,231,464</u>
Less accumulated depreciation	<u>(650,364)</u>	<u>(69,381)</u>	<u>-</u>	<u>(719,745)</u>
Net capital assets	<u>\$ 2,568,554</u>	<u>\$ (56,835)</u>	<u>\$ -</u>	<u>\$ 2,511,719</u>

## GENERAL FUND BUDGETARY HIGHLIGHTS

### Revenues

General fund revenues of \$1,285,431 were \$196,431 more than the \$1,089,000 budgeted. Actual revenues were greater than budgeted primarily as a result of positive variances within interest income and increase in fair value of investments.

### Expenditures

General fund expenditures of \$649,714 were \$435,286 less than the \$1,085,000 budgeted.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

It is the opinion of management that most economic indicators point to stable to slight growth. Major revenue sources of property taxes and insurance premium tax are projected to remain stable.

## CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the City's finances and provide accountability for the money it receives. For questions about this report or any additional information, please contact the City Clerk at P.O. Box 35334, Louisville, Kentucky 40232.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**CITY OF WATTERSON PARK, KENTUCKY**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2025**

	<u><b>Governmental Activities</b></u>
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 711,740
Cash and Cash Equivalents, Restricted	73,560
Short Term Investments	932,518
Prepaid Expenses	15,410
Property Taxes Receivable	-
Accrued Interest Receivable	36,503
Insurance Premium Tax Receivable	127,639
Total Current Assets	<u>1,897,370</u>
Noncurrent Assets:	
Property Taxes Receivable	7,831
Investments	5,227,470
Capital Assets (Net)	2,511,719
Total Noncurrent Assets	<u>7,747,020</u>
Total Assets	<u><u>9,644,390</u></u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	79,898
Accrued Payroll Liabilities	567
Total Current Liabilities	<u>80,465</u>
Total Liabilities	<u>80,465</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	2,511,719
Restricted for Roads	73,560
Unrestricted	6,978,646
Total Net Position	<u>9,563,925</u>
Total Liabilities and Net Position	<u><u>\$ 9,644,390</u></u>

See accompanying notes to financial statements

**CITY OF WATTERSON PARK, KENTUCKY  
STATEMENT OF NET ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Operating Grants</u>	<u>Net (Expense) Revenue and Changes in Net Position Primary Governmental Activities</u>
PRIMARY GOVERNMENT:			
Governmental Activities:			
General Government	\$ 274,511	\$ -	\$ (274,511)
Public Works	202,854	-	(202,854)
Public Safety	82,758	-	(82,758)
Sanitation	77,046	-	(77,046)
Road Maintenance	-	20,703	20,703
Unallocated Depreciation	69,381	-	(69,381)
Total Governmental Activities	<u>706,550</u>	<u>20,703</u>	<u>(685,847)</u>
Total Primary Government	<u>\$ 706,550</u>	<u>\$ 20,703</u>	<u>\$ (685,847)</u>
General Revenues:			
Property Taxes		\$	361,943
Insurance Premium Taxes			598,847
Franchise Fees			3,118
Investment Income			208,032
Net Increase in Fair Value of Investments			108,889
American Rescue Plan Act			2,613
Other Revenue			<u>5,463</u>
Total General Revenues			<u>1,288,905</u>
Change in Net Position			603,058
Net Position - Beginning of Year			<u>8,960,867</u>
Net Position - June 30, 2025		\$	<u><u>9,563,925</u></u>

See accompanying notes to financial statements

## **FUND FINANCIAL STATEMENTS**

**CITY OF WATTERSON PARK, KENTUCKY**  
**BALANCE SHEET**  
**JUNE 30, 2025**

	<b>General Fund</b>	<b>Municipal Road Aid Fund</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 711,740	\$ 73,560	\$ 785,300
Investments	6,159,988	-	6,159,988
Insurance Premium Taxes Receivable	127,639	-	127,639
Property Taxes Receivable	-	-	-
Accrued Interest Receivable	36,503	-	36,503
Prepaid Expenses	15,410	-	15,410
Total Assets	\$ 7,051,280	\$ 73,560	\$ 7,124,840
<b>LIABILITIES AND FUND BALANCE</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 79,898	\$ -	\$ 79,898
Accrued Payroll Liabilities	567	-	567
Total Liabilities	80,465	-	80,465
<b>FUND BALANCE</b>			
Restricted for:			
Road Maintenance	-	73,560	73,560
Nonspendable	15,410	-	15,410
Unassigned, reported in:			
General Fund	6,955,405	-	6,955,405
Total Fund Balance	6,970,815	73,560	7,044,375
Total Liabilities and Fund Balance	\$ 7,051,280	\$ 73,560	\$ 7,124,840

See accompanying notes to financial statements

**CITY OF WATTERSON PARK, KENTUCKY  
RECONCILIATION OF THE BALANCE SHEET GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2025**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total Fund Balance	\$	7,044,375
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		2,511,719
Taxes receivable in the statement of net position are reported on using the accrual basis of accounting whereas the balance sheet-governmental funds reflects the modified accrual basis. This is the difference between the two methods.		<u>7,831</u>
Net Position of Governmental Activities	\$	<u><u>9,563,925</u></u>

See accompanying notes to financial statements

**CITY OF WATTERSON PARK, KENTUCKY**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<u>General Fund</u>	<u>Municipal Road Aid Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>			
Property Taxes	\$ 358,726	\$ -	\$ 358,726
Insurance Premium Taxes	598,847	-	598,847
State Municipal Aid	-	20,703	20,703
Franchise Fees	3,118	-	3,118
Investment Income	207,775	257	208,032
Net Increase in Fair Value of Investmen	108,889	-	108,889
American Rescue Plan Act	2,613	-	2,613
Other Revenue	5,463	-	5,463
Total Revenue	<u>1,285,431</u>	<u>20,960</u>	<u>1,306,391</u>
<b>EXPENDITURES</b>			
Governmental Activities:			
General Government	274,511	-	274,511
Public Works	202,854	-	202,854
Public Safety	82,758	-	82,758
Sanitation	77,046	-	77,046
Capital Expenditures	12,545	-	12,545
Total Expenditures	<u>649,714</u>	<u>-</u>	<u>649,714</u>
Change in Fund Balance	635,717	20,960	656,677
Fund balances-Beginning of Year	<u>6,335,098</u>	<u>52,600</u>	<u>6,387,698</u>
Fund balances-June 30, 2025	<u>\$ 6,970,815</u>	<u>\$ 73,560</u>	<u>\$ 7,044,375</u>

See accompanying notes to financial statements

**CITY OF WATTERSON PARK, KENTUCKY**  
**RECONCILIATION OF THE NET CHANGE IN FUND BALANCES GOVERNMENTAL FUNDS**  
**TO THE GOVERNMENTAL ACTIVITIES CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2025**

Net change in fund balances - Total Governmental Funds	\$	656,677
Amounts reported for governmental activities in the Statement of Activities are different because:		
Taxes receivable in the governmental activities are reported using the accrual basis of accounting whereas the governmental funds reflects the modified accrual basis. This is the difference between the two methods.		3,216
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:		
Capital asset purchases capitalized		12,546
Depreciation expense		(69,381)
		<u>(53,619)</u>
Change in Net Position of Governmental Activities	\$	<u><u>603,058</u></u>

See accompanying notes to financial statements

**CITY OF WATTERSON PARK, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Watterson Park, Kentucky (the City) have been prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting and reporting policies and practices used by the City are described below.

FINANCIAL REPORTING ENTITY

The City operates under a Mayor-Council form of government and provides sanitation, public works, police protection, and general administrative services to its taxpayers. The City is classified as a home rule-class city. The City's basic financial statements include the accounts of all City operations. The City is the primary government unit and does not include any other component unit within its financial statements.

FUND FINANCIAL STATEMENTS

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, receipts and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The City has presented the following major governmental funds:

- General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
  
- Municipal Road Aid Fund - The Municipal Road Aid Fund is used to account for all expenses incurred in connection with the city streets, street signs and entrances to the City. Kentucky municipal aid monies are deposited into the Municipal Aid Fund bank account. These funds are restricted to road construction, repairs and maintenance.

The City considers all of its funds to be major funds.

**CITY OF WATTERSON PARK, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2025**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Currently, the City does not engage in any business-type activities.

The statement of activities presents direct expenses, which are clearly identifiable with a specific function or segment. Taxes and other revenue items are reported as general revenues.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized and accrued as soon as they are both measurable and available to finance operations during the year, and those not susceptible to accrual are recorded when cash is received. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes, insurance premium taxes, grants, and interest are all considered to be susceptible to accrual and have been recognized as revenues in the current fiscal year. All other revenue items are considered recorded as revenue when the funds have been received.

BUDGETARY ACCOUNTING

The budget information reflected in the budgetary comparison schedule is the annual budget adopted by the City in accordance with the provisions of Kentucky law. It is presented to the Council in the form of an ordinance and may be amended by subsequent ordinance or by municipal order.

**CITY OF WATTERSON PARK, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2025**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

BUDGETARY COMPARISON SCHEDULE

As required by generally accepted governmental accounting principles, the budgetary comparison schedule has been prepared in the same general form as the legally adopted budget and is presented using the modified accrual basis of accounting. Its format varies somewhat from the Statement of Revenues, Expenditures and Changes in Fund Balances on page 16.

COMPONENT UNITS

There are no governmental component units incorporated in the basic government-wide financial statements. A component unit is a legally separate entity that is included in the primary government's financial reporting entity using the criteria of the Government Accounting Standards Board.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in demand deposits. For purposes of these financial statements, the City considers as cash equivalents all highly liquid investments with a maturity of three months or less when purchased and are readily convertible to cash.

Generally, the City's investing activities are managed under the custody of the City Treasurer. Investing is performed in accordance with investment policies complying with state statutes and the City Charter. City funds may be invested in: (1) obligations of the United States and its agencies and instrumentalities, (2) obligations of any corporation of the United States government, (3) certificates of deposits in institutions insured by the Federal Deposit Insurance Corporation, and (4) bonds or certificates of indebtedness of the Commonwealth of Kentucky.

The City's policy is to maintain its deposits with financial institutions insured by the Federal Deposit Insurance Corporation (FDIC). Any deposits in excess of FDIC coverage limits are to be collateralized with bank pledged securities in the City's name.

INVESTMENTS

Investments are recorded at estimated fair value as of June 30, 2025.

RECEIVABLES AND PAYABLES

The City bills the property taxes in October of each year. The City requires liens to be placed on properties for delinquent taxes not paid by the subsequent January 1st. Accounts receivable for delinquent property taxes include penalties and interest. The City has placed liens on all the delinquent accounts and expects to collect all the amounts due.

**CITY OF WATTERSON PARK, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

INSURANCE PREMIUM TAXES

The City's tax rate assessed on insurance premiums is 5%. The tax is assessed on non-health, non-worker's compensation insurance and first year life insurance premiums.

CAPITAL ASSETS

The accounting and reporting treatment applied to capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental fund statements and capitalized (recorded and accounted for) in the government-wide statement or net position at cost.

The City's policy for spending restricted resources is to allocate disbursements to restricted funds to the extent such disbursements were budgeted to be paid from restricted funds.

Effective for the year ended June 30, 2004, the City is required to implement GASB Statement Number 34. One of the requirements of GASB 34 is to capitalize and depreciate infrastructure expenditures and other capital assets. The City elected to implement this standard prospectively, as it related to the capitalization of infrastructure and land expenditures. The valuation basis for general capital assets are historical costs, or where historical cost is not available, estimated historical cost based on replacement cost.

Repairs and maintenance are recorded as expenditures; renewals and betterments are capitalized.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method in the government-wide financial statements. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the respective balance sheet. The City capitalizes assets with a cost over \$1,000.

The estimated useful life of various classes of capital assets are as follows:

Infrastructure	15 years
Signage	7-10 years
Equipment	5 years
Street striping	3 years

**CITY OF WATTERSON PARK, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

NET POSITION

Net position is the difference between assets and liabilities. Net position is restricted when constraints are placed on net position use either externally imposed by creditors, grantors or contributors or regulations of governments, or imposed by law.

The City's policy is to use restricted assets according to budgeted amounts.

FUND EQUITY

The Government Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes for governmental fund financial statements.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

1. *Nonspendable*, such as fund balance associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. *Restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation,
3. *Committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City Council,
4. *Assigned* fund balance classification is intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and
5. *Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

EXPENDITURES/EXPENSES

In the government-wide financial statements, expenses are classified by function. In the fund financial statements, governmental funds are classified by character and function. In the fund financial statements, governmental funds report expenditures of financial resources.

The City's policy for spending restricted resources is to allocate disbursements to restricted funds to the extent such disbursements were budgeted to be paid from restricted funds.

**CITY OF WATTERSON PARK, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amount of cash and cash equivalents, receivables, and payables approximate their fair market values as of June 30, 2025.

COMPENSATED ABSENCES

City policy does not provide for any compensation for absences such as sick, vacation, or holiday pay.

USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in conformity with generally accepted accounting principles requires City’s management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of receipts and expenditures during the reporting period. Actual results could differ from those estimates.

**NOTE 2 - CASH AND CASH EQUIVALENTS**

Cash and cash equivalents are recorded at cost (which equals market value) and consists of the following at June 30, 2025:

	General Fund	Municipal Road Aid Fund	Total
Cash and cash equivalents	\$ 254,197	\$ -	\$ 254,197
Money market	3,021	73,560	76,581
Broker accounts (with sweep) with interest at 4.29% per annum	454,522	-	454,522
	\$ 711,740	\$ 73,560	\$ 785,300

The recorded values of the City’s cash and cash equivalent deposits approximate their values. The cash and cash equivalent deposits up to \$250,000 are covered by the Federal Deposit Insurance Corporation (FDIC). Kentucky law requires all uninsured cash deposits to be collateralized by the financial institution.

**CITY OF WATTERSON PARK, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

**NOTE 3- INVESTMENTS**

SHORT-TERM INVESTMENTS

Short-term investments consist of the following General Fund investments which have short-term maturities (due by June 30, 2026):

		<u>Cost</u>		<u>Fair Value</u>
Negotiable Certificates of Deposit	\$	942,128	\$	932,518

Investments consist of the following General Fund investments which have non-current maturities:

		<u>Cost</u>		<u>Fair Value</u>
Negotiable Certificates of Deposit	\$	4,996,083	\$	4,933,881
Government Securities		<u>295,111</u>		<u>293,589</u>
Total Non-Current Investments	\$	5,291,194	\$	5,227,470

Investments (with non-current maturities) have the following maturities at June 30, 2025:

		<u>2-5 Years</u>
Negotiable Certificates of Deposit	\$	4,933,881
Government Securities		<u>293,589</u>
Total Non-Current Investments	\$	5,227,470

Investments are reported at estimated fair value using fair market value. The fair value increased by \$108,889 during the year ended June 30, 2025 and is reflected as net increase in fair value of investments on the statement of activities and on the statement of revenues, expenditures and changes in fund balances- governmental funds.

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City minimizes its exposure to interest rate risk by limiting the investment horizon to ten years or less for a majority of its investments.

The City's negotiable certificates of deposit and government securities held by two brokerage companies total \$6,159,988. The amount covered by FDIC is \$6,159,988. Kentucky law requires all uninsured cash deposits to be collateralized by the financial institution.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer.

**CITY OF WATTERSON PARK, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2025**

**NOTE 3- INVESTMENTS (CONTINUED)**

Investments are reflected in the financial statements at fair value. The cost of those investments are disclosed for comparative purposes. Investments are considered Level 1 assets or Level 2 assets, the hierarchy of which is described below:

Level 1: Quoted prices are available in active markets for identical assets or liabilities as of the measurement date. A quoted price for an asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.

Level 2: Pricing inputs other than quoted prices in active markets, which are either directly or indirectly observable as of the measurement date. The nature of these securities include investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed.

Level 3: Securities that have little to no pricing observability as of the measurement date. These securities are measured using management’s best estimate of fair value.

The following table sets forth by level, within the hierarchy, the City’s assets measured at fair value on a recurring basis as of June 30, 2025:

		Assets at Fair Value as of June 30, 2025			
		Level 1	Level 2	Level 3	Total
Negotiable Certificates of Deposit	\$	-	\$ 5,866,399	\$ -	\$ 5,866,399
Government Securities		293,589	-	-	293,589
Total Non-Current Investments	\$	293,589	\$ 5,866,399	\$ -	\$ 6,159,988

**NOTE 4- CAPITAL ASSETS AND DEPRECIATION**

Capital assets activity for the year ended June 30, 2025, is as follows:

	Balance July 1, 2024	Additions	Disposals	Balance June 30, 2025
Governmental activities:				
Land	\$ 2,088,088	\$ 146	\$ -	\$ 2,088,234
Infrastructure	1,092,734	12,400	-	1,105,134
Signage	32,176	-	-	32,176
Equipment	5,920	-	-	5,920
Totals at historical cost	3,218,918	12,546	-	3,231,464
Less accumulated depreciation	(650,364)	(69,381)	-	(719,745)
Net capital assets	\$ 2,568,554	\$ (56,835)	\$ -	\$ 2,511,719

**CITY OF WATTERSON PARK, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

**NOTE 4- CAPITAL ASSETS AND DEPRECIATION (CONTINUED)**

The cost and accumulated depreciation for each asset category at June 30, 2025 is as follows:

	Cost	Accumulated Depreciation	Net
Land	\$ 2,088,234	\$ -	\$ 2,088,234
Infrastructure	1,105,134	687,535	417,599
Signage	32,176	26,290	5,886
Equipment	5,920	5,920	-
	\$ 3,231,464	\$ 719,745	\$ 2,511,719

**NOTE 5 - PROPERTY TAXES**

Property tax revenue is recorded in the General Fund and includes delinquent taxes and accrued penalties and interest. Property taxes receivable that is recorded in the government-wide financial statements include all deemed collectible property taxes receivable as of June 30, 2025. Property tax receivables that are recorded in the fund financial statements include only those tax receivables which are considered available. The City considers property taxes as available for fund financial statement purposes if they are collected within 60 days after year end.

For the year ended June 30, 2025, the City adopted an ad valorem tax rate of \$.057 per \$100 of assessed valuation of real property (assessed at January 1, 2024). The total assessed value of the property for the year ended June 30, 2025 amounted to \$387,197,560 which resulted in gross taxes of \$220,703. Property taxes are levied in September of each year and are billed in October of each year. The gross tax is due by November 1, 2024. A 1% penalty is charged starting November 2, 2024.

The City adopted a tax rate of \$.05 per \$100 of assessed valuation of personal property (assessed January 1, 2024) which resulted in gross taxes of \$78,764.

The City adopted a tax rate of \$.07 per \$100 of assessed valuation on all motor vehicles and watercraft (assessed at January 1, 2024) which resulted in gross taxes of \$55,333.

**NOTE 6 - RISK MANAGEMENT**

The City is subject to normal insurance risks as other cities of its size. The City carries general liability, public officials insurance coverage, and bond insurance on the City treasurer and mayor. The City has not had any significant reduction in coverage in the past year.

**CITY OF WATTERSON PARK, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

**NOTE 7 - COMMITMENTS**

The City has the following contractual commitments at June 30, 2025:

One year remaining on contract with its waste management contractor which requires monthly payments of \$6,421 for the period July 1, 2025 to June 30, 2026.

Annual agreements with its lawn, landscaping, tree maintenance, and snow removal, contractors. The City paid this contractor approximately \$166,955 during the year ended June 30, 2025.

An annual agreement with its police protection contractor. The City paid this contractor approximately \$82,758 during the year ended June 30, 2025.

**NOTE 8- CONTINGENCIES**

Presently, there is no known pending litigation nor any asserted or unasserted legal claims against the City.

**NOTE 9- RISKS AND UNCERTAINTIES**

The City received American Rescue Plan Act Fund of \$268,754 to provide support in responding to the economic and public health impacts of COVID-19 and to certain impacts in their community, residents, and businesses. At June 30, 2025 the City had expended all funds.

**NOTE 10-MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS**

Management has evaluated subsequent events through January 5, 2026, which is the date the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF WATTERSON PARK, KENTUCKY  
BUDGETARY COMPARISON SCHEDULE- GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Fund balances-Beginning of year	\$ 6,170,000	\$ 6,170,000	\$ 6,335,098	\$ 165,098
<b>REVENUES</b>				
Real Property Taxes	220,000	220,000	220,604	604
Utility Property Taxes	3,500	3,500	3,531	31
Personal Property Taxes	70,000	70,000	79,258	9,258
Personal Property Taxes- Auto	35,000	35,000	55,333	20,333
Interest Income	153,000	153,000	207,775	54,775
Franchise Fees	3,000	3,000	3,118	118
Insurance Premium Taxes	600,000	600,000	598,847	(1,153)
Other	4,500	4,500	5,463	963
Net Increase in Fair Value of Investments	-	-	108,889	108,889
American Rescue Plan Act	-	-	2,613	2,613
Total Revenue	<u>1,089,000</u>	<u>1,089,000</u>	<u>1,285,431</u>	<u>196,431</u>
Total Available Resources	7,259,000	7,259,000	7,620,529	361,529
<b>EXPENDITURES</b>				
General Government	262,000	262,000	274,511	12,511
Public Works:				
General Public Works	168,000	168,000	202,854	34,854
Urban Forestry Program	60,000	60,000	-	(60,000)
Maintenance/Repair of Existing Roadways, Sidewalks, etc.	100,000	100,000	-	(100,000)
Construction/Reconstruction of Roadways, Sidewalks, etc.	300,000	300,000	-	(300,000)
Sanitation and Waste Removal	85,000	85,000	77,046	(7,954)
Public Safety	110,000	110,000	82,758	(27,242)
Capital Expenditures	-	-	12,545	12,545
Total Expenditures	<u>1,085,000</u>	<u>1,085,000</u>	<u>649,714</u>	<u>(435,286)</u>
Net Change in Fund Balance	<u>4,000</u>	<u>4,000</u>	<u>635,717</u>	<u>631,717</u>
Fund balances-June 30, 2025	<u>\$ 6,174,000</u>	<u>\$ 6,174,000</u>	<u>\$ 6,970,815</u>	<u>\$ 796,815</u>

See accompanying notes to financial statements

**CITY OF WATTERSON PARK, KENTUCKY**  
**BUDGETARY COMPARISON SCHEDULE- MUNICIPAL AID ROAD FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Fund balances-Beginning of year	\$ 55,000	\$ 55,000	\$ 52,600	\$ (2,400)
<b>REVENUES</b>				
Intergovernmental Revenues	23,000	23,000	20,703	(2,297)
Interest Income	-	-	257	257
Total Revenue	<u>23,000</u>	<u>23,000</u>	<u>20,960</u>	<u>(2,040)</u>
Total Available Resources	78,000	78,000	73,560	(2,040)
<b>EXPENDITURES</b>				
Maintenance/Repair of Existing Roadways, Sidewalks, etc.	<u>78,000</u>	<u>78,000</u>	<u>-</u>	<u>(78,000)</u>
Total Expenditures	<u>78,000</u>	<u>78,000</u>	<u>-</u>	<u>(78,000)</u>
Net Change in Fund Balance	<u>(55,000)</u>	<u>-</u>	<u>20,960</u>	<u>75,960</u>
Fund balances-June 30, 2025	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,560</u>	<u>\$ 75,960</u>

See accompanying notes to financial statements

# COBB & ASSOCIATES PLLC

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

Mayor and City Council  
City of Watterson Park, 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, each major fund, and the aggregate remaining fund information of the City of Watterson Park, Kentucky, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Watterson Park, Kentucky's basic financial statements and have issued our report thereon dated January 5, 2026.

### Internal Control over Financial Reporting

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Watterson Park, Kentucky’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Cobb & Associates PLLC*

COBB & ASSOCIATES PLLC  
Louisville, Kentucky

January 5, 2026