

**REPORT OF THE AUDIT OF THE
SHELBY COUNTY
SHERIFF**

**For The Year Ended
December 31, 2024**



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ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS

Independent Auditor's Report

The Honorable Dan Ison, Shelby County Judge/Executive
The Honorable Timothy Mark Moore, Shelby County Sheriff
Members of the Shelby County Fiscal Court

Report on the Audit of the Financial Statement

Opinions

We have audited the accompanying Statement of Receipts, Disbursements, and Excess Fees - Regulatory Basis of the Sheriff of Shelby County, Kentucky, for the year ended December 31, 2024, and the related notes to the financial statement.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement presents fairly, in all material respects, the receipts, disbursements, and excess fees of the Shelby County Sheriff for the year ended December 31, 2024, in accordance with the basis of accounting practices prescribed or permitted by the Commonwealth of Kentucky to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statement does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Shelby County Sheriff, as of December 31, 2024, or changes in financial position or cash flows thereof for the year then ended.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States, and the *Audit Program for County Fee Officials* issued by the Auditor of Public Accounts, Commonwealth of Kentucky. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Shelby County Sheriff and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



The Honorable Dan Ison, Shelby County Judge/Executive
The Honorable Timothy Mark Moore, Shelby County Sheriff
Members of the Shelby County Fiscal Court

Basis for Opinion (Continued)

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the Shelby County Sheriff on the basis of the accounting practices prescribed or permitted by the laws of Kentucky, to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting practices prescribed or permitted by the laws of Kentucky to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Shelby County Sheriff's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shelby County Sheriff's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Shelby County Sheriff's ability to continue as a going concern for a reasonable period of time.

The Honorable Dan Ison, Shelby County Judge/Executive
The Honorable Timothy Mark Moore, Shelby County Sheriff
Members of the Shelby County Fiscal Court

Auditor's Responsibilities for the Audit of the Financial Statement (Continued)

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we have identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 21, 2025, on our consideration of the Shelby County Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, in considering the Shelby County Sheriff's internal control over financial reporting and compliance.

Based on the results of our audit, we have presented the accompanying Schedule of Findings and Responses, included herein, which discusses the following report findings:

- 2024-001 The Shelby County Sheriff Did Not Follow Proper Procurement Procedures For Purchasing Vehicles
- 2024-002 The Shelby County Sheriff's Budget Was Overspent For Calendar Year 2024

Respectfully submitted,



Allison Ball
Auditor of Public Accounts
Frankfort, KY

August 21, 2025

SHELBY COUNTY
TIMOTHY MARK MOORE, SHERIFF
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND EXCESS FEES - REGULATORY BASIS

For The Year Ended December 31, 2024

Receipts

State Fees For Services:

Finance and Administration Cabinet	\$ 231,045	
Sheriff Security Service	47,284	
Cabinet For Health And Family Services	2,236	
Transport Prisoners	27,361	
Traffic School	<u>2,540</u>	\$ 310,466

Circuit Court Clerk:

Fines and Fees Collected	1,212
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County Clerk - Delinquent Taxes	54,864
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Commission On Taxes Collected	1,431,964
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Fees Collected For Services:

Auto Inspections	34,060	
Serving Papers	86,490	
Carry Concealed Deadly Weapon Permits	12,020	
Fiscal Court Filing Fees	<u>14,310</u>	146,880

Other:

Add-On Fees	52,148	
Miscellaneous	25,323	
Reimbursements	9,074	
Copies/Photos	<u>6,846</u>	93,391

Interest Earned	600
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Borrowed Money:

State Advancement	<u>500,000</u>
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Total Receipts	2,539,377
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The accompanying notes are an integral part of this financial statement.

SHELBY COUNTY
TIMOTHY MARK MOORE, SHERIFF
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND EXCESS FEES - REGULATORY BASIS
For The Year Ended December 31, 2024
(Continued)

Disbursements

Operating Disbursements and Capital Outlay:

Personnel Services-		
Deputies' Salaries	\$ 584,661	
Part-Time Salaries	169,147	
Employee Benefits-		
Employer's Share Social Security	67,974	
Employer's Share Life Insurance	1,269	
Employer Paid Health Insurance	117,747	
Contracted Services-		
Advertising	1,688	
Contracted Computer Service	26,719	
Materials and Supplies-		
Office Materials and Supplies	19,095	
Uniforms	45,439	
Auto Expense-		
Gasoline	111,666	
Maintenance and Repairs	63,383	
Other Charges-		
Conference Fees/Expense	2,357	
Dues	3,053	
Postage	18,260	
Fiscal Court Filing Fees	14,310	
Training	5,206	
Miscellaneous	12,066	
Telephone	31,055	
Transporting Prisoners	25,804	
Law Enforcement Supplies	77,921	
Computer Expense	15,753	
K-9 Unit	6,375	
Capital Outlay-		
Office Equipment	1,925	
Vehicles	194,731	
Vehicle Equipment	62,821	
Computer Equipment	26,456	\$ 1,706,881

Debt Service:

State Advancement	500,000	
Computer Hardware/Software Leases	19,297	519,297

Total Disbursements \$ 2,226,178

The accompanying notes are an integral part of this financial statement.

SHELBY COUNTY
TIMOTHY MARK MOORE, SHERIFF
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND EXCESS FEES - REGULATORY BASIS
For The Year Ended December 31, 2024
(Continued)

Net Receipts	\$ 313,199
Less: Statutory Maximum	<u>131,268</u>
Excess Fees	181,931
Less: Training Incentive Benefit	<u>5,153</u>
Excess Fees Due County for 2024	176,778
Payment to Fiscal Court - February 18, 2025	<u>176,778</u>
Balance Due Fiscal Court at Completion of Audit	<u>\$ 0</u>

The accompanying notes are an integral part of this financial statement.

SHELBY COUNTY
NOTES TO FINANCIAL STATEMENT

December 31, 2024

Note 1. Summary of Significant Accounting Policies

A. Basis of Accounting

The financial statement has been prepared on a regulatory basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Authority for the regulatory basis is found in Kentucky Revised Statutes (KRS).

The Department for Local Government (DLG) is the regulatory agency responsible for establishing minimum accounting requirements for local government entities. The commissioner of the DLG is designated as the state local finance officer. (KRS 68.001). The DLG must prescribe and maintain “a uniform system of accounting and reporting on the receipt, use and handling of all public funds, other than taxes, due and payable to the state” from local government entities. (KRS 46.010(1)). The state local finance officer supervises the administration of the county uniform budget system and accounts and financial operations and must prescribe a “uniform system of accounts for all counties and county officials.” (KRS 68.210). Under this authority, the DLG requires local governments to follow guidelines set forth in its *County Budget Preparation and State Local Finance Officer Policy Manual* (Manual) to meet the minimum required reporting for financial statement purposes.

The regulatory basis is outlined in the Manual and defines the measurement, presentation, disclosure, and recognition requirements for financial transactions when preparing regulatory basis financial statements. The Manual includes the standardized format for quarterly reporting to DLG.

Under this regulatory basis of accounting, receipts and disbursements are generally recognized when cash is received or disbursed, with the exception of accrual of the following items (not all-inclusive) as of December 31 that may be included in the excess fees calculation:

- Interest receivable
- Collection on accounts due from others for 2024 services
- Reimbursements for 2024 activities
- Payments due to other governmental entities for December tax and fee collections and payroll
- Payments due to vendors for goods or services provided in 2024

B. Measurement Focus and Excess Fees

The measurement focus of a fee official’s financial statement is upon current financial resources. A sheriff must remit to the fiscal court any income of his or her office, including the income from investments, that exceeds the sum of his or her maximum salary as permitted by the Constitution and other reasonable expenses, including compensation of deputies and assistants, when making his or her annual settlement. (KRS 134.192(12)). This settlement is due to the fiscal court by March 15 of each year. (KRS 134.192(11)). An outgoing sheriff shall make a final settlement with the fiscal court by March 15 immediately following the expiration of his or her term of office. (KRS 64.830). The fiscal court shall collect any amount due from the sheriff as determined by the audit. (KRS 64.820).

C. Fund Accounting

A fee official uses a fund to report on the results of operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fee official uses a fund for fees to account for activities for which the government desires periodic determination of the excess of receipts over disbursements to facilitate management control, accountability, and compliance with laws.

SHELBY COUNTY
 NOTES TO FINANCIAL STATEMENT
 December 31, 2024
 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

D. Cash and Investments

KRS 66.480 authorizes the sheriff's office to invest in obligations of the United States and of its agencies and instrumentalities, obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States, obligations of any corporation of the United States government, bonds or certificates of indebtedness of this state, and certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation (FDIC) or which are collateralized, to the extent uninsured, by any obligation permitted by KRS 41.240(4).

Note 2. Employee Retirement System and Other Post-Employment Benefits

The sheriff's office has elected to participate, pursuant to KRS 78.530, in the County Employees Retirement System (CERS), which has been governed by the CERS nine-member board of trustees since April 1, 2021. The Kentucky Public Pensions Authority (KPPA) was created by KRS 61.505, effective April 1, 2021, to provide staffing and daily administrative needs for CERS and Kentucky Retirement Systems. CERS is a cost-sharing, multiple-employer, defined benefit pension plan, which covers all eligible full-time employees and provides for retirement, disability, and death benefits to plan members. Benefit contributions, vesting requirements, and provisions are established by statute and are determined by participation date and hazardous or non-hazardous participation.

The county's contribution rate for nonhazardous employees for calendar year 2024 was 23.34% for the first six months and 19.71% for the last six months. The county's contribution rate for hazardous employees was 43.69% for the first six months and 38.61% for the last six months.

Other Post-Employment Benefits (OPEB)

CERS provides post-retirement health care, cost of living adjustments for all recipients of retirement benefits, and a retired member's death benefit, all determined by participation date and hazardous or non-hazardous participation.

Specific details about retiree pension and OPEB benefits can be found online at: <https://www.kyret.ky.gov/Publications>.

Kentucky Public Pension Authority's Annual Financial Report and Proportionate Share Audit Report

KPPA issues a publicly available annual financial report that includes financial statements and required supplementary information on CERS. Many of these annual reports are available online at <https://kyret.ky.gov>. Reports may also be obtained by writing the KPPA, 1260 Louisville Road, Frankfort, KY 40601-6124, or by telephone at (502) 564-4646.

KPPA also issues proportionate share audit reports for both total pension liability and other post-employment benefits for CERS determined by actuarial valuation, as well as each participating county's proportionate share. Both the Schedules of Employer Allocations and Pension Amounts by Employer and the Schedules of Employer Allocations and OPEB Amounts by Employer reports and the related actuarial tables are available online at <https://kyret.ky.gov>. The complete actuarial valuation report, including all actuarial assumptions and methods, is also available on the website or can be obtained as described in the paragraph above.

SHELBY COUNTY
NOTES TO FINANCIAL STATEMENT
December 31, 2024
(Continued)

Note 3. Deposits

The Shelby County Sheriff maintained deposits of public funds with federally insured banking institutions as required by the Manual. The Manual strongly recommends perfected pledges of securities covering all public funds except direct federal obligations and funds protected by federal insurance. In order to be perfected in the event of failure or insolvency of the depository institution, this pledge or provision of collateral should be evidenced by an agreement between the sheriff and the depository institution, signed by both parties, that is (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution. These requirements were met.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a depository institution failure, the sheriff's deposits may not be returned. The Shelby County Sheriff does not have a deposit policy for custodial credit risk, but rather follows the requirements of the Manual. As of December 31, 2024, all deposits were covered by a properly executed collateral security agreement.

Note 4. Short-term Debt

The Shelby County Sheriff's Office was committed to the following short-term debt as of December 31, 2024.

	Beginning Balance	Additions	Reductions	Ending Balance
State Advancement	\$	\$ 500,000	\$ 500,000	\$
Total Short-term Debt	\$ 0	\$ 500,000	\$ 500,000	\$ 0

Note 5. Commitments: - Lease Agreements and Subscription-Based Information Technology Arrangements (SBITA)

The Shelby County Sheriff's Office was committed to the following lease agreement and SBITAs as of December 31, 2024:

Description	Effective Date	Length of Term	Frequency of Payments	Ending Date	Amount of Payments	Balance December 31, 2024
Lease:						
Computer Hardware	9/1/2023	4 Years	Annually	9/1/2027	\$ 7,777	\$ 15,554
SBITAs:						
Computer Software	8/1/2020	5 Years	Annually	8/1/2025	\$ 6,000	\$ 0
Computer Software	1/1/2024	1 Year	Annually	12/31/2024	\$ 3,060	\$ 0
Computer Software	1/1/2024	1 Year	Annually	12/31/2024	\$ 660	\$ 0
Computer Software	1/1/2024	1 Year	Annually	12/31/2024	\$ 1,800	\$ 0

SHELBY COUNTY
NOTES TO FINANCIAL STATEMENT
December 31, 2024
(Continued)

Note 6. Other Accounts

A. Confiscated Drug Money Account

The Shelby County Sheriff's Office maintains a confiscated drug money account under terms stipulated by the United States Department of Justice. The Shelby County Sheriff's Office receives proceeds from the confiscation, surrender, or sale of real and personal property involved in drug related convictions. These proceeds may be used for law enforcement disbursements of the sheriff's office. The balance on January 1, 2024, was \$115,064. There were \$3,455 of receipts during the year and disbursements totaled \$75,189 for the year. The balance in the account as of December 31, 2024, was \$43,330.

B. Special Fund Account

The sheriff-maintained funds from weapons buy back in a special account during 2022 based on the provisions of KRS 65.041 - Disposition of firearms or ammunition owned by unit of local government -- Disposition of proceeds upon sale. This account is now mostly used for donations. The beginning balance of this account as of January 1, 2024, was \$4,923. In 2024, there were receipts of \$12,009 and disbursements totaled \$12,876. The ending fund balance was \$4,056 as of December 31, 2024.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS

Report On Internal Control Over Financial Reporting And
On Compliance And Other Matters Based On An Audit Of The Financial
Statement Performed In Accordance With *Government Auditing Standards*

Independent Auditor's Report

The Honorable Dan Ison, Shelby County Judge/Executive
The Honorable Timothy Mark Moore, Shelby County Sheriff
Members of the Shelby County Fiscal Court

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Audit Program for County Fee Officials* issued by the Auditor of Public Accounts, Commonwealth of Kentucky, the Statement of Receipts, Disbursements, and Excess Fees - Regulatory Basis of the Shelby County Sheriff for the year ended December 31, 2024, and the related notes to the financial statement and have issued our report thereon dated August 21, 2025. The Shelby County Sheriff's financial statement is prepared on a regulatory basis of accounting, which demonstrates compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the Shelby County Sheriff's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Shelby County Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Shelby County Sheriff's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Responses, we identified a certain deficiency in internal control that we consider to be a material weakness and another deficiency that we consider to be a significant deficiency.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Responses as item 2024-001 to be a material weakness.



Report On Internal Control Over Financial Reporting And
On Compliance And Other Matters Based On An Audit Of The Financial
Statement Performed In Accordance With *Government Auditing Standards*
(Continued)

Report on Internal Control over Financial Reporting (Continued)

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying Schedule of Findings and Responses as item 2024-002 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Shelby County Sheriff's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Responses as item 2024-001.

Views of Responsible Official and Planned Corrective Action

Government Auditing Standards require the auditor to perform limited procedures on the Shelby County Sheriff's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The Shelby County Sheriff's response was not subjected to the other auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Allison Ball
Auditor of Public Accounts
Frankfort, KY

August 21, 2025

SCHEDULE OF FINDINGS AND RESPONSES

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SHELBY COUNTY
TIMOTHY MARK MOORE, SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES

For The Year Ended December 31, 2024

2024-001 The Shelby County Sheriff Did Not Follow Proper Procurement Procedures For Purchasing Vehicles

The Shelby County Sheriff did not follow proper procedures for purchasing vehicles as required by the county's administrative code. In November 2024, the sheriff purchased four vehicles totaling \$194,731 which exceeded the requirements for bidding per the county's administrative code without advertising for bids or using an approved state price contract vendor.

The official did not monitor or review these transactions to make sure proper advertisement or procurement procedures were followed. The Shelby County Sheriff is in noncompliance with the county's administrative code.

The county's administrative code requires procurements that exceed \$40,000 follow the competitive bidding process as set forth in KRS 424.260. KRS 424.260(1) states, "[e]xcept where a statute specifically fixes a larger sum as the minimum for a requirement of advertisement for bids, no city, county, or district, or board or commission of a city or county, or sheriff or county clerk, may make a contract, lease, or other agreement for:

- (a) Materials;
- (b) Supplies except perishable foods such as meat, poultry, fish, egg products, fresh vegetables, and fresh fruits;
- (c) Equipment; or
- (d) Contractual services other than professional;

involving an expenditure of more than forty thousand dollars (\$40,000) without first making newspaper advertisement for bids." Additionally, KRS 45A.050(3) allows the sheriff to participate in a state price contract for a vehicle purchase. The procedures for vehicle purchases using the state price contract requires officials obtain a minimum of three quotes from a set of approved vendors with a master agreement and choose the best value based on the quotes.

We recommend the Shelby County Sheriff comply with the county's administrative code on procurement and follow KRS 424.260 when making purchases over \$40,000 or follow vehicle purchasing requirements for state price contracts.

Sheriff's Response: Following the vehicle availability crisis of the previous year and the continuing threat of vehicle (patrol vehicles) shortages, our local vendor (who provides vehicles at Price Contract) obtained desired vehicles for sale. During the unsure market, I was relieved to have vehicles available, and I inadvertently failed to post the bid process in the local newspaper. This was a somewhat out of normal situation.

Auditor's Reply: The vendor used for the vehicle purchases did not have a master agreement and was not an approved vendor.

2024-002 The Shelby County Sheriff's Budget Was Overspent For Calendar Year 2024

The Shelby County Sheriff's operating expenditures exceeded the budget approved by the Shelby County Fiscal Court by \$84,678. The Shelby County Fiscal Court approved the sheriff's budget for official expenses at \$2,141,500. The sheriff expended \$2,226,178.

Due to lack of management oversight, the budget for calendar year 2024 was overspent. By overspending his budget, the sheriff increased the risk of running a deficit and was in noncompliance with budgetary requirements imposed by the Department for Local Government.

SHELBY COUNTY
TIMOTHY MARK MOORE, SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended December 31, 2024
(Continued)

2024-002 The Shelby County Sheriff's Budget Was Overspent For Calendar Year 2024 (Continued)

KRS 68.210 states that the administration of the county uniform budget system shall be under the supervision of the state local finance officer who may inspect and shall supervise the administration of accounts and financial operations and shall prescribe a system of uniform accounts for all counties and county officials. Under that authority, the state local finance officer has issued the DLG's *County Budget Preparation and State Local Finance Office Policy Manual*, which requires the fiscal court to approve a calendar year budget for each fee office as a component of the county's budget preparation process by January 15th of each year.

We recommend the Shelby County Sheriff monitor his budget throughout the year and request budget amendments as necessary from fiscal court before year end.

Sheriff's Response: While being ever mindful of the spending required to maintain the highest quality of service to the citizens and to provide equipment essential to the tactical safety of Deputies serving these citizens, the projected budget was indeed overspent. This is not the norm for the Shelby County Sheriff's Office.

While prepared budget is an estimate or projection of spending, I was mindful of the fees collected and that there was in fact adequate monies to satisfy the taxing districts and still escheat \$176,777.69 in excess fees to the county at the end of the audited tax collection year.

As a Constitutional Officer and aware the budget was approved by the Fiscal Court Body, I did not realize that budget amendments were necessary.