

**REPORT OF THE AUDIT OF THE
BOYLE COUNTY
FISCAL COURT**

**For The Year Ended
June 30, 2024**



**ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS
auditor.ky.gov**

**209 ST. CLAIR STREET
FRANKFORT, KY 40601-1817
TELEPHONE (502) 564-5841
FACSIMILE (502) 564-2912**

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ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS

Independent Auditor's Report

To the People of Kentucky
The Honorable Andy Beshear, Governor
Holly M. Johnson, Secretary
Finance and Administration Cabinet
The Honorable Trille Bottom, Boyle County Judge/Executive
Members of the Boyle County Fiscal Court

Report on the Audit of the Financial Statement

Opinions

We have audited the accompanying Statement of Receipts, Disbursements, and Changes in Fund Balances – Regulatory Basis of the Boyle County Fiscal Court, for the year ended June 30, 2024, and the related notes to the financial statement, which collectively comprise the Boyle County Fiscal Court's financial statement as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the receipts, disbursements, and changes in fund balances – regulatory basis of the Boyle County Fiscal Court, for the year ended June 30, 2024, in accordance with accounting practices prescribed or permitted by the Commonwealth of Kentucky as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Boyle County Fiscal Court, for the year ended June 30, 2024, or the changes in financial position and cash flows thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Fiscal Court Audit Guide* issued by the Auditor of Public Accounts, Commonwealth of Kentucky. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Boyle County Fiscal Court and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



To the People of Kentucky
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Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the Boyle County Fiscal Court on the basis of the accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statement

Boyle County Fiscal Court's management is responsible for the preparation and fair presentation of the financial statement in accordance with accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws. This includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Boyle County Fiscal Court's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit 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 Boyle County Fiscal Court's internal control. Accordingly, no such opinion is expressed.

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Auditor's Responsibilities for the Audit of the Financial Statement (Continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Boyle County Fiscal Court's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement taken as a whole of the Boyle County Fiscal Court. The Budgetary Comparison Schedules are presented for purposes of additional analysis and are not a required part of the financial statement; however, they are required to be presented in accordance with accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws.

The accompanying Budgetary Comparison Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Schedules are fairly stated in all material respects in relation to the financial statement as a whole.

Other Information

Management is responsible for the other information included in this report. The other information is comprised of the schedule of capital assets but does not include the financial statement and our auditor's report thereon. Our opinions on the financial statement do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statement, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statement, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 8, 2025, on our consideration of the Boyle County Fiscal Court'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 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 Boyle County Fiscal Court's internal control over financial reporting and compliance.

Based on the results of our audit, we present the accompanying Schedule of Findings and Responses included herein, which discusses the following report finding:

2024-001 The Boyle County Fiscal Court Failed To Provide Adequate Oversight Over Accounting, Reporting, And Financial Management Practices

Respectfully submitted,



Allison Ball
Auditor of Public Accounts
Frankfort, Ky

July 8, 2025

BOYLE COUNTY OFFICIALS
For The Year Ended June 30, 2024

Fiscal Court Members:

Trille Bottom	County Judge/Executive
Tom V. Ellis	Magistrate
Paula Bodner	Magistrate
Barry Harmon	Magistrate
Jason M. Cullen	Magistrate
James Gay	Magistrate
Steve Sleeper	Magistrate

Other Elected Officials:

Christopher K. Herron	County Attorney
Brian Wofford	Jailer
Casey McCoy	County Clerk
Cortney Shewmaker	Circuit Court Clerk
Taylor Bottom	Sheriff
Lacresha Gibson	Property Valuation Administrator
Eric Guerrant	Coroner

Appointed Personnel:

Darlene Lanham	County Treasurer (July 2023 to May 2024)
Shannon Greene	Interim County Treasurer (May 2024 to present)
Elaina Plyman	Chief Financial Officer
Susanna Ryan	Occupational Tax Administrator/Deputy County Judge/Executive
Julie Wagner	County Administrator

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BOYLE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES - REGULATORY BASIS

For The Year Ended June 30, 2024

BOYLE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES - REGULATORY BASIS

For The Year Ended June 30, 2024

	Budgeted Funds		
	General Fund	Road Fund	Joint Jail Fund
RECEIPTS			
Taxes	\$ 2,102,727	\$	\$
Excess Fees	128,156		
Licenses and Permits	112,518		
Intergovernmental	1,062,136	1,438,118	2,366,596
Charges for Services	10,934		570,551
Miscellaneous	2,326,876	21,780	332,179
Interest	803,154	5,834	1,342
Total Receipts	<u>6,546,501</u>	<u>1,465,732</u>	<u>3,270,668</u>
DISBURSEMENTS			
General Government	4,802,674		
Protection to Persons and Property	172,303		3,854,713
General Health and Sanitation	1,514,859		
Social Services	108,950		
Recreation and Culture	650,438		
Transportation Facility and Services			
Roads		759,876	
Airports	25,264		
Debt Service	149,671		80,592
Capital Projects	544,940	1,043,069	
Administration	3,074,227	285,332	1,382,009
Total Disbursements	<u>11,043,326</u>	<u>2,088,277</u>	<u>5,317,314</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(4,496,825)</u>	<u>(622,545)</u>	<u>(2,046,646)</u>
Other Adjustments to Cash (Uses)			
Transfers From Other Funds	11,378,984	840,022	2,609,210
Transfers To Other Funds	<u>(6,374,878)</u>	<u>(196,400)</u>	<u>(43,554)</u>
Total Other Adjustments to Cash (Uses)	<u>5,004,106</u>	<u>643,622</u>	<u>2,565,656</u>
Net Change in Fund Balance	507,281	21,077	519,010
Fund Balance - Beginning (Restated)	<u>18,687,630</u>	<u>14,841</u>	<u>755,428</u>
Fund Balance - Ending	<u>\$ 19,194,911</u>	<u>\$ 35,918</u>	<u>\$ 1,274,438</u>
Composition of Fund Balance			
Bank Balance	\$ 18,182,743	\$ 63,465	\$ 1,371,652
Plus: Deposits In Transit	287,618		
Less: Outstanding Checks	(100,843)	(27,547)	(97,214)
Certificates of Deposit	<u>825,393</u>		
Fund Balance - Ending	<u>\$ 19,194,911</u>	<u>\$ 35,918</u>	<u>\$ 1,274,438</u>

The accompanying notes are an integral part of the financial statement.

BOYLE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES - REGULATORY BASIS
For The Year Ended June 30, 2024
(Continued)

Budgeted Funds						
Local Government Economic Assistance Fund	Emergency 911 Fund	Boyle Jail Fund	Emergency Medical Services Fund	Fleet Management Fund	County Clerk Storage Fund	Opioid Fund
\$	\$ 28,448	\$	\$	\$	\$	\$
146,336	232,318	30,463	357,636			
			1,983,866	39,965		
			6,575		46,950	182,035
109	32	68	370	8	54	235
146,445	260,798	30,531	2,348,447	39,973	47,004	182,270
					26,708	
	185,123	50,870	3,154,590			
				183,388		
89,355						
22,000	77,062	36,755	1,703,256	31,306		90
111,355	262,185	87,625	4,857,846	214,694	26,708	90
35,090	(1,387)	(57,094)	(2,509,399)	(174,721)	20,296	182,180
		43,554	2,791,945	175,000		
				(2,061)		(41,300)
		43,554	2,791,945	172,939		(41,300)
35,090	(1,387)	(13,540)	282,546	(1,782)	20,296	140,880
78,514	4,665	62,299	183,915	7,953	29,750	120,106
\$ 113,604	\$ 3,278	\$ 48,759	\$ 466,461	\$ 6,171	\$ 50,046	\$ 260,986
\$ 113,604	\$ 3,278	\$ 48,759	\$ 507,780	\$ 6,203	\$ 50,046	\$ 260,986
			(41,319)	(32)		
\$ 113,604	\$ 3,278	\$ 48,759	\$ 466,461	\$ 6,171	\$ 50,046	\$ 260,986

The accompanying notes are an integral part of the financial statement.

BOYLE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES - REGULATORY BASIS
For The Year Ended June 30, 2024
(Continued)

	Budgeted Funds		
	ARPA Fund	Tax Administration Fund	Bond Fund
RECEIPTS			
Taxes	\$	\$ 25,337,148	\$
Excess Fees			
Licenses and Permits			
Intergovernmental			
Charges for Services			
Miscellaneous		163	
Interest	18,232	22,383	
Total Receipts	18,232	25,359,694	
DISBURSEMENTS			
General Government			
Protection to Persons and Property			
General Health and Sanitation			
Social Services			
Recreation and Culture			
Transportation Facility and Services			
Roads			
Airports			
Debt Service			
Capital Projects			
Administration	1,075,655	14,196,426	
Total Disbursements	1,075,655	14,196,426	
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(1,057,423)	11,163,268	
Other Adjustments to Cash (Uses)			
Transfers From Other Funds	2,061		
Transfers To Other Funds		(11,182,583)	
Total Other Adjustments to Cash (Uses)	2,061	(11,182,583)	
Net Change in Fund Balance	(1,055,362)	(19,315)	
Fund Balance - Beginning (Restated)	1,520,455	54,648	
Fund Balance - Ending	\$ 465,093	\$ 35,333	\$ 0
Composition of Fund Balance			
Bank Balance	\$ 465,093	\$ 710,091	\$
Plus: Deposits In Transit			
Less: Outstanding Checks		(674,758)	
Certificates of Deposit			
Fund Balance - Ending	\$ 465,093	\$ 35,333	\$ 0

The accompanying notes are an integral part of the financial statement.

BOYLE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES - REGULATORY BASIS
For The Year Ended June 30, 2024
(Continued)

<u>Budgeted Funds</u>		<u>Unbudgeted Fund</u>	<u>Internal Service Fund</u>	
<u>State/Local Fund</u>	<u>Federal Grants Fund</u>	<u>Jail Commissary Fund</u>	<u>Total Funds</u>	<u>Health Insurance Fund</u>
\$	\$	\$	\$ 27,468,323	\$
			128,156	
			112,518	
			5,633,603	
			2,605,316	
		483,682	3,400,240	2,282,220
			851,821	1,166
		483,682	40,199,977	2,283,386
			4,829,382	
			7,417,599	
			1,514,859	
			108,950	
		396,515	1,046,953	
			183,388	
			849,231	
			25,264	
			230,263	
			1,588,009	
			21,884,118	2,165,365
		396,515	39,678,016	2,165,365
		87,167	521,961	118,021
			17,840,776	
			(17,840,776)	
		87,167	521,961	118,021
		212,873	21,733,077	842,917
\$ 0	\$ 0	\$ 300,040	\$ 22,255,038	\$ 960,938
\$	\$	\$ 304,108	\$ 22,087,808	\$ 999,416
			287,618	
		(4,068)	(945,781)	(38,478)
			825,393	
\$ 0	\$ 0	\$ 300,040	\$ 22,255,038	\$ 960,938

The accompanying notes are an integral part of the financial statement.

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TO THE FINANCIAL STATEMENT**

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**BOYLE COUNTY
NOTES TO FINANCIAL STATEMENT**

June 30, 2024

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The financial statement of Boyle County includes all budgeted and unbudgeted funds under the control of the Boyle County Fiscal Court. Budgeted funds included within the reporting entity are those funds presented in the county's approved annual budget and reported on the quarterly reports submitted to the Department for Local Government. Unbudgeted funds may include non-fiduciary financial activities, private purpose trust funds, and internal service funds that are within the county's control. Unbudgeted funds may also include any corporation to act for and on behalf of, and as the agency and instrumentality of the fiscal court in the acquisition and financing of any public project which may be undertaken by the fiscal court pursuant to the provisions of Kentucky law and thus accomplish a public purpose of the fiscal court. The unbudgeted funds are not presented in the annual approved budget or in the quarterly reports submitted to the Department for Local Government.

B. Basis of Accounting

The financial statement is presented on a regulatory basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. This basis of accounting involves the reporting of fund balances and the changes therein resulting from cash inflows (cash receipts) and cash outflows (cash disbursements) to meet the financial reporting requirements of the Department for Local Government and the laws of the Commonwealth of Kentucky.

This regulatory basis of accounting differs from GAAP primarily because the financial statement format does not include the GAAP presentations of government-wide and fund financial statements, cash receipts are recognized when received in cash rather than when earned and susceptible to accrual, and cash disbursements are recognized when paid rather than when incurred or subject to accrual.

Generally, except as otherwise provided by law, property taxes are assessed as of January 1, levied (mailed) November 1, due at discount November 30, due at face value December 31, delinquent January 1 following the assessment, and subject to sale ninety days following April 15.

C. Basis of Presentation

Budgeted Funds

The fiscal court reports the following budgeted funds:

General Fund - This is the primary operating fund of the fiscal court. It accounts for all financial resources of the general government, except where the Department for Local Government requires a separate fund or where management requires that a separate fund be used for some function.

Road Fund - This fund is for road and bridge construction and repair. The primary sources of receipts for this fund are state payments for truck license distribution, municipal road aid, and transportation grants. The Department for Local Government requires the fiscal court to maintain these receipts and disbursements separately from the General Fund.

Joint Jail Fund - The primary purpose of this fund is to account for the jail expenses of the county. The primary sources of receipts for this fund are reimbursements from the state and federal governments, payments from other counties for housing prisoners, and transfers from the General Fund. The Department for Local Government requires the fiscal court to maintain these receipts and disbursements separately from the General Fund.

BOYLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2024
(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

C. Basis of Presentation (Continued)

Budgeted Funds (Continued)

Local Government Economic Assistance Fund - The primary purpose of this fund is to account for grants and related disbursements. The primary sources of receipts for this fund are grants from the state and federal governments.

Bond Fund - The primary purpose of this fund is to account for proceeds and debt service of bonds.

State/Local Fund - The primary purpose of this fund is to account for state monies received.

Federal Grants Fund - The primary purpose of this fund is to account for federal monies received.

Emergency 911 Fund - This fund is used to support the operation of the county's emergency operations communications. The primary sources of receipts for this fund are land line and cellular telephone fees paid monthly by consumers.

Boyle Jail Fund - This fund is to be used for inmate and jailer specific expenses not part of the joint jail agreement.

Emergency Medical Services Fund - The primary purpose of this fund is to account for ambulance receipts and disbursements. The primary sources of receipts are grants and charges for services.

Fleet Management Fund - The primary purpose of this fund is to account for the repairs done by the county mechanic for county owned vehicles.

County Clerk Storage Fund - The primary purpose of this fund is to account for monthly storage fees paid by the county clerk to the fiscal court for the county to hold in a separate fund for the county clerk to use for operations of their office, and for the disbursements to be monitored and managed as any other fiscal court disbursement.

Opioid Fund - The primary purpose of this fund is to hold settlement funds disbursed to the county for use in drug prevention and rehabilitation care programs and initiatives done by the county.

ARPA Fund - The primary purpose of this fund is to account for American Rescue Plan Act receipts and disbursements to assist the county with recovery efforts and improvements in post COVID-19 pandemic time.

Tax Administration Fund - The primary purpose of this fund is to account for the collection of county and City of Danville occupational taxes and net profit taxes, and their disbursement respective disbursement to the county General Fund or to the City of Danville.

Unbudgeted Fund

The fiscal court reports the following unbudgeted funds:

Jail Commissary Fund - The canteen operations are authorized pursuant to KRS 441.135. The profits generated from the sale of items are to be used for the benefit and to enhance the well-being of the inmates, or to enhance safety and security within the jail. The jailer is required to maintain accounting records and report annually to the county treasurer the receipts and disbursements of the jail commissary fund.

BOYLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2024
(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

C. Basis of Presentation (Continued)

Internal Service Fund

Health Insurance Fund - The primary purpose of this fund is to account for Boyle County's partially self-funded employee health insurance program.

D. Budgetary Information

Annual budgets are adopted on a regulatory basis of accounting according to the laws of Kentucky as required by the state local finance officer, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board.

The county judge/executive is required to submit estimated receipts and proposed disbursements to the fiscal court by May 1 of each year. The budget is prepared by fund, function, and activity and is required to be adopted by the fiscal court by July 1.

The fiscal court may change the original budget by transferring appropriations at the activity level; however, the fiscal court may not increase the total budget without approval by the state local finance officer. Disbursements may not exceed budgeted appropriations at the activity level.

The state local finance officer does not require the jail commissary fund to be budgeted because the fiscal court does not approve the expenses of this fund.

E. Boyle County Elected Officials

Kentucky law provides for election of the officials listed below from the geographic area constituting Boyle County. Pursuant to state statute, these officials perform various services for the Commonwealth of Kentucky, its judicial courts, the fiscal court, various cities and special districts within the county, and the board of education. In exercising these responsibilities, however, they are required to comply with state laws. Audits of their financial statements are issued separately and individually and can be obtained from their respective administrative offices. These financial statements are not required to be included in the financial statement of the Boyle County Fiscal Court.

- Circuit Court Clerk
- County Attorney
- Property Valuation Administrator
- County Clerk
- County Sheriff

F. Deposits and Investments

The government's fund balance is considered to be cash on hand, demand deposits, certificates of deposit, and short-term investments with original maturities of three months or less from the date of acquisition. The government's fund balance includes cash and cash equivalents and investments.

BOYLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2024
(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

F. Deposits and Investments (Continued)

KRS 66.480 authorizes the county to invest in obligations of the United States and of its agencies and instrumentalities, obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States, obligations of any corporation of the United States government, bonds or certificates of indebtedness of this state, and certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation (FDIC) or which are collateralized, to the extent uninsured, by any obligation permitted by KRS 41.240(4).

G. Long-term Obligations

The fund financial statement recognizes bond interest, as well as bond issuance costs when received or when paid, during the current period. The principal amount of the debt and interest are reported as disbursements. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as disbursements. Debt proceeds are reported as other adjustments to cash.

H. Related Obligations and Joint Ventures

Related organizations are associated or affiliated with, have control over, or are controlled by, each other. However, a related organization can be an entity for which a primary government is not financially accountable, but the primary government is still accountable because it appoints a voting majority of the board. The Boyle County Fiscal Court appoints the commissioners of the Boyle County Health Department and Boyle County Conservation District.

A legal entity or other organization that results from a contractual agreement and that is owned, operated, or governed by two or more participants as a separate activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility is a joint venture. The Boyle County Fiscal Court entered into an interlocal agreement with the City of Danville to form the following: the Danville-Boyle County Planning and Zoning Department, the Danville-Boyle County Convention and Visitor's Bureau, and the Danville-Boyle County Parks and Recreation Board. Joint control and financial interest/responsibility exists between entities within each of these three arrangements, thus creating joint ventures.

Note 2. Deposits

The fiscal court maintained deposits of public funds with federally insured banking institutions as required by the Department for Local Government's (DLG's) *County Budget Preparation and State Local Finance Officer Policy Manual*. The DLG manual strongly recommends perfected pledges of securities covering all public funds except direct federal obligations and funds protected by federal insurance. In order to be perfected in the event of failure or insolvency of the depository institution, this pledge or provision of collateral should be evidenced by an agreement between the fiscal court and the depository institution, signed by both parties, that is (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution. These requirements were met.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a depository institution failure, the government's deposits may not be returned. The government does not have a deposit policy for custodial credit risk, but rather follows the requirements of the DLG's *County Budget Preparation and State Local Finance Officer Policy Manual*. As of June 30, 2024, all deposits were covered by FDIC insurance or a properly executed collateral security agreement.

BOYLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2024
(Continued)

Note 3. Transfers

The table below shows the interfund operating transfers for fiscal year 2024.

	General Fund	Public Works Fund	Joint Jail Fund	Fleet Management Fund	Opioid Fund	Tax Administration Fund	Total Transfers In
General Fund	\$	\$ 196,400	\$	\$	\$	\$ 11,182,584	\$ 11,378,984
Public Works Fund	840,022						840,022
Joint Jail Fund	2,609,210						2,609,210
Boyle Jail Fund			43,554				43,554
EMS Fund	2,750,645				41,300		2,791,945
Fleet Management Fund	175,000						175,000
ARPA Fund				2,061			2,061
Total Transfers Out	<u>\$ 6,374,877</u>	<u>\$ 196,400</u>	<u>\$ 43,554</u>	<u>\$ 2,061</u>	<u>\$ 41,300</u>	<u>\$ 11,182,584</u>	<u>\$ 17,840,776</u>

Reason for transfers:

To move resources from and to the general fund and other funds, for budgetary purposes, to the funds that will expend them.

Note 4. Custodial Funds

The fiscal court has the following custodial fund:

Jail Inmate Fund - This fund accounts for funds received from the inmates. The balance in the jail inmate fund as of June 30, 2024 was \$35,005.

Note 5. Leases

1. Lessor

A. Radio Tower Space

In November 2010, the Boyle County Fiscal Court began leasing radio tower space to Broadband On Demand, LLC. The initial lease was for ten years, and the Boyle County Fiscal Court would receive monthly payments of \$911. The initial lease had a five-year extension that started November 2020. The Boyle County Fiscal Court recognized \$10,934 in lease revenue during the current fiscal year related to this lease. As of June 30, 2024, the Boyle County Fiscal Court's receivable for lease payments was \$14,578.

B. Danville/Boyle County Economic Development Partnership, Inc.

In July 2018, the Boyle County Fiscal Court leased seven structures located at Constitution Square Historic Site to Danville/Boyle County Economic Development Partnership, Inc. The lease was for five years, and the Boyle County Fiscal Court would receive monthly payments of \$1,667. The lease has a five-year extension. The Boyle County Fiscal Court recognized \$20,000 in lease revenue during the current fiscal year related to this lease. As of June 30, 2024, the Boyle County Fiscal Court's receivable for lease payments was \$0.

BOYLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2024
(Continued)

Note 5. Leases (Continued)

1. Lessor (Continued)

C. Administrative Office of the Courts Office Rental Space

The Administrative Office of the Courts (AOC) pays the Boyle County Fiscal Court \$10,213 quarterly, for a total of \$40,852 to rent office space each year.

2. Lessee

A. Communications Equipment

In October 2002, the Boyle County Fiscal Court entered into a 20-year lease agreement as lessee for the acquisition and use of tower space and building space for communication equipment. There is a ten-year extension option available on this lease. The lease was for \$1 to be paid at the inception of the contract. As of June 30, 2024, the value of the lease liability was \$0.

Note 6. Long-term Debt

A. Other Debt

1. General Obligation Bonds, Series 2015

On June 30, 2015, the Boyle County Fiscal Court issued \$2,875,000 of general obligation bonds for the purpose of financing costs (to the extent not otherwise provided to be paid) of the acquisition and installation of energy efficiency improvements to (a) the Boyle County Courthouse located at 321 West Main Street, (b) the Boyle County Detention Center located at 1860 South Danville Bypass, (c) the Boyle County Emergency Medical Services facility located at 1856 South Danville Bypass, (d) the Boyle County Public Works facility located at 858 South Danville Bypass, and (e) the Boyle County Recycling Center located at 1862 South Danville Bypass. Principal payments are due annually on December 1, and interest which varies from two percent to three percent, is payable semiannually on June 1 and December 1. In the event of default, any holder of Series 2015 bonds may either at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel performance by the county and its officers and agents of all duties imposed or required by law or by the Series 2015 Ordinance, including the levying and collection of sufficient taxes and the application thereof in accordance with the provisions of the Series 2015 Ordinance. The outstanding principal balance as of June 30, 2024, was \$1,265,000.

Fiscal Year Ending June 30	Principal	Scheduled Interest
2025	\$ 200,000	\$ 30,818
2026	200,000	26,068
2027	205,000	21,006
2028	215,000	15,622
2029	220,000	9,775
2030	225,000	3,375
Totals	<u>\$ 1,265,000</u>	<u>\$ 106,664</u>

BOYLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2024
(Continued)

Note 6. Long-term Debt (Continued)

B. Changes In Long-term Debt

Long-term Debt activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General Obligation Bonds	\$ 1,460,000	\$	\$ 195,000	\$ 1,265,000	\$ 200,000
Total Long Term Debt	<u>\$ 1,460,000</u>	<u>\$ 0</u>	<u>\$ 195,000</u>	<u>\$ 1,265,000</u>	<u>\$ 200,000</u>

C. Aggregate Debt Schedule

The amount of required principal and interest payments on long-term obligations on June 30, 2024, were as follows:

Fiscal Year Ended June 30	Other Debt	
	Principal	Interest
2025	\$ 200,000	\$ 30,818
2026	200,000	26,068
2027	205,000	21,006
2028	215,000	15,622
2029	220,000	9,775
2030	<u>225,000</u>	<u>3,375</u>
Totals	<u>\$ 1,265,000</u>	<u>\$ 106,664</u>

Note 7. Employee Retirement System

The fiscal court has elected to participate, pursuant to KRS 78.530, in the County Employees Retirement System (CERS). This is a cost-sharing, multiple-employer, defined benefit pension plan, which covers all eligible full-time employees and provides for retirement, disability, and death benefits to plan members. Benefit contributions and provisions are established by statute. Effective April 1, 2021, the Kentucky Public Pension Authority (KPPA) was created by KRS 61.505 to provide staffing and daily administrative needs for CERS and Kentucky Retirement Systems (Ky. Ret. Sys.). The CERS nine member board of trustees is responsible for the governance of the CERS pension and insurance plans.

The county's contribution for FY 2022 was \$1,643,699, for FY2023 was \$2,359,608 and for FY2024 was \$2,755,362.

BOYLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2024
(Continued)

Note 7. Employee Retirement System (Continued)

Nonhazardous

Nonhazardous covered employees are required to contribute 5% of their salary to the plan. Nonhazardous covered employees who begin participation on or after September 1, 2008, are required to contribute 6% of their salary to be allocated as follows: 5% will go to the member's account and 1% will go to the Ky. Ret. Sys. insurance trust fund to be attributed to CERS's share of assets in the fund.

In accordance with Senate Bill 2, signed by the Governor on April 4, 2013, plan members who began participating on or after January 1, 2014, were required to contribute to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan. Members in the plan contribute a set percentage of their salary each month to their own accounts. Nonhazardous covered employees contribute 5% of their annual creditable compensation. Nonhazardous members also contribute 1% to the health insurance fund which is not credited to the member's account and is not refundable. The employer contribution rate is set annually by the CERS Board of Trustees based on an actuarial valuation. The employer contributes a set percentage of the member's salary.

Each month, when employer contributions are received, an employer pay credit is deposited to the member's account. A member's account is credited with a 4% employer pay credit. The employer pay credit represents a portion of the employer contribution.

Benefits fully vest on reaching five years of service for nonhazardous employees. Aspects of benefits for nonhazardous employees include retirement after 27 years of service or age 65. Nonhazardous employees who begin participation on or after September 1, 2008, must meet the rule of 87 (member's age plus years of service credit must equal 87, and the member must be a minimum of 57 years of age) or the member is age 65, with a minimum of 60 months service credit.

The county's contribution rate for nonhazardous employees was 23.34%.

Hazardous

Hazardous covered employees are required to contribute 8% of their salary to the plan. Hazardous covered employees who begin participation on or after September 1, 2008, are required to contribute 9% of their salary to be allocated as follows: 8% will go to the member's account and 1% will go to the Ky. Ret. Sys. insurance trust fund to be attributed to CERS's share of assets in the fund.

In accordance with Senate Bill 2, signed by the Governor on April 4, 2013, plan members who began participating on or after January 1, 2014, were required to contribute to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan.

Members in the plan contribute a set percentage of their salary each month to their own accounts. Hazardous members contribute 8% of their annual creditable compensation and also contribute 1% to the health insurance fund which is not credited to the member's account and is not refundable. The employer contribution rate is set annually by the Board of Trustees based on an actuarial valuation. The employer contributes a set percentage of the member's salary. Each month, when employer contributions are received, an employer pay credit is deposited to the member's account. A hazardous member's account is credited with a 7.5% employer pay credit. The employer pay credit represents a portion of the employer contribution.

BOYLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2024
(Continued)

Note 7. Employee Retirement System (Continued)

Hazardous (Continued)

Aspects of benefits for hazardous employees include retirement after 20 years of service or age 55. For hazardous employees who begin participation on or after September 1, 2008, aspects of benefits include retirement after 25 years of service or the member is age 60, with a minimum of 60 months of service credit.

The county's contribution rate for hazardous employees was 43.69%.

Other Post-Employment Benefits (OPEB)

A. Health Insurance Coverage - Tier 1

CERS provides post-retirement health care coverage as follows:

For members participating prior to July 1, 2003, years of service and respective percentages of the maximum contribution are as follows:

Years of Service	% Paid by Insurance Fund	% Paid by Member through Payroll Deduction
20 or more	100%	0%
15-19	75%	25%
10-14	50%	50%
4-9	25%	75%
Less than 4	0%	100%

As a result of House Bill 290 (2004 General Assembly), medical insurance benefits are calculated differently for members who began participation on or after July 1, 2003. Once members reach a minimum vesting period of ten years, non-hazardous employees whose participation began on or after July 1, 2003, earn \$10 per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. This dollar amount is subject to adjustment annually based on the retiree cost of living adjustment, which is updated annually due to changes in the Consumer Price Index.

Hazardous employees whose participation began on or after July 1, 2003, earn \$15 per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. Upon the death of a hazardous employee, the employee's spouse receives \$10 per month for insurance benefits for each year of the deceased employee's hazardous service. This dollar amount is subject to adjustment annually based on the retiree cost of living adjustment, which is updated annually due to changes in the Consumer Price Index.

Benefits are covered under KRS 78.5536.

B. Health Insurance Coverage - Tier 2 and Tier 3 - Nonhazardous

Once members reach a minimum vesting period of 15 years, they earn \$10 per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. This dollar amount is subject to adjustment annually by 1.5%. This was established for Tier 2 members during the 2008 Special Legislative Session by House Bill 1. During the 2013 Legislative Session, Senate Bill 2 was enacted, creating Tier 3 benefits for members.

BOYLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2024
(Continued)

Note 7. Employee Retirement System (Continued)

Other Post-Employment Benefits (OPEB) (Continued)

B. Health Insurance Coverage - Tier 2 and Tier 3 – Nonhazardous (Continued)

The monthly insurance benefit has been increased annually as a 1.5% cost of living adjustment (COLA) since July 2003 when the law changed. The annual increase is cumulative and continues to accrue after the member's retirement.

Tier 2 member benefits are covered by KRS 78.5536. Tier 3 members are not covered by the same provisions.

C. Health Insurance Coverage - Tier 2 and Tier 3 - Hazardous

Once members reach a minimum vesting period of 15 years, they earn \$15 per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. This dollar amount is subject to adjustment annually by 1.5%. Upon the death of a hazardous employee, the employee's spouse receives \$10 per month for insurance benefits for each year of the deceased employee's hazardous service. This was established for Tier 2 members during the 2008 Special Legislative Session by House Bill 1. During the 2013 Legislative Session, Senate Bill 2 was enacted, creating Tier 3 benefits for members.

The monthly insurance benefit has been increased annually as a 1.5% COLA since July 2003 when the law changed. The annual increase is cumulative and continues to accrue after the member's retirement.

D. Cost of Living Adjustments - Tier 1

The 1996 General Assembly enacted an automatic cost of living adjustment (COLA) provision for all recipients of Ky. Ret. Sys. benefits. During the 2008 Special Session, the General Assembly determined that each July beginning in 2009, retirees who have been receiving a retirement allowance for at least 12 months will receive an automatic COLA of 1.5%. The COLA is not a guaranteed benefit. If a retiree has been receiving a benefit for less than 12 months, and a COLA is provided, it will be prorated based on the number of months the recipient has been receiving a benefit.

E. Cost of Living Adjustments - Tier 2 and Tier 3

No COLA is given unless authorized by the legislature with specific criteria. To this point, no COLA has been authorized by the legislature for Tier 2 or Tier 3 members.

F. Death Benefit

If a retired member is receiving a monthly benefit based on at least 48 months of service credit, KPPA will pay a \$5,000 death benefit payment to the beneficiary designated by the member specifically for this benefit. Members with multiple accounts are entitled to only one death benefit.

G. Annual Financial Report and Proportionate Share Audit Report

KPPA issues a publicly available annual financial report that includes financial statements and required supplementary information on CERS. This report may be obtained by writing the Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, KY 40601-6124, or by telephone at (502) 564-4646. Some reports are also available online at <https://kyret.ky.gov>.

BOYLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2024
(Continued)

Note 7. Employee Retirement System (Continued)

Other Post-Employment Benefits (OPEB) (Continued)

G. Annual Financial Report and Proportionate Share Audit Report (Continued)

KPPA also issues proportionate share audit reports for both total pension liability and other post-employment benefits for CERS determined by actuarial valuation as well as each participating county's proportionate share. Both the Schedules of Employer Allocations and Pension Amounts by Employer and the Schedules of Employer Allocations and OPEB Amounts by Employer reports and the related actuarial tables are available online at <https://kyret.ky.gov>. The complete actuarial valuation report, including all actuarial assumptions and methods, is also available on the website or can be obtained as described in the paragraph above.

Note 8. Deferred Compensation

The Boyle County Fiscal Court voted to allow all eligible employees to participate in deferred compensation plans administered by the Kentucky Public Employees' Deferred Compensation Authority. The Kentucky Public Employees' Deferred Compensation Authority is authorized under KRS 18A.230 to 18A.275 to provide administration of tax-sheltered supplemental retirement plans for all state, public school and university employees, and employees of local political subdivisions that have elected to participate.

These deferred compensation plans permit all full-time employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Participation by eligible employees in the deferred compensation plans is voluntary.

Historical trend information showing the Kentucky Public Employees' Deferred Compensation Authority's progress in accumulating sufficient assets to pay benefits when due is presented in the Kentucky Public Employees' Deferred Compensation Authority's annual financial report. This report may be obtained by writing the Kentucky Public Employees' Deferred Compensation Authority at 501 High Street, 2nd Floor, Frankfort, KY 40601, or by telephone at (502) 573-7925.

Note 9. Insurance

For the fiscal year ended June 30, 2024, the Boyle County Fiscal Court was a member of the Kentucky Association of Counties' All Lines Fund (KALF). KALF is a self-insurance fund and was organized to obtain lower cost coverage for general liability, property damage, public officials' errors and omissions, public liability, and other damages. The basic nature of a self-insurance program is that of collectively shared risk by its members. If losses incurred for covered claims exceed the resources contributed by the members, the members are responsible for payment of the excess losses.

Note 10. Health Insurance Fund

The Boyle County Fiscal Court maintains a self-insurance fund to account for the health insurance provided by other funds on a cost reimbursement basis. The purpose of the self-insurance fund is to have funds available to cover some losses as full insurance for all types of risk can be prohibitively expensive and to accumulate reserves for catastrophic losses. Under accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board, this fund would have been accounted for as an internal service fund being charged, then considered receipts of the health insurance fund. Charges to funds should be reasonable and equitable so that the receipts and disbursements of the health insurance fund are approximately equal and assume that the fund will have profitable and loss years and will break even over time.

BOYLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2024
(Continued)

Note 11. Related Party Transaction

The Boyle County Fiscal Court purchased land from county finance officer's relative in the amount of \$536,600.

Note 12. Conduit Debt

From time to time, the county has issued bonds to provide financial assistance to various entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest, in accordance with KRS 103.210. This debt may take the form of certain types of limited-obligation revenue bonds, certificates of participation, or similar debt instruments. Although conduit debt obligations bear the Boyle County Fiscal Court's name as issuer, the fiscal court has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf it is issued. Neither the fiscal court nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statement. As of June 30, 2024, conduit debt has been issued but the amount currently outstanding is not reasonably determinable.

Note 13. Tax Abatement

Transnav Technologies, Inc.

The occupational tax was abated under the authority of the Boyle County Fiscal Court. Transnav Technologies, Inc. (the company) is eligible to receive this tax abatement as a result of its commitment to create jobs in Boyle County. The company initially pays the full amount of the occupational taxes prior to the abatement. The taxes are abated by issuing a refund to the company for wage assessment equivalent to 0.28% of the County's occupational license fee after documentation is provided to the county to substantiate the provisions of the tax abatement have been met. Transnav Technologies, Inc. made the commitment to create and continuously maintain at least 27 new full-time jobs within 15 years within the county. The performance term of the tax abatement is 15 years from the activation of the project, or until the company recovers a total of \$38,966, whichever comes first. For fiscal year ended June 30, 2024, Boyle County abated occupational taxes totaling \$13,923 under this agreement.

Note 14. Prior Period Adjustments

The General Fund beginning balance was reduced by \$48,897. This is the amount of the prior year payroll revolving account balance that was recommended to be added to the prior year General Fund balance per the FY 2023 audit. The fiscal court did not pay this amount over to the General Fund for the current fiscal year due to the FY 2023 audit exit being done while the current audit was being performed.

BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis

For The Year Ended June 30, 2024

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BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis

For The Year Ended June 30, 2024

	GENERAL FUND			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 11,495,000	\$ 11,495,000	\$ 2,102,727	\$ (9,392,273)
Excess Fees	213,000	213,000	128,156	(84,844)
Licenses and Permits	86,200	86,200	112,518	26,318
Intergovernmental	758,967	902,410	1,062,136	159,726
Charges for Services	285,934	285,934	10,934	(275,000)
Miscellaneous	1,870,235	1,870,235	2,326,876	456,641
Interest	1,123,631	1,123,631	803,154	(320,477)
Total Receipts	15,832,967	15,976,410	6,546,501	(9,429,909)
DISBURSEMENTS				
General Government	5,471,013	5,614,456	4,802,674	811,782
Protection to Persons and Property	272,985	272,985	172,303	100,682
General Health and Sanitation	1,836,885	1,836,885	1,514,859	322,026
Social Services	109,500	109,500	108,950	550
Recreation and Culture	711,126	711,126	650,438	60,688
Airports	54,321	54,321	25,264	29,057
Debt Service	151,099	151,099	149,671	1,428
Capital Projects	750,000	750,000	544,940	205,060
Administration	16,514,430	17,694,592	3,074,227	14,620,365
Total Disbursements	25,871,359	27,194,964	11,043,326	16,151,638
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(10,038,392)	(11,218,554)	(4,496,825)	6,721,729
Other Adjustments to Cash (Uses)				
Transfers From Other Funds			11,378,984	11,378,984
Transfers To Other Funds	(6,786,604)	(6,786,604)	(6,374,878)	411,726
Total Other Adjustments to Cash (Uses)	(6,786,604)	(6,786,604)	5,004,106	11,790,710
Net Change in Fund Balance	(16,824,996)	(18,005,158)	507,281	18,512,439
Fund Balance - Beginning (Restated)	16,824,996	18,005,158	18,687,630	682,472
Fund Balance - Ending	\$ 0	\$ 0	\$ 19,194,911	\$ 19,194,911

BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2024
(Continued)

	ROAD FUND			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
RECEIPTS				
Intergovernmental	\$ 3,237,151	\$ 4,058,331	\$ 1,438,118	\$ (2,620,213)
Miscellaneous	3,000	3,000	21,780	18,780
Interest	3,000	3,000	5,834	2,834
Total Receipts	<u>3,243,151</u>	<u>4,064,331</u>	<u>1,465,732</u>	<u>(2,598,599)</u>
DISBURSEMENTS				
Roads	946,895	946,895	759,876	187,019
Capital Projects	3,142,744	3,963,924	1,043,069	2,920,855
Administration	409,732	384,245	285,332	98,913
Total Disbursements	<u>4,499,371</u>	<u>5,295,064</u>	<u>2,088,277</u>	<u>3,206,787</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(1,256,220)</u>	<u>(1,230,733)</u>	<u>(622,545)</u>	<u>608,188</u>
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	1,219,950	1,219,950	840,022	(379,928)
Transfers To Other Funds			<u>(196,400)</u>	<u>(196,400)</u>
Total Other Adjustments to Cash (Uses)	<u>1,219,950</u>	<u>1,219,950</u>	<u>643,622</u>	<u>(576,328)</u>
Net Change in Fund Balance	(36,270)	(10,783)	21,077	31,860
Fund Balance - Beginning	<u>36,270</u>	<u>10,783</u>	<u>14,841</u>	<u>4,058</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 35,918</u>	<u>\$ 35,918</u>

BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2024
(Continued)

	JOINT JAIL FUND			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
RECEIPTS				
Intergovernmental	\$ 2,346,612	\$ 2,390,630	\$ 2,366,596	\$ (24,034)
Charges for Services	461,000	461,000	570,551	109,551
Miscellaneous	340,500	340,500	332,179	(8,321)
Interest	675	675	1,342	667
Total Receipts	<u>3,148,787</u>	<u>3,192,805</u>	<u>3,270,668</u>	<u>77,863</u>
DISBURSEMENTS				
Protection to Persons and Property	3,694,034	3,738,052	3,854,713	(116,661)
Debt Service	81,360	81,360	80,592	768
Administration	2,069,389	2,159,608	1,382,009	777,599
Total Disbursements	<u>5,844,783</u>	<u>5,979,020</u>	<u>5,317,314</u>	<u>661,706</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(2,695,996)</u>	<u>(2,786,215)</u>	<u>(2,046,646)</u>	<u>739,569</u>
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	2,011,898	2,011,898	2,609,210	597,312
Transfers To Other Funds	<u>(63,000)</u>	<u>(63,000)</u>	<u>(43,554)</u>	<u>19,446</u>
Total Other Adjustments to Cash (Uses)	<u>1,948,898</u>	<u>1,948,898</u>	<u>2,565,656</u>	<u>616,758</u>
Net Change in Fund Balance	(747,098)	(837,317)	519,010	1,356,327
Fund Balance - Beginning	<u>747,098</u>	<u>837,317</u>	<u>755,428</u>	<u>(81,889)</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,274,438</u>	<u>\$ 1,274,438</u>

BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2024
(Continued)

LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND				
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
RECEIPTS				
Intergovernmental	\$ 71,000	\$ 71,000	\$ 146,336	\$ 75,336
Interest	20	20	109	89
Total Receipts	71,020	71,020	146,445	75,425
DISBURSEMENTS				
Roads	90,000	90,000	89,355	645
Administration	48,210	59,534	22,000	37,534
Total Disbursements	138,210	149,534	111,355	38,179
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(67,190)	(78,514)	35,090	113,604
Net Change in Fund Balance	(67,190)	(78,514)	35,090	113,604
Fund Balance - Beginning	67,190	78,514	78,514	
Fund Balance - Ending	\$ 0	\$ 0	\$ 113,604	\$ 113,604

BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2024
(Continued)

EMERGENCY 911 FUND				
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 33,000	\$ 33,000	\$ 28,448	\$ (4,552)
Intergovernmental	158,180	158,180	232,318	74,138
Interest	20	20	32	12
Total Receipts	191,200	191,200	260,798	69,598
DISBURSEMENTS				
Protection to Persons and Property	245,100	195,784	185,123	10,661
Administration	1,100	1,100	77,062	(75,962)
Total Disbursements	246,200	196,884	262,185	(65,301)
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(55,000)	(5,684)	(1,387)	4,297
Net Change in Fund Balance	(55,000)	(5,684)	(1,387)	4,297
Fund Balance - Beginning	55,000	5,684	4,665	(1,019)
Fund Balance - Ending	\$ 0	\$ 0	\$ 3,278	\$ 3,278

BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2024
(Continued)

BOYLE JAIL FUND				
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	\$	\$	\$ 30,463	\$ 30,463
Interest	10	10	68	58
Total Receipts	10	10	30,531	30,521
DISBURSEMENTS				
Protection to Persons and Property	67,000	67,000	50,870	16,130
Administration	23,610	80,097	36,755	43,342
Total Disbursements	90,610	147,097	87,625	59,472
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(90,600)	(147,087)	(57,094)	89,993
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	84,788	84,788	43,554	(41,234)
Total Other Adjustments to Cash (Uses)	84,788	84,788	43,554	(41,234)
Net Change in Fund Balance	(5,812)	(62,299)	(13,540)	48,759
Fund Balance - Beginning	5,812	62,299	62,299	
Fund Balance - Ending	\$ 0	\$ 0	\$ 48,759	\$ 48,759

BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2024
(Continued)

EMERGENCY MEDICAL SERVICES FUND				
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	\$ 110,000	\$ 210,000	\$ 357,636	\$ 147,636
Charges for Services	1,010,000	1,010,000	1,983,866	973,866
Miscellaneous	9,300	9,300	6,575	(2,725)
Interest	150	150	370	220
Total Receipts	1,129,450	1,229,450	2,348,447	1,118,997
DISBURSEMENTS				
Protection to Persons and Property	2,953,055	2,953,055	3,154,590	(201,535)
Administration	1,707,464	1,770,177	1,703,256	66,921
Total Disbursements	4,660,519	4,723,232	4,857,846	(134,614)
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(3,531,069)	(3,493,782)	(2,509,399)	984,383
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	3,281,069	3,281,069	2,791,945	(489,124)
Total Other Adjustments to Cash (Uses)	3,281,069	3,281,069	2,791,945	(489,124)
Net Change in Fund Balance	(250,000)	(212,713)	282,546	495,259
Fund Balance - Beginning	250,000	212,713	183,915	(28,798)
Fund Balance - Ending	\$ 0	\$ 0	\$ 466,461	\$ 466,461

BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2024
(Continued)

FLEET MANAGEMENT FUND				
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
RECEIPTS				
Charges for Services	\$ 120,000	\$ 120,000	\$ 39,965	\$ (80,035)
Interest	20	20	8	(12)
Total Receipts	120,020	120,020	39,973	(80,047)
DISBURSEMENTS				
Transportation Facility and Services	189,930	189,930	183,388	6,542
Administration	36,644	40,327	31,306	9,021
Total Disbursements	226,574	230,257	214,694	15,563
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(106,554)	(110,237)	(174,721)	(64,484)
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	97,854	97,854	175,000	77,146
Transfers To Other Funds			(2,061)	(2,061)
Total Other Adjustments to Cash (Uses)	97,854	97,854	172,939	75,085
Net Change in Fund Balance	(8,700)	(12,383)	(1,782)	10,601
Fund Balance - Beginning	8,700	12,383	7,953	(4,430)
Fund Balance - Ending	\$ 0	\$ 0	\$ 6,171	\$ 6,171

BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2024
(Continued)

COUNTY CLERK STORAGE FUND

	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Miscellaneous	\$ 45,000	\$ 45,000	\$ 46,950	\$ 1,950
Interest	20	20	54	34
Total Receipts	45,020	45,020	47,004	1,984
DISBURSEMENTS				
General Government	45,000	45,000	26,708	18,292
Administration	47,020	24,542		24,542
Total Disbursements	92,020	69,542	26,708	42,834
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(47,000)	(24,522)	20,296	44,818
Net Change in Fund Balance	(47,000)	(24,522)	20,296	44,818
Fund Balance - Beginning	47,000	24,522	29,750	5,228
Fund Balance - Ending	\$ 0	\$ 0	\$ 50,046	\$ 50,046

BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2024
(Continued)

OPIOID FUND				
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
RECEIPTS				
Miscellaneous	\$ 30,282	\$ 30,282	\$ 182,035	\$ 151,753
Interest	200	200	235	35
Total Receipts	30,482	30,482	182,270	151,788
DISBURSEMENTS				
Administration	34,305	89,852	90	89,762
Total Disbursements	34,305	89,852	90	89,762
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(3,823)	(59,370)	182,180	241,550
Other Adjustments to Cash (Uses)				
Transfers To Other Funds	(115,955)	(115,955)	(41,300)	74,655
Total Other Adjustments to Cash (Uses)	(115,955)	(115,955)	(41,300)	74,655
Net Change in Fund Balance	(119,778)	(175,325)	140,880	316,205
Fund Balance - Beginning	119,778	175,325	120,106	(55,219)
Fund Balance - Ending	\$ 0	\$ 0	\$ 260,986	\$ 260,986

BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2024
(Continued)

ARPA FUND				
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Interest	\$ 6,000	\$ 6,000	\$ 18,232	\$ 12,232
Total Receipts	6,000	6,000	18,232	12,232
DISBURSEMENTS				
Administration	1,536,700	1,526,425	1,075,655	450,770
Total Disbursements	1,536,700	1,526,425	1,075,655	450,770
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(1,530,700)	(1,520,425)	(1,057,423)	463,002
Other Adjustments to Cash (Uses)				
Transfers From Other Funds			2,061	2,061
Total Other Adjustments to Cash (Uses)			2,061	2,061
Net Change in Fund Balance	(1,530,700)	(1,520,425)	(1,055,362)	465,063
Fund Balance - Beginning	1,530,700	1,520,425	1,520,455	30
Fund Balance - Ending	\$ 0	\$ 0	\$ 465,093	\$ 465,093

BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2024
(Continued)

TAX ADMINISTRATION FUND				
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$	\$ 17,524,457	\$ 25,337,148	\$ 7,812,691
Miscellaneous			163	163
Interest		9,050	22,383	13,333
Total Receipts		17,533,507	25,359,694	7,826,187
DISBURSEMENTS				
Administration		18,112,855	14,196,426	3,916,429
Total Disbursements		18,112,855	14,196,426	3,916,429
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)		(579,348)	11,163,268	11,742,616
Other Adjustments to Cash (Uses)				
Transfers To Other Funds			(11,182,583)	(11,182,583)
Total Other Adjustments to Cash (Uses)			(11,182,583)	(11,182,583)
Net Change in Fund Balance		(579,348)	(19,315)	560,033
Fund Balance - Beginning		579,348	54,648	(524,700)
Fund Balance - Ending	\$ 0	\$ 0	\$ 35,333	\$ 35,333

BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2024
(Continued)

BOND FUND			
	Budgeted Amounts		Variance with
	Original	Final	Actual Amounts, (Budgetary Basis) Final Budget Positive (Negative)
RECEIPTS			
Taxes	\$	\$	\$
Total Receipts			
DISBURSEMENTS			
Debt Service	25,000,000	25,000,000	25,000,000
Total Disbursements	25,000,000	25,000,000	25,000,000
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(25,000,000)	(25,000,000)	25,000,000
Other Adjustments to Cash (Uses)			
Bond Anticipation Note	25,000,000	25,000,000	(25,000,000)
Total Other Adjustments to Cash (Uses)	25,000,000	25,000,000	(25,000,000)
Net Change in Fund Balance			
Fund Balance - Beginning			
Fund Balance - Ending	\$ 0	\$ 0	\$ 0

BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2024
(Continued)

	STATE/LOCAL FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	\$ 150,000	\$ 150,000	\$	\$ (150,000)
Total Receipts	150,000	150,000		(150,000)
DISBURSEMENTS				
General Health and Sanitation	50,000	50,000		50,000
Recreation and Culture	50,000	50,000		50,000
Administration	100,000	100,000		100,000
Total Disbursements	200,000	200,000		200,000
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(50,000)	(50,000)		50,000
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	50,000	50,000		(50,000)
Total Other Adjustments to Cash (Uses)	50,000	50,000		(50,000)
Net Change in Fund Balance				
Fund Balance - Beginning				
Fund Balance - Ending	\$ 0	\$ 0	\$ 0	\$ 0

BOYLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2024
(Continued)

FEDERAL GRANTS FUND				
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	\$ 220,554	\$ 220,554	\$	\$ (220,554)
Total Receipts	220,554	220,554		(220,554)
DISBURSEMENTS				
Social Services	45,000	45,000		45,000
Capital Projects	50,000	50,000		50,000
Administration	170,554	170,554		170,554
Total Disbursements	265,554	265,554		265,554
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)				
	(45,000)	(45,000)		45,000
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	45,000	45,000		(45,000)
Total Other Adjustments to Cash (Uses)	45,000	45,000		(45,000)
Net Change in Fund Balance				
Fund Balance - Beginning				
Fund Balance - Ending	\$ 0	\$ 0	\$ 0	\$ 0

BOYLE COUNTY
NOTES TO REGULATORY SUPPLEMENTARY
INFORMATION - BUDGETARY COMPARISON SCHEDULES

June 30, 2024

Note 1. Budgetary Information

Annual budgets are adopted on a regulatory basis of accounting according to the laws of Kentucky as required by the state local finance officer, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board.

The county judge/executive is required to submit estimated receipts and proposed disbursements to the fiscal court by May 1 of each year. The budget is prepared by fund, function, and activity and is required to be adopted by the fiscal court by July 1.

The fiscal court may change the original budget by transferring appropriations at the activity level; however, the fiscal court may not increase the total budget without approval by the state local finance officer. Disbursements may not exceed budgeted appropriations at the activity level.

Note 2. Excess of Disbursements Over Approved Budget

Joint Jail Fund

- Protection to Persons and Property - \$116,661

Emergency 911 Fund

- Administration - \$75,962

Emergency Medical Services Fund

- Protection to Persons and Property - \$201,535

BOYLE COUNTY
SCHEDULE OF CAPITAL ASSETS
Other Information - Regulatory Basis

For The Year Ended June 30, 2024

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BOYLE COUNTY
SCHEDULE OF CAPITAL ASSETS
Other Information - Regulatory Basis

For The Year Ended June 30, 2024

The fiscal court reports the following Schedule of Capital Assets:

	Beginning Balance	Additions	Deletions	Ending Balance
Land	\$ 2,004,596	\$ 641,211	\$	\$ 2,645,807
Construction In Progress		56,860		56,860
Buildings	7,327,352	290,244		7,617,596
Vehicles and Equipment	3,938,326	508,850	29,900	4,417,276
Other Equipment	5,998,062	746,655	46,560	6,698,157
Infrastructure	15,337,554	1,179,951		16,517,505
 Total Capital Assets	 <u>\$ 34,605,890</u>	 <u>\$ 3,423,771</u>	 <u>\$ 76,460</u>	 <u>\$ 37,953,201</u>

BOYLE COUNTY
NOTES TO OTHER INFORMATION - REGULATORY BASIS
SCHEDULE OF CAPITAL ASSETS

June 30, 2024

Note 1. Capital Assets

Capital assets, which include land, land improvements, buildings, furniture, and office equipment, building improvements, machinery, equipment, and infrastructure assets (roads and bridges) that have a useful life of more than one reporting period based on the government's capitalization policy, are reported as other information. Such assets are recorded at historical cost or estimated historical cost when purchased or constructed.

	Capitalization Threshold	Useful Life (Years)
Land Improvements	\$ 7,500	10-45
Buildings and Building Improvements	\$ 20,000	10-60
Vehicles and Equipment	\$ 1,000	3-20
Machinery and Equipment	\$ 1,000	3-12
Infrastructure	\$ 5,000	10-40

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS

Report On Internal Control Over Financial Reporting And
On Compliance And Other Matters Based On An Audit Of The Financial
Statement Performed In Accordance With *Government Auditing Standards*

Independent Auditor's Report

The Honorable Trille Bottom, Boyle County Judge/Executive
Members of the Boyle County Fiscal Court

We have audited, 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, the Statement of Receipts, Disbursements, and Changes in Fund Balances - Regulatory Basis of the Boyle County Fiscal Court for the fiscal year ended June 30, 2024, and the related notes to the financial statement which collectively comprise the Boyle County Fiscal Court's financial statement and have issued our report thereon dated July 8, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the Boyle County Fiscal Court's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Boyle County Fiscal Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Boyle County Fiscal Court's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings and Responses, we identified a certain deficiency in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Responses as item 2024-001 to be a material weakness.



Report On Internal Control Over Financial Reporting And
On Compliance And Other Matters Based On An Audit Of The Financial
Statement Performed In Accordance With *Government Auditing Standards*
(Continued)

Report on Compliance And Other Matters

As part of obtaining reasonable assurance about whether the Boyle County Fiscal Court's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Responses as item 2024-001.

Views of Responsible Official and Planned Corrective Action

Government Auditing Standards requires the auditor to perform limited procedures on the Boyle County's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The county's response was not subjected to the auditing procedures applied in the audit of the financial statement, and accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Allison Ball
Auditor of Public Accounts
Frankfort, Ky

July 8, 2025

**BOYLE COUNTY
SCHEDULE OF FINDINGS AND RESPONSES**

For The Year Ended June 30, 2024

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**BOYLE COUNTY
SCHEDULE OF FINDINGS AND RESPONSES**

For The Year Ended June 30, 2024

FINANCIAL STATEMENT FINDING:

2024-001 The Boyle County Fiscal Court Failed To Provide Adequate Oversight Over Accounting, Reporting, And Financial Management Practices

The Boyle County Fiscal Court failed to implement adequate controls over accounting and reporting functions. The lack of controls resulted in numerous deficiencies as listed below:

- Budgeted receipts and disbursement amounts reported on the fourth quarter report did not agree to the budget and budget amendments approved by DLG.
- The fiscal court improperly recorded budget transfers, reserve amounts, and cash transfers as expenditures.
- The fiscal court failed to properly record CD interest.
- Payroll revolving account disbursements recorded and reported were budgeted amounts instead of actual amounts.
- Bank reconciliations were not completed properly.
- Occupational tax receipts collected for the City of Danville were not recorded.

The lack of oversight of county personnel by the county judge/executive and fiscal court creates an environment where the accounting and reporting functions of the county go unchecked. The fiscal court lacked adequate segregation of duties over the accounting functions, with the former and interim treasurers performing reconciliation duties, as well as posting to the receipts and disbursements ledgers. Reconciliations were initialed by the county judge/executive to evidence review; however, these review processes were not adequate to identify the issues noted above.

These errors resulted in the fiscal court members and DLG relying on incorrect financial information to assess the financial position of the county. Approved budget and amendments totaled \$91,640,547. The fourth quarter report budgeted amounts reported for receipts and disbursement totaled \$50,017,726 and \$76,728,487, respectfully. In addition, the following fund expenditures categories were overspent:

- Jail Fund - Protection to Persons and Property, \$116,661
- Emergency 911 Fund - Administration, \$75,962
- Emergency Medical Services Fund - Protection to Persons and Property, \$201,535

By incorrectly recording budget transfers, reserves, and cash transfers, the fiscal court misstated their receipts and disbursements, sometimes resulting in negative expenditure line items.

KRS 46.010(2) requires, “each county treasurer, and each county officer who receives or disburses state funds, to keep an accurate account of receipts and disbursements, showing a daily balance of receipts and disbursements.” KRS 46.010(3) requires, “all county officers handling state funds, other than taxes, to make an annual report to the Department for Local Government showing receipts and disbursements, and to make other financial statements as the Department for Local Government requires.” The proper segregation of duties is a basic internal control necessary to ensure the accuracy and reliability of financial reports.

BOYLE COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended June 30, 2024
(Continued)

FINANCIAL STATEMENT FINDING: (Continued)

2024-001 The Boyle County Fiscal Court Failed To Provide Adequate Oversight Over Accounting, Reporting, And Financial Management Practices (Continued)

We recommend the fiscal court segregate duties and implement strong oversight over receipts, disbursements, bank reconciliation processes, and reporting. If segregation of duties is not possible, then the fiscal court should implement compensating controls by monitoring the financial activities of the fiscal court and continue to document this review. As a part of the strong oversight, the fiscal court should ensure all bank accounts are reconciled to the ledgers each month and the county's ledgers accurately reflect the county's activity by recording all amounts received, including occupational tax receipts collected for the City of Danville, and disbursed by the county, discontinuing the practice of recording budget transfers, reserves, and cash transfers as disbursements.

Views of Responsible Official and Planned Corrective Action:

County Judge/Executive's Response: We agree with the Auditor's comments. The Fiscal Court dismissed the previous Treasurer and hired a new Treasurer in May 2024. The Fiscal Court approved the purchase of new software known as [software name redacted] which will help the reporting of all revenue and disbursements. The County Judge/Executive will review all monthly bank statements and financial reports for accuracy.

**CERTIFICATION OF COMPLIANCE -
LOCAL GOVERNMENT ECONOMIC ASSISTANCE PROGRAM**

BOYLE COUNTY FISCAL COURT

For The Year Ended June 30, 2024

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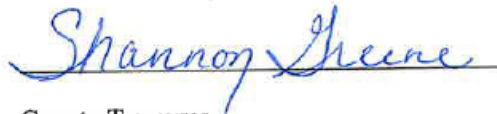
CERTIFICATION OF COMPLIANCE
LOCAL GOVERNMENT ECONOMIC ASSISTANCE
BOYLE COUNTY FISCAL COURT

For The Year Ended June 30, 2024

The Boyle County Fiscal Court hereby certifies that assistance received from the Local Government Economic Assistance Program was expended for the purpose intended as dictated by the applicable Kentucky Revised Statutes.

A handwritten signature in blue ink, reading "Trill L. Bottom", written over a horizontal line.

County Judge/Executive

A handwritten signature in blue ink, reading "Shannon Greene", written over a horizontal line.

County Treasurer

**Report On Compliance For The U.S. Department Of Treasury
Coronavirus State And Local Fiscal Recovery Funds Program (CSLFRF)
Requirements For An Alternative CSLFRF Compliance Examination
Engagement Of The
Boyle County Fiscal Court**

**For The Fiscal Year Ended
June 30, 2024**



**ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS
auditor.ky.gov**

**209 ST. CLAIR STREET
FRANKFORT, KY 40601-1817
TELEPHONE (502) 564-5841
FACSIMILE (502) 564-2912**

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ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report

To the People of Kentucky
The Honorable Andy Beshear, Governor
Holly M. Johnson, Secretary
Finance and Administration Cabinet
The Honorable Trille Bottom, Boyle County Judge/Executive
Members of the Boyle County Fiscal Court

We have examined Boyle County Fiscal Court's compliance with the compliance requirements "activities allowed or unallowed" and "allowable cost/cost principles" (the specified requirements) as described in Part IV "Requirements for an Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds" of the CSLFRF section of the 2024 OMB *Compliance Supplement* (referred to herein as "Requirements for an Alternative CSLFRF Compliance Examination Engagement") during the fiscal year ended June 30, 2024. Management of the Boyle County Fiscal Court is responsible for Boyle County Fiscal Court's compliance with the specified requirements. Our responsibility is to express an opinion on Boyle County Fiscal Court's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA; the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in the "Requirements for an Alternative CSLFRF Compliance Examination Engagement." Those standards and requirements require that we plan and perform the examination to obtain reasonable assurance about whether the Boyle County Fiscal Court complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Boyle County Fiscal Court complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on Boyle County Fiscal Court's compliance with specified requirements.

In our opinion, the Boyle County Fiscal Court complied, in all material respects, with the specified requirements referenced above during the fiscal year ended June 30, 2024.



To the People of Kentucky
The Honorable Andy Beshear, Governor
Holly M. Johnson, Secretary
Finance and Administration Cabinet
The Honorable Trille Bottom, Boyle County Judge/Executive
Members of the Boyle County Fiscal Court

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud, and noncompliance with provisions of laws, regulations, contracts or grant agreements that have a material effect on Boyle County Fiscal Court's compliance with the specified requirements and any other instances that warrant the attention of those charged with governance. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on Boyle County Fiscal Court's compliance with the specified requirements and not for the purpose of expressing an opinion on the internal control over the specified requirements or on compliance and other matters; accordingly, we express no such opinions. The results of our tests disclosed no matters that are required to be reported under *Government Auditing Standards*.

Intended Purpose

The purpose of this examination report is solely to express an opinion on whether the Boyle County Fiscal Court complied, in all material respects with the specified requirements referenced above during the fiscal year ended June 30, 2024. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



Allison Ball
Auditor of Public Accounts
Frankfort, Ky

July 8, 2025



ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS

**COMMUNICATION WITH THOSE CHARGED
WITH GOVERNANCE**

The Honorable Trille Bottom, County Judge/Executive and Magistrates
Boyle County Fiscal Court

We have audited the Statement of Receipts, Disbursements and Changes in Fund Balances - Regulatory Basis and compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of the major programs of the Boyle County Fiscal Court for the year ended June 30, 2024, and have issued our report thereon July 8, 2025. Codified Statement on Auditing Standards AU-C 260 requires us to communicate certain matters to keep those charged with governance adequately informed about matters related to the financial statement audit that are, in our professional judgement, significant and relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. This letter summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility over the Boyle County Fiscal Court financial reporting process.

This information is intended solely for the information and use of the magistrates, and management of the Boyle County Fiscal Court and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

Allison Ball
Auditor of Public Accounts
Frankfort, KY

July 8, 2025



Required Communications

Codified Statement on Auditing Standards AU-C 260 requires the auditor to provide those charged with governance with additional information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* as well as certain information related to the planned scope and results of the audit that may assist them in overseeing management's financial reporting and disclosure process. For purposes of this statement "those charged with governance" means the person(s) with responsibility for overseeing the strategic direction of the entity and the obligations related to the accountability of the entity, which includes overseeing the financial reporting process. We have identified the Boyle County Judge/Executive and Magistrates as individuals charged with governance.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated September 17, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (GAAP) or with the regulatory basis prescribed by the laws of Kentucky. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Boyle County Fiscal Court solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our finding regarding a material weakness over financial reporting and noncompliance and other matters noted during our audit in the audit report dated July 8, 2025.

Compliance with All Ethics Requirements Regarding Independence

The engagement team for this engagement and others in our agency have complied with all relevant ethical requirements regarding independence.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you in the planning stage of the audit.

Significant Risks Identified

We have identified the following significant risks:

We have identified management override of controls as a significant risk. We are required by professional standards to give special audit consideration to management override of controls. We have identified the risk of improper revenue recognition to be a significant risk in all audit engagements. We are required by professional standards to give special audit consideration to these risks. We have included standard audit procedures in each engagement that specifically address these risks.

Qualitative Aspects of Accounting Practices

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Boyle County Fiscal Court is included in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. No matters have come to our attention during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period. The financial statement disclosures are neutral, consistent, and clear.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant, unusual transactions were identified as a result of our audit.

Identified or Suspected Fraud

We did not identify or obtain information that indicates fraud may have occurred or was suspected.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit. The employees and management of the Boyle County Fiscal Court provided the auditors with appropriate, timely documentation, and made time available to assist auditors in the performance of audit procedures. The auditors appreciate all of the time and assistance provided to them during the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and the effect, if any, on the opinion in the auditor's report, and communicate them to the appropriate level of management and those charged with governance. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior period on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit.

Management has determined that the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

Uncorrected and Corrected Misstatements (Continued)

Professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following material misstatements that we identified as a result of audit procedures were brought to the attention of, and corrected by, management: Receipts (\$24,628,710), Disbursements, (\$17,867,667), and Budget Transfers (\$17,840,776).

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Boyle County Fiscal Court's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report.

An adverse opinion was issued on generally accepted accounting principles because the financial statement is prepared by the Boyle County Fiscal Court on the basis of accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter July 8, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, Issues, Noncompliance with Laws and Regulations, Violations of Contract Provisions or Grant Agreements

We discussed the following significant findings, issues, or noncompliances that came to our attention during the course of the audit with management, either in person or as the subject of correspondence. Contact the County Judge/Executive for additional details for any of the issues listed below.

- The Boyle County Fiscal Court Failed To Provide Adequate Oversight Over Accounting, Reporting, And Financial Management Practices

Other Significant Matters, Findings, Issues, Noncompliance with Laws and Regulations, Violations of Contract Provisions or Grant Agreements (Continued)

In the normal course of our professional association with the Boyle County Fiscal Court we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Boyle County Fiscal Court's auditors.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the regulatory basis of accounting, which differs from accounting principles generally accepted in the United States of America; the method of preparing it has not changed from the prior period; and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Other Information Included

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included with the Boyle County Fiscal Court's financial statement, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have the following responsibilities:

Our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statement, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This information is intended solely for the information and use of the magistrates, and management of the Boyle County Fiscal Court and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



Allison Ball
Auditor of Public Accounts
Frankfort, KY

July 8, 2025



BOYLE COUNTY FISCAL COURT

321 West Main Street, Courthouse Room 111, Danville, KY 40422

Phone (859) 238-1100 Fax (859) 238-1108

email: trille.bottom@boyleky.com

Trille L. Bottom
County Judge/Executive

MAGISTRATES

First District
Tom V. Ellis

Second District
Paula Bodner

Third District
Barry Harmon

Fourth District
Jason M. Cullen

Fifth District
Jamey Gay

Sixth District
Steve Sleeper

BOYLE COUNTY FISCAL COURT

TRILLE BOTTOM, COUNTY JUDGE/EXECUTIVE

Date: July 8, 2025

Auditor of Public Accounts
209 St. Clair Street
Frankfort, KY 40601

This representation letter is provided in connection with your audit of the financial statement of Boyle County Fiscal Court, as of June 30, 2024, and for the period then ended, and the related notes to the financial statement, for the purpose of expressing an opinion on whether the financial statement is presented fairly, in all material respects, the fund balances of the Boyle County Fiscal Court in accordance with accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws, which is a special purpose framework other than United States (U.S) generally accepted accounting principles.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

Except where otherwise stated below, immaterial matters less than \$42,941 collectively are not considered to be exceptions that require disclosure for the purpose of the following representations. This amount is not necessarily indicative of amounts that would require adjustment to or disclosure in the financial statement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of July 8, 2025:



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Financial Statement

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated August 5, 2024, for the preparation and fair presentation of the financial statement of the opinion unit referred to above in accordance with accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws, which is a special purpose framework other than U.S. generally accepted accounting principles.
2. The financial statement referred to above has been fairly presented in accordance with accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws and includes all properly classified funds, supplementary information, and notes to the basic financial statement.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
6. We have reviewed, approved, and taken responsibility for the financial statement and related notes.
7. We have a process to track the status of audit findings and recommendations.
8. We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
9. Significant assumptions used by us in making accounting estimates are reasonable. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with requirements of the previously described regulatory basis of accounting.
10. All events subsequent to the date of the financial statement and for which the previously described regulatory basis of accounting requires adjustment or disclosure have been adjusted or disclosed.



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11. The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the financial statement as a whole.
12. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with the previously described regulatory basis of accounting.
13. All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed, in accordance with the previously described regulatory basis of accounting.
14. All funds and activities are properly classified.
15. All interfund and intra-entity transactions and balances have been properly classified and reported.
16. Special items and extraordinary items have been properly classified and reported.
17. Deposit and investment risks have been properly and fully disclosed.
18. With respect to nonaudit services performed by you (*preparation of financial statement note disclosures*) we have performed the following:
 - a. Made all management decisions and performed all management functions;
 - b. Assigned a competent individual to oversee the services;
 - c. Evaluated the adequacy of the services performed;
 - d. Evaluated and accepted responsibility for the result of the service performed; and
 - e. Established and maintained internal controls, including monitoring ongoing activities.

Supplementary Information in Relation to the Financial Statement as a Whole

With respect to the budgetary comparison schedules accompanying the financial statement:

- a. We acknowledge our responsibility for the presentation of the budgetary comparison schedules in accordance with accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws.
- b. We believe the budgetary comparison schedules, including their form and content, are fairly presented in accordance with accounting practices prescribed or



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permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws.

- c. The methods of measurement or presentation have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the budgetary comparison schedules.
- d. When the budgetary comparison schedules are not presented with the audited financial statement, management will make the audited financial statement readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.
- e. We acknowledge our responsibility to include the auditor's report on the supplementary information in any document containing the supplementary information and that indicates the auditor reported on such supplementary information.
- f. We acknowledge our responsibility to present the supplementary information with the audited financial statement or, if the supplementary information will not be presented with the audited financial statement, to make the audited financial statement readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.

Information Provided

- 19. We have provided you with:
 - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statement of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- 20. The financial statements and any other information included in the annual report are consistent with one another, and the other information does not contain any material misstatements.



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21. All transactions have been recorded in the accounting records and are reflected in the financial statement.
22. We have disclosed to you the results of our assessment of the risk that the financial statement may be materially misstated as a result of fraud.
23. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others where the fraud could have a material effect on the financial statements.
24. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
25. *We are not aware of any pending or threatened* litigation, claims, and assessments whose effects should be considered when preparing the financial statement.
26. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
27. We have disclosed to you all guarantees, whether written or oral, under which Boyle County Fiscal Court is contingently liable.
28. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
29. We have no knowledge of any noncompliance with provisions of laws and regulations that have a material effect on the financial statement or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), regulators, or others.
30. We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.



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31. We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statement.
32. We have provided views on your reported audit findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
33. There are no:
 - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statement or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.
34. Boyle County Fiscal Court has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
35. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
36. We have disclosed all contracts or other agreements with service organizations and disclosed to you all communications from these service organizations relating to noncompliance at the organizations.
37. The reporting package does not contain personally identifiable information.
38. With respect to federal awards, we represent the following to you:
 - a. We are responsible for understanding and complying with, and have complied with, the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards, or we acknowledge our responsibility for presenting the schedule of expenditure of federal awards (SEFA) in accordance



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with the requirements of the Uniform Guidance and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance.

- b. The methods of measurement or presentation have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
- c. When the schedule of expenditures of federal awards is not presented with the audited financial statement, management will make the audited financial statement readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by the entity of the schedule of expenditures of federal awards and the auditor's report thereon.
- d. We have identified and disclosed all of our government programs and related activities subject to the Uniform Guidance and included in the schedule of expenditures of federal awards, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guaranties, property (including donated surplus property), cooperative agreements, interest subsidies, food commodities, direct appropriations, and other direct assistance.
- e. We are responsible for understanding and complying with, and have complied with, the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major federal program.
- f. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to federal programs that provide reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. Also, no changes have been made in the internal control system to the date of this letter that might significantly affect internal control, including any corrective action taken by management with regard to significant deficiencies and material weaknesses in internal control, reported in the schedule of findings and questioned costs, as well as subsequent to the date as of which compliance was audited.
- g. We have made available to you all federal awards, contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.



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- h. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i. We have complied with the direct and material compliance requirements, including when applicable, those set forth in the OMB Compliance Supplement, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the requirements of federal awards.
- j. We have disclosed to you any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- k. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- l. We have properly classified amounts claimed or used for matching in accordance with related guidelines in the Uniform Guidance, as applicable.
- m. We have provided to you our interpretations of any compliance requirements that are subject to varying interpretations.
- n. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o. We have disclosed to you the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period.
- p. We have identified and disclosed to you all amounts questioned and any known noncompliance with the direct and material compliance requirements of federal awards, including the results of other audits or program reviews, or stated that there was no such noncompliance. We also know of no instances of noncompliance with direct and material compliance requirements occurring subsequent to period covered by the auditor's report.
- q. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statement has been prepared.



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- r. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- s. We have charged costs to federal awards in accordance with applicable cost principles, including amounts claimed or used for matching determined in accordance with relevant guidelines in the Uniform Guidance.
- t. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- u. We are responsible for and have accurately completed the auditee sections of the Data Collection Form and we are responsible for taking corrective action on audit findings of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

A handwritten signature in blue ink that reads "Trille Bottom".

Trille Bottom

Boyle County Judge/Executive

A handwritten signature in blue ink that reads "Shannon Greene".

Shannon Greene

Boyle County Treasurer