

McIntyre & Wooldridge, PSC
Certified Public Accountants

3103 Breckenridge Lane, Suite 3
Louisville, Kentucky 40220
502/493-9373 or 493-9374 (fax)

Independent Auditor's Report

The Honorable Mayor and
Commissioners of the City of
Strathmoor Manor, 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 Strathmoor Manor, Kentucky as of and for the year ended June 30, 2017, 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 opinions 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 of America. 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 risk 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 and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Independent Auditor's Report (continued)**Opinions**

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 Strathmoor Manor, Kentucky at June 30, 2017, and the respective changes in financial position 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 budgetary comparison information on pages 18 and 19 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has required to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Government 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 18, 2018, on our consideration of the City of Strathmoor Manor, Kentucky's internal control over financial reporting and on our test 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 result of that testing and not to provide an opinion on the 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's internal control over financial reporting and compliance.


Louisville, Kentucky
July 18, 2018

CITY OF STRATHMOOR MANOR, KENTUCKY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget (Favorable Unfavorable)</u>
Revenues:			
Property Tax (after discounts and exemptions)	\$ 120,500	\$ 121,746	\$ 1,246
Insurance Premium Tax	46,000	50,368	4,368
Kentucky Intergovernmental Revenue	4,850	4,402	(448)
Telecommunications Tax	1,365	1,365	-
Other	-	179	179
Interest	90	103	13
Total General Fund Budgeted Revenues	172,805	178,163	5,358
Carry Forward Unassigned balance year ended 6/30/2016	<u>172,855</u>	<u>186,676</u>	<u>13,821</u>
General Fund revenues available for appropriation	345,660	364,839	19,179
Expenditures:			
Landscaping, and Lawn and Tree Maintenance	46,000	22,679	23,321
Garbage Collection	28,000	27,918	82
Fire Protection	27,600	25,039	2,561
Police Protection	26,700	26,700	-
Sidewalks and Curbs	20,000	-	20,000
Park Enhancements and Signage	10,500	7,835	2,665
Street Lights-Electric	9,500	9,086	414
Insurance	5,600	5,510	90
Attorney Fees	8,000	6,045	1,955
Bookkeeping	5,100	5,100	-
Audit	4,500	-	4,500
Manor Board and Clerk	3,600	3,600	-
Snow Removal	3,500	600	2,900
General Government	2,700	1,206	1,494
PVA fee	2,100	1,947	153
City Events	1,200	778	422
Total General Fund Budgeted Expenditures	204,600	144,043	60,557
Transfer to Road Fund	<u>2,380</u>	<u>2,348</u>	<u>32</u>
Ending Balance Unappropriated	\$ <u>138,680</u>	\$ <u>218,448</u>	\$ <u>79,768</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STRATHMOOR MANOR, KENTUCKY
BUDGETARY COMPARISON SCHEDULE
ROAD FUND
YEAR ENDED JUNE 30, 2017**

	Original and Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
Revenues:			
Kentucky Municipal Road Aid	\$ 7,800	\$ 6,771	\$ (1,029)
Interest	-	10	10
Total Revenues	7,800	6,781	(1,019)
Transfer from General Fund	2,380	2,348	(32)
Carry forward for Road fund balance year ended June 30, 2016	18,320	17,703	(617)
Road Fund revenues available for appropriation	28,500	26,832	(1,668)
Expenditures:			
Road Repair and Maintenance	(1,000)	-	1,000
Total Road Fund Budgeted Expenditures	(1,000)	-	1,000
Ending Restricted for Road fund balance	\$ 27,500	\$ 26,832	\$ (668)

The accompanying notes are an integral part of these financial statements.