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**FARMDALE SANITATION DISTRICT
FRANKFORT, KY 40601**

FINANCIAL STATEMENTS
JUNE 30, 2018

HARROD & ASSOCIATES, P.S.C.
Certified Public Accountants
FRANKFORT, KENTUCKY 40601

HARROD & ASSOCIATES, P.S.C.

Certified Public Accountants

#2 HMB CIRCLE, SUITE A
FRANKFORT, KENTUCKY 40601

TEL. (502) 695-7300

FAX (502) 695-9125

MEMBER
AMERICAN INSTITUTE OF CPA'S
KENTUCKY SOCIETY OF CPA'S

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
Farmdale Sanitation District
Frankfort, Kentucky 40601

Management is responsible for the accompanying financial statements of Farmdale Sanitation District (a not for profit entity), which comprise the statement of assets, liabilities and net assets – modified cash basis as of June 30, 2018, and the related statement of revenues, expenses, and changes in net assets – modified cash basis for the period then ended, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in the financial statements prepared in accordance with modified cash basis of accounting. If the omitted disclosures were included, they might influence the user's conclusions about the Foundation's assets, liabilities, net assets, revenue and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.



October 5, 2018

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FARMDALE SANITATION DISTRICT
STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS
As of June 30, 2018

Assets

| | 2018 |
|-----------------------------------|----------------------|
| Current Assets | |
| Cash in Operating Account (x0688) | \$ 60,303.55 |
| Cash in Grant Acct (x0578) | 15,007.89 |
| Cash in KIA Account (x0696) | <u>592.08</u> |
| Total Current Assets | <u>75,903.52</u> |
| Property and Equipment | |
| Plant Work in Process- KIA | 272,459.87 |
| Plant Work in Process- EPA | 127,225.00 |
| Coolbrook Area | 1,812.25 |
| Land- EPA | 17,941.00 |
| Land- KIA | 96,990.63 |
| Less Accumulated Depreciation | <u>(302.04)</u> |
| Net Property and Equipment | <u>516,126.71</u> |
| Total Assets | <u>\$ 592,030.23</u> |

Liabilities and Net Assets

| | 2018 |
|---|----------------------|
| Long-Term Liabilities | |
| KIA Loan (A16-084) | 83,265.91 |
| Loan Forgiveness - KIA Loan | (79,104.00) |
| Fiscal Court Loan | <u>30,000.00</u> |
| Total Long-Term Liabilities | <u>34,161.91</u> |
| Net Assets | |
| Unrestricted Net Assets | <u>557,868.32</u> |
| Total Net Assets | <u>557,868.32</u> |
| Total Liabilities and Net Assets | <u>\$ 592,030.23</u> |

See Accountant's Compilation Report
 "Not Audited or Reviewed"

FARMDALE SANITATION DISTRICT
STATEMENT OF REVENUES, EXPENSES AND OTHER CHANGES IN
NET ASSETS - MODIFIED CASH BASIS

| | Quarter Ended 6/30/2018 | Year to Date 6/30/2018 |
|--|--|---|
| REVENUES (INCREASES IN UNRESTRICTED NET ASSETS) | | |
| Sewer Fees | 101,457.12 | 237,256.03 |
| Kentucky KIA Grants | 0.00 | 6,750.00 |
| Federal EPA Grants | 8,250.00 | 16,500.00 |
| Loan Forgiveness - KIA | 23,285.00 | 79,104.00 |
| | <u>132,992.12</u> | <u>339,610.03</u> |
| EXPENSES (DECREASES IN UNRESTRICTED NET ASSETS) | | |
| ADMINISTRATIVE | | |
| Advertising | 837.01 | 837.01 |
| Administrative Fees | 0.00 | 0.20 |
| Bank Charges | 15.00 | 60.00 |
| Interest Expense | 17.77 | 17.77 |
| | <u>869.78</u> | <u>914.98</u> |
| TOTAL ADMINISTRATIVE EXPENSES | | |
| FARMDALE SANITATION | | |
| Bank Charges | 0.00 | 30.00 |
| Insurance | 0.00 | 1,588.24 |
| Office Supplies | 0.00 | 135.84 |
| Professional Fees | 0.00 | 2,294.25 |
| Reimbursements | 0.00 | 50.00 |
| Repairs & Maintenance | 0.00 | 37.98 |
| Utilities | 0.00 | 9,642.66 |
| | <u>0.00</u> | <u>13,778.97</u> |
| TOTAL FARMDALE SANITATION EXPENSES | | |
| COOLBROOK AREA | | |
| Labor | 0.00 | 2,075.00 |
| Monthly Operations | 4,536.26 | 15,036.26 |
| Mowing | 0.00 | 30.00 |
| Professional Fees | 1,543.50 | 7,454.00 |
| Reimbursements | 0.00 | 750.00 |
| Repairs & Maintenance | 22,483.47 | 52,365.93 |
| Supplies | 0.00 | 1,652.83 |
| Utilities | 10,060.73 | 25,024.71 |
| Depreciation | 75.51 | 302.04 |
| | <u>38,699.47</u> | <u>104,690.77</u> |
| TOTAL COOLBROOK AREA EXPENSES | | |
| EDGEWOOD AREA | | |
| Labor | 50.00 | 475.00 |
| Monthly Operations | 4,143.46 | 10,143.46 |
| Professional Fees | 1,628.50 | 7,033.00 |
| Repairs & Maintenance | 15,833.90 | 17,549.27 |
| Supplies | 0.00 | 1,062.55 |
| Utilities | 1,811.18 | 3,028.21 |
| | <u>23,467.04</u> | <u>39,291.49</u> |
| TOTAL EDGEWOOD AREA EXPENSES | | |

See Accountant's Compilation Report

"Not Audited or Reviewed"

**FARMDALE SANITATION DISTRICT
STATEMENT OF REVENUES, EXPENSES AND OTHER CHANGES IN
NET ASSETS - MODIFIED CASH BASIS**

| | Quarter Ended 6/30/2018 | Year to Date 6/30/2018 |
|---|------------------------------------|-----------------------------------|
| EVERGREEN AREA | | |
| Labor | 0.00 | 100.00 |
| Monthly Operations | 750.00 | 2,900.00 |
| Mowing | 0.00 | 60.00 |
| Professional Fees | 85.00 | 853.50 |
| Repairs & Maintenance | 0.00 | 2,192.00 |
| Supplies | 702.89 | 1,618.56 |
| Utilities | 711.52 | 1,758.01 |
| TOTAL EVERGREEN AREA EXPENSES | 2,249.41 | 9,482.07 |
| FARMDALE AREA | | |
| Labor | 50.00 | 175.00 |
| Monthly Operations | 3,607.60 | 10,657.60 |
| Professional Fees | 2,223.50 | 11,380.70 |
| Repairs & Maintenance | 6,867.33 | 9,160.75 |
| Supplies | 0.00 | 163.02 |
| Utilities | 5,818.95 | 14,502.77 |
| TOTAL FARMDALE AREA EXPENSES | 18,567.38 | 46,039.84 |
| FARMGATE AREA | | |
| Monthly Operations | 1,500.00 | 4,500.00 |
| Professional Fees | 471.00 | 1,823.50 |
| Supplies | 0.00 | 638.23 |
| Utilities | 652.34 | 1,430.03 |
| TOTAL FARMGATE AREA EXPENSES | 2,623.34 | 8,391.76 |
| MEADOWBROOK AREA | | |
| Labor | 0.00 | 200.00 |
| Monthly Operations | 750.00 | 2,250.00 |
| Professional Fees | 250.50 | 691.50 |
| Repairs & Maintenance | 797.21 | 847.21 |
| Supplies | 0.00 | 1,085.47 |
| Utilities | 283.17 | 1,019.90 |
| TOTAL MEADOWBROOK AREA EXPENSES | 2,080.88 | 6,094.08 |
| HUNTINGTON WOODS AREA | | |
| Professional Fees | 1,018.50 | 1,018.50 |
| Utilities | 653.64 | 653.64 |
| TOTAL HUNTINGTON WOODS AREA EXPENSES | 1,672.14 | 1,672.14 |
| TOTAL EXPENSES | 90,229.44 | 230,356.10 |
| TOTAL REVENUE OVER EXPENSES | \$ 42,762.68 | \$ 109,253.93 |

See Accountant's Compilation Report

"Not Audited or Reviewed"