



**Auditor of
Public Accounts
Allison Ball**

Breckinridge County Fiscal Court

Audit

FRANKFORT, Ky. – State Auditor Allison Ball has released the audit of the financial statements of the Breckinridge County Fiscal Court for the fiscal year ended June 30, 2025. State law requires annual audits of county fiscal courts.

Auditing standards require the auditor's letter to communicate whether the financial statements present fairly the receipts, disbursements, and changes in fund balances of the Breckinridge County Fiscal Court in accordance with accounting principles generally accepted in the United States of America. The fiscal court's financial statement did not follow this format. However, the fiscal court's financial statement is fairly presented in conformity with the regulatory basis of accounting, which is an acceptable reporting methodology. This reporting methodology is followed for 116 of 120 fiscal court audits in Kentucky.

Finding: The Breckinridge County Fiscal Court Did Not Have Adequate Internal Controls Over Bidding Processes

This is a repeat finding and was included in the prior year audit report as finding 2024-002. The Breckinridge County Fiscal Court failed to implement internal controls over bidding processes.

Recommendations

We recommend the Breckinridge County Fiscal Court and Jailer comply with KRS 424.260 and the Breckinridge County Administrative Code by advertising bid requests for purchases exceeding \$30,000. We also recommend the fiscal court comply with KRS 178.140 by awarding contracts related to the construction or maintenance of county roads and bridges to the lowest and best bidder. Additionally, we recommend the county establish and implement adequate internal controls over the procurement process to ensure purchases subject to bidding requirements are competitively procured, documented, and approved in accordance with state law and county policy.

County Officials Response

County Judge/Executive's Response: We are aware of the bidding requirements and will take proper steps to ensure that process is followed in the future.

Finding: The Breckinridge County Fiscal Court Did Not Have Adequate Internal Controls Over Offsite Receipts

The Breckinridge County Fiscal Court failed to implement adequate controls over receipts collected offsite at the community swimming pool and the animal shelter. Triplicate receipts were not issued when funds were received at the animal shelter. Deposits were only being turned over to the county treasurer twice a month and did not include supporting deposit detail documentation. Also, debit and credit card processing fees were not properly accounted for on the animal shelter daily checkout sheet.

Recommendations

We recommend that the Breckinridge County Fiscal Court ensure that all documentation supplied by off-site locations matches the total being deposited. All funds received offsite should be deposited intact on a daily basis into a federally insured banking institution, and those deposits should be properly supported by receipts and daily checkout sheets. We also recommend the county to have fiscal court approval for any agreements between individuals and fiscal court for use of county facilities, and that agreements be documented.

County Officials Response

County Judge/Executive's Response: This finding primarily concerns the Animal Shelter and pool receipts and we have emphasized the correct procedure to follow when handling those funds.

Finding: The Breckinridge County Fiscal Court's Schedule Of Leases Was Materially Misstated

The Breckinridge County Fiscal Court failed to include its' judicial center lease from the lease worksheet required by the Department For Local Government. As the lessor in this agreement with the Administrative Office of the Courts (AOC), the fiscal court failed to include lease receivables totaling \$5,709,822 as of June 30, 2025.

Recommendations

We recommend the fiscal court implement controls to ensure all leases are disclosed.

County Officials Response

County Judge/Executive's Response: We agree to this finding and steps have been taken to correct this.

The audit report can be found on the [auditor's website](#).

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