



**Auditor of
Public Accounts
Allison Ball**

Clinton County Fiscal Court

Audit

FRANKFORT, Ky. – State Auditor Allison Ball has released the audit of the financial statements of the Clinton County Fiscal Court for the fiscal year ended June 30, 2024. State law requires annual audits of county fiscal courts.

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

Finding: The fiscal court's fourth quarter financial statement was materially misstated

The fourth quarter report presented to the Department for Local Government (DLG) was inaccurate and materially misstated due to the Clinton County, Kentucky Public Properties Corporation Fund (PPC) not being 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 report, and the PPC bond anticipation note 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.

Recommendations

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.

County Officials Response

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

The audit report can be found on the [auditor's website](https://www.auditor.ky.gov).

