

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the remaining aggregate fund information of the City of Bellevue, Kentucky, as of and for the year ended June 30, 2021, 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.

-Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund and the remaining aggregate fund information of the City of Bellevue, Kentucky as of June 30, 2021 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 3-6, the budgetary comparison schedules on pages 43-44, and the pension and other post-employment benefits disclosures on pages 45-48 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. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

-Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The combining special revenue funds, proprietary funds, and non-major governmental funds financial statements are supplementary information and are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2022 on our consideration of the City of Bellevue, 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 Bellevue, 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 the City of Bellevue, Kentucky's internal control over financial reporting and compliance.

Chamberlin Owen & Co., Inc.

Chamberlin Owen & Co., Inc.

Erlanger, Kentucky
February 2, 2022

CITY OF BELLEVUE, KENTUCKY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
For the Year Ended June 30, 2021

Revenues	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
From local sources:				
Property	\$ 1,665,960	\$ 1,665,960	\$ 1,667,530	\$ 1,570
Motor vehicle	116,145	116,145	144,629	28,484
Utilities	193,134	193,134	208,820	15,686
Insurance premium license	921,622	921,622	960,453	38,831
Payroll tax	1,287,222	1,287,222	1,437,737	150,515
Other license, permits, and fees	212,690	212,690	272,585	59,895
Earnings on investments	6,500	6,500	3,968	(2,532)
Fines and penalties	27,400	27,400	35,528	8,128
Charges for services	430,543	430,543	430,437	(106)
Other local revenue	40,000	40,000	27,764	(12,236)
Intergovernmental - local	60,598	60,598	153,226	92,628
Intergovernmental - state	71,880	71,880	66,715	(5,165)
Intergovernmental - federal	875,400	875,400	178,351	(697,049)
Total Revenues	5,909,094	5,909,094	5,587,743	(321,351)
Expenditures				
Administrative and legislative				
Salaries and benefits	536,260	561,790	548,493	13,297
Other	362,529	357,241	334,721	22,520
Police department				
Salaries and benefits	1,454,721	1,506,234	1,464,876	41,358
Other	126,400	111,366	92,147	19,219
Public works department				
Salaries and benefits	343,021	353,223	338,788	14,435
Other	455,750	481,502	438,492	43,010
Special appropriations				
Bellevue/Dayton fire dept. allotment	933,522	933,522	933,522	-
Other	248,900	262,200	175,627	86,573
FEMA - landslide	1,000,000	1,000,000	12,716	987,284
Capital outlay	-	-	-	-
Total Expenditures	5,461,103	5,567,078	4,339,382	1,227,696
Excess (Deficiency) of Revenues Over (Under) Expenditures	447,991	342,016	1,248,361	906,345
Other Financing Sources (Uses)				
Operating transfers in	-	-	500,000	500,000
Operating transfers (out)	(691,000)	(838,450)	(838,450)	-
Total Other Financing Sources (Uses)	(691,000)	(838,450)	(338,450)	500,000
Excess (Deficit) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(243,009)	(496,434)	909,911	1,406,345
Fund Balance, Beginning of Year	3,194,597	3,194,597	3,194,597	-
Fund Balance, End of Year	\$ 2,951,588	\$ 2,698,163	\$ 4,104,508	\$ 1,406,345

The full set of audited financial statements is available from the City Clerk, Bellevue City Hall, 616 Poplar Street, Bellevue, Kentucky 41073.