



**Auditor of  
Public Accounts  
Allison Ball**

# Greenup County Sheriff's Fee Account Audit

**FRANKFORT, Ky.** – State Auditor Allison Ball released the audit of the 2024 financial statement of Greenup County Sheriff Matt Smith. State law requires the auditor to annually audit the accounts of each county sheriff. In compliance with this law, the auditor issues two sheriff's reports each year: one reporting on the audit of the sheriff's tax account, and the other reporting on the audit of the fee account used to operate the office.

Auditing standards require the auditor's letter to communicate whether the financial statement presents fairly the receipts, disbursements, and excess fees of the Greenup County Sheriff in accordance with accounting principles generally accepted in the United States of America. The sheriff's financial statement did not follow this format. However, the sheriff'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 all 120 sheriff audits in Kentucky.

## **Finding: Did not have a written agreement to protect deposits.**

As of November 7, 2024, the sheriff had bank deposits of \$24,088,425, and FDIC insurance of \$250,000. There was no written agreement between the sheriff and the depository institution, signed by both parties, securing the sheriff's interest in the collateral pledged. In October 2024, the sheriff opened accounts with a depository institution, but did not secure an interest in the collateral pledged to protect deposits. The sheriff's deposits of public funds in the depository institution were uninsured and unsecured in the amount of \$23,838,425.

## **Recommendations**

We recommend the sheriff enter into a written agreement with the depository institution to secure the sheriff's interest in the collateral pledged or provided by the depository institution.

## **County Officials Response**

*Sheriff's Response: The Sheriff and Bookkeeper both expressed the need and requirement of the pledge to the new bank. Employees assured us on several occasions that they were aware of what was required. Once we discovered they had not done the pledge the bank issued us a letter acknowledging their mistake and oversight.*

The sheriff's responsibilities include collecting property taxes, providing law enforcement, and performing services for the county fiscal court and courts of justice. The sheriff's office is funded through statutory commissions and fees collected in conjunction with these duties.

The audit report can be found on the [auditor's website](#).

