

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

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



**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
CLINTON COUNTY OFFICIALS .....	5
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - REGULATORY BASIS.....	8
NOTES TO FINANCIAL STATEMENT.....	12
BUDGETARY COMPARISON SCHEDULES.....	23
NOTES TO REGULATORY SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULES .....	35
SCHEDULE OF CAPITAL ASSETS.....	39
NOTES TO OTHER INFORMATION - REGULATORY BASIS SCHEDULE OF CAPITAL ASSETS.....	40
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i> .....	43
SCHEDULE OF FINDINGS AND RESPONSES .....	47
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 Ricky L. Craig, Clinton County Judge/Executive  
Members of the Clinton 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 Clinton County Fiscal Court, for the year ended June 30, 2024, and the related notes to the financial statement, which collectively comprise the Clinton 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 Clinton County Fiscal Court, for the year ended June 30, 2024, in accordance with accounting practices prescribed or permitted by the Commonwealth of Kentucky as described in Note 1.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

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

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Fiscal Court Audit Guide* issued by the Auditor of Public Accounts, Commonwealth of Kentucky. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Clinton 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 Ricky L. Craig, Clinton County Judge/Executive  
 Members of the Clinton 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 Clinton 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***

Clinton 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 Clinton 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 Clinton 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 Ricky L. Craig, Clinton County Judge/Executive  
Members of the Clinton 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 Clinton 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 Clinton County Fiscal Court. The Budgetary Comparison Schedules are presented for purposes of additional analysis and are not a required part of the financial statement; however, they are required to be presented in accordance with accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws.

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

***Other Information***

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

To the People of Kentucky  
The Honorable Andy Beshear, Governor  
Holly M. Johnson, Secretary  
Finance and Administration Cabinet  
The Honorable Ricky L. Craig, Clinton County Judge/Executive  
Members of the Clinton County Fiscal Court

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2025, on our consideration of the Clinton 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 Clinton County Fiscal Court's internal control over financial reporting and compliance.

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

2024-001 The Clinton County Fiscal Court's Fourth Quarter Financial Statement Was Materially Misstated

Respectfully submitted,



Allison Ball  
Auditor of Public Accounts  
Frankfort, Ky

March 25, 2025



**CLINTON COUNTY OFFICIALS****For The Year Ended June 30, 2024****Fiscal Court Members:**

Ricky L. Craig	County Judge/Executive
Tony Delk	Magistrate
Jason Pitman	Magistrate
Terry Buster	Magistrate
Gary Ferguson	Magistrate
Jerry Lowhorn	Magistrate
Mickey Riddle	Magistrate

**Other Elected Officials:**

Michael Rains	County Attorney
Bruck Stearns	Jailer
Nathan Collins	County Clerk
Jake Staton	Circuit Court Clerk
Ricky Marcum	Sheriff
Pat Campbell	Property Valuation Administrator
Lonnie Scott	Coroner

**Appointed Personnel:**

Cindy Thrasher	County Treasurer
Kelli Abston	Financial Officer

THIS PAGE LEFT BLANK INTENTIONALLY

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

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

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

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

	<b>Budgeted Funds</b>			
	<b>General Fund</b>	<b>Road Fund</b>	<b>Jail Fund</b>	<b>Local Government Economic Assistance Fund</b>
<b>RECEIPTS</b>				
Taxes	\$ 494,440	\$	\$	\$
In Lieu Tax Payments	130,670			
Excess Fees	49,931			
Licenses and Permits	33,758			
Intergovernmental	195,276	1,216,810	141,618	95,233
Charges for Services	17,904		74	
Miscellaneous	134,624	39,000		
Interest	92	862	24	64
Total Receipts	<u>1,056,695</u>	<u>1,256,672</u>	<u>141,716</u>	<u>95,297</u>
<b>DISBURSEMENTS</b>				
General Government	1,097,431	20,215		22,399
Protection to Persons and Property	5,334		540,424	2,000
General Health and Sanitation	116,138			
Social Services				2,250
Recreation and Culture				32,814
Roads		691,122		
Debt Service				
Capital Projects				
Administration	458,306	211,588	132,029	13,950
Total Disbursements	<u>1,677,209</u>	<u>922,925</u>	<u>672,453</u>	<u>73,413</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(620,514)</u>	<u>333,747</u>	<u>(530,737)</u>	<u>21,884</u>
<b>Other Adjustments to Cash (Uses)</b>				
Transfers From Other Funds	673,459		530,746	
Transfers To Other Funds	(40,746)			
Total Other Adjustments to Cash (Uses)	<u>632,713</u>		<u>530,746</u>	
Net Change in Fund Balance	12,199	333,747	9	21,884
Fund Balance - Beginning (Restated)	<u>43,529</u>	<u>421,178</u>	<u>2,001</u>	<u>32,188</u>
Fund Balance - Ending	<u>\$ 55,728</u>	<u>\$ 754,925</u>	<u>\$ 2,010</u>	<u>\$ 54,072</u>
<b>Composition of Fund Balance</b>				
Bank Balance	\$ 77,248	\$ 769,124	\$ 18,123	\$ 54,820
Less: Outstanding Checks	(21,520)	(14,199)	(16,113)	(748)
Fund Balance - Ending	<u>\$ 55,728</u>	<u>\$ 754,925</u>	<u>\$ 2,010</u>	<u>\$ 54,072</u>

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

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

<b>Budgeted Funds</b>						
<b>Federal Fund</b>	<b>Disaster Emergency Service Fund</b>	<b>Ambulance Fund</b>	<b>Occupational Tax Fund</b>	<b>911 Fund</b>	<b>Opioid Settlement Fund</b>	<b>American Rescue Plan Act Fund</b>
\$	\$	\$	\$ 1,799,301	\$ 292,125	\$	\$
	731					53,175
		790,372				
	36	75,942		6,000	188,288	
86		48	4,172	33	290	2,050
86	767	866,362	1,803,473	298,158	188,578	55,225
			17,092			
	8,493	1,173,144		289,232		
	2,220	357,233	4,386	53,907		
	10,713	1,530,377	21,478	343,139		
86	(9,946)	(664,015)	1,781,995	(44,981)	188,578	55,225
	8,000	664,425		2,500		
(139,425)			(1,545,500)			(153,459)
(139,425)	8,000	664,425	(1,545,500)	2,500		(153,459)
(139,339)	(1,946)	410	236,495	(42,481)	188,578	(98,234)
182,003	2,385	21,091	1,107,945	50,892	181,222	1,676,413
\$ 42,664	\$ 439	\$ 21,501	\$ 1,344,440	\$ 8,411	\$ 369,800	\$ 1,578,179
\$ 42,664	\$ 504	\$ 49,675	\$ 1,344,440	\$ 14,345	\$ 369,800	\$ 1,578,179
	(65)	(28,174)		(5,934)		
\$ 42,664	\$ 439	\$ 21,501	\$ 1,344,440	\$ 8,411	\$ 369,800	\$ 1,578,179

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

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

	<u>Budgeted Fund</u>	<u>Unbudgeted Funds</u>		
		Clinton County		
		Kentucky		
		Public		
		Properties	Jail	
		Corporation	Commissary	
		Fund	Fund	Total
	Clerks Storage Fees Fund			Funds
<b>RECEIPTS</b>				
Taxes	\$	\$	\$	\$ 2,585,866
In Lieu Tax Payments				130,670
Excess Fees				49,931
Licenses and Permits				33,758
Intergovernmental	1,300	40,901		1,745,044
Charges for Services				808,350
Miscellaneous	15,221		51,361	510,472
Interest	20	60,281	12	68,034
Total Receipts	<u>16,541</u>	<u>101,182</u>	<u>51,373</u>	<u>5,932,125</u>
<b>DISBURSEMENTS</b>				
General Government				1,157,137
Protection to Persons and Property				2,018,627
General Health and Sanitation				116,138
Social Services				2,250
Recreation and Culture			44,981	77,795
Roads				691,122
Debt Service		122,701		122,701
Capital Projects		963,641		963,641
Administration		1,100		1,234,719
Total Disbursements	<u></u>	<u>1,087,442</u>	<u>44,981</u>	<u>6,384,130</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>16,541</u>	<u>(986,260)</u>	<u>6,392</u>	<u>(452,005)</u>
<b>Other Adjustments to Cash (Uses)</b>				
Transfers From Other Funds				1,879,130
Transfers To Other Funds				(1,879,130)
Total Other Adjustments to Cash (Uses)	<u></u>	<u></u>	<u></u>	<u></u>
Net Change in Fund Balance	16,541	(986,260)	6,392	(452,005)
Fund Balance - Beginning (Restated)	16,115	1,510,809	14,203	5,261,974
Fund Balance - Ending	<u>\$ 32,656</u>	<u>\$ 524,549</u>	<u>\$ 20,595</u>	<u>\$ 4,809,969</u>
<b>Composition of Fund Balance</b>				
Bank Balance	\$ 32,656	\$ 524,549	\$ 20,595	\$ 4,896,722
Less: Outstanding Checks				(86,753)
Fund Balance - Ending	<u>\$ 32,656</u>	<u>\$ 524,549</u>	<u>\$ 20,595</u>	<u>\$ 4,809,969</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.	LONG-TERM DEBT .....	16
NOTE 6.	EMPLOYEE RETIREMENT SYSTEM .....	17
NOTE 7.	INSURANCE.....	20
NOTE 8.	CONDUIT DEBT.....	20
NOTE 9.	PRIOR PERIOD ADJUSTMENT .....	20
NOTE 10.	SUBSEQUENT EVENTS.....	20

**CLINTON COUNTY  
NOTES TO FINANCIAL STATEMENT**

**June 30, 2024**

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

**A. Reporting Entity**

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

**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.



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

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

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

**Budgeted Funds (Continued)**

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

Federal Fund - The primary purpose of this fund is to account for grant expenses of the county. The primary source of receipts for this fund is federal grants.

Disaster and Emergency Services Fund - The primary purpose of this fund is to account for the disaster and emergency services of the county. The primary source of receipts for this fund is the Kentucky State Treasurer.

Ambulance Fund - The primary purpose of this fund is to account for the ambulance expenses of the county. The primary source of receipts for this fund are user fees paid by insurance companies.

Occupational Tax Fund - The primary purpose of this fund is to account for occupational tax collections of the county.

911 Fund - The primary purpose of this fund is to account for the emergency dispatch activities of the county. The primary source of receipts for this fund are telephone 911 fees.

Opioid Settlement Fund - The primary purpose of this fund is to account for revenues received as a result of the opioid settlement related to OxyContin. Funds received under this settlement are to be used in efforts to reduce the illicit use of opioids.

American Rescue Plan Act Fund - The primary purpose of this fund is to manage the American Rescue Plan Act (ARPA) funds received by the county from the federal government.

Clerk Storage Fees Fund - The primary purpose of this fund is to account for receipts and disbursements related to county clerk's permanent storage of county records. The funds are used for maintenance of records and for the facilities used to store those records.

**Unbudgeted Funds**

The fiscal court reports the following unbudgeted funds:

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

Clinton County Kentucky Public Properties Corporation Fund - The primary purpose of this fund is to account for the proceeds and debt service of revenue bonds that were issued to fund construction of public buildings.

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

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

**D. Budgetary Information**

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

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

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

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

The state local finance officer does not require the Clinton County Kentucky Public Properties Corporation Fund to be budgeted. Bond indentures and other relevant contractual provisions require specific payments to and from this fund annually.

**E. Clinton County Elected Officials**

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

**CLINTON COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2024**  
**(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. Related Organization and Joint Ventures**

A related organization is an entity for which a primary government is not financially accountable. It does not impose will or have a financial benefit or burden relationship, even if the primary government appoints a voting majority of the related organization's governing board. The Clinton County Fiscal Court appoints a majority of the board members of the Clinton County Tourist and Convention Commission making it a related organization.

A legal entity or other organization that results from a contractual agreement and that is owned, operated, or governed by two or more participants as a separate activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility is a joint venture. Based on this criteria, the following are considered joint ventures of the Clinton County Fiscal Court:

Parks and Recreation (with City of Albany and Clinton County Board of Education)  
 Animal Control (with Cumberland County and Wayne County)

**Note 2. Deposits**

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

**Custodial Credit Risk - Deposits**

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

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

**Note 3. Transfers**

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

	General Fund	Federal Fund	ARPA Fund	Occupational Tax Fund	Total Transfers In
General Fund	\$	\$	\$ 153,459	\$ 520,000	\$ 673,459
Jail Fund	40,746			490,000	530,746
911 Fund				2,500	2,500
Ambulance Fund		139,425		525,000	664,425
DES Fund				8,000	8,000
Total Transfers Out	<u>\$ 40,746</u>	<u>\$ 139,425</u>	<u>\$ 153,459</u>	<u>\$ 1,545,500</u>	<u>\$ 1,879,130</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 fund:

Jail Inmate Fund - This fund accounts for funds received from the inmates. The balance in the jail inmate fund as of June 30, 2024 was \$1,441.

**Note 5. Long-term Debt**

**A. Direct Borrowings and Direct Placements**

**1. Clinton County, Kentucky Public Properties Corporation First Mortgage Revenue Bond Anticipation Notes (Judicial Center Project), Series 2022 Bond**

On September 1, 2022, the Clinton County Kentucky Public Properties Corporation issued a First Mortgage Revenue Bond Anticipation Notes (Judicial Center Project), Series 2022 to construct a courthouse facility located on the project site originally financed with the proceeds of the notes, and additionally financed with a portion of the proceeds of the bonds. In case of default, the trustee shall take over possession, custody, and control of the project site and shall operate or carry out a decretal sale of the same with due regard to state and federal law and the covenants contained in the memorandum of understanding and the lease for the benefit of the holders of the bonds and notes; provided, however, that unless indemnified to the satisfaction of the trustee. As of June 30, 2024, Series 2022 bonds outstanding were \$2,235,000. Future principal and interest payments are as follows:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2025	<u>\$ 2,235,000</u>	<u>\$ 40,900</u>
Totals	<u>\$ 2,235,000</u>	<u>\$ 40,900</u>

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

**Note 5. Long-term Debt (Continued)**

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

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

	(Restated*) Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Direct Borrowings and Direct Placements*	\$ 2,235,000	\$	\$	\$ 2,235,000	\$2,235,000
Total Long-term Debt	\$ 2,235,000	\$ 0	\$ 0	\$ 2,235,000	\$2,235,000

\*Not included in prior year audit

**C. Aggregate Debt Schedule**

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

Fiscal Year Ended June 30	Direct Borrowings and Direct Placements	
	Principal	Interest
2025	\$ 2,235,000	\$ 40,900
Totals	\$ 2,235,000	\$ 40,900

**Note 6. Employee Retirement System**

The fiscal court has elected to participate, pursuant to KRS 78.530, in the County Employees Retirement System (CERS), which is administered by the Board of Trustees of the Kentucky Retirement Systems (Ky. Ret. Sys.). 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 Ky. Ret. Sys. The CERS nine member board of trustees is responsible for the governance of the CERS pension and insurance plans.

The county's contribution for FY 2022 was \$443,284, FY 2023 was \$452,428, and FY 2024 was \$405,013.

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

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

**Note 6. Employee Retirement System (Continued)**

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

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

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

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. 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.

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

**Note 6. Employee Retirement System (Continued)**

Other Post-Employment Benefits (OPEB) (Continued)

**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**

Ky. Ret. Sys. 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.

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.

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

**Note 7. Insurance**

For the fiscal year ended June 30, 2024, the Clinton 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 8. Conduit Debt**

From time to time, the county has issued bonds to provide financial assistance to third party 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 Clinton County Fiscal Court's name as issuer, the fiscal court has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf it is issued. Neither the fiscal court nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statement. As of June 30, 2024, conduit debt has been issued but the amount currently outstanding is not reasonably determinable.

**Note 9. Prior Period Adjustment**

	Clinton County, Kentucky Public Properties Corporation Fund
	<hr/>
Reported Ending Balance, June 30, 2023	\$ 0
Adjustment: Actual Anticipation Bond Bank Balance as of June 30, 2023	<hr/> 1,510,809
Restated Beginning Balance July 1, 2023	<hr/> <hr/> \$ 1,510,809

**Note 10. Subsequent Events**

The Clinton County Public Properties Corporation issued a First Mortgage Revenue Bond Anticipation Note (Judicial Center Project), Series 2024, for \$2,235,000 on September 1, 2025, for the refunding of the First Mortgage Revenue Bond Anticipation Note (Judicial Center Project), Series 2022 dated September 1, 2022, issued in an original principal amount of \$2,235,000.



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

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

THIS PAGE LEFT BLANK INTENTIONALLY

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

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

	<b>GENERAL FUND</b>			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Taxes	\$ 413,500	\$ 457,795	\$ 494,440	\$ 36,645
In Lieu Tax Payments	117,000	131,208	130,670	(538)
Excess Fees	15,400	15,400	49,931	34,531
Licenses and Permits	25,000	25,000	33,758	8,758
Intergovernmental	109,200	175,405	195,276	19,871
Charges for Services	13,000	13,000	17,904	4,904
Miscellaneous	31,750	94,163	134,624	40,461
Interest	100	100	92	(8)
Total Receipts	724,950	912,071	1,056,695	144,624
<b>DISBURSEMENTS</b>				
General Government	608,940	1,058,431	1,097,431	(39,000)
Protection to Persons and Property	5,000	5,334	5,334	
General Health and Sanitation	107,910	116,139	116,138	1
Administration	443,600	458,306	458,306	
Total Disbursements	1,165,450	1,638,210	1,677,209	(38,999)
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(440,500)	(726,139)	(620,514)	105,625
<b>Other Adjustments to Cash (Uses)</b>				
Transfers From Other Funds	400,000	400,000	673,459	273,459
Transfers To Other Funds			(40,746)	(40,746)
Total Other Adjustments to Cash (Uses)	400,000	400,000	632,713	232,713
Net Change in Fund Balance	(40,500)	(326,139)	12,199	338,338
Fund Balance - Beginning	40,500	43,529	43,529	
Fund Balance - Ending	\$ 0	\$ (282,610)	\$ 55,728	\$ 338,338

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

	<b>ROAD FUND</b>			
	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts, (Budgetary Basis)</b>	<b>Final Budget Positive (Negative)</b>
<b>RECEIPTS</b>				
Intergovernmental	\$ 1,205,048	\$ 1,241,304	\$ 1,216,810	\$ (24,494)
Miscellaneous	1,500	39,500	39,000	(500)
Interest	700	700	862	162
Total Receipts	<u>1,207,248</u>	<u>1,281,504</u>	<u>1,256,672</u>	<u>(24,832)</u>
<b>DISBURSEMENTS</b>				
General Government	22,000	22,000	20,215	1,785
Roads	928,523	1,015,501	691,122	324,379
Administration	838,000	825,278	211,588	613,690
Total Disbursements	<u>1,788,523</u>	<u>1,862,779</u>	<u>922,925</u>	<u>939,854</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(581,275)</u>	<u>(581,275)</u>	<u>333,747</u>	<u>915,022</u>
Net Change in Fund Balance	(581,275)	(581,275)	333,747	915,022
Fund Balance - Beginning	<u>581,275</u>	<u>581,275</u>	<u>421,178</u>	<u>(160,097)</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 754,925</u>	<u>\$ 754,925</u>

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

	<b>JAIL FUND</b>			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>RECEIPTS</b>				
Intergovernmental	\$ 124,000	\$ 124,170	\$ 141,618	\$ 17,448
Charges for Services	2,500	2,500	74	(2,426)
Miscellaneous	1,500	1,500		(1,500)
Interest	25	25	24	(1)
Total Receipts	128,025	128,195	141,716	13,521
<b>DISBURSEMENTS</b>				
Protection to Persons and Property	548,959	547,090	540,424	6,666
Administration	137,190	140,230	132,029	8,201
Total Disbursements	686,149	687,320	672,453	14,867
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(558,124)	(559,125)	(530,737)	28,388
<b>Other Adjustments to Cash (Uses)</b>				
Transfers From Other Funds	557,124	557,124	530,746	(26,378)
Total Other Adjustments to Cash (Uses)	557,124	557,124	530,746	(26,378)
Net Change in Fund Balance	(1,000)	(2,001)	9	2,010
Fund Balance - Beginning	1,000	2,001	2,001	
Fund Balance - Ending	\$ 0	\$ 0	\$ 2,010	\$ 2,010

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

<b>LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND</b>				
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>RECEIPTS</b>				
Intergovernmental	\$ 70,000	\$ 78,295	\$ 95,233	\$ 16,938
Miscellaneous	6,000	6,000		(6,000)
Interest	20	33	64	31
Total Receipts	76,020	84,328	95,297	10,969
<b>DISBURSEMENTS</b>				
General Government	26,500	34,500	22,399	12,101
Protection to Persons and Property	2,000	2,000	2,000	
Social Services	3,000	3,000	2,250	750
Recreation and Culture	48,300	48,550	32,814	15,736
Administration	42,100	54,346	13,950	40,396
Total Disbursements	121,900	142,396	73,413	68,983
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(45,880)	(58,068)	21,884	79,952
<b>Other Adjustments to Cash (Uses)</b>				
Transfers From Other Funds	25,880	25,880		(25,880)
Total Other Adjustments to Cash (Uses)	25,880	25,880		(25,880)
Net Change in Fund Balance	(20,000)	(32,188)	21,884	54,072
Fund Balance - Beginning	20,000	32,188	32,188	
Fund Balance - Ending	\$ 0	\$ 0	\$ 54,072	\$ 54,072

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

	<b>FEDERAL FUND</b>			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Interest	\$ 100	\$ 100	\$ 86	\$ (14)
Total Receipts	100	100	86	(14)
<b>DISBURSEMENTS</b>				
Administration	100	52,103		52,103
Total Disbursements	100	52,103		52,103
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)		(52,003)	86	52,089
<b>Other Adjustments to Cash (Uses)</b>				
Transfers To Other Funds	(130,000)	(130,000)	(139,425)	(9,425)
Total Other Adjustments to Cash (Uses)	(130,000)	(130,000)	(139,425)	(9,425)
Net Change in Fund Balance	(130,000)	(182,003)	(139,339)	42,664
Fund Balance - Beginning	130,000	182,003	182,003	
Fund Balance - Ending	\$ 0	\$ 0	\$ 42,664	\$ 42,664

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

<b>DISASTER AND EMERGENCY SERVICES FUND</b>				
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Intergovernmental	\$ 500	\$ 500	\$ 731	\$ 231
Miscellaneous		36	36	
Interest	10	10		(10)
Total Receipts	510	546	767	221
<b>DISBURSEMENTS</b>				
Protection to Persons and Property	10,200	10,200	8,493	1,707
Administration	5,000	7,231	2,220	5,011
Total Disbursements	15,200	17,431	10,713	6,718
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(14,690)	(16,885)	(9,946)	6,939
<b>Other Adjustments to Cash (Uses)</b>				
Transfers From Other Funds	14,500	14,500	8,000	(6,500)
Total Other Adjustments to Cash (Uses)	14,500	14,500	8,000	(6,500)
Net Change in Fund Balance	(190)	(2,385)	(1,946)	439
Fund Balance - Beginning	190	2,385	2,385	
Fund Balance - Ending	\$ 0	\$ 0	\$ 439	\$ 439



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

<b>AMBULANCE FUND</b>				
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>RECEIPTS</b>				
Charges for Services	\$ 650,000	\$ 650,000	\$ 790,372	\$ 140,372
Miscellaneous	1,000	70,287	75,942	5,655
Interest	100	100	48	(52)
Total Receipts	651,100	720,387	866,362	145,975
<b>DISBURSEMENTS</b>				
Protection to Persons and Property	1,121,500	1,173,144	1,173,144	
Administration	320,000	357,233	357,233	
Total Disbursements	1,441,500	1,530,377	1,530,377	
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(790,400)	(809,990)	(664,015)	145,975
<b>Other Adjustments to Cash (Uses)</b>				
Transfers From Other Funds	780,000	780,000	664,425	(115,575)
Total Other Adjustments to Cash (Uses)	780,000	780,000	664,425	(115,575)
Net Change in Fund Balance	(10,400)	(29,990)	410	30,400
Fund Balance - Beginning	10,400	21,091	21,091	
Fund Balance - Ending	\$ 0	\$ (8,899)	\$ 21,501	\$ 30,400

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

<b>OCCUPATIONAL TAX FUND</b>				
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Taxes	\$ 1,375,000	\$ 1,375,000	\$ 1,799,301	\$ 424,301
Interest	2,000	2,190	4,172	1,982
Total Receipts	1,377,000	1,377,190	1,803,473	426,283
<b>DISBURSEMENTS</b>				
General Government	40,000	40,000	17,092	22,908
Administration	739,496	806,122	4,386	801,736
Total Disbursements	779,496	846,122	21,478	824,644
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	597,504	531,068	1,781,995	1,250,927
<b>Other Adjustments to Cash (Uses)</b>				
Transfers To Other Funds	(1,347,504)	(1,347,504)	(1,545,500)	(197,996)
Total Other Adjustments to Cash (Uses)	(1,347,504)	(1,347,504)	(1,545,500)	(197,996)
Net Change in Fund Balance	(750,000)	(816,436)	236,495	1,052,931
Fund Balance - Beginning	750,000	1,107,945	1,107,945	
Fund Balance - Ending	\$ 0	\$ 291,509	\$ 1,344,440	\$ 1,052,931

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

	<b>911 FUND</b>			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>RECEIPTS</b>				
Taxes	\$ 285,000	\$ 285,000	\$ 292,125	\$ 7,125
Miscellaneous	3,100	7,000	6,000	(1,000)
Interest	100	100	33	(67)
Total Receipts	288,200	292,100	298,158	6,058
<b>DISBURSEMENTS</b>				
Protection to Persons and Property	292,750	306,334	289,232	17,102
Administration	95,350	86,658	53,907	32,751
Total Disbursements	388,100	392,992	343,139	49,853
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(99,900)	(100,892)	(44,981)	55,911
<b>Other Adjustments to Cash (Uses)</b>				
Transfers From Other Funds	50,000	50,000	2,500	(47,500)
Total Other Adjustments to Cash (Uses)	50,000	50,000	2,500	(47,500)
Net Change in Fund Balance	(49,900)	(50,892)	(42,481)	8,411
Fund Balance - Beginning	49,900	50,892	50,892	
Fund Balance - Ending	\$ 0	\$ 0	\$ 8,411	\$ 8,411

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

<b>OPIOID SETTLEMENT FUND</b>				
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>RECEIPTS</b>				
Miscellaneous	\$ 31,322	\$ 31,322	\$ 188,288	\$ 156,966
Interest	100	149	290	141
Total Receipts	31,422	31,471	188,578	157,107
<b>DISBURSEMENTS</b>				
Administration	212,642	212,692		212,692
Total Disbursements	212,642	212,692		212,692
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(181,220)	(181,221)	188,578	369,799
Net Change in Fund Balance	(181,220)	(181,221)	188,578	369,799
Fund Balance - Beginning	181,220	181,222	181,222	
Fund Balance - Ending	\$ 0	\$ 0	\$ 369,800	\$ 369,799

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

<b>AMERICAN RESCUE PLAN ACT FUND</b>				
	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts, (Budgetary Basis)</b>	<b>Final Budget Positive (Negative)</b>
<b>RECEIPTS</b>				
Intergovernmental	\$	\$ 53,176	\$ 53,175	\$ (1)
Interest	1,500	1,500	2,050	550
Total Receipts	1,500	54,676	55,225	549
<b>DISBURSEMENTS</b>				
Administration	1,327,800	1,381,089		1,381,089
Total Disbursements	1,327,800	1,381,089		1,381,089
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(1,326,300)	(1,326,413)	55,225	1,381,638
<b>Other Adjustments to Cash (Uses)</b>				
Transfers To Other Funds	(350,000)	(350,000)	(153,459)	196,541
Total Other Adjustments to Cash (Uses)	(350,000)	(350,000)	(153,459)	196,541
Net Change in Fund Balance	(1,676,300)	(1,676,413)	(98,234)	1,578,179
Fund Balance - Beginning	1,676,300	1,676,413	1,676,413	
Fund Balance - Ending	\$ 0	\$ 0	\$ 1,578,179	\$ 1,578,179

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

<b>CLERK STORAGE FEES FUND</b>				
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Intergovernmental	\$	\$	\$ 1,300	\$ 1,300
Miscellaneous	14,500	14,500	15,221	721
Interest	25	25	20	(5)
Total Receipts	14,525	14,525	16,541	2,016
<b>DISBURSEMENTS</b>				
General Government	29,025	30,640		30,640
Total Disbursements	29,025	30,640		30,640
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(14,500)	(16,115)	16,541	32,656
Net Change in Fund Balance	(14,500)	(16,115)	16,541	32,656
Fund Balance - Beginning	14,500	16,115	16,115	
Fund Balance - Ending	\$ 0	\$ 0	\$ 32,656	\$ 32,656

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

**June 30, 2024**

**Note 1. Budgetary Information**

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

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

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

**Note 2. Excess of Disbursements Over Appropriations**

The general fund, general government line-item, exceeded budgeted appropriations by \$39,000.

THIS PAGE LEFT BLANK INTENTIONALLY



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

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

THIS PAGE LEFT BLANK INTENTIONALLY

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

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

The fiscal court reports the following Schedule of Capital Assets:

	Beginning Balance (Restated*)	Additions	Deletions	Ending Balance
Land and Land Improvements*	\$ 789,907	\$	\$	\$ 789,907
Construction In Progress*	78,277	963,641		1,041,918
Buildings	5,713,169			5,713,169
Vehicles*	1,323,100	165,227		1,488,327
Equipment	1,441,106	102,938		1,544,044
Infrastructure	9,222,557	164,322		9,386,879
 Total Capital Assets	 \$ 18,568,116	 \$ 1,396,128	 \$ 0	 \$ 19,964,244

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

**June 30, 2024**

**Note 1. Capital Assets**

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

	Capitalization Threshold	Useful Life (Years)
Land Improvements	\$ 12,500	10-60
Buildings and Building Improvements	\$ 25,000	10-75
Equipment	\$ 5,000	2-20
Vehicles	\$ 5,000	3-25
Infrastructure	\$ 20,000	10-50

**Note 2. Restatement of Capital Assets Beginning Balance**

The land and land improvements beginning balance was restated by \$636,000, the construction in progress beginning balance was restated by 78,277, and the vehicles beginning balance was restated by (\$179,000) due to errors and omissions in prior years.

**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 Ricky L. Craig, Clinton County Judge/Executive  
Members of the Clinton 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 Clinton County Fiscal Court for the fiscal year ended June 30, 2024, and the related notes to the financial statement which collectively comprise the Clinton County Fiscal Court's financial statement and have issued our report thereon dated March 25, 2025.

**Report on Internal Control Over Financial Reporting**

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

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

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



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

**Report on Compliance And Other Matters**

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

**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

March 25, 2025



**CLINTON COUNTY**  
**SCHEDULE OF FINDINGS AND RESPONSES**

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

THIS PAGE LEFT BLANK INTENTIONALLY

**CLINTON COUNTY**  
**SCHEDULE OF FINDINGS AND RESPONSES**

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

FINANCIAL STATEMENT FINDING:

2024-001    The Clinton County Fiscal Court's Fourth Quarter Financial Statement Was Materially Misstated

The fourth quarter financial statement that the Clinton Fiscal Court presented to the Department for Local Government (DLG) was inaccurate and materially misstated because the Clinton County Kentucky Public Properties Corporation (PPC) Fund was not included in the Clinton County Fiscal Court Financials. The PPC Fund should be reported as an unbudgeted fund and presented separately on the financial statement. PPC disbursements totaling \$122,702 were not included on the financial statement. The PPC bond anticipation note also had an outstanding balance of \$2,235,000, which was not included on the long-term debt liability schedule of the fourth quarter financial report. The official was not aware of the requirement to include the PPC financial information on the county's financial statements. The omitted financial information on the fourth quarter report resulted in significant and material adjustments to the financial statements. The county's fourth quarter report had material adjustments that were not made timely and resulted in incorrect information being relied upon by those using that report, specifically DLG and fiscal court members.

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."

KRS 68.210 gives the State Local Finance Officer the authority to prescribe a uniform system of accounts. The DLG's County Budget Preparation & State Local Finance Officer Policy Manual, requires counties to submit quarterly reports to the DLG. Adequate internal controls should ensure that these reports include all funds of the county, all activity within the funds, and agree to the county's reconciled cash balance.

We recommend the fiscal court implement procedures to ensure the fourth quarter report submitted to DLG reflects the county's final financial statement that includes all adjustments. We further recommend all debt should be properly disclosed on the fourth quarter report liability schedule and follow through with any further disclosure required.

Views of Responsible Official and Planned Corrective Action:

*County Judge/Executive's Response: The official did not provide a response.*

THIS PAGE LEFT BLANK INTENTIONALLY

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

**CLINTON COUNTY FISCAL COURT**

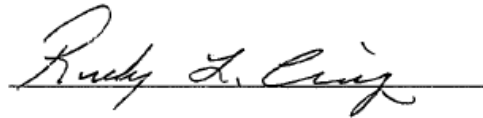
**For The Year Ended June 30, 2024**

THIS PAGE LEFT BLANK INTENTIONALLY

CERTIFICATION OF COMPLIANCE  
LOCAL GOVERNMENT ECONOMIC ASSISTANCE  
COUNTY FISCAL COURT

For The Year Ended June 30, 2024

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

A handwritten signature in cursive script, reading "Rudy L. Craig", written over a horizontal line.

County Judge/Executive

A handwritten signature in cursive script, reading "Craig Miller", written over a horizontal line.

County Treasurer