

November 2, 2021

To the Mayor and City Administrator
City of Ft. Wright, Kentucky
409 Kyles Lane
Ft. Wright, Kentucky 41011

In planning and performing our audit of the financial statements of the City of Ft. Wright, Kentucky for the year ended June 30, 2021, we considered internal control to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. However, as a result of observations made during our audit, we offer the following:

Current Year Recommendations

1) Budget Line-Item Grouping for Revenue Accounts

Criteria – Generally Accepted Governmental Accounting Standards (GAGAS) require that the governmental *Statement of Revenues, Expenditures and Changes in Fund Balance* include revenue account groups for the following categories:

- Taxes
- License and permits
- Intergovernmental
- Charges for services
- Fines and forfeitures
- Uses of money and property
- Other revenues

Condition – The City budgets individual line items very well; but does not “roll-up” the revenue line items into distinguishable revenue account groups in the categories detailed above.

Cause – The auditor has made the determination to classify the revenue into the above groups for the City’s financial statements.

Potential Effect – Lack of control over financial reporting of budgeted revenues.

Recommendation – The City should consider a simple “roll-up” of its individual revenue budget line items into the categories listed above.

Management Comments –

This letter is solely for the use of the Mayor and the City Administrator of the City of Ft. Wright and should not be used for any other purpose. Thank you for allowing us to be of service to the City of Ft. Wright, Kentucky.

Chamberlin Owen & Co., Inc.

Chamberlin Owen & Co., Inc.
Erlanger, Kentucky