

**REPORT OF THE AUDIT OF THE  
CASEY COUNTY  
SHERIFF**

**For The Year Ended  
December 31, 2024**



**ALLISON BALL  
AUDITOR OF PUBLIC ACCOUNTS  
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**ALLISON BALL**  
**AUDITOR OF PUBLIC ACCOUNTS**

Independent Auditor's Report

The Honorable Randy Dial, Casey County Judge/Executive  
The Honorable Chad Weddle, Casey County Sheriff  
Members of the Casey County Fiscal Court

**Report on the Audit of the Financial Statement**

**Opinions**

We have audited the accompanying Statement of Receipts, Disbursements, and Excess Fees - Regulatory Basis of the Sheriff of Casey County, Kentucky, for the year ended December 31, 2024, and the related notes to the financial statement.

*Unmodified Opinion on Regulatory Basis of Accounting*

In our opinion, the accompanying financial statement presents fairly, in all material respects, the receipts, disbursements, and excess fees of the Casey County Sheriff for the year ended December 31, 2024, in accordance with the basis of accounting practices prescribed or permitted by the Commonwealth of Kentucky to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws 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 statement does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Casey County Sheriff, as of December 31, 2024, or changes in financial position or cash flows thereof for the year then ended.

**Basis for Opinion**

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* (GAS), issued by the Comptroller General of the United States, and the *Audit Program for County Fee Officials* 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 Casey County Sheriff 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.



The Honorable Randy Dial, Casey County Judge/Executive  
The Honorable Chad Weddle, Casey County Sheriff  
Members of the Casey County Fiscal Court

### **Basis for Opinion (Continued)**

#### *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 Casey County Sheriff on the basis of the accounting practices prescribed or permitted by the laws of Kentucky, 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**

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting practices prescribed or permitted by the laws of Kentucky to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws. 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 Casey County Sheriff'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 as a whole 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 GAS 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 controls. 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 GAS, 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 Casey County Sheriff's internal control. Accordingly, no such opinion is expressed.
- 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 Casey County Sheriff's ability to continue as a going concern for a reasonable period of time.

The Honorable Randy Dial, Casey County Judge/Executive  
The Honorable Chad Weddle, Casey County Sheriff  
Members of the Casey County Fiscal Court

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

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 have identified during the audit.


**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2025, on our consideration of the Casey County Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Casey County Sheriff's internal control over financial reporting and compliance.

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

- 2024-001 The Casey County Sheriff Does Not Have Proper Internal Controls Over Forfeiture Accounts
- 2024-002 The Casey County Sheriff's Controls Over Disbursements Did Not Operate Effectively
- 2024-003 The Casey County Sheriff's Controls Over Payroll Did Not Operate Effectively

Respectfully submitted,



Allison Ball  
Auditor of Public Accounts  
Frankfort, KY

December 4, 2025

CASEY COUNTY  
CHAD WEDDLE, SHERIFF  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND EXCESS FEES - REGULATORY BASIS

For The Year Ended December 31, 2024

Receipts

State - Kentucky Law Enforcement Foundation Program Fund (KLEFPF)	\$	27,187
State Fees For Services:		
Finance and Administration Cabinet	\$ 89,347	
Sheriff Security Service	4,821	94,168
Circuit Court Clerk:		
Fines and Fees Collected		17,290
Fiscal Court		193,802
County Clerk - Delinquent Taxes		13,292
Commission On Taxes Collected		239,230
Fees Collected For Services:		
Auto Inspections	8,655	
Accident and Police Reports	1,305	
Serving Papers	24,361	
Carry Concealed Deadly Weapon Permits	3,725	38,046
Other:		
Add-On Fees	24,620	
Miscellaneous	1,784	26,404
Interest Earned		1,375
Borrowed Money:		
State Advancement		100,000
Total Receipts		750,794

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

CASEY COUNTY  
 CHAD WEDDLE, SHERIFF  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND EXCESS FEES - REGULATORY BASIS  
 For The Year Ended December 31, 2024  
 (Continued)

Disbursements

Operating Disbursements and Capital Outlay:

Personnel Services-			
Deputies' Salaries	\$	192,635	
Part-Time Salaries		101,758	
Other Salaries		82,179	
Overtime		13,599	
KLEFPF		19,087	
KLEFPF Overtime		1,491	
Employee Benefits-			
Employer's Share Social Security		7,783	
Contracted Services-			
Advertising		805	
Vehicle Maintenance and Repairs		25,621	
Materials and Supplies-			
Office Materials and Supplies		2,212	
Uniforms		4,726	
Auto Expense-			
Gasoline		41,616	
Other Charges-			
Conventions and Travel		1,556	
Postage		524	
Bond		204	
Miscellaneous		6,385	
Utilities		3,153	
Cell Phones		7,625	
Computer Maintenance Fees		8,262	
Officer Equipment		7,475	
Prisoner Transports		3,849	
Capital Outlay-			
Office Equipment		220	\$ 532,765
Debt Service:			
State Advancement			100,000
Total Disbursements			<u>\$ 632,765</u>

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

CASEY COUNTY  
CHAD WEDDLE, SHERIFF  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND EXCESS FEES - REGULATORY BASIS  
For The Year Ended December 31, 2024  
(Continued)

Net Receipts	\$ 118,029
Less: Statutory Maximum	<u>108,103</u>
Excess Fees	9,926
Less: Training Incentive Benefit	<u>5,153</u>
Excess Fees Due County for 2024	4,773
Payment to Fiscal Court - March 3, 2025	<u>4,773</u>
Balance Due Fiscal Court at Completion of Audit*	<u><u>\$ 0</u></u>

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

CASEY COUNTY  
NOTES TO FINANCIAL STATEMENT

December 31, 2024

Note 1. Summary of Significant Accounting Policies

A. Basis of Accounting

The financial statement has been prepared on a regulatory basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Authority for the regulatory basis is found in Kentucky Revised Statutes (KRS).

The Department for Local Government (DLG) is the regulatory agency responsible for establishing minimum accounting requirements for local government entities. The commissioner of the DLG is designated as the state local finance officer. (KRS 68.001). The DLG must prescribe and maintain “a uniform system of accounting and reporting on the receipt, use and handling of all public funds, other than taxes, due and payable to the state” from local government entities. (KRS 46.010(1)). The state local finance officer supervises the administration of the county uniform budget system and accounts and financial operations and must prescribe a “uniform system of accounts for all counties and county officials.” (KRS 68.210). Under this authority, the DLG requires local governments to follow guidelines set forth in its *County Budget Preparation and State Local Finance Officer Policy Manual* (Manual) to meet the minimum required reporting for financial statement purposes.

The regulatory basis is outlined in the Manual and defines the measurement, presentation, disclosure, and recognition requirements for financial transactions when preparing regulatory basis financial statements. The Manual includes the standardized format for quarterly reporting to DLG.

Under this regulatory basis of accounting, receipts and disbursements are generally recognized when cash is received or disbursed, with the exception of accrual of the following items (not all-inclusive) as of December 31 that may be included in the excess fees calculation:

- Interest receivable
- Collection on accounts due from others for 2024 services
- Reimbursements for 2024 activities
- Payments due to other governmental entities for December tax and fee collections and payroll
- Payments due to vendors for goods or services provided in 2024

B. Measurement Focus and Excess Fees

The measurement focus of a fee official’s financial statement is upon current financial resources. A sheriff must remit to the fiscal court any income of his or her office, including the income from investments, that exceeds the sum of his or her maximum salary as permitted by the Constitution and other reasonable expenses, including compensation of deputies and assistants, when making his or her annual settlement. (KRS 134.192(12)). This settlement is due to the fiscal court by March 15 of each year. (KRS 134.192(11)). An outgoing sheriff shall make a final settlement with the fiscal court by March 15 immediately following the expiration of his or her term of office. (KRS 64.830). The fiscal court shall collect any amount due from the sheriff as determined by the audit. (KRS 64.820).

C. Fund Accounting

A fee official uses a fund to report on the results of operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fee official uses a fund for fees to account for activities for which the government desires periodic determination of the excess of receipts over disbursements to facilitate management control, accountability, and compliance with laws.

CASEY COUNTY  
 NOTES TO FINANCIAL STATEMENT  
 December 31, 2024  
 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

D. Cash and Investments

KRS 66.480 authorizes the sheriff's office 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).

Note 2. Employee Retirement System and Other Post-Employment Benefits

The sheriff's office has elected to participate, pursuant to KRS 78.530, in the County Employees Retirement System (CERS), which has been governed by the CERS nine-member board of trustees since April 1, 2021. The Kentucky Public Pensions Authority (KPPA) was created by KRS 61.505, effective April 1, 2021, to provide staffing and daily administrative needs for CERS and Kentucky Retirement Systems. CERS 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, vesting requirements, and provisions are established by statute and are determined by participation date and hazardous or non-hazardous participation.

The sheriff's contribution for calendar year 1899 was \$5,613, calendar year 1899 was \$8,195, and calendar year 2024 was \$0. The county's contribution rate for nonhazardous employees for calendar year 2024 was 23.34% for the first six months and 19.71% for the last six months. The county's contribution rate for hazardous employees was 43.69 percent for the first six months and 38.61 percent for the last six months.

Other Post-Employment Benefits (OPEB)

CERS provides post-retirement health care, cost of living adjustments for all recipients of retirement benefits, and a retired member's death benefit, all determined by participation date and hazardous or non-hazardous participation.

Specific details about retiree pension and OPEB benefits can be found online at: <https://www.kyret.ky.gov/Publications>.

Kentucky Public Pension Authority's 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. Many of these annual reports are available online at <https://kyret.ky.gov>. Reports may also be obtained by writing the KPPA, 1260 Louisville Road, Frankfort, KY 40601-6124, or by telephone at (502) 564-4646.

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.

CASEY COUNTY  
NOTES TO FINANCIAL STATEMENT  
December 31, 2024  
(Continued)

Note 3. Deposits

The Casey County Sheriff maintained deposits of public funds with federally insured banking institutions as required by the Manual. The 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 sheriff 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 sheriff's deposits may not be returned. The Casey County Sheriff does not have a deposit policy for custodial credit risk, but rather follows the requirements of the Manual. As of December 31, 2024, all deposits were covered by a properly executed collateral security agreement.

Note 4. Short-term Debt

The Casey County Sheriff's Office was committed to the following short-term debt as of December 31, 2024.

	Beginning Balance	Additions	Reductions	Ending Balance
State Advancement	\$	\$ 100,000	\$ 100,000	\$
Total Short-term Debt	<u>\$ 0</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 0</u>

Note 5. Drug Enforcement Account

Under the terms mandated by the Commonwealth of Kentucky, the Casey County Sheriff received proceeds from the confiscation, surrender or sale of real or personal property involved in drug related convictions. These funds are used exclusively for operating disbursements incurred by law enforcement against drug related activities and are not included in excess fees. On January 1, 2024, the account had a balance of \$49,948. During calendar year 2024, the sheriff had receipts totaling \$18,650 and disbursements totaling \$23,291, leaving a balance of \$45,307 as of December 31, 2024.

Note 6. Forfeiture Asset Account

The Casey County Sheriff's Office had an account for the deposit of funds forfeited as a result of court cases. Disbursements from this account are restricted in accordance with court orders related to each individual case. On January 1, 2024, the account had a balance of \$1,190. During calendar year 2024, the sheriff had receipts totaling \$55,285 and disbursements totaling \$12,042, leaving a balance of \$44,433 as of December 31, 2024.

CASEY COUNTY  
NOTES TO FINANCIAL STATEMENT  
December 31, 2024  
(Continued)

Note 7. Federal Forfeiture Property Account

The Casey County Sheriff had an account which is for receiving forfeited federal drug money. These funds are used to purchase law enforcement equipment, for training expenses, and for drug education programs. On January 1, 2024, the account had a balance of \$12,041. During calendar year 2024, the sheriff had receipts totaling \$86 and disbursements totaling \$9,509, leaving a balance of \$2,618 as of December 31, 2024.

Note 8. Donation Account

The Casey County Sheriff's Office maintains an interest bearing donation account to account for private and public donations to the sheriff's office. On January 1, 2024, the account had a balance of \$2,740. During calendar year 2024, the sheriff had receipts totaling \$1,485 and disbursements totaling \$1,449, leaving a balance of \$2,776 as of December 31, 2024.

Note 9. Vehicle Account

The Casey County Sheriff's Office maintains an interest bearing bank account to hold and disburse insurance claim proceeds as the result of totaling a sheriff's cruiser. On January 1, 2024, the account had a balance of \$1,047. During calendar year 2024, the sheriff had interest receipts totaling \$9 and disbursements totaling \$1,056, leaving a balance of \$0 as of December 31, 2024.

Note 10. Fiduciary Account - Sheriff's Evidence Holding Account

The Casey County Sheriff's Office maintains a non-interest bearing account to hold funds seized during the course of law enforcement duties. The funds are held in trust until an appropriate judicial body adjudicates on their proper disposal. Upon adjudication, funds may be returned, or forfeited and disbursed, as directed by order of the court. On January 1, 2024, the account had a balance of \$13,610. During calendar year 2024, the sheriff's office had receipts totaling \$2,005 and disbursements totaling \$6,934, leaving a balance of \$8,681 as of December 31, 2024.

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 Randy Dial, Casey County Judge/Executive  
The Honorable Chad Weddle, Casey County Sheriff  
Members of the Casey County Fiscal Court

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Audit Program for County Fee Officials* issued by the Auditor of Public Accounts, Commonwealth of Kentucky, the Statement of Receipts, Disbursements, and Excess Fees - Regulatory Basis of the Casey County Sheriff for the year ended December 31, 2024, and the related notes to the financial statement and have issued our report thereon dated December 4, 2025. The Casey County Sheriff's financial statement is prepared on a regulatory basis of accounting, which demonstrates 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.

### Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the Casey County Sheriff'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 Casey County Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Casey County Sheriff's internal control.

*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. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, which are described in the accompanying Schedule of Findings and Responses as items 2024-001, 2024-002, and 2024-003 that we consider to be significant deficiencies.



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 Casey County Sheriff'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Views of Responsible Official and Planned Corrective Action**

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

**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

December 4, 2025

## SCHEDULE OF FINDINGS AND RESPONSES

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CASEY COUNTY  
CHAD WEDDLE, SHERIFF  
SCHEDULE OF FINDINGS AND RESPONSES

For The Year Ended December 31, 2024

2024-001 The Casey County Sheriff Does Not Have Proper Internal Controls Over Forfeiture Accounts

This is a repeat finding and was included in the prior year audit report as finding 2023-001. The sheriff's office maintains a drug forfeiture account (named "Drug Enforcement") which was designated to be used for law enforcement purposes pursuant to KRS 218A.420. The funds received in the account are based upon court ordered forfeitures. During a review of the account, it was noted that court ordered restitution was being deposited into this forfeiture account. The following deficiencies were noted during audit testing of the Drug Enforcement account:

- Thirty-nine payments of court ordered restitution, totaling \$2,720, were deposited into this account but should have been deposited to the sheriff's fee account instead.
- Eight payments of court ordered restitution, totaling \$286, were received by the sheriff's office directly from defendants instead of being paid through the circuit clerk.
- Sixteen payments of restitution received by the sheriff's office were not deposited timely.

Per the sheriff's office, the majority of the payments deposited to forfeiture accounts are from court orders that date back to the previous sheriff's administration and prior circuit court judges' administrations'.

The sheriff is not in compliance with court orders and Kentucky Revised Statutes.

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 review of receipts collected is a basic internal control necessary to ensure the accuracy and reliability of financial reports.

KRS 532.033 states, in pertinent part, "[w]hen a judge orders restitution, the judge shall: (1) Order the restitution to be paid to a specific person or organization through the circuit clerk, who shall disburse the moneys as ordered by the court[.]" KRS 532.032(5) also provides that, "[r]estitution payments ordered under this section shall be paid by the defendant to the clerk or a court-authorized program run by the county attorney or the Commonwealth's attorney of the county." There appears to be nothing in either of these statutes, or in any other statutes of which auditors are aware, that authorizes court-ordered restitution payments to be paid to a sheriff's office. Restitution payments, according to these two statutes, must be ordered to be paid either through the circuit clerk's office or through a court-authorized program run by either the county attorney or the Commonwealth's Attorney.

We recommend the sheriff's office strengthen the internal controls over the receipts and disbursements related to the drug forfeiture accounts. This would include, but not be limited to, combining similar accounts and renaming accounts to more accurately reflect the funds deposited. We recommend that all monies received and not specifically ordered to be deposited into the drug forfeiture fund be deposited to the correct account.

*Sheriff's Response: The sheriff did not provide a response.*

CASEY COUNTY  
 CHAD WEDDLE, SHERIFF  
 SCHEDULE OF FINDINGS AND RESPONSES  
 For The Year Ended December 31, 2024  
 (Continued)

2024-002 The Casey County Sheriff's Controls Over Disbursements Did Not Operate Effectively

The Casey County Sheriff's controls over disbursements did not operate effectively. The following deficiencies were noted during testing of 24 disbursements:

- Two of 24 disbursements tested totaling \$5,589 were not paid within 30 days of the invoice date.
- Two of 24 disbursements tested totaling \$195 were not paid by check.
- An employee received reimbursement of \$40 twice for the same expenditure.
- One of 24 disbursements tested totaling \$649 was found to be a duplicate payment.

These exceptions occurred due to the combination of inadequate segregation of duties and a lack of management oversight over disbursement procedures.

These deficiencies could result in inaccurate reporting and misappropriation of assets. By paying for purchases via pre-authorized payments directly from the bank account, the sheriff or reviewer cannot verify disbursements are for allowable expenses. In addition, failure to pay disbursements on time could result in the payment of late fees and interest by the sheriff.

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 review and approval of disbursements is a basic internal control necessary to ensure the accuracy and reliability of financial reports.

KRS 68.210 gives the state local finance officer the authority to prescribe a uniform system of accounts. The uniform system of accounts is set forth in the Department for Local Government's (DLG's) *County Budget Preparation and State Local Finance Officer Policy Manual* which requires disbursements by check only.

KRS 65.140(2), states, in part, "[u]nless the purchaser and vendor otherwise contract, all bills for goods or services shall be paid within thirty (30) working days of receipt of a vendor's invoice[.]"

We recommend the sheriff strengthen internal controls over disbursements to ensure compliance with applicable statutes and the uniform system of accounts. Additionally, we recommend the sheriff to request a refund for the duplicate payment from the vendor.

*Sheriff's Response:*

1. *Sometimes the Sheriff's Office doesn't receive invoices within 30 days of purchase or service.*
2. *The Sheriff's Office sometimes order items online, and those items must be paid for with an ACH.*
3. *The Sheriff's Office had 2 deputies gone to in-service at the same time, and we didn't realize we had already paid the same deputy. The money was reimbursed by the deputy to the sheriff's office.*
4. *The Sheriff's Office had 2 Tahoe's out for repairs for the same problem at different times, and we didn't realize that we had been billed twice for the same Tahoe. We thought it was for the other Tahoe. The problem was corrected, and the money was reimbursed back to the sheriff's office.*

CASEY COUNTY  
 CHAD WEDDLE, SHERIFF  
 SCHEDULE OF FINDINGS AND RESPONSES  
 For The Year Ended December 31, 2024  
 (Continued)

2024-003 The Casey County Sheriff's Controls Over Payroll Did Not Operate Effectively

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The Casey County Sheriff's controls over payroll did not operate effectively. The following deficiencies were noted during payroll testing:

- One timesheet tested did not have overtime calculated correctly. The employee had 73 regular hours and 15 overtime hours over a two-week pay period but was paid for 80 regular hours and 8 overtime hours.
- Six of 27 payments for employees' withholdings were not paid timely to the fiscal court.
- Employer's matching retirement of \$7,330 for Kentucky Law Enforcement Foundation Program Fund (KLEFPF) wages was not reimbursed to the fiscal court.

These exceptions were able to occur due to the combination of inadequate segregation of duties and a lack of management oversight over the payroll process.

These deficiencies resulted in inaccurate financial reporting to external agencies such as the Department for Local Government. Further, by not ensuring that timekeeping records are properly maintained, employees can be over or under compensated. The sheriff assumes the risk of employees disputing the number of hours worked.

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." Proper management oversight of payroll is a basic internal control necessary to ensure the accuracy and reliability of financial reports.

Timesheets should be completed and maintained for all employees. KRS 337.320(1) states, in part, "[e]very employer shall keep a record of: ... (b) The hours worked each day and each week by each employee[.]" The Casey County Administrative Code, Section 5.24 Attendance states, "[e]mployees shall be at their places of work in accordance with prescribed schedules. The supervisor shall maintain daily attendance records of employees under the supervisor's direction."

KRS 337.285(1) states, "[n]o employer shall employ any of his or her employees for a work week longer than forty (40) hours, unless such employee receives compensation for his or her employment in excess of forty (40) hours in a work week at a rate of not less than one and one-half (1-1/2) times the hourly wage rate at which he or she is employed."

The Casey County Administrative Code, Section 5.36 Overtime/Compensation Time states that overtime and compensatory time are granted "at a rate of not less than one and one-half (1-1/2) hours for each hour the County employee is authorized to work in excess of forty (40) hours in a work week."

We recommend the sheriff strengthen internal controls over the payroll process to ensure payroll amounts are calculated accurately. Additionally, we recommend the sheriff make payment to fiscal court for employees' payroll withholdings timely. We further recommend the sheriff to ensure employer's matching retirement for KLEFPF wages is reimbursed to fiscal court.

CASEY COUNTY  
CHAD WEDDLE, SHERIFF  
SCHEDULE OF FINDINGS AND RESPONSES  
For The Year Ended December 31, 2024  
(Continued)

2024-003 The Casey County Sheriff's Controls Over Payroll Did Not Operate Effectively (Continued)

*Sheriff's Response:*

- 1. In 2024 while attending an in-service I understood that it was ok to have over 40 hours of work per week if the office was on a bi-weekly pay schedule as long as the total hours were not over 80 for the bi-weekly pay and if the hours were over 80 it would then be overtime.*
- 2. Sometimes throughout the year the sheriff's office does not have adequate funds to pay back fiscal court in a timely manner --- The sheriff's office must wait till funds are available to pay back fiscal court.*
- 3. The problem has been corrected.*