



**Auditor of
Public Accounts
Allison Ball**

Fleming County Fiscal Court Audit

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

Auditing standards require the auditor's letter to communicate whether the financial statements present fairly the receipts, disbursements, and changes in fund balances of the Fleming 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 Fleming County Fiscal Court Did Not Budget Funds Properly

The Fleming County Fiscal Court did not properly budget for the Alcohol Beverage Control Fund and budgeted receipts for that fund were omitted from its fourth quarter financial statement. Although the county established the Alcohol Beverage Control Fund and only accrued receipts during fiscal year 2025, the fund was not included in the original budget, and no formal budget amendment was adopted when the fund was moved from the General Fund to a separate fund.

Recommendations

We recommend the Fleming County Fiscal Court strengthen controls over the budgeting process to ensure that all funds are properly budgeted in accordance with KRS 68.280. The county should adopt formal budget amendments when funds are added or reclassified and review quarterly reports to verify that all active funds are reflected in the approved budget.

County Officials Response

County Judge/Executive's Response: The finding resulted from a computer programming issue rather than a procedural deficiency. Once the issue was identified, the programming was corrected on July 27, 2026, eliminating the cause of the error. The County has verified that the correction has been implemented and that the issue has been fully resolved. Procedures will continue to be monitored to ensure the programming functions as intended and to prevent a recurrence of this issue.

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

