McLean County Fiscal Court

Audit

Auditor of Public Accounts
Allison Ball

FRANKFORT, Ky. – State Auditor Allison Ball has released the audit of the financial statements of the McLean 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 McLean 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 McLean County Fiscal Court Did Not Accurately Account For Debt Service Transactions

This is a repeat finding and was included in the prior year audit report as finding 2024-003. A control deficiency existed over the reporting of liabilities and debt of the McLean County Fiscal Court. Debt service payments in the amount of $537,242 were improperly coded and reported on the fourth quarter financial report. In addition, lease proceeds were not budgeted or recorded on the county's financial statement.

Recommendations

We recommend the McLean County Fiscal Court strengthen internal controls over the reporting of debt service. Internal controls, such as the review of account codes used for debt service payments recorded on the ledgers, should be implemented. Such practices will strengthen internal controls over liabilities and debt service and ensure that the proper amounts are reported within the proper account codes.

County Officials Response

County Judge/Executive's Response: This finding is due to mistakenly coding payments of loans from the incorrect account codes on the financial statement. County Treasurer will continue to work on coding expenses to the correct lines and make changes as directed in the audit, which has been completed.

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

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