

**Strothman and Company**  
*Certified Public Accountants and Advisors*  
1600 Waterfront Plaza  
325 West Main Street  
Louisville, KY 40202  
502 585 1600

April 18, 2017



Mr. William O'Mara  
Commissioner of Finance and Administration  
Department of Finance  
Lexington-Fayette Urban County Government  
200 East Main Street  
Lexington, Kentucky 40507

Dear Bill:

This letter is to confirm our understanding of the services we are to provide for the Fayette County Sheriff for the period April 16, 2016 through April 15, 2017.

We will perform a compilation engagement with respect to information you provide, the annual Sheriff's Settlement – 2016 Taxes (the "Statement") of the Fayette County Sheriff for the period April 16, 2016 through April 15, 2017, and the related notes to the Statement.

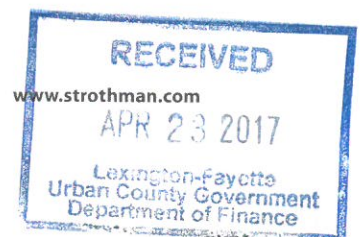
### **Our Responsibilities**

The objective of our engagement is to apply accounting and financial reporting expertise to assist you in the presentation of financial information without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for the Statement to be 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.

We will conduct our compilation engagement in accordance with the Statements on Standards for Accounting and Review Services ("SSARS") promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's *Code of Professional Conduct*, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the Statement.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.



## **Your Responsibilities**

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to assist you in the presentation of the Statement in accordance with modified cash basis of accounting. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

- 1) The selection of the modified basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America, as the financial reporting framework to be applied in the preparation of the Statement.
- 2) The preparation and fair presentation of the Statement in accordance with the modified cash basis of accounting and the inclusion of all informative disclosures that are appropriate for the modified basis of accounting, if applicable.
- 3) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Statement.
- 4) The prevention and detection of fraud.
- 5) To ensure compliance with the laws and regulations applicable to its activities.
- 6) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
- 7) To provide us with—
  - access to all information of which you are aware is relevant to the preparation and fair presentation of the Statement, such as records, documentation, and other matters.
  - additional information that we may request from you for the purpose of the compilation engagement.
  - unrestricted access to persons within the organization of whom we determine it necessary to make inquiries.

## **Our Report**

As part of our engagement, we will issue a report that will state that we did not audit or review the Statement and that, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them. If for any reason, we are unable to complete the compilation of your Statement, we will not issue a report on such statement as a result of this engagement.

You agree to include our accountant's compilation report in any document containing the Statement that indicates that we have performed a compilation engagement on such Statement and, prior to the inclusion of the report, to ask our permission to do so.

## **Other Relevant Information**

William G. Meyer III is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fees for these services will be at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your compilation. Our fees for the services described above will not exceed \$7,900. Our invoices for these fees will be rendered as work progresses. Our policy is that such invoices are payable in thirty days. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

**Strothman and Company**



William G. Meyer III CPA  
Managing Partner

RESPONSE:

This letter correctly sets forth the understanding of the Lexington-Fayette Urban County Government.

\_\_\_\_\_  
Signature:

\_\_\_\_\_  
Title:

\_\_\_\_\_  
Date: