

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

**For The Year Ended  
June 30, 2025**



**ALLISON BALL  
AUDITOR OF PUBLIC ACCOUNTS  
[auditor.ky.gov](http://auditor.ky.gov)**

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



CONTENTS

PAGE

INDEPENDENT AUDITOR’S REPORT .....	1
CHRISTIAN COUNTY OFFICIALS .....	5
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - REGULATORY BASIS .....	8
NOTES TO FINANCIAL STATEMENT .....	12
BUDGETARY COMPARISON SCHEDULES.....	37
NOTES TO REGULATORY SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULES .....	45
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS .....	49
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS .....	51
SCHEDULE OF CAPITAL ASSETS.....	55
NOTES TO OTHER INFORMATION - REGULATORY BASIS SCHEDULE OF CAPITAL ASSETS.....	56
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 <i>GOVERNMENT AUDITING STANDARDS</i> .....	59
REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE .....	63
SCHEDULE OF FINDINGS AND QUESTIONED COSTS .....	69
APPENDIX A: CERTIFICATION OF COMPLIANCE - LOCAL GOVERNMENT ECONOMIC ASSISTANCE PROGRAM	

THIS PAGE LEFT BLANK INTENTIONALLY



**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 Jerry Gilliam, Christian County Judge/Executive  
Members of the Christian 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 Christian County Fiscal Court, for the year ended June 30, 2025, and the related notes to the financial statement, which collectively comprise the Christian 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 Christian County Fiscal Court, for the year ended June 30, 2025, 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 Christian County Fiscal Court, for the year ended June 30, 2025, 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 Christian 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  
The Honorable Andy Beshear, Governor  
Holly M. Johnson, Secretary  
Finance and Administration Cabinet  
The Honorable Jerry Gilliam, Christian County Judge/Executive  
Members of the Christian County Fiscal Court

### ***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 Christian 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***

Christian 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 Christian 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 Christian County Fiscal Court's internal control. Accordingly, no such opinion is expressed.

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

***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 Christian 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 Christian County Fiscal Court. The Budgetary Comparison Schedules and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) 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 and Schedule of Expenditures of Federal Awards 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 and the Schedule of Expenditures of Federal Awards 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.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2026, on our consideration of the Christian 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 Christian 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 Questioned Costs included herein, which discusses the following report findings:

- 2025-001 The Christian County Fiscal Court Failed To Implement Effective Internal Controls Over Financial Reporting
- 2025-002 The Christian County Fiscal Court Failed To Approve Cash Transfers Prior To Them Being Made
- 2025-003 The Christian County Fiscal Court Had Inadequate Controls Over Disbursements Resulting In Noncompliance
- 2025-004 The Christian County Fiscal Court's Schedule Of Expenditures Of Federal Awards (SEFA) Was Misstated

Respectfully submitted,



Allison Ball  
Auditor of Public Accounts  
Frankfort, Ky

February 26, 2026

**CHRISTIAN COUNTY OFFICIALS****For The Year Ended June 30, 2025****Fiscal Court Members:**

Jerry Gilliam	County Judge/Executive
Magaline Ferguson	Magistrate
Josh Turner	Magistrate
George Barnett	Magistrate
J.E. Pryor	Magistrate
Rich Liebe	Magistrate
Phillip Peterson	Magistrate
Russ Guffey	Magistrate
John Bruce	Magistrate

**Other Elected Officials:**

Lincoln Foster	County Attorney
Adam Smith	Jailer
Melinda Humphries	County Clerk
Paige Parker	Circuit Court Clerk
Tyler DeArmond	Sheriff
Angie Strader	Property Valuation Administrator
Scott Daniel	Coroner

**Appointed Personnel:**

Natalie Pyle	County Treasurer
Ruth Mason	Assistant County Treasurer
Nicole Gentry	Finance Officer

THIS PAGE LEFT BLANK INTENTIONALLY

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

**For The Year Ended June 30, 2025**

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

**For The Year Ended June 30, 2025**

	<u>Budgeted Funds</u>		
	<u>General Fund</u>	<u>Road Fund</u>	<u>Jail Fund</u>
<b>RECEIPTS</b>			
Taxes	\$ 10,434,453	\$	\$
In Lieu Tax Payments	214,289		
Excess Fees	719,258		
Licenses and Permits	131,458		
Intergovernmental	5,227,147	3,074,038	5,866,697
Charges for Services	405,070		539,342
Miscellaneous	1,255,507	57,925	251,682
Interest	582,139	25,379	10,743
Total Receipts	<u>18,969,321</u>	<u>3,157,342</u>	<u>6,668,464</u>
<b>DISBURSEMENTS</b>			
General Government	3,070,730		
Protection to Persons and Property	1,163,295		6,271,757
General Health and Sanitation	818,804		
Social Services	152,476		
Recreation and Culture	711,400		
Roads		3,219,113	
Airports	30,000		
Debt Service			
Capital Projects	6,621,844		119,505
Administration	5,347,358	492,503	2,131,558
Total Disbursements	<u>17,915,907</u>	<u>3,711,616</u>	<u>8,522,820</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>1,053,414</u>	<u>(554,274)</u>	<u>(1,854,356)</u>
<b>Other Adjustments to Cash (Uses)</b>			
Lease Proceeds	955,000		
Lease Premium	45,000		
Borrowed Money	429,076		
Transfers From Other Funds	1,635	550,000	1,750,000
Transfers To Other Funds	(4,603,890)		
Total Other Adjustments to Cash (Uses)	<u>(3,173,179)</u>	<u>550,000</u>	<u>1,750,000</u>
Net Change in Fund Balance	(2,119,765)	(4,274)	(104,356)
Fund Balance - Beginning (Restated)	11,918,277	63,777	218,122
Fund Balance - Ending	<u>\$ 9,798,512</u>	<u>\$ 59,503</u>	<u>\$ 113,766</u>
<b>Composition of Fund Balance</b>			
Bank Balance	\$ 10,330,801	\$ 79,700	\$ 218,147
Plus: Deposits In Transit	12,096		
Less: Outstanding Checks	(544,385)	(20,197)	(104,381)
Fund Balance - Ending	<u>\$ 9,798,512</u>	<u>\$ 59,503</u>	<u>\$ 113,766</u>

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

**CHRISTIAN COUNTY**  
**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES**  
**IN FUND BALANCES - REGULATORY BASIS**  
**For The Year Ended June 30, 2025**  
**(Continued)**

<b>Budgeted Funds</b>				
<b>Local Government Economic Assistance Fund</b>	<b>E911 Fund</b>	<b>General Obligation Bond Fund</b>	<b>Clerk Storage Fees Fund</b>	<b>American Rescue Fund</b>
\$	\$ 68,731	\$	\$	\$
298,059	475,900		99,790	
		273,603		
14,719	51,441	22,712		364,148
<u>312,778</u>	<u>596,072</u>	<u>296,315</u>	<u>99,790</u>	<u>364,148</u>
			11,236	
	1,685,486			
		369,844		
225,738				
		1,536,163		3,364,695
			46,053	
<u>225,738</u>	<u>1,685,486</u>	<u>1,906,007</u>	<u>57,289</u>	<u>3,364,695</u>
<u>87,040</u>	<u>(1,089,414)</u>	<u>(1,609,692)</u>	<u>42,501</u>	<u>(3,000,547)</u>
	1,041,330	1,262,560		
		(1,635)		
	<u>1,041,330</u>	<u>1,260,925</u>		
87,040	(48,084)	(348,767)	42,501	(3,000,547)
219,274	952,113	441,631	94,897	8,546,558
<u>\$ 306,314</u>	<u>\$ 904,029</u>	<u>\$ 92,864</u>	<u>\$ 137,398</u>	<u>\$ 5,546,011</u>
\$ 307,453	\$ 1,041,337	\$ 166,362	\$ 141,926	\$ 5,546,011
(1,139)	(137,308)	(73,498)	(4,528)	
<u>\$ 306,314</u>	<u>\$ 904,029</u>	<u>\$ 92,864</u>	<u>\$ 137,398</u>	<u>\$ 5,546,011</u>

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

**CHRISTIAN COUNTY**  
**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES**  
**IN FUND BALANCES - REGULATORY BASIS**  
**For The Year Ended June 30, 2025**  
**(Continued)**

	<u>Unbudgeted Funds</u>			<u>Internal</u>
	<u>Industrial Development Authority Revolving Loan Fund</u>	<u>Jail Commissary Fund</u>	<u>Total Funds</u>	<u>Service Fund  Health Insurance Fund</u>
<b>RECEIPTS</b>				
Taxes	\$	\$	\$ 10,503,184	\$
In Lieu Tax Payments			214,289	
Excess Fees			719,258	
Licenses and Permits			131,458	
Intergovernmental			14,941,841	
Charges for Services			1,044,202	
Miscellaneous	261,027	1,233,835	3,333,579	3,952,869
Interest	28,967	37,097	1,137,345	29,650
Total Receipts	<u>289,994</u>	<u>1,270,932</u>	<u>32,025,156</u>	<u>3,982,519</u>
<b>DISBURSEMENTS</b>				
General Government			3,081,966	
Protection to Persons and Property			9,120,538	
General Health and Sanitation			818,804	
Social Services			152,476	
Recreation and Culture		1,226,683	2,307,927	
Roads			3,444,851	
Airports			30,000	
Debt Service			1,536,163	
Capital Projects	286,923		10,392,967	
Administration	25		8,017,497	3,679,593
Total Disbursements	<u>286,948</u>	<u>1,226,683</u>	<u>38,903,189</u>	<u>3,679,593</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>3,046</u>	<u>44,249</u>	<u>(6,878,033)</u>	<u>302,926</u>
<b>Other Adjustments to Cash (Uses)</b>				
Lease Proceeds			955,000	
Lease Premium			45,000	
Borrowed Money			429,076	
Transfers From Other Funds			4,605,525	
Transfers To Other Funds			(4,605,525)	
Total Other Adjustments to Cash (Uses)			<u>1,429,076</u>	
Net Change in Fund Balance	3,046	44,249	(5,448,957)	302,926
Fund Balance - Beginning (Restated)	<u>644,689</u>	<u>689,094</u>	<u>23,788,432</u>	<u>549,998</u>
Fund Balance - Ending	<u>\$ 647,735</u>	<u>\$ 733,343</u>	<u>\$ 18,339,475</u>	<u>\$ 852,924</u>
<b>Composition of Fund Balance</b>				
Bank Balance	\$ 647,735	\$ 751,902	\$ 19,231,374	\$ 708,079
Plus: Deposits In Transit			12,096	147,937
Less: Outstanding Checks		(18,559)	(903,995)	(3,092)
Fund Balance - Ending	<u>\$ 647,735</u>	<u>\$ 733,343</u>	<u>\$ 18,339,475</u>	<u>\$ 852,924</u>

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

**INDEX FOR NOTES  
TO THE FINANCIAL STATEMENT**

NOTE 1.	SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES .....	12
NOTE 2.	DEPOSITS .....	15
NOTE 3.	TRANSFERS .....	16
NOTE 4.	CUSTODIAL FUNDS .....	16
NOTE 5.	COMMITMENTS – LEASE AGREEMENTS AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA) .....	16
NOTE 6.	RECEIVABLES .....	17
NOTE 7.	LONG-TERM DEBT .....	18
NOTE 8.	EMPLOYEE RETIREMENT SYSTEM .....	24
NOTE 9.	DEFERRED COMPENSATION .....	27
NOTE 10.	SELF-HEALTH INSURANCE .....	27
NOTE 11.	INSURANCE .....	28
NOTE 12.	RELATED PARTY TRANSACTIONS .....	28
NOTE 13.	CONDUIT DEBT .....	28
NOTE 14.	TAX ABATEMENTS .....	28
NOTE 15.	PRIOR PERIOD ADJUSTMENTS .....	32
NOTE 16.	COMMITMENTS AND CONTINGENCIES .....	33

**CHRISTIAN COUNTY  
NOTES TO FINANCIAL STATEMENT**

**June 30, 2025**

**Note 1. Summary of Significant Accounting Policies**

**A. Reporting Entity**

The financial statement of Christian County includes all budgeted and unbudgeted funds under the control of the Christian 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.

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**C. Basis of Presentation (Continued)**

**Budgeted Funds (Continued)**

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.

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.

E911 Fund - The primary purpose of this fund is to account for the dispatch expenses of the county. The primary source of receipts for this fund are 911 telephone surcharges.

General Obligation Bond Fund - The purpose of this fund is to account for debt service requirements of the general obligation bond refunding bonds. The primary sources of receipts for this fund are transfers from other funds.

Clerk Storage Fees Fund - The primary purpose of this fund is to account for activity related to storage fees. The primary source of receipts for this fund are storage fees collected by the county clerk.

American Rescue Fund - The primary purpose of this fund is to account for Coronavirus State and Local Fiscal Recovery Funds grant and related disbursements. The primary source of receipts for this fund are from the federal grant.

**Unbudgeted Funds**

The fiscal court reports the following unbudgeted funds:

Industrial Development Authority Revolving Loan Fund - The primary purpose of this fund is to account for the activities of the Christian County Industrial Development Authority. Activity of this fund includes repayment of small business loans made by the fund. On November 12, 2003, the Department for Local Government approved an ordinance allowing this activity.

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.

**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.

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**D. Budgetary Information (Continued)**

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.

The state local finance officer does not require the Industrial Development Revolving Loan Fund to be budgeted. Bond indentures and other relevant contractual provisions require specific payments to and from this fund annually.

**E. Christian County Elected Officials**

Kentucky law provides for election of the officials listed below from the geographic area constituting Christian 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 Christian 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.

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).

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**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. Jointly Governed Organizations**

A regional government or other multi-governmental arrangement is governed by representatives from each of the governments that created the organization but is not a joint venture because participants do not retain an ongoing financial interest or reasonability, is a jointly governed organization. Based on these criteria, the following are considered jointly governed organizations of the Christian County Fiscal Court:

Hopkinsville-Christian County Convention & Visitors Bureau  
 Hopkinsville-Christian County Economic Development Council  
 Hopkinsville-Christian County Senior Citizens, Inc  
 Hopkinsville-Christian County Planning Commission  
 Hopkinsville-Christian County Ambulance Service  
 Hopkinsville-Christian County Public Library  
 Hopkinsville-Christian County Airport Board  
 Hopkinsville-Christian County Communication Center

**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 DLG's *County Budget Preparation and State Local Finance Officer Policy Manual*. As of June 30, 2025, all deposits were covered by FDIC insurance or a properly executed collateral security agreement.

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 3. Transfers**

The table below shows the interfund operating transfers for fiscal year 2025.

	General Fund	General Obligation Bond Fund	Total Transfers In
General Fund	\$	\$ 1,635	\$ 1,635
Road Fund	550,000		550,000
Jail Fund	1,750,000		1,750,000
E911 Fund	1,041,330		1,041,330
General Obligation Bond Fund	1,262,560		1,262,560
Total Transfers Out	<u>\$ 4,603,890</u>	<u>\$ 1,635</u>	<u>\$ 4,605,525</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**

Custodial funds report only those resources held in a trust or custodial capacity for individuals, private organizations, or other governments. In accordance with the regulatory basis of accounting, custodial funds are not presented on the financial statement.

The fiscal court has the following custodial funds:

Jail Inmate Fund - This fund accounts for funds received from the inmates. The balance in the Jail Inmate Fund as of June 30, 2025, was \$163,133.

Escrow Fund – This fund accounts for stale-dated checks held on behalf of the county clerk’s office. The beginning balance as of July 1, 2024, was \$44,179. There were no receipts or disbursements throughout the fiscal year, leaving a balance of \$44,179 as of June 30, 2025. When statutorily required, the county will turn over the escrowed funds to the Kentucky State Treasurer as unclaimed property in compliance with KRS Chapter 393A.

**Note 5. Commitments – Lease Agreements and Subscription-Based Information Technology Arrangements (SBITA)**

**A. Leases – Lessor**

The Christian County Fiscal Court was committed to the following lease agreements as lessor as of June 30, 2025:

Description	Effective Date	Length of Term	Frequency of Payments	Ending Date	Amount of Payments	Balance June 30, 2025
Office Space	7/1/2024	1 year	Monthly	6/30/2025	\$ 2,773	\$ 0
Alhambra Theatre	7/1/2024	1 year	Annually	6/30/2025	\$ 1	\$ 0
Parking Lot Space Rental	7/1/2024	1 year	Quarterly	6/30/2025	\$ 20	\$ 0

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 5. Commitments – Lease Agreements and Subscription-Based Information Technology Arrangements (SBITA) (Continued)**

**B. Leases – Lessee**

The Christian County Fiscal Court was committed to the following lease agreements as lessee as of June 30, 2025:

Description	Effective Date	Length of Term	Frequency of Payments	Ending Date	Amount of Payments	Balance June 30, 2025
Tractors	7/22/2024	3 years	Annual	7/22/2027	\$ 37,802	\$ 37,802
Copier/Fax Machine	2/1/2025	1 year	Monthly	2/1/2026	\$ 20	\$ 140
Postage Machine	5/10/2025	1 year	Monthly	5/10/2026	\$ 37	\$ 370
Copier/Fax Machine	5/4/2023	5 years	Monthly	5/4/2028	\$ 179	\$ 6,275

**C. Subscription-Based Information Technology Arrangements (SBITA)**

The Christian County Fiscal Court was committed to the following SBITA as of June 30, 2025:

Description	Effective Date	Length of Term	Frequency of Payments	Ending Date	Amount of Payments	Balance June 30, 2025
Computer Service	1/1/2023	4 years	Monthly	12/31/2026	\$ 1,500	\$ 27,000

**Note 6. Receivables**

- A. On June 1, 2019, the fiscal court loaned the Hopkinsville Industrial Foundation, Inc. \$250,000, for the purpose of making improvements to real estate. Terms of the agreement stipulate a ten-year repayment schedule at 1.5 percent interest. As of June 30, 2025, the principal balance due was \$98,162.
- B. On January 8, 2019, the fiscal court loaned the Hopkinsville Christian County Airport Board \$300,000, for the purpose of financing the construction of ten hangars at the Hopkinsville Christian County Airport. Terms of the agreement stipulate a 12-year repayment schedule at 1.5 percent interest. As of June 30, 2025, the principal balance due was \$156,453.
- C. On June 2, 2020, the fiscal court loaned the New Horizon Scholar House of Hopkinsville, LLLP \$15,000, for the purpose of making improvements to real estate. Terms of the agreement stipulate a five-year repayment schedule at 3 percent interest. As of June 30, 2025, the principal balance due was \$269.
- D. On June 2, 2020, the fiscal court loaned the New Horizon Scholar House of Hopkinsville, LLLP \$10,000, for the purpose of making improvements to real estate. Terms of the agreement stipulate that no principal or interest payments are due until September 1, 2025, in which the full principal amount is due. As of June 30, 2025, the principal balance due was \$10,000.
- E. On March 15, 2023, the fiscal court loaned the Hopkinsville Christian County Airport Board \$275,000 for the purpose of financing the construction of ten hangars at the Hopkinsville Christian County Airport. Terms of the agreement stipulate a 12-year repayment schedule at 3 percent interest. As of June 30, 2025, the principal balance due was \$230,658.

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 7. Long-term Debt**

**A. Direct Borrowings and Direct Placements**

**1. Sheriff's Vehicles #24**

On June 2, 2021, the fiscal court entered into an agreement with the Kentucky Association of Counties Leasing Trust Program in the sum of \$268,392 at a 2.38 percent effective interest rate. The financing obligation was used to purchase vehicles for the Christian County Sheriff's Department. The agreement is secured by the vehicles purchased. Upon the happening and continuance of any event of default as defined in the agreement, the lease may be terminated, project sold, repossessed, or re-leased, or lease rental payments may be declared due and payable. The maturity date of the obligation is January 20, 2025. The principal balance was paid in full for fiscal year 2025.

**2. Sheriff's Vehicles #25**

On November 22, 2022, the fiscal court entered into an agreement with the Kentucky Association of Counties Leasing Trust Program in the sum of \$176,547 at a 3.74 percent effective interest rate. The financing obligation was used to purchase vehicles for the Christian County Sheriff's Department. The agreement is secured by the vehicles purchased. Upon the happening and continuance of any event of default as defined in the agreement, the lease may be terminated, project sold, repossessed, or re-leased, or lease rental payments may be declared due and payable. The maturity date of the obligation is January 20, 2026. The balance of the financing obligation at June 30, 2025, was \$39,838. Annual debt service requirements to maturity are as follows:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	39,838	1,490
Totals	<u>\$ 39,838</u>	<u>\$ 1,490</u>

**3. Sheriff's Vehicles #27**

On September 26, 2023, the fiscal court entered into an agreement with the Kentucky Association of Counties Leasing Trust Program in the sum of \$364,943 at a 5.52 percent effective interest rate. The financing obligation was used to purchase vehicles for the Christian County Sheriff's Department. The agreement is secured by the vehicles purchased. Upon the happening and continuance of any event of default as defined in the agreement, the lease may be terminated, project sold, repossessed, or re-leased, or lease rental payments may be declared due and payable. The maturity date of the obligation is January 20, 2027. The balance of the financing obligation at June 30, 2025, was \$164,196. Annual debt service requirements to maturity are as follows:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 93,680	\$ 5,686
2027	70,516	4,088
Totals	<u>\$ 164,196</u>	<u>\$ 9,774</u>

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 7. Long-term Debt (Continued)**

**A. Direct Borrowings and Direct Placements (Continued)**

**4. Sheriff's Vehicles #29**

On September 25, 2024, the fiscal court entered into an agreement with the Kentucky Association of Counties Leasing Trust Program in the sum of \$275,506 at a 5.71 percent effective interest rate. The financing obligation was used to purchase vehicles for the Christian County Sheriff's Department. The agreement is secured by the vehicles purchased. Upon the happening and continuance of any event of default as defined in the agreement, the lease may be terminated, project sold, repossessed, or re-leased, or lease rental payments may be declared due and payable. The maturity date of the obligation is September 28, 2028. The balance of the financing obligation at June 30, 2025, was \$275,506. Annual debt service requirements to maturity are as follows:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 63,316	\$ 16,374
2027	67,017	12,394
2028	70,664	8,480
2029	74,509	4,352
Totals	<u>\$ 275,506</u>	<u>\$ 41,600</u>

**5. Sheriff's Vehicles #31**

On April 8, 2025, the fiscal court entered into an agreement with the Kentucky Association of Counties Leasing Trust Program in the sum of \$153,570 at a 5.250 percent effective interest rate. The financing obligation was used to purchase vehicles for the Christian County Sheriff's Department. The agreement is secured by the vehicles purchased. Upon the happening and continuance of any event of default as defined in the agreement, the lease may be terminated, project sold, repossessed, or re-leased, or lease rental payments may be declared due and payable. The maturity date of the obligation is January 20, 2029. The balance of the financing obligation at June 30, 2025, was \$153,570. Annual debt service requirements to maturity are as follows:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 36,709	\$ 6,670
2027	37,084	6,263
2028	38,923	4,276
2029	40,854	2,189
Totals	<u>\$ 153,570</u>	<u>\$ 19,398</u>

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 7. Long-term Debt (Continued)**

**A. Direct Borrowings and Direct Placements (Continued)**

**6. Convention Center Lease**

On March 19, 2019, the fiscal court entered into an agreement with the Kentucky Association of Counties Finance Corporation in the sum of \$981,000 at a 2.98 percent effective interest rate. The financing obligation was used for the construction of an addition at the convention center. The agreement is secured by the project. Upon the happening and continuance of any event of default as defined in the agreement, the project may be sold or re-leased, or a suit may be filed. The maturity date of the obligation is June 1, 2034. The balance of the financing obligation at June 30, 2025, was \$666,000. Annual debt service requirements to maturity are as follows:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 60,000	\$ 26,234
2027	65,000	23,084
2028	70,000	19,672
2029	75,000	15,997
2030	75,000	13,560
2031-2034	<u>321,000</u>	<u>29,275</u>
Totals	<u>\$ 666,000</u>	<u>\$ 127,822</u>

**7. Library Project Lease**

On March 9, 2023, the fiscal court entered into an agreement with the Kentucky Association of Counties Finance Corporation in the sum of \$430,000 at a 4.06 percent effective interest rate. The financing obligation was used for the acquisition, construction, installation and equipping of a new office building for the benefit of the Hopkinsville-Christian County Public Library.

The agreement is secured by the project. Upon the happening and continuance of any event of default as defined in the agreement, the lessor may take legal title to the project and sell or re-lease it, may levy a tax on the lessee in an amount sufficient to pay the lease rental payment when and as due, or a suit may be filed to enforce its rights in and to the project or to enforce performance by the lessee of the applicable covenants and agreements under the lease. The maturity date of the obligation is December 20, 2042. The balance of the financing obligation at June 30, 2024, was \$400,000. Annual debt service requirements to maturity are as follows:

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 7. Long-term Debt (Continued)**

**A. Direct Borrowings and Direct Placements (Continued)**

**7. Library Project Lease (Continued)**

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 15,000	\$ 20,631
2027	15,000	19,844
2028	15,000	19,056
2029	15,000	18,269
2030	15,000	17,481
2031-2035	105,000	72,218
2036-2040	135,000	41,092
2041-2043	85,000	7,589
Totals	<u>\$ 400,000</u>	<u>\$ 216,180</u>

**8. Radio System Upgrade Project**

On May 28, 2024, the fiscal court entered into an agreement with the Kentucky Association of Counties Finance Corporation in the sum of \$2,088,000 at a 3.32 percent effective interest rate. The financing obligation was used for the acquisition, construction, installation, and equipping of radio system upgrades. The agreement is secured by the project. Upon the happening and continuance of any event of default as defined in the agreement, the project may be sold or re-leased, or a suit may be filed. The maturity date of the obligation is February 1, 2034. The balance of the financing obligation at June 30, 2025, was \$1,943,000. Annual debt service requirements to maturity are as follows:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 170,000	\$ 103,353
2027	180,000	93,922
2028	190,000	83,953
2029	205,000	73,318
2030	215,000	61,998
2031-2034	983,000	121,980
Totals	<u>\$ 1,943,000</u>	<u>\$ 538,524</u>

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 7. Long-term Debt (Continued)**

**A. Direct Borrowings and Direct Placements (Continued)**

**9. Kitchen Foods Lease**

On December 19, 2024, the fiscal court entered into an agreement with the Kentucky Association of Counties Finance Corporation in the sum of \$955,000 at a 3.32 percent effective interest rate. The financing obligation was used for the acquisition, construction, installation, and equipping of an industrial building to a prospective employer planning to locate a large manufacturing facility within the jurisdictional boundaries. The agreement is secured by the project. Upon the happening and continuance of any event of default as defined in the agreement, the project may be sold or re-leased, or a suit may be filed. The maturity date of the obligation is December 20, 2034. The balance of the financing obligation at June 30, 2025, was \$955,000. Annual debt service requirements to maturity are as follows:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 75,000	\$ 49,507
2027	80,000	44,840
2028	85,000	40,395
2029	85,000	35,805
2030	90,000	31,090
2031-2035	<u>540,000</u>	<u>76,030</u>
Totals	<u>\$ 955,000</u>	<u>\$ 277,667</u>

**B. Other Debt**

**1. General Obligation Refunding Bonds, Series 2011**

On November 30, 2011, the fiscal court issued General Obligation Refunding Bonds, Series 2011, in the amount of \$3,785,000. The proceeds were used to refinance financing obligations with the Kentucky Association of Counties Leasing Trust Program for the Energy Conservation Project in the amount of \$2,210,000 and the jail renovation in the amount of \$1,575,000. The bonds bear interest of 2.00 percent to 3.125 percent. The maturity date of the bonds is February 1, 2027. The basic security for the general obligation debt of the county including the bonds is the county's ability to levy, and is pledged to levy, an annual tax to pay the interest on and principal of the bonds as and when the same become due and payable. The constitution of the state mandates the collection of a tax sufficient to pay the interest of an authorized indebtedness and the creation of a sinking fund for the payment of the principal thereof. As of June 30, 2025, the balance of these bonds was \$335,000. Annual debt service requirements to maturity for the bonds are as follows:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 165,000	\$ 10,469
2027	<u>170,000</u>	<u>5,312</u>
Totals	<u>\$ 335,000</u>	<u>\$ 15,781</u>

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 7. Long-term Debt (Continued)**

**B. Other Debt (Continued)**

**2. General Obligation Bonds, Series 2017**

On December 28, 2017, the fiscal court issued General Obligation Bonds, Series 2017, in the amount of \$7,845,000. The proceeds were used to provide funds for the completion of a New Public Safety Building, Alhambra Theater Rehabilitation, Museum Rehabilitation, and Sportsplex Project. The bonds bear interest of 3.00 percent to 4.00 percent. The maturity date of the bonds is December 1, 2037. The basic security for the general obligation debt of the county including the bonds is the county's ability to levy, and is pledged to levy, an annual tax to pay the interest on and principal of the bonds as and when the same become due and payable. The constitution of the state mandates the collection of a tax sufficient to pay the interest of an authorized indebtedness and the creation of a sinking fund for the payment of the principal thereof. As of June 30, 2025, the balance of these bonds was \$7,480,000. Annual debt service requirements to maturity for the bonds are as follows:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 465,000	\$ 234,800
2027	480,000	215,900
2028	500,000	196,300
2029	525,000	175,800
2030	540,000	157,200
2031-2035	2,965,000	528,375
2036-2038	2,005,000	91,425
Totals	<u>\$ 7,480,000</u>	<u>\$ 1,599,800</u>

**3. General Obligation Bonds, Series 2018**

On December 28, 2017, the fiscal court issued General Obligation Bonds, Series 2018, in the amount of \$2,545,000. The proceeds were used to provide funds for the remaining costs of completion of a new public safety building, Alhambra Theater rehabilitation, museum rehabilitation, and sportsplex project. The bonds bear interest of 2.00 percent. The maturity date of the bonds is December 1, 2024. The basic security for the general obligation debt of the county including the bonds is the county's ability to levy, and is pledged to levy, an annual tax to pay the interest on and principal of the bonds as and when the same become due and payable. The constitution of the state mandates the collection of a tax sufficient to pay the interest of an authorized indebtedness and the creation of a sinking fund for the payment of the principal thereof. As of June 30, 2025, the principal balance was paid in full.

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 7. Long-term Debt (Continued)**

**C. Changes In Long-term Debt**

Long-term Debt activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Direct Borrowings and Direct Placements	\$ 3,647,246	\$ 1,384,076	\$ 434,212	\$ 4,597,110	\$ 553,543
Other Debt	8,420,000		605,000	7,815,000	630,000
<b>Total Long-term Debt</b>	<b>\$ 12,067,246</b>	<b>\$ 1,384,076</b>	<b>\$ 1,039,212</b>	<b>\$ 12,412,110</b>	<b>\$ 1,183,543</b>

**D. Aggregate Debt Schedule**

The amount of required principal and interest payments on long-term obligations on June 30, 2025, were as follows:

Fiscal Year Ended June 30	Other Debt		Direct Borrowings and Direct Placements	
	Principal	Interest	Principal	Interest
2026	\$ 630,000	\$ 245,269	\$ 553,543	\$ 229,945
2027	650,000	221,212	514,618	204,436
2028	500,000	196,300	469,587	175,832
2029	525,000	175,800	495,362	149,929
2030	540,000	157,200	395,000	124,129
2031-2035	2,965,000	528,375	1,949,000	299,503
2036-2040	2,005,000	91,425	135,000	41,092
2041-2043			85,000	7,589
<b>Totals</b>	<b>\$ 7,815,000</b>	<b>\$ 1,615,581</b>	<b>\$ 4,597,110</b>	<b>\$ 1,232,455</b>

**Note 8. 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 2023 was \$1,065,952, FY 2024 was \$983,173, and FY 2025 was \$917,006.

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 8. 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 be allocated to CERS's share of assets in the Ky. Ret. Sys. insurance trust 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 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 19.71%.

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:

<b>Years of Service</b>	<b>% Paid by Insurance Fund</b>	<b>% Paid by Member through Payroll Deduction</b>
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.

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 8. Employee Retirement System (Continued)**

Other Post-Employment Benefits (OPEB) (Continued)

A. Health Insurance Coverage - Tier 1 (Continued)

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.

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. 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.

D. 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.

E. 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.

F. 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 may also be obtained online at <https://kyret.ky.gov>.

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 8. Employee Retirement System (Continued)**

Other Post-Employment Benefits (OPEB) (Continued)

F. 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 9. Deferred Compensation**

The Christian 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 10. Self-Health Insurance**

The Christian County Fiscal Court elected to provide a partially self-funded health insurance plan beginning in fiscal year ended June 30, 1998. This partially self-funded insurance plan covers all county employees, and the county pays for each county employee's individual coverage. Christian County contracted with Anthem Blue Cross and Blue Shield to administer the employee benefit plan for the 2024-2025 fiscal year.

This partially self-funded insurance plan has two distinct components that the fiscal court must pay. The first component is the fixed cost, which consists of administrative fees associated with operating the plan, and specific and aggregate reinsurance costs that cap the county's claims exposure on an individual and aggregate basis. Incurred fixed costs for fiscal year ending June 30, 2025, were \$770,534. The second component is the claims cost, all of which Christian County is responsible to pay as they incur. Once an individual exceeds \$25,000 in claims or the county's aggregate claims exceed the predetermined maximum, then the county will receive reimbursements from the reinsurance carrier. Incurred claims for fiscal year ended June 30, 2025, were \$2,908,756. The Christian County Fiscal Court's contract with Anthem Blue Cross and Blue Shield has no terminal liability provision. The fiscal court would be responsible to pay all run-out claims after termination. The Health Insurance Fund had a balance of \$852,924 as of June 30, 2025.

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 11. Insurance**

For the fiscal year ended June 30, 2025, the Christian 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 12. Related Party Transactions**

For the fiscal year ended June 30, 2025, the fiscal court engaged in related party transactions that paid companies owned by magistrates. One company was paid \$1,699 for tires and mechanic work and \$22,476 was paid to another company for video surveillance.

**Note 13. Conduit Debt**

From time to time, the county has issued bonds to provide financial assistance to various organizations 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 Christian 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, 2025, conduit debt has been issued but the amount currently outstanding is not reasonably determinable.

**Note 14. Tax Abatements**

**A. Hopkinsville-Christian County Conference Center Corporation**

On February 20, 2014, the Christian County Fiscal Court entered into an interlocal agreement with the City of Hopkinsville, and Hopkinsville Tax Increment Tax Authority to abate county ad valorem real estate taxes from the Hopkinsville-Christian County Conference Center Corporation. The conference center is eligible to receive these tax abatements as it will encourage investment and increase employment and economic activity within the county. The assessed value of taxable real property within the local development area is less than 20% of the assessed value of taxable real property within the county. This agreement shall continue for 20 years after establishment. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court abated \$8,700 of taxable real property.

**B. Thompson Thrift Development Inc.**

On July 14, 2015, the Christian County Fiscal Court entered into an interlocal agreement with the City of Hopkinsville to abate ad valorem taxes generated by Thompson Thrift Development Inc. The city and county have agreed to pledge 100% of the incremental ad valorem tax revenue generated from the project site in order to repay the city's financing of the grant. This tax abatement will encourage and support economic development endeavors. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court abated \$44,345 of ad valorem taxes.

**CHRISTIAN COUNTY  
NOTES TO FINANCIAL STATEMENT  
June 30, 2025  
(Continued)**

**Note 14. Tax Abatements (Continued)**

**C. Michael Venable**

In November 2019, the Christian County Fiscal Court entered into an agreement with Michael Venable. This agreement authorized the developer and/or its assigns to retain through a rebate 80% of any increase in ad valorem tax revenue otherwise collected by the county from an increased assessment of the real property owned. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$373 of ad valorem taxes.

**D. Kentucky Healthcare Holdings I, LLC**

On November 26, 2019, the Christian County Fiscal Court entered into an agreement with Kentucky Healthcare Holdings I, LLC. This agreement authorized the company to retain through a rebate 90% of any increase in ad valorem tax revenue otherwise collected by the county resulting from an increased assessment after January 1, 2019, of any real property owned by company and located within the commercial incentive district for a period of 15 years. During the fiscal year ended June 30, 2025, the Christian County Fiscal refunded \$20,384 of ad valorem taxes.

**E. Concord Villas LLC**

On February 25, 2020, the Christian county fiscal court entered into an agreement with Concord Villas, LLC to refund 80% of county property taxes for ten years based upon increase in valuation. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$8,455 of property taxes.

**F. Sheffield Downs**

On September 12, 2017, the Christian County Fiscal Court entered into an agreement with Sheffield Downs to rebate 80% of any increase in ad valorem tax revenue collected by the county resulting from any increased assessment after January 1, 2017, of any real property owned by company and located within the commercial incentive district for a period of 20 years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$0 of ad valorem taxes.

**G. Kindred Holdings LLC**

On April 13, 2021, the Christian County Fiscal Court entered into an agreement with Kindred Holdings LLC to rebate 90% of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2022 of any real property owned by the company and located within the commercial incentive district for a period of 15 years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$2,898 of ad valorem taxes.

**H. Legacy Metals**

On January 25, 2022, the Christian County Fiscal Court entered into an agreement with Legacy Metals Manufacturing LLC, to rebate 70% of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2022 of any real property owned by company and located within the commercial incentive district for a period of ten years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$2,665 of ad valorem taxes.

**CHRISTIAN COUNTY  
NOTES TO FINANCIAL STATEMENT  
June 30, 2025  
(Continued)**

**Note 14. Tax Abatements (Continued)**

**I. AJM, LLC**

On February 22, 2022, the Christian County Fiscal Court entered into an agreement with AJM, LLC, to rebate 90% of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2021 of any real property owned by the company and located within the commercial incentive district for a period of 12 years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$0 of ad valorem taxes.

**J. Bluegrass Park LLC**

On February 22, 2022, the Christian County Fiscal Court entered into an with Bluegrass Park LLC, to rebate 90% of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2022 of any real property owned by the company and located within the housing incentive district for a period of 12 years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$9,942 of ad valorem taxes.

**K. Casey Jones Properties, LLC**

On June 13, 2023, the Christian County Fiscal Court entered into an agreement with Casey Jones Properties LLC to rebate 70% of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2023 of any real property owned by the developer and located within the commercial incentive district for a period of eight years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$1,092 of ad valorem taxes.

**L. Martinera International, Inc**

On September 14, 2021, the Christian County Fiscal Court entered into an agreement with Martinera International Inc to rebate 90% of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2022 of any real property owned by company and located within the commercial incentive district for a period of 15 years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$12,400 of ad valorem taxes.

**M. MB Roland Distillery, Inc.**

On June 13, 2023 the Christian County Fiscal Court entered into an agreement with MB Roland Distillery, Inc to rebate 70% of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2023 of any real property owned by the developer and located within the commercial incentive district for a period of ten years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$0 of ad valorem taxes.

**N. Johnny Oatts Farms, LLC**

On July 12, 2022 the Christian County Fiscal Court entered into an agreement with Johnny Oatts Farms, LLC to rebate 80% of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2022 of any real property owned by the developer and located within the commercial incentive district for a period of ten years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$3,672 of ad valorem taxes.

**CHRISTIAN COUNTY  
NOTES TO FINANCIAL STATEMENT  
June 30, 2025  
(Continued)**

**Note 14. Tax Abatements (Continued)**

**O. Ascend Elements**

On August 9, 2022 the Christian County Fiscal Court entered into an agreement with Ascend Elements to rebate 90% of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2022 of any real property owned by the developer and located within the commercial incentive district for a period of 20 years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$9,445 of ad valorem taxes.

**P. White Drive Motor and Steering, LLC**

On February 14, 2023 the Christian County Fiscal Court entered into an agreement with White Drive Motor and Steering, LLC to rebate 90% of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2023 of any real property owned by the developer and located within the commercial incentive district for a period of 15 years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$0 of ad valorem taxes.

**Q. MDM Med Properties, LLC – Bearded Building**

On February 13, 2024, the Christian County Fiscal Court entered into an agreement with MDM MED-Properties to rebate 80% of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2024 of any real property owned by the developer and located within the commercial incentive district for a period of ten years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$41 of ad valorem taxes.

**R. MDM Med Properties, LLC – Mixer**

On January 9, 2024, the Christian County Fiscal Court entered into an agreement with MDM MED-Properties to rebate 80% of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2024 of any real property owned by the developer and located within the commercial incentive district for a period of ten years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$134 of ad valorem taxes.

**S. MDM Med Properties, LLC – The Crusty Pig**

On June 13, 2023 the Christian County Fiscal Court entered into an agreement with MDM MED-Properties to rebate 80% of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2023 of any real property owned by the developer and located within the commercial incentive district for a period of 20 years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$0 of ad valorem taxes.

**T. Bypass Warehouse, LLC**

On May 8, 2018 the Christian County Fiscal Court entered into an agreement with Bypass Warehouse, LLC to rebate 80% of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2018 of any real property owned by the developer and located within the commercial incentive district for a period of ten years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$7,547 of ad valorem taxes.

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 14. Tax Abatements (Continued)**

**U. Drury-McCoy, LLC**

On April 24, 2018 the Christian County Fiscal Court entered into an agreement with Drury-McCoy, LLC to rebate various percentages of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after July 1, 2018 of any real property owned by the developer and located within the commercial incentive district for a period of 15 years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$11,232 of ad valorem taxes.

**V. Phoenix Property Group of WKY, LLC**

On June 13, 2023, the Christian County Fiscal Court entered into an agreement with Phoenix Property Group of WKY, LLC to rebate 80% increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2023 of any real property owned by the developer and located within the commercial incentive district for a period of 20 years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$0 of ad valorem taxes.

**W. W&W Development, LLC**

On March 13, 2018, the Christian County Fiscal Court entered into an agreement with W&W Development, LLC to rebate 80% increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2018 of any real property owned by the developer and located within the commercial incentive district for a period of 20 years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$9,187 of ad valorem taxes.

**X. Bypass Warehouse, LLC (Industrial Warehouse Facility)**

On March 20, 2025, the Christian County Fiscal Court entered into an agreement with Bypass Warehouse, LLC to rebate 90% of any increase in ad valorem tax revenue otherwise collected by the county resulting from any increased assessment after January 1, 2025 of any real property owned by the developer and located within the commercial incentive district for a period of 12 years. During the fiscal year ended June 30, 2025, the Christian County Fiscal Court refunded \$0 of ad valorem taxes.

**Note 15. Prior Period Adjustments**

	<b>General Fund</b>	<b>Jail Fund</b>	<b>Clerks Storage Fees Fund</b>	<b>Jail Commissary Fund</b>	<b>Health Insurance Fund</b>
Ending Fund Balance Prior Year	\$ 12,006,539	\$ 218,076	\$	\$ 688,340	\$ 549,989
Adjustment:					
Prior Year Voided Checks	2,833	46		754	9
Creation of new fund	(94,897)		94,987		
Close out old Animal Shelter Account	3,802				
Beginning Fund Balance - Restated	<u>\$ 11,918,277</u>	<u>\$ 218,122</u>	<u>\$ 94,987</u>	<u>\$ 689,094</u>	<u>\$ 549,998</u>

**CHRISTIAN COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2025**  
**(Continued)**

**Note 16. Commitments and Contingencies**

The county is involved in multiple lawsuits. While individually they may not be significant, in the aggregate they could negatively impact the county's financial position. Due to the uncertainty of the litigation, a reasonable estimate of the financial impact on the county cannot be made at this time.

THIS PAGE LEFT BLANK INTENTIONALLY

**CHRISTIAN COUNTY  
BUDGETARY COMPARISON SCHEDULES  
Supplementary Information - Regulatory Basis**

**For The Year Ended June 30, 2025**

THIS PAGE LEFT BLANK INTENTIONALLY

**CHRISTIAN COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**

**For The Year Ended June 30, 2025**

	<b>GENERAL FUND</b>			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>RECEIPTS</b>				
Taxes	\$ 10,018,700	\$ 10,018,700	\$ 10,434,453	\$ 415,753
In Lieu Tax Payments	202,414	202,414	214,289	11,875
Excess Fees	720,000	720,000	719,258	(742)
Licenses and Permits	151,919	151,919	131,458	(20,461)
Intergovernmental	7,262,611	13,562,611	5,227,147	(8,335,464)
Charges for Services	268,279	268,279	405,070	136,791
Miscellaneous	78,608	328,608	1,255,507	926,899
Interest	460,000	460,000	582,139	122,139
Total Receipts	<u>19,162,531</u>	<u>25,712,531</u>	<u>18,969,321</u>	<u>(6,743,210)</u>
<b>DISBURSEMENTS</b>				
General Government	4,097,488	4,263,342	3,070,730	1,192,612
Protection to Persons and Property	1,371,502	1,380,619	1,163,295	217,324
General Health and Sanitation	865,878	876,878	818,804	58,074
Social Services	168,008	175,077	152,476	22,601
Recreation and Culture	729,500	928,424	711,400	217,024
Airports	30,000	30,000	30,000	
Capital Projects	5,657,615	12,381,715	6,621,844	5,759,871
Administration	5,640,128	5,435,164	5,347,358	87,806
Total Disbursements	<u>18,560,119</u>	<u>25,471,219</u>	<u>17,915,907</u>	<u>7,555,312</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>602,412</u>	<u>241,312</u>	<u>1,053,414</u>	<u>812,102</u>
<b>Other Adjustments to Cash (Uses)</b>				
Lease Proceeds	2,500,000	3,500,000	955,000	(2,545,000)
Lease Premium			45,000	45,000
Borrowed Money			429,076	429,076
Transfers From Other Funds	200,000	1,600,000	1,635	(1,598,365)
Transfers To Other Funds	(6,493,398)	(6,906,898)	(4,603,890)	2,303,008
Total Other Adjustments to Cash (Uses)	<u>(3,793,398)</u>	<u>(1,806,898)</u>	<u>(3,173,179)</u>	<u>(1,366,281)</u>
Net Change in Fund Balance	(3,190,986)	(1,565,586)	(2,119,765)	(554,179)
Fund Balance - Beginning (Restated)	<u>3,190,986</u>	<u>3,344,486</u>	<u>11,918,277</u>	<u>8,573,791</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 1,778,900</u>	<u>\$ 9,798,512</u>	<u>\$ 8,019,612</u>

**CHRISTIAN COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**  
**For The Year Ended June 30, 2025**  
**(Continued)**

	<b>ROAD FUND</b>			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Intergovernmental	\$ 3,010,904	\$ 4,563,904	\$ 3,074,038	\$ (1,489,866)
Miscellaneous	13,100	13,100	57,925	44,825
Interest	12,500	12,500	25,379	12,879
Total Receipts	<u>3,036,504</u>	<u>4,589,504</u>	<u>3,157,342</u>	<u>(1,432,162)</u>
<b>DISBURSEMENTS</b>				
Roads	3,197,128	4,710,763	3,219,113	1,491,650
Capital Projects	85,000	85,000		85,000
Administration	481,372	520,737	492,503	28,234
Total Disbursements	<u>3,763,500</u>	<u>5,316,500</u>	<u>3,711,616</u>	<u>1,604,884</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(726,996)</u>	<u>(726,996)</u>	<u>(554,274)</u>	<u>172,722</u>
<b>Other Adjustments to Cash (Uses)</b>				
Transfers From Other Funds	701,996	701,996	550,000	(151,996)
Total Other Adjustments to Cash (Uses)	<u>701,996</u>	<u>701,996</u>	<u>550,000</u>	<u>(151,996)</u>
Net Change in Fund Balance	(25,000)	(25,000)	(4,274)	20,726
Fund Balance - Beginning	<u>25,000</u>	<u>25,000</u>	<u>63,777</u>	<u>38,777</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 59,503</u>	<u>\$ 59,503</u>

**CHRISTIAN COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**  
**For The Year Ended June 30, 2025**  
**(Continued)**

	<b>JAIL FUND</b>			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Intergovernmental	\$ 6,357,670	\$ 6,357,670	\$ 5,866,697	\$ (490,973)
Charges for Services	468,500	468,500	539,342	70,842
Miscellaneous	189,300	189,300	251,682	62,382
Interest	16,000	16,000	10,743	(5,257)
Total Receipts	<u>7,031,470</u>	<u>7,031,470</u>	<u>6,668,464</u>	<u>(363,006)</u>
<b>DISBURSEMENTS</b>				
Protection to Persons and Property	6,755,344	6,772,629	6,271,757	500,872
Capital Projects	198,250	198,250	119,505	78,745
Administration	2,281,046	2,263,761	2,131,558	132,203
Total Disbursements	<u>9,234,640</u>	<u>9,234,640</u>	<u>8,522,820</u>	<u>711,820</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(2,203,170)</u>	<u>(2,203,170)</u>	<u>(1,854,356)</u>	<u>348,814</u>
<b>Other Adjustments to Cash (Uses)</b>				
Transfers From Other Funds	<u>2,003,170</u>	<u>2,003,170</u>	<u>1,750,000</u>	<u>(253,170)</u>
Total Other Adjustments to Cash (Uses)	<u>2,003,170</u>	<u>2,003,170</u>	<u>1,750,000</u>	<u>(253,170)</u>
Net Change in Fund Balance	(200,000)	(200,000)	(104,356)	95,644
Fund Balance - Beginning (Restated)	<u>200,000</u>	<u>200,000</u>	<u>218,122</u>	<u>18,122</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 113,766</u>	<u>\$ 113,766</u>

**CHRISTIAN COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**  
**For The Year Ended June 30, 2025**  
**(Continued)**

**LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND**

	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>RECEIPTS</b>				
Intergovernmental	\$ 260,000	\$ 260,000	\$ 298,059	\$ 38,059
Interest	5,000	5,000	14,719	9,719
Total Receipts	<u>265,000</u>	<u>265,000</u>	<u>312,778</u>	<u>47,778</u>
<b>DISBURSEMENTS</b>				
Roads	415,000	415,000	225,738	189,262
Total Disbursements	<u>415,000</u>	<u>415,000</u>	<u>225,738</u>	<u>189,262</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(150,000)</u>	<u>(150,000)</u>	<u>87,040</u>	<u>237,040</u>
Net Change in Fund Balance	(150,000)	(150,000)	87,040	237,040
Fund Balance - Beginning	<u>150,000</u>	<u>150,000</u>	<u>219,274</u>	<u>69,274</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 306,314</u>	<u>\$ 306,314</u>

**CHRISTIAN COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**  
**For The Year Ended June 30, 2025**  
**(Continued)**

	<b>E911 FUND</b>			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>RECEIPTS</b>				
Taxes	\$ 79,100	\$ 79,100	\$ 68,731	\$ (10,369)
Intergovernmental	411,000	411,000	475,900	64,900
Interest	46,250	46,250	51,441	5,191
Total Receipts	<u>536,350</u>	<u>536,350</u>	<u>596,072</u>	<u>59,722</u>
<b>DISBURSEMENTS</b>				
Protection to Persons and Property	3,706,600	3,716,300	1,685,486	2,030,814
Administration	10,000	300	<u>300</u>	<u>300</u>
Total Disbursements	<u>3,716,600</u>	<u>3,716,600</u>	<u>1,685,486</u>	<u>2,031,114</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(3,180,250)</u>	<u>(3,180,250)</u>	<u>(1,089,414)</u>	<u>2,090,836</u>
<b>Other Adjustments to Cash (Uses)</b>				
Transfers From Other Funds	2,500,000	2,500,000	1,041,330	(1,458,670)
Total Other Adjustments to Cash (Uses)	<u>2,500,000</u>	<u>2,500,000</u>	<u>1,041,330</u>	<u>(1,458,670)</u>
Net Change in Fund Balance	(680,250)	(680,250)	(48,084)	632,166
Fund Balance - Beginning	<u>680,250</u>	<u>680,250</u>	<u>952,113</u>	<u>271,863</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 904,029</u>	<u>\$ 904,029</u>

**CHRISTIAN COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**  
**For The Year Ended June 30, 2025**  
**(Continued)**

	<b>GENERAL OBLIGATION BOND FUND</b>			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>RECEIPTS</b>				
Miscellaneous	\$	\$	\$ 273,603	\$ 273,603
Interest			22,712	22,712
Total Receipts			296,315	296,315
<b>DISBURSEMENTS</b>				
Recreation and Culture		369,900	369,844	56
Debt Service	1,288,232	1,566,732	1,536,163	30,569
Total Disbursements	1,288,232	1,936,632	1,906,007	30,625
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(1,288,232)	(1,936,632)	(1,609,692)	326,940
<b>Other Adjustments to Cash (Uses)</b>				
Transfers From Other Funds	1,288,232	1,566,732	1,262,560	(304,172)
Transfers To Other Funds			(1,635)	(1,635)
Total Other Adjustments to Cash (Uses)	1,288,232	1,566,732	1,260,925	(305,807)
Net Change in Fund Balance		(369,900)	(348,767)	21,133
Fund Balance - Beginning			441,631	441,631
Fund Balance - Ending	\$ 0	\$ (369,900)	\$ 92,864	\$ 462,764

**CHRISTIAN COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**  
**For The Year Ended June 30, 2025**  
**(Continued)**

**CLERK STORAGE FEES FUND**

	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>RECEIPTS</b>				
Charges for Services	\$	\$ 100,000	\$ 99,790	\$ (210)
Total Receipts		100,000	99,790	(210)
<b>DISBURSEMENTS</b>				
General Government		17,000	11,236	5,764
Administration		83,000	46,053	36,947
Total Disbursements		100,000	57,289	42,711
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)			42,501	42,501
<b>Other Adjustments to Cash (Uses)</b>				
Transfers From Other Funds		135,000		(135,000)
Total Other Adjustments to Cash (Uses)		135,000		(135,000)
Net Change in Fund Balance		135,000	42,501	(92,499)
Fund Balance - Beginning (Restated)			94,897	94,897
Fund Balance - Ending	\$	\$ 0	\$ 137,398	\$ 2,398

**CHRISTIAN COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**  
**For The Year Ended June 30, 2025**  
**(Continued)**

	<b>AMERICAN RESCUE FUND</b>			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>RECEIPTS</b>				
Interest	\$ 200,000	\$ 200,000	\$ 364,148	\$ 164,148
Total Receipts	<u>200,000</u>	<u>200,000</u>	<u>364,148</u>	<u>164,148</u>
<b>DISBURSEMENTS</b>				
Capital Projects	7,485,074	7,485,074	3,364,695	4,120,379
Total Disbursements	<u>7,485,074</u>	<u>7,485,074</u>	<u>3,364,695</u>	<u>4,120,379</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(7,285,074)</u>	<u>(7,285,074)</u>	<u>(3,000,547)</u>	<u>4,284,527</u>
<b>Other Adjustments to Cash (Uses)</b>				
Transfers To Other Funds	<u>(200,000)</u>	<u>(1,600,000)</u>		<u>1,600,000</u>
Total Other Adjustments to Cash (Uses)	<u>(200,000)</u>	<u>(1,600,000)</u>		<u>1,600,000</u>
Net Change in Fund Balance	(7,485,074)	(8,885,074)	(3,000,547)	5,884,527
Fund Balance - Beginning	<u>7,485,074</u>	<u>7,485,074</u>	<u>8,546,558</u>	<u>1,061,484</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ (1,400,000)</u>	<u>\$ 5,546,011</u>	<u>\$ 6,946,011</u>

**CHRISTIAN COUNTY  
NOTES TO REGULATORY SUPPLEMENTARY  
INFORMATION - BUDGETARY COMPARISON SCHEDULES**

**June 30, 2025**

**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. Budgeted Funds Reconciliation**

The county's budgeted funds noted below do not balance due to the Health Insurance Fund being reported as an Internal Service Fund.

	<b>Budgeted Funds</b>
General Fund	\$ 1,778,900
General Obligation Fund	(369,900)
Clerk Storage Fund	135,000
ARPA Fund	(1,400,000)
Health Insurance Fund	<u>(144,000)</u>
Final Budgeted Funds Reconciliation	<u><u>\$ 0</u></u>

THIS PAGE LEFT BLANK INTENTIONALLY

**CHRISTIAN COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**For The Year Ended June 30, 2025**

THIS PAGE LEFT BLANK INTENTIONALLY

**CHRISTIAN COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**For The Year Ended June 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity's Identifying Number	Provided to Subrecipient	Total Federal Expenditures
<b><u>U. S. Department of Treasury</u></b>				
<i>Direct Program:</i>				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	\$ _____	\$ 3,286,830
<b>Total U.S. Department of Treasury</b>			<u>\$ _____</u>	<u>\$ 3,286,830</u>
<b><u>U. S. Department of Housing and Urban Development</u></b>				
<i>Passed-Through Kentucky Department for Local Government:</i>				
Community Development Block Grants/State's Program				
Trilogy Center	14.225	N/A	\$ 200,000	\$ 200,000
Hopkinsville CC Library ADA	14.228	N/A	450,000	450,000
<b>Total U.S. Department of Housing and Urban Development</b>			<u>\$ 650,000</u>	<u>\$ 650,000</u>
<b><u>U. S. Department of Justice</u></b>				
<i>Passed-Through Kentucky Justice &amp; Public Safety Cabinet:</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	\$ _____	\$ 12,096
<b>Total U.S. Department of Justice</b>			<u>\$ _____</u>	<u>\$ 12,096</u>
<b><u>U. S. Department of Agriculture</u></b>				
<i>Passed-Through Rural Business - Cooperative Service:</i>				
Rural Business Development Grant	10.351	N/A	\$ _____	\$ 62,750
<b>Total U.S. Department of Agriculture</b>			<u>\$ _____</u>	<u>\$ 62,750</u>
<b><u>U. S. Department of Homeland Security</u></b>				
<i>Passed-Through Kentucky Office of Homeland Security:</i>				
State and Local Cybersecurity Grant Program	97.137	N/A	\$ _____	\$ 32,095
<i>Passed-Through Kentucky Emergency Management:</i>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	2500000377		160,921
Hazard Mitigation Grant Program - Tornado Sirens Project	97.039	N/A		21,877
Hazard Mitigation Grant Program - Tornado Shelters	97.039	N/A		133,770
<i>Passed-Through Kentucky Military Affairs:</i>				
Emergency Management Performance Grants	97.042	N/A	_____	27,884
<b>Total U.S. Department of Homeland Security</b>			<u>\$ _____</u>	<u>\$ 376,547</u>

The accompanying notes are an integral part of this schedule.

**CHRISTIAN COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For The Year Ended June 30, 2025**  
**(Continued)**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity's Identifying Number	Provided to Subrecipient	Total Federal Expenditures
<b><u>U.S. Department of Interior - National Park Service</u></b>				
<i>Passed-Through Kentucky Department for Local Government:</i>				
Outdoor Recreation Acquisition, Development and Planning	15.916	N/A	\$ _____	\$ 106,875
<b>Total U.S. Department of Interior - National Park Service</b>			<u>\$ _____</u>	<u>\$ 106,875</u>
Total Expenditures of Federal Awards			<u>\$ 650,000</u>	<u>\$ 4,495,098</u>

The accompanying notes are an integral part of this schedule.

**CHRISTIAN COUNTY**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**June 30, 2025**

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Christian County, Kentucky under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Christian County, Kentucky, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Christian County, Kentucky.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported 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. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**Note 3. Indirect Cost Rate**

Christian County has not adopted an indirect cost rate and has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

THIS PAGE LEFT BLANK INTENTIONALLY

**CHRISTIAN COUNTY  
SCHEDULE OF CAPITAL ASSETS  
Other Information - Regulatory Basis**

**For The Year Ended June 30, 2025**

THIS PAGE LEFT BLANK INTENTIONALLY

**CHRISTIAN COUNTY**  
**SCHEDULE OF CAPITAL ASSETS**  
**Other Information - Regulatory Basis**

**For The Year Ended June 30, 2025**

The fiscal court reports the following Schedule of Capital Assets:

	Beginning Balance	Additions	Deletions	Ending Balance
Land	\$ 2,831,221	\$ 5,000	\$	\$ 2,836,221
Construction In Progress		1,746,445		1,746,445
Land Improvements	242,960			242,960
Buildings and Building Improvements	49,144,220	694,378		49,838,598
Vehicles and Equipment	8,720,780	649,755	623,241	8,747,294
Furniture and Office Equipment	2,429,377	177,336	483,643	2,123,070
Infrastructure	35,962,291	1,988,972		37,951,263
 Total Capital Assets	 <u>\$ 99,330,849</u>	 <u>\$ 5,261,886</u>	 <u>\$ 1,106,884</u>	 <u>\$103,485,851</u>

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

**June 30, 2025**

**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.

	<u>Capitalization Threshold</u>	<u>Useful Life (Years)</u>
Land Improvements	\$ 25,000	10-60
Buildings and Building Improvement	\$ 50,000	10-75
Vehicles and Equipment	\$ 5,000	3-25
Furniture and Office Equipment	\$ 5,000	8-20
Infrastructure	\$ 25,000	10-50

**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***

THIS PAGE LEFT BLANK INTENTIONALLY



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 Jerry Gilliam, Christian County Judge/Executive  
Members of the Christian 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 Christian County Fiscal Court for the fiscal year ended June 30, 2025, and the related notes to the financial statement which collectively comprise the Christian County Fiscal Court's financial statement and have issued our report thereon dated February 26, 2026.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statement, we considered the Christian 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 Christian County Fiscal Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Christian 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 Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and another deficiency that we consider to be a significant deficiency.

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 deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2025-001, 2025-002, and 2025-003 to be material weaknesses.



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 Internal Control Over Financial Reporting (Continued)**

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. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2025-004 to be a significant deficiency.

**Report on Compliance And Other Matters**

As part of obtaining reasonable assurance about whether the Christian 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 Questioned Costs as item 2025-003.

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

*Government Auditing Standards* requires the auditor to perform limited procedures on the Christian County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The county's responses were not subjected to the auditing procedures applied in the audit of the financial statement, and accordingly, we express no opinion on them.

**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

February 26, 2026

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM  
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

THIS PAGE LEFT BLANK INTENTIONALLY



ALLISON BALL  
AUDITOR OF PUBLIC ACCOUNTS

Report On Compliance For Each Major Federal Program  
And Report On Internal Control Over Compliance  
In Accordance With The Uniform Guidance

Independent Auditor's Report

The Honorable Jerry Gilliam, Christian County Judge/Executive  
Members of the Christian County Fiscal Court

**Report on Compliance for Each Major Federal Program**

*Opinion on Each Major Federal Program*

We have audited the Christian County Fiscal Court's 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 Christian County Fiscal Court's major federal programs for the year ended June 30, 2025. The Christian County Fiscal Court's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Christian County Fiscal Court complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

*Basis for Opinion on Each Major Federal Program*

We conducted our audit of compliance 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 (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Christian County Fiscal Court and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Christian County Fiscal Court's compliance with the compliance requirements referred to above.



Report On Compliance For Each Major Federal Program  
And Report On Internal Control Over Compliance  
In Accordance With The Uniform Guidance  
(Continued)

### **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Christian County Fiscal Court's federal programs.

### **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Christian County Fiscal Court's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Christian County Fiscal Court's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Christian County Fiscal Court's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Christian County Fiscal Court's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Christian County Fiscal Court's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Report On Compliance For Each Major Federal Program  
And Report On Internal Control Over Compliance  
In Accordance With The Uniform Guidance  
(Continued)

**Report on Internal Control over Compliance (Continued)**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



Allison Ball  
Auditor of Public Accounts  
Frankfort, Ky

February 26, 2026

THIS PAGE LEFT BLANK INTENTIONALLY

**CHRISTIAN COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For The Year Ended June 30, 2025**

THIS PAGE LEFT BLANK INTENTIONALLY

**CHRISTIAN COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For The Year Ended June 30, 2025**

**Section I: Summary of Auditor’s Results**

***Financial Statement***

Type of report the auditor issued on whether the financial statement audited was prepared in accordance with GAAP:  
Adverse on GAAP and Unmodified on Regulatory Basis

Internal control over financial reporting:		
• Are any material weaknesses identified?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
• Are any significant deficiencies identified?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> None Reported
Are any noncompliances material to financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

***Federal Awards***

Internal control over major programs:		
• Are any material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
• Are any significant deficiencies identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None Reported
Type of auditor’s report issued on compliance for major federal programs: Unmodified		
Are any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as a low-risk auditee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**CHRISTIAN COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2025  
(Continued)**

**Section II: Financial Statement Findings**

2025-001 The Christian County Fiscal Court Failed To Implement Effective Internal Controls Over Financial Reporting

---

Condition and Context

This is a repeat finding and was included in the prior year audit report as finding 2024-001. The Christian County Fiscal Court's Fourth Quarter Financial Statement that was submitted to the Department for Local Government (DLG) for the fiscal year end June 30, 2025, was misstated by \$1,326,910 due to posting errors. The fiscal court entered into a debt agreement in prior year to upgrade the radio system; however, monies were not disbursed until fiscal year 2025. Also, vehicles purchased for the sheriff's office were omitted from the receipts and disbursements ledgers.

Cause

According to the county treasurer, she was unaware of how to handle the draw down of lease proceeds for the radio system upgrade disbursements. Additionally, one set of vehicles purchased for the sheriff's office was recorded; however, vehicles purchased in September 2024 were inadvertently overlooked.

Effect

Due to the posting errors, the fourth quarter financial statement submitted to the Department for Local Government was materially misstated, and end users were not able to verify amounts that were paid to or received from the fiscal court's office.

Criteria

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." Oversight of financial reporting is a basic internal control necessary to ensure the accuracy and reliability of financial reports.

Recommendations

We recommend the Christian County Fiscal Court strengthen internal controls over financial reporting by ensuring that all receipts and disbursements are properly recorded on the ledgers and reported on the county's financial statements. This will help ensure the financial information submitted to DLG and other users is accurate and complete.

Views of Responsible Official and Planned Corrective Action

*County Judge/Executive's Response: The extra journal entry for the Radio System debt was made due to not fully understanding all the correcting entries made in the prior year. When I sought clarification from the auditors' office during that time, I did not receive the guidance needed to properly understand the requirements. This year, I was able to obtain answers to my questions and now have a better understanding of the reporting requirements which has been appreciated and of great assistance given the lack of training offered by the Commonwealth to County Treasurers. Additionally, the process for the lease of Sheriff vehicles has been adjusted to ensure that entries are made in the correct time period going forward.*

**CHRISTIAN COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2025  
(Continued)**

**Section II: Financial Statement Findings (Continued)**

2025-001 The Christian County Fiscal Court Failed To Implement Effective Internal Controls Over Financial Reporting (Continued)

---

Auditor's Reply: Representatives from the Office of the Auditor of Public accounts met with the county officials and employees on two occasions to go over findings associated with the county's 2024 audit. The initial exit conference was conducted November 19, 2024, with a second meeting on January 3, 2025.

2025-002 The Christian County Fiscal Court Failed To Approve Cash Transfers Prior To Them Being Made

---

Condition and Context

During fiscal year 2025, the Christian County Fiscal Court failed to approve cash transfers prior to them being made. We tested 16 cash transfers totaling \$3,584,070. All but one were transferred before they were subsequently approved by the fiscal court.

Cause

According to the county, they were unaware cash transfers should be approved prior to making them. The county has been relying on a blanket fiscal court order regarding cash transfers approved in July of 1986.

Effect

Because cash transfers occurred before being approved by the fiscal court, the county's funds are at an increased risk of being misappropriated.

Criteria

The Department of Local Government's County Budget Preparation and State Local Finance Officer Policy Manual governs the handling of cash transfers and states, "All transfers require a court order." The prior approval of cash transfers is a basic internal control necessary to protect the person/persons making the cash transfers as well as to decrease risk of funds being misappropriated.

Recommendations

We recommend all cash transfers be presented to, and approved by, the Christian County Fiscal Court prior to being made.

Views of Responsible Official and Planned Corrective Action

*County Judge/Executive's Response: All cash transfers will be presented to Fiscal Court for approval before being made. We acknowledge that during the exit interview, practical timing challenges were discussed regarding certain transfers; however, we are committed to implementing the auditors' guidance going forward. To facilitate this, we will establish a threshold based on account balance levels to determine when cash transfers should be presented to Fiscal Court for advance approval.*

**CHRISTIAN COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2025  
(Continued)**

**Section II: Financial Statement Findings (Continued)**

2025-003 The Christian County Fiscal Court Had Inadequate Controls Over Disbursements Resulting In Noncompliance

---

Condition and Context

This is a repeat finding and was included in the prior year audit report as finding 2024-003. During fiscal year 2025, the Christian County Fiscal Court had internal control deficiencies and noncompliances regarding disbursements. The following findings were noted with Christian County Fiscal Court's disbursements:

- Five out of 68 invoices tested had purchase orders issued after the expense had already been incurred. These five invoices totaled \$106,488.
- The fiscal court failed to obtain three quotes prior to purchasing two vehicles costing a total of \$107,400 and purchased using the Finance and Administration Cabinet's Master Agreements.
- An agreement for the purchase and installation of a radio communications system was not properly procured through the competitive bidding process. Expenditures related to this agreement totaled \$605,846.

Cause

The fiscal court failed to establish appropriate internal controls over disbursements.

Effect

The fiscal court's failure to establish effective internal controls over disbursements resulted in the instances of noncompliance reflected above. These issues noted above could also result in line items being over budget, claims being paid that are not related to the fiscal court, inaccurate reporting, and misappropriation of assets.

Criteria

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." An effective purchase order system is a basic internal control necessary to ensure the accuracy and reliability of financial reports.

In addition, 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 *County Budget Preparation and State Local Finance Officer Policy Manual* which requires a purchase order system for all counties and each county is responsible for ensuring their purchase order system is executed and working properly.

According to a memorandum from the Department for Local Government (DLG) dated August 4, 2016, "[t]he main purpose of this system is to ensure that purchases can be made if there are sufficient appropriations available within the amount of line items in the county's budget. Because of this, it is a requirement by the State Local Finance Officer that all counties have a purchase order system and follow the guidelines prescribed on Page 54 of the County Budget Preparation and State Local Finance Officer Policy Manual." Furthermore, DLG highly recommends that counties accept the practice of issuing purchase orders for payroll and utility claims.

**CHRISTIAN COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2025  
(Continued)**

**Section II: Financial Statement Findings (Continued)**

2025-003 The Christian County Fiscal Court Had Inadequate Controls Over Disbursements Resulting In Noncompliance (Continued)

---

Criteria (Continued)

KRS 45A.050(3) requires the Finance and Administration Cabinet to include a provision in all state agency price contracts that allows any political subdivision to participate in these contracts to the same extent as the Commonwealth. “Any political subdivision may purchase materials and supplies in accordance with a contract for supplies and materials entered into by the Finance and Administration Cabinet[.]” Per the “Extended Description” on page 1 of Master Agreement number MA-758-2300000802, “[i]t will be the responsibility of the agencies utilizing this Master Agreement to obtain quotes from a minimum of three (3) awarded dealers.”

KRS 424.260(1) states, “[e]xcept where a statute specifically fixes a larger sum as the minimum for a requirement of advertisement for bids, no city, county, or district, or board or commission of a city or county, or sheriff or county clerk, may make a contract, lease, or other agreement for:

- (a) Materials;
- (b) Supplies, except perishable foods such as meat, poultry, fish, egg products, fresh vegetables, and fresh fruits;
- (d) Equipment; or
- (c) Contractual services other than professional; involving an expenditure of more than thirty thousand dollars (\$40,000) without first making newspaper advertisement for bids. This subsection shall not apply to the transfer of property between governmental agencies as authorized in KRS 82.083(4)(a).”

Recommendations

We recommend the Christian County Fiscal Court strengthen internal controls over disbursements by ensuring that purchase orders are issued prior to all purchases being made. We also recommend that internal controls be implemented to ensure that the county complies with the guidelines in Finance and Administration Master Agreements when making disbursements under these agreements. Furthermore, we recommend that expenditures over \$40,000 be procured through competitive bidding as required by KRS 424.260.

Views of Responsible Official and Planned Corrective Action

*County Judge/Executive’s Response: The five invoices identified belong to the Christian County Jail. The County Judge Executive’s Office does not issue purchase orders they are handled internally at the jail. The jail has implemented procedures to resolve this issue.*

*At the time of purchase, the county relied in good faith on KRS 45A.050(3), which allows counties to purchase in accordance with state contracts, with the understanding that the state’s competitive process satisfied our procurement obligations. The county did not recognize that the specific master agreement then in effect still required users to obtain quotes from at least three awarded dealers before purchasing. The county acknowledges that purchasing “in accordance with” a state contract requires compliance with all procedural conditions that contract and accepts responsibility for this omission. It should be noted that the Commonwealth has since entered into a successor Master Agreement that no longer includes the three-quote requirement for political subdivisions, which is consistent with the cooperative purchasing purpose of KRS 45A.050 to allow local governments to rely on state-bid contract without duplicative bidding requirements.*

**CHRISTIAN COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2025  
(Continued)**

**Section II: Financial Statement Findings (Continued)**

2025-003 The Christian County Fiscal Court Had Inadequate Controls Over Disbursements Resulting In Noncompliance (Continued)

---

Auditor's Reply: The Commonwealth of Kentucky entered into nine Master Agreements in February of 2023 for "Fleet Motor Vehicles" that could be utilized by all state agencies, as well as political subdivisions including counties, under KRS 45A.505(3). These agreements have all been renewed and are currently in effect until October 31, 2026, including the Master Agreement in question that was utilized by the Christian County Fiscal Court in fiscal year 2025. These Master Agreements require that all agencies obtain three quotes from approved dealers prior to purchase.

2025-004 The Christian County Fiscal Court's Schedule Of Expenditures Of Federal Awards (SEFA) Was Misstated

---

Condition and Context

This is a repeat finding and was included in the prior year audit report as finding 2024-002. The Christian County Fiscal Court's Schedule of Expenditures of Federal Awards (SEFA) for the fiscal year ended June 30, 2025, was overstated by \$389,502. The county reported \$4,884,600 of federal expenditures; however, this included \$77,865 of unobligated funds related to the Coronavirus State and Local Fiscal Recovery (CSLFRF) that were returned to the U.S Department of Treasury, and \$311,637 in expenditures that were not reimbursed by federal monies.

Cause

According to the county treasurer, they were unsure of whether the \$77,865 needed to be included on the SEFA and were unaware that the other \$311,637 in expenditures that were not reimbursed by federal funds did not need to be included on the schedule.

Effect

Due to these errors, the SEFA submitted to the Department for Local Government was misstated.

Criteria

KRS 68.210 gives the State Local Finance Officer the authority to prescribe a uniform system of accounts. The *County Budget Preparation and State Local Finance Officer Policy Manual* requires officials to prepare an accurate SEFA and submit with the fourth quarter report to the Department for Local Government.

Additionally, OMB Uniform Administrative Requirements, Cost Principles and Audit Requirements For Federal Awards 2 CFR 200.508(b) requires the auditee to "[p]repare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with §200.510."

2 CFR 200.510 (b) states, in part, "[t]he auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. The schedule must include the total Federal awards expended as determined in accordance with 2 CFR 200.502 Basis for determining Federal awards expended."

**CHRISTIAN COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2025  
(Continued)**

**Section II: Financial Statement Findings (Continued)**

2025-004 The Christian County Fiscal Court's Schedule Of Expenditures Of Federal Awards (SEFA) Was Misstated (Continued)

---

Criteria (Continued)

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." Oversight over financial reporting is vital in ensuring that federal awards expended are properly accounted for and accurately reported.

Recommendations

We recommend the Christian County Fiscal Court ensure the SEFA is complete and accurately prepared for each fiscal year federal monies are expended.

Views of Responsible Official and Planned Corrective Action

*County Judge/Executive's Response: There is no good and understandable education or training on how to complete the SEFA correctly. I have meet with the Auditors and asked questions to get a better understanding of what is to be included on the report.*

**Section III: Federal Award Findings And Questioned Costs**

None noted.

**CHRISTIAN COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For The Year Ended June 30, 2025**  
**(Continued)**

**Section IV: Summary Schedule of Prior Audit Findings**

Finding Number	Prior Year Finding Title	Status	Corrective Action
2024-001	The Christian County Fiscal Court Failed To Implement Effective Internal Controls Over Financial Reporting	Partially Resolved	The financial adjustments were made for debt paid by the sheriff and library, vehicles purchased, bonds and bond interest earned. Truist animal shelter account was closed out and daily accounting moved to planters account with other treasurer accounts. Escrow account was removed from the financials. Steps are being taken to make sure all purchases are being accounted for and entries made in the financials. Questions are being asked about the proper accounting entries for bonds and leases since there are no training materials.
2024-002	The Christian County Fiscal Court's Schedule Of Expenditures Of Federal Awards (SEFA) Was Materially Misstated	Resolved	The correct SEFA schedule was obtained and completed with current year activity.
2024-003	The Christian County Fiscal Court Had Inadequate Controls Over Disbursements Resulting In Noncompliance	Partially Resolved	Christian County Fiscal Court changed and added to their administrative code referencing the DLG County Budget Preparation and State Local Finance Officer Policy Manual, to ensure proper control of County Funds. A new Purchase Order system was also implemented that was recommended by the auditors to ensure proper reporting and appropriation of assets. Training is being done with the departments for following the newly implemented Purchase Order System.

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

**CHRISTIAN COUNTY FISCAL COURT**

**For The Year Ended June 30, 2025**

THIS PAGE LEFT BLANK INTENTIONALLY

CERTIFICATION OF COMPLIANCE  
LOCAL GOVERNMENT ECONOMIC ASSISTANCE  
COUNTY FISCAL COURT

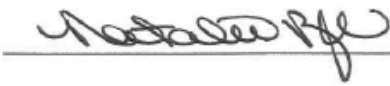
For The Year Ended June 30, 2025

The Christian 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.



---

County Judge/Executive



---

County Treasurer