



**Auditor of
Public Accounts
Allison Ball**

Jessamine County Fiscal Court

Audit

FRANKFORT, Ky. – State Auditor Allison Ball has released the audit of the financial statements of the Jessamine 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 Jessamine 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: Fourth quarter report was materially misstated.

The fiscal court incorrectly reported Internal Service Fund receipts as transfers from the General Fund and the Public Properties Corporation (PPC) did not report proceeds from the bond anticipation note issued in October 2024. These errors caused the following misstatements on the fourth quarter financial statement:

General Fund

- Transfers Out to Other Funds were overstated by \$3,550,000
- Disbursements were understated by \$3,550,000

Internal Service Fund

- Transfers In were overstated by \$3,550,000
- Miscellaneous Revenues were understated by \$3,550,000

Public Properties Corporation Fund

- Miscellaneous Revenues were overstated by \$4,116,000
- Interest Earned was understated by \$48,970
- Bond Anticipation Note was understated by \$5,000,000
- Bond Anticipation Note Capitalized Interest of 100,556 was not reported
- Bond Anticipation Note Cost of Issuance of \$25,000 was not reported
- Debt Service disbursements were understated by \$4,116,000
- Capital Projects disbursements were understated by \$274,841
- Administration disbursements were overstated by \$5,330,924

Recommendations

We recommend the county report all self-insurance costs as expenses in the related funds and as program receipts in the internal service fund as prescribed by *GASB Statement 10*. We also recommend the county report all bond activity related to their Public Properties Corporation. Lastly, we recommend the county implement stronger internal controls over financial reporting to ensure these amounts are properly reflected.

County Officials Response

County Judge/Executive's Response: The Jessamine County Fiscal Court concurs with finding #2025-001.

The Jessamine County Fiscal Court reported Self Insurance cost erroneously as transfers out of the general fund and transfers in the self-insurance fund. Effective immediately, the County Treasurer will record Self Insurance costs as expenses, not transfers out of the general fund. The County Treasurer will record Self Insurance costs as receipts, not transfers in the Self Insurance account.

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

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