

**REPORT OF THE AUDIT OF THE  
TRIMBLE COUNTY  
FISCAL COURT**

**For The Year Ended  
June 30, 2024**



**ALLISON BALL  
AUDITOR OF PUBLIC ACCOUNTS  
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**ALLISON BALL**  
**AUDITOR OF PUBLIC ACCOUNTS**

**Independent Auditor's Report**

To the People of Kentucky

The Honorable Andy Beshear, Governor

Holly M. Johnson, Secretary

Finance and Administration Cabinet

The Honorable John D. Ogburn, Jr., Trimble County Judge/Executive

Members of the Trimble County Fiscal Court

**Report on the Audit of the Financial Statement**

***Opinions***

We have audited the accompanying Statement of Receipts, Disbursements, and Changes in Fund Balances – Regulatory Basis of the Trimble County Fiscal Court, for the year ended June 30, 2024, and the related notes to the financial statement, which collectively comprise the Trimble County Fiscal Court's financial statement as listed in the table of contents.

***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the receipts, disbursements, and changes in fund balances – regulatory basis of the Trimble County Fiscal Court, for the year ended June 30, 2024, in accordance with accounting practices prescribed or permitted by the Commonwealth of Kentucky 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 statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Trimble County Fiscal Court, for the year ended June 30, 2024, or the changes in financial position and cash flows thereof for the year then ended.

***Basis for Opinions***

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*, issued by the Comptroller General of the United States, and the *Fiscal Court Audit Guide* 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 Trimble County Fiscal Court 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.



To the People of Kentucky  
The Honorable Andy Beshear, Governor  
Holly M. Johnson, Secretary  
Finance and Administration Cabinet  
The Honorable John D. Ogburn, Jr., Trimble County Judge/Executive  
Members of the Trimble County Fiscal Court

### ***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 Trimble County Fiscal Court on the basis of the accounting practices prescribed or permitted by the Department for Local Government 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***

Trimble County Fiscal Court's management is responsible for the preparation and fair presentation of the financial statement in accordance with accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws. This includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. 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 Trimble County Fiscal Court'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 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 *Government Auditing Standards* 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 control. 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 *Government Auditing Standards*, 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 Trimble County Fiscal Court's internal control. Accordingly, no such opinion is expressed.

To the People of Kentucky  
 The Honorable Andy Beshear, Governor  
 Holly M. Johnson, Secretary  
 Finance and Administration Cabinet  
 The Honorable John D. Ogburn, Jr., Trimble County Judge/Executive  
 Members of the Trimble County Fiscal Court

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

- 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 Trimble County Fiscal Court's ability to continue as a going concern for a reasonable period of time.

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 identified during the audit.

**Other Matters**

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statement taken as a whole of the Trimble County Fiscal Court. The Budgetary Comparison Schedules are presented for purposes of additional analysis and are not a required part of the financial statement; however, they are required to be presented in accordance with accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws.

The accompanying Budgetary Comparison Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Schedules are fairly stated in all material respects in relation to the financial statement as a whole.

***Other Information***

Management is responsible for the other information included in this report. The other information is comprised of the schedule of capital assets but does not include the financial statement and our auditor's report thereon. Our opinions on the financial statement do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statement, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statement, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

To the People of Kentucky  
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Members of the Trimble County Fiscal Court

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2025, on our consideration of the Trimble County Fiscal Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 Trimble County Fiscal Court's internal control over financial reporting and compliance.

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

- 2024-001 The Trimble County Fiscal Court Did Not Accurately Report Debt On The Quarterly Financial Statement
- 2024-002 The Trimble County Fiscal Court Did Not Have Adequate Controls Over Disbursements
- 2024-003 The Trimble County Fiscal Court Did Not Have Internal Controls Over Budget Procedures

Respectfully submitted,



Allison Ball  
Auditor of Public Accounts  
Frankfort, Ky

June 5, 2025

**TRIMBLE COUNTY OFFICIALS****For The Year Ended June 30, 2024****Fiscal Court Members:**

John D. Ogburn, Jr.	County Judge/Executive
Chris Liter	Magistrate
J.D. Jones	Magistrate
Melissa Gibson Cornish	Magistrate
Crystal Whitice	Magistrate

**Other Elected Officials:**

Crystal Heinz	County Attorney
Bobby Temple	Jailer
Tina Browning	County Clerk
Stacy Bruner	Circuit Court Clerk
Charles Kelton	Sheriff
Jill Mahoney	Property Valuation Administrator
Frederica Congleton	Coroner

**Appointed Personnel:**

Regina Rand	County Treasurer
Lisa Mosley	Deputy Judge/Executive
Ricky Webster	Road Supervisor
Susan Barnes	Fiscal Court Clerk

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**TRIMBLE COUNTY**  
**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES**  
**IN FUND BALANCES - REGULATORY BASIS**

**For The Year Ended June 30, 2024**

**TRIMBLE COUNTY**  
**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES**  
**IN FUND BALANCES - REGULATORY BASIS**

**For The Year Ended June 30, 2024**

	<b>Budgeted Funds</b>		
	<b>General Fund</b>	<b>Road Fund</b>	<b>Jail Fund</b>
<b>RECEIPTS</b>			
Taxes	\$ 2,136,251	\$	\$
Excess Fees	11,637		
Licenses and Permits	840,934	745	
Intergovernmental	586,829	1,031,042	78,557
Charges for Services	386,402		
Miscellaneous	527,975	15,327	114
Interest	62,232	1,741	
Total Receipts	<u>4,552,260</u>	<u>1,048,855</u>	<u>78,671</u>
<b>DISBURSEMENTS</b>			
General Government	1,330,195		
Protection to Persons and Property	1,132,857		263,310
General Health and Sanitation	287,006	355	
Social Services	10,000		
Recreation and Culture	71,310		
Transportation Facility and Services	8,000		
Roads		2,263,705	
Debt Service		107,294	
Administration	1,093,769	208,226	46,329
Total Disbursements	<u>3,933,137</u>	<u>2,579,580</u>	<u>309,639</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>619,123</u>	<u>(1,530,725)</u>	<u>(230,968)</u>
<b>Other Adjustments to Cash (Uses)</b>			
Financing Obligation Proceeds	922,500	300,008	
Lease Premium	72,500		
Change In Payroll Revolving Account	19,698		
Transfers From Other Funds	296,618	907,135	295,000
Transfers To Other Funds	(1,942,796)		
Total Other Adjustments to Cash (Uses)	<u>(631,480)</u>	<u>1,207,143</u>	<u>295,000</u>
Net Change in Fund Balance	(12,357)	(323,582)	64,032
Fund Balance - Beginning (Restated)	3,400,371	411,312	15,045
Fund Balance - Ending	<u>\$ 3,388,014</u>	<u>\$ 87,730</u>	<u>\$ 79,077</u>
<b>Composition of Fund Balance</b>			
Bank Balance	\$ 1,108,846	\$ 93,360	\$ 92,457
Plus: Deposits In Transit	2,437		
Less: Outstanding Checks	(20,558)	(5,630)	(13,380)
Certificates of Deposit	1,302,289		
Bond Proceeds and Premium	995,000		
Fund Balance - Ending	<u>\$ 3,388,014</u>	<u>\$ 87,730</u>	<u>\$ 79,077</u>

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

**TRIMBLE COUNTY**  
**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES**  
**IN FUND BALANCES - REGULATORY BASIS**  
**For The Year Ended June 30, 2024**  
**(Continued)**

<b>Budgeted Funds</b>				
<b>Local Government Economic Assistance Fund</b>	<b>County Clerk Storage Fee Fund</b>	<b>Opioid Settlement Fund</b>	<b>American Rescue Plan Act Fund</b>	<b>Total Funds</b>
\$	\$	\$	\$	\$ 2,136,251
				11,637
				841,679
5,850		56,404		1,758,682
				386,402
56,846	13,701			613,963
1,190	65	236	666	66,130
<u>63,886</u>	<u>13,766</u>	<u>56,640</u>	<u>666</u>	<u>5,814,744</u>
6,583	18,033		100,000	1,454,811
		45,618		1,441,785
31,300				318,661
34,734				44,734
627,382				698,692
				8,000
				2,263,705
				107,294
				<u>1,348,324</u>
<u>699,999</u>	<u>18,033</u>	<u>45,618</u>	<u>100,000</u>	<u>7,686,006</u>
<u>(636,113)</u>	<u>(4,267)</u>	<u>11,022</u>	<u>(99,334)</u>	<u>(1,871,262)</u>
				1,222,508
				72,500
				19,698
746,791				2,245,544
		(23,822)	(278,926)	(2,245,544)
<u>746,791</u>		<u>(23,822)</u>	<u>(278,926)</u>	<u>1,314,706</u>
110,678	(4,267)	(12,800)	(378,260)	(556,556)
2,880	11,855	54,305	378,260	4,274,028
<u>\$ 113,558</u>	<u>\$ 7,588</u>	<u>\$ 41,505</u>	<u>\$ 0</u>	<u>\$ 3,717,472</u>
\$ 114,844	\$ 7,588	\$ 41,505	\$	\$ 1,458,600
				2,437
(1,286)				(40,854)
				1,302,289
				<u>995,000</u>
<u>\$ 113,558</u>	<u>\$ 7,588</u>	<u>\$ 41,505</u>	<u>\$ 0</u>	<u>\$ 3,717,472</u>

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

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**TRIMBLE COUNTY  
NOTES TO FINANCIAL STATEMENT**

**June 30, 2024**

**Note 1. Summary of Significant Accounting Policies**

**A. Reporting Entity**

The financial statement of Trimble County includes all budgeted and unbudgeted funds under the control of the Trimble County Fiscal Court. Budgeted funds included within the reporting entity are those funds presented in the county's approved annual budget and reported on the quarterly reports submitted to the Department for Local Government. Unbudgeted funds may include non-fiduciary financial activities, private purpose trust funds, and internal service funds that are within the county's control. Unbudgeted funds may also include any corporation to act for and on behalf of, and as the agency and instrumentality of the fiscal court in the acquisition and financing of any public project which may be undertaken by the fiscal court pursuant to the provisions of Kentucky law and thus accomplish a public purpose of the fiscal court. The unbudgeted funds are not presented in the annual approved budget or in the quarterly reports submitted to the Department for Local Government.

**B. Basis of Accounting**

The financial statement is presented on a regulatory basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. This basis of accounting involves the reporting of fund balances and the changes therein resulting from cash inflows (cash receipts) and cash outflows (cash disbursements) to meet the financial reporting requirements of the Department for Local Government and the laws of the Commonwealth of Kentucky.

This regulatory basis of accounting differs from GAAP primarily because the financial statement format does not include the GAAP presentations of government-wide and fund financial statements, cash receipts are recognized when received in cash rather than when earned and susceptible to accrual, and cash disbursements are recognized when paid rather than when incurred or subject to accrual.

Generally, except as otherwise provided by law, property taxes are assessed as of January 1, levied (mailed) November 1, due at discount November 30, due at face value December 31, delinquent January 1 following the assessment, and subject to sale ninety days following April 15.

**C. Basis of Presentation**

**Budgeted Funds**

The fiscal court reports the following budgeted funds:

General Fund - This is the primary operating fund of the fiscal court. It accounts for all financial resources of the general government, except where the Department for Local Government requires a separate fund or where management requires that a separate fund be used for some function.

Road Fund - This fund is for road and bridge construction and repair. The primary sources of receipts for this fund are state payments for truck license distribution, municipal road aid, and transportation grants. The Department for Local Government requires the fiscal court to maintain these receipts and disbursements separately from the General Fund.

**TRIMBLE COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2024**  
**(Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**C. Basis of Presentation (Continued)**

**Budgeted Funds (Continued)**

Jail Fund - The primary purpose of this fund is to account for the jail expenses of the county. The primary sources of receipts for this fund are reimbursements from the state and federal governments, payments from other counties for housing prisoners, and transfers from the General Fund. The Department for Local Government requires the fiscal court to maintain these receipts and disbursements separately from the General Fund.

Local Government Economic Assistance Fund - The primary purpose of this fund is to account for grants and related disbursements. The primary sources of receipts for this fund are grants from the state and federal governments.

County Clerk Storage Fee Fund - The primary purpose of this fund is to account for storage fees received by the county clerk and disbursed to the county treasurer, to be held in a fund for the county clerk's use and the county to disburse on the county clerk's behalf.

Opioid Settlement Fund - The primary purpose of this fund is to account for funds provided to the county as a result of the state opioid settlement. These funds are to be used to support opioid addiction assistance in the county.

American Rescue Plan Act Fund - The primary purpose of this fund is to account for grants and related disbursements. The primary sources of receipts for this fund are federal grants received under the American Recovery Plan Act.

**D. Budgetary Information**

Annual budgets are adopted on a regulatory basis of accounting according to the laws of Kentucky as required by the state local finance officer, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board.

The county judge/executive is required to submit estimated receipts and proposed disbursements to the fiscal court by May 1 of each year. The budget is prepared by fund, function, and activity and is required to be adopted by the fiscal court by July 1.

The fiscal court may change the original budget by transferring appropriations at the activity level; however, the fiscal court may not increase the total budget without approval by the state local finance officer. Disbursements may not exceed budgeted appropriations at the activity level.

**E. Trimble County Elected Officials**

Kentucky law provides for election of the officials listed below from the geographic area constituting Trimble County. Pursuant to state statute, these officials perform various services for the Commonwealth of Kentucky, its judicial courts, the fiscal court, various cities and special districts within the county, and the board of education. In exercising these responsibilities, however, they are required to comply with state laws. Audits of their financial statements are issued separately and individually and can be obtained from their respective administrative offices. These financial statements are not required to be included in the financial statement of the Trimble County Fiscal Court.

**TRIMBLE COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2024**  
**(Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**E. Trimble County Elected Officials**

- Circuit Court Clerk
- County Attorney
- Property Valuation Administrator
- County Clerk
- County Sheriff

**F. Deposits and Investments**

The government's fund balance is considered to be cash on hand, demand deposits, certificates of deposit, and short-term investments with original maturities of three months or less from the date of acquisition. The government's fund balance includes cash and cash equivalents and investments.

KRS 66.480 authorizes the county 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).

**G. Long-term Obligations**

The fund financial statement recognizes bond interest, as well as bond issuance costs when received or when paid, during the current period. The principal amount of the debt and interest are reported as disbursements. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as disbursements. Debt proceeds are reported as other adjustments to cash.

**Note 2. Deposits**

The fiscal court maintained deposits of public funds with federally insured banking institutions as required by the Department for Local Government's (DLG's) *County Budget Preparation and State Local Finance Officer Policy Manual*. The DLG 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 fiscal court 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 government's deposits may not be returned. The government does not have a deposit policy for custodial credit risk but rather follows the requirements of DLG's *County Budget Preparation and State Local Finance Officer Policy Manual*. As of June 30, 2024, all deposits were covered by FDIC insurance or a properly executed collateral security agreement.

**TRIMBLE COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2024**  
**(Continued)**

**Note 3. Transfers**

The table below shows the interfund operating transfers for fiscal year 2024.

	General Fund	Opioid Settlement Fund	ARPA Fund	Total Transfers In
General Fund	\$	\$ 23,822	\$ 272,796	\$ 296,618
Road Fund	907,135			907,135
Jail Fund	295,000			295,000
LGEA Fund	740,661		6,130	746,791
Total Transfers Out	<u>\$ 1,942,796</u>	<u>\$ 23,822</u>	<u>\$ 278,926</u>	<u>\$ 2,245,544</u>

Reason for transfers:

To move resources from and to the general fund and other funds, for budgetary purposes, to the funds that will expend them.

**Note 4. Lease**

On April 26, 2023, the Trimble County Fiscal Court entered into a lease agreement with the Administrative Office of the Courts (AOC) for the occupancy of office space in the Trimble County Courthouse. The lease was for one fiscal year and Trimble County received quarterly payments. Trimble County recognized \$72,051 in lease revenue during the current fiscal year related to this lease. As of June 30, 2024, the Trimble County Fiscal Court's receivable for lease payments was \$0.

**Note 5. Long-term Debt**

**A. Direct Borrowings and Direct Placements**

**1. 2017 Dump Truck**

On May 12, 2023, the fiscal court entered into a lease agreement with Huntington Bank in the amount of \$208,500 at a 5.52% fixed interest rate. The financing obligation was used to purchase road equipment. The agreement is secured by the equipment purchased. The maturity date of the obligation is May 12, 2026. In the event of default as defined in the agreement, the entire balance of the unpaid lease for the then current initial term or renewal term will be declared due and payable. The ending balance for the financing obligation was \$104,100 as of June 30, 2024. The future principal and interest lease payments were as follows:

Fiscal Year Ended June 30	Direct Borrowings	
	Principal	Interest
2025	\$ 50,652	\$ 5,746
2026	53,448	2,950
Totals	<u>\$ 104,100</u>	<u>\$ 8,696</u>

**TRIMBLE COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2024**  
**(Continued)**

**Note 5. Long-term Debt (Continued)**

**A. Direct Borrowings and Direct Placements (Continued)**

**2. 2024 Dump Truck**

On November 22, 2023, the fiscal court entered into a lease agreement with Huntington Bank in the amount of \$300,08 at a 5.77% fixed interest rate. The financing obligation was used to purchase road equipment. The agreement is secured by the equipment purchased. The maturity date of the obligation is May 12, 2026. In the event of default as defined in the agreement, the entire balance of the unpaid lease for the then current initial term or renewal term will be declared due and payable. The ending balance for the financing obligation was \$249,612 as of June 30, 2024. The future principal and interest lease payments were as follows:

<u>Fiscal Year Ended June 30</u>	<u>Principal</u>	<u>Scheduled Interest</u>
2025	\$ 35,994	\$ 14,403
2026	38,069	12,326
2027	40,266	10,130
2028	42,590	7,806
2029	45,047	5,349
2030	47,646	2,749
Totals	<u>\$ 249,612</u>	<u>\$ 52,763</u>

**3. KACo Lease for the Purchase of Land**

On May 28, 2024, the fiscal court entered into an agreement with the Kentucky Association of Counties Finance Corporation in the sum of \$922,500 at a 3.32 percent effective interest rate. The financing obligation was used for the acquisition of land.

The agreement is secured by the project. Upon the happening and continuance of any event of default as defined in the agreement, the lessor may take legal title to the project and sell or re-lease it, may levy a tax on the lessee in an amount sufficient to pay the lease rental payment when and as due, or file suit to enforce its rights in and to the project or to enforce performance by the lessee of the applicable covenants and agreements under the lease. The maturity date of the obligation is December 20, 2033. The balance of the financing obligation at June 30, 2024, was \$922,500. Annual debt service requirements to maturity are as follows:

<u>Fiscal Year Ended June 30</u>	<u>Principal</u>	<u>Scheduled Interest</u>
2025	\$ 65,000	\$ 53,209
2026	75,000	41,554
2027	80,000	37,679
2028	85,000	33,554
2029	90,000	29,179
2030-2034	527,500	71,178
Totals	<u>\$ 922,500</u>	<u>\$ 266,353</u>

**TRIMBLE COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2024**  
**(Continued)**

**Note 5. Long-term Debt (Continued)**

**B. Changes In Long-term Debt**

Long-term Debt activity for the year ended June 30, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Direct Borrowings and Direct Placements	\$ 152,102	\$ 1,222,508	\$ 98,398	\$ 1,276,212	\$ 151,646
Total Long-term Debt	<u>\$ 152,102</u>	<u>\$ 1,222,508</u>	<u>\$ 98,398</u>	<u>\$ 1,276,212</u>	<u>\$ 151,646</u>

**C. Aggregate Debt Schedule**

The amount of required principal and interest payments on long-term obligations at June 30, 2024, were as follows:

<u>Fiscal Year Ended June 30</u>	<u>Direct Borrowings and Direct Placements</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 151,646	\$ 73,358
2026	166,517	56,830
2027	120,266	47,808
2028	127,590	41,360
2029	135,047	34,528
2030-2034	<u>575,146</u>	<u>73,928</u>
Totals	<u>\$ 1,276,212</u>	<u>\$ 327,812</u>

**Note 6. Employee Retirement System**

The fiscal court has elected to participate, pursuant to KRS 78.530, in the County Employees Retirement System (CERS). This 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 and provisions are established by statute. Effective April 1, 2021, the Kentucky Public Pension Authority (KPPA) was created by KRS 61.505 to provide staffing and daily administrative needs for CERS and Kentucky Retirement Systems (Ky. Ret. Sys.). The CERS nine member board of trustees is responsible for the governance of the CERS pension and insurance plans.

The county's contribution for FY 2022 was \$403,171, FY 2023 was \$466,128, and FY 2024 was \$460,845.

**TRIMBLE COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2024**  
**(Continued)**

**Note 6. Employee Retirement System (Continued)**

Nonhazardous

Nonhazardous covered employees are required to contribute 5% of their salary to the plan. Nonhazardous covered employees who begin participation on or after September 1, 2008, are required to contribute 6% of their salary to be allocated as follows: 5% will go to the member's account and 1% will go to the Ky. Ret. Sys. insurance fund.

In accordance with Senate Bill 2, signed by the Governor on April 4, 2013, plan members who began participating on or after January 1, 2014, were required to contribute to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan. Members in the plan contribute a set percentage of their salary each month to their own accounts. Nonhazardous covered employees contribute 5% of their annual creditable compensation. Nonhazardous members also contribute 1% to the health insurance fund which is not credited to the member's account and is not refundable. The employer contribution rate is set annually by the CERS Board of Trustees based on an actuarial valuation. The employer contributes a set percentage of the member's salary. Each month, when employer contributions are received, an employer pay credit is deposited to the member's account. A member's account is credited with a 4% employer pay credit. The employer pay credit represents a portion of the employer contribution.

Benefits fully vest on reaching five years of service for nonhazardous employees. Aspects of benefits for nonhazardous employees include retirement after 27 years of service or age 65. Nonhazardous employees who begin participation on or after September 1, 2008, must meet the rule of 87 (member's age plus years of service credit must equal 87, and the member must be a minimum of 57 years of age) or the member is age 65, with a minimum of 60 months service credit.

The county's contribution rate for nonhazardous employees was 23.34%.

Hazardous

Hazardous covered employees are required to contribute 8% of their salary to the plan. Hazardous covered employees who begin participation on or after September 1, 2008, are required to contribute 9% of their salary to be allocated as follows: 8% will go to the member's account and 1% will go to the CERS insurance fund.

In accordance with Senate Bill 2, signed by the Governor on April 4, 2013, plan members who began participating on or after January 1, 2014, were required to contribute to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan.

Members in the plan contribute a set percentage of their salary each month to their own accounts. Hazardous members contribute 8% of their annual creditable compensation and also contribute 1% to the health insurance fund which is not credited to the member's account and is not refundable. The employer contribution rate is set annually by the Board of Trustees based on an actuarial valuation. The employer contributes a set percentage of the member's salary. Each month, when employer contributions are received, an employer pay credit is deposited to the member's account. A hazardous member's account is credited with a 7.5% employer pay credit. The employer pay credit represents a portion of the employer contribution.

Aspects of benefits for hazardous employees include retirement after 20 years of service or age 55. For hazardous employees who begin participation on or after September 1, 2008, aspects of benefits include retirement after 25 years of service or the member is age 60, with a minimum of 60 months of service credit.

**TRIMBLE COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2024**  
**(Continued)**

**Note 6. Employee Retirement System (Continued)**

Hazardous (Continued)

The county's contribution rate for hazardous employees was 43.69%.

Other Post-Employment Benefits (OPEB)

A. Health Insurance Coverage - Tier 1

CERS provides post-retirement health care coverage as follows:

For members participating prior to July 1, 2003, years of service and respective percentages of the maximum contribution are as follows:

<b>Years of Service</b>	<b>% Paid by Insurance Fund</b>	<b>% Paid by Member through Payroll Deduction</b>
20 or more	100%	0%
15-19	75%	25%
10-14	50%	50%
4-9	25%	75%
Less than 4	0%	100%

As a result of House Bill 290 (2004 General Assembly), medical insurance benefits are calculated differently for members who began participation on or after July 1, 2003. Once members reach a minimum vesting period of ten years, non-hazardous employees whose participation began on or after July 1, 2003, earn \$10 per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. This dollar amount is subject to adjustment annually based on the retiree cost of living adjustment, which is updated annually due to changes in the Consumer Price Index.

Hazardous employees whose participation began on or after July 1, 2003, earn \$15 per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. Upon the death of a hazardous employee, the employee's spouse receives \$10 per month for insurance benefits for each year of the deceased employee's hazardous service. This dollar amount is subject to adjustment annually based on the retiree cost of living adjustment, which is updated annually due to changes in the Consumer Price Index.

Benefits are covered under KRS 78.5536.

B. Health Insurance Coverage - Tier 2 and Tier 3 - Nonhazardous

Once members reach a minimum vesting period of 15 years, they earn \$10 per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. This dollar amount is subject to adjustment annually by 1.5%. This was established for Tier 2 members during the 2008 Special Legislative Session by House Bill 1. During the 2013 Legislative Session, Senate Bill 2 was enacted, creating Tier 3 benefits for members.

The monthly insurance benefit has been increased annually as a 1.5% cost of living adjustment (COLA) since July 2003 when the law changed. The annual increase is cumulative and continues to accrue after the member's retirement.

Tier 2 member benefits are covered by KRS 78.5536. Tier 3 members are not covered by the same provisions.

**TRIMBLE COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2024**  
**(Continued)**

**Note 6. Employee Retirement System (Continued)**

Other Post-Employment Benefits (OPEB) (Continued)

**C. Health Insurance Coverage - Tier 2 and Tier 3 - Hazardous**

Once members reach a minimum vesting period of 15 years, they earn \$15 per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. This dollar amount is subject to adjustment annually by 1.5%. Upon the death of a hazardous employee, the employee's spouse receives \$10 per month for insurance benefits for each year of the deceased employee's hazardous service. This was established for Tier 2 members during the 2008 Special Legislative Session by House Bill 1. During the 2013 Legislative Session, Senate Bill 2 was enacted, creating Tier 3 benefits for members.

The monthly insurance benefit has been increased annually as a 1.5% COLA since July 2003 when the law changed. The annual increase is cumulative and continues to accrue after the member's retirement.

**D. Cost of Living Adjustments - Tier 1**

The 1996 General Assembly enacted an automatic cost of living adjustment (COLA) provision for all recipients of Ky. Ret. Sys. benefits. During the 2008 Special Session, the General Assembly determined that each July beginning in 2009, retirees who have been receiving a retirement allowance for at least 12 months will receive an automatic COLA of 1.5%. The COLA is not a guaranteed benefit. If a retiree has been receiving a benefit for less than 12 months, and a COLA is provided, it will be prorated based on the number of months the recipient has been receiving a benefit.

**E. Cost of Living Adjustments - Tier 2 and Tier 3**

No COLA is given unless authorized by the legislature with specific criteria. To this point, no COLA has been authorized by the legislature for Tier 2 or Tier 3 members.

**F. Death Benefit**

If a retired member is receiving a monthly benefit based on at least 48 months of service credit, CERS will pay a \$5,000 death benefit payment to the beneficiary designated by the member specifically for this benefit. Members with multiple accounts are entitled to only one death benefit.

**G. 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. This report may be obtained by writing the Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, KY 40601-6124, or by telephone at (502) 564-4646. Some reports are also available online at <https://kyret.ky.gov>.

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.

**TRIMBLE COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2024**  
**(Continued)**

**Note 7. Deferred Compensation**

The Trimble County Fiscal Court voted to allow all eligible employees to participate in deferred compensation plans administered by the Kentucky Public Employees' Deferred Compensation Authority. The Kentucky Public Employees' Deferred Compensation Authority is authorized under KRS 18A.230 to 18A.275 to provide administration of tax-sheltered supplemental retirement plans for all state, public school and university employees, and employees of local political subdivisions that have elected to participate.

These deferred compensation plans permit all full-time employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Participation by eligible employees in the deferred compensation plans is voluntary.

Historical trend information showing the Kentucky Public Employees' Deferred Compensation Authority's progress in accumulating sufficient assets to pay benefits when due is presented in the Kentucky Public Employees' Deferred Compensation Authority's annual financial report. This report may be obtained by writing the Kentucky Public Employees' Deferred Compensation Authority at 501 High Street, 2nd Floor, Frankfort, KY 40601, or by telephone at (502) 573-7925.

**Note 8. Health Reimbursement Account/Flexible Spending Account**

The Trimble County Fiscal Court established a health reimbursement account (HRA) and a flexible spending account (FSA) on May 1, 2012, to provide employees an additional health benefit. The county has contracted with a third-party administrator to administer the plan. The HRA plan provides a debit card to each eligible employee providing \$1,500 and \$3,000, depending upon the type of insurance plan the employee has, each year to pay for qualified medical expenses. Employees may also contribute additional pre-tax funds to the FSA through payroll deduction.

**Note 9. Insurance**

For the fiscal year ended June 30, 2024, the Trimble County Fiscal Court was a member of the Kentucky Association of Counties' All Lines Fund (KALF). KALF is a self-insurance fund and was organized to obtain lower cost coverage for general liability, property damage, public officials' errors and omissions, public liability, and other damages. The basic nature of a self-insurance program is that of collectively shared risk by its members. If losses incurred for covered claims exceed the resources contributed by the members, the members are responsible for payment of the excess losses.

**Note 10. Payroll Revolving Account**

The reconciled balance of the payroll revolving account as of June 30, 2024, was added to the General Fund cash balance for financial reporting purposes.

**Note 11. Conduit Debt**

From time to time, the county has issued bonds to provide financial assistance to a power plant for pollution control and the Trimble County Industrial Authority that is deemed to be in the public interest, in accordance with KRS 103.210. This debt may take the form of certain types of limited-obligation revenue bonds, certificates of participation, or similar debt instruments. Although conduit debt obligations bear the Trimble County Fiscal Court's name as issuer, the fiscal court has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf it is issued. Neither the fiscal court nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statement. As of June 30, 2024, conduit debt has been issued but the amount currently outstanding is not reasonably determinable.

**TRIMBLE COUNTY**  
**NOTES TO FINANCIAL STATEMENT**  
**June 30, 2024**  
**(Continued)**

**Note 12. Prior Period Adjustments**

The General Fund beginning balance was restated and increased by \$1,268 for prior year voided checks. The Road Fund beginning balance was restated and increased by \$15 for prior year voided checks.

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**TRIMBLE COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**

**For The Year Ended June 30, 2024**

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**TRIMBLE COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**

**For The Year Ended June 30, 2024**

	<b>GENERAL FUND</b>			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Taxes	\$ 2,031,500	\$ 2,031,500	\$ 2,136,251	\$ 104,751
Excess Fees	10,000	10,000	11,637	1,637
Licenses and Permits	725,600	725,600	840,934	115,334
Intergovernmental	162,271	555,692	586,829	31,137
Charges for Services	365,000	365,000	386,402	21,402
Miscellaneous	388,500	450,500	527,975	77,475
Interest	8,300	22,300	62,232	39,932
Total Receipts	3,691,171	4,160,592	4,552,260	391,668
<b>DISBURSEMENTS</b>				
General Government	1,034,885	1,451,287	1,330,195	121,092
Protection to Persons and Property	1,648,100	1,854,300	1,132,857	721,443
General Health and Sanitation	238,314	613,780	287,006	326,774
Social Services	9,589	10,000	10,000	
Recreation and Culture	62,000	69,600	71,310	(1,710)
Transportation Facilities and Services	8,000	8,000	8,000	
Administration	2,177,670	1,713,620	1,093,769	619,851
Total Disbursements	5,178,558	5,720,587	3,933,137	1,787,450
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(1,487,387)	(1,559,995)	619,123	2,179,118
<b>Other Adjustments to Cash (Uses)</b>				
Financing Obligation Proceeds			922,500	922,500
Lease Premium			72,500	72,500
Transfers From Other Funds			296,618	296,618
Transfers To Other Funds	(612,613)	(612,613)	(1,942,796)	(1,330,183)
Total Other Adjustments to Cash (Uses)	(612,613)	(612,613)	(651,178)	(38,565)
Net Change in Fund Balance	(2,100,000)	(2,172,608)	(32,055)	2,140,553
Fund Balance - Beginning	2,100,000	2,850,000	3,360,108	510,108
Fund Balance - Ending	\$ 0	\$ 677,392	\$ 3,328,053	\$ 2,650,661

**TRIMBLE COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**  
**For The Year Ended June 30, 2024**  
**(Continued)**

	<b>ROAD FUND</b>			
	<b>Budgeted Amounts</b>		<b>Actual Amounts, (Budgetary Basis)</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>RECEIPTS</b>				
Licenses and Permits	\$ 1,000	\$ 1,000	\$ 745	\$ (255)
Intergovernmental	1,235,604	1,369,604	1,031,042	(338,562)
Miscellaneous	3,000	3,000	15,327	12,327
Interest	2,100	2,100	1,741	(359)
Total Receipts	<u>1,241,704</u>	<u>1,375,704</u>	<u>1,048,855</u>	<u>(326,849)</u>
<b>DISBURSEMENTS</b>				
General Health and Sanitation	1,000	1,000	355	645
Roads	1,748,909	2,394,031	2,263,705	130,326
Debt Service	56,398	107,398	107,294	104
Administration	208,580	218,050	208,226	9,824
Total Disbursements	<u>2,014,887</u>	<u>2,720,479</u>	<u>2,579,580</u>	<u>140,899</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(773,183)</u>	<u>(1,344,775)</u>	<u>(1,530,725)</u>	<u>(185,950)</u>
<b>Other Adjustments to Cash (Uses)</b>				
Financing Obligation Proceeds			300,008	300,008
Transfers From Other Funds			907,135	907,135
Total Other Adjustments to Cash (Uses)			<u>1,207,143</u>	<u>1,207,143</u>
Net Change in Fund Balance	(773,183)	(1,344,775)	(323,582)	1,021,193
Fund Balance - Beginning	<u>773,183</u>	<u>773,183</u>	<u>411,312</u>	<u>(361,871)</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ (571,592)</u>	<u>\$ 87,730</u>	<u>\$ 659,322</u>

**TRIMBLE COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**  
**For The Year Ended June 30, 2024**  
**(Continued)**

	<b>JAIL FUND</b>			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Intergovernmental	\$ 84,600	\$ 84,600	\$ 78,557	\$ (6,043)
Miscellaneous			114	114
Total Receipts	84,600	84,600	78,671	(5,929)
<b>DISBURSEMENTS</b>				
Protection to Persons and Property	359,773	365,973	263,310	102,663
General Health and Sanitation	500	500		500
Administration	77,450	71,250	46,329	24,921
Total Disbursements	437,723	437,723	309,639	128,084
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(353,123)	(353,123)	(230,968)	122,155
<b>Other Adjustments to Cash (Uses)</b>				
Transfers From Other Funds	321,323	321,323	295,000	(26,323)
Total Other Adjustments to Cash (Uses)	321,323	321,323	295,000	(26,323)
Net Change in Fund Balance	(31,800)	(31,800)	64,032	95,832
Fund Balance - Beginning	31,800	31,800	15,045	(16,755)
Fund Balance - Ending	\$ 0	\$ 0	\$ 79,077	\$ 79,077

**TRIMBLE COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**  
**For The Year Ended June 30, 2024**  
**(Continued)**

<b>LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND</b>				
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Intergovernmental	\$ 50,000	\$ 50,000	\$ 5,850	\$ (44,150)
Miscellaneous	700	54,700	56,846	2,146
Interest	10	10	1,190	1,180
Total Receipts	50,710	104,710	63,886	(40,824)
<b>DISBURSEMENTS</b>				
General Government	27,000	27,000	6,583	20,417
General Health and Sanitation	35,000	35,000	31,300	3,700
Social Services	38,000	52,650	34,734	17,916
Recreation and Culture	274,000	713,946	627,382	86,564
Administration	28,000	6,000		6,000
Total Disbursements	402,000	834,596	699,999	134,597
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(351,290)	(729,886)	(636,113)	93,773
<b>Other Adjustments to Cash (Uses)</b>				
Transfers From Other Funds	291,290	291,290	746,791	455,501
Total Other Adjustments to Cash (Uses)	291,290	291,290	746,791	455,501
Net Change in Fund Balance	(60,000)	(438,596)	110,678	549,274
Fund Balance - Beginning	60,000	60,000	2,880	(57,120)
Fund Balance - Ending	\$ 0	\$ (378,596)	\$ 113,558	\$ 492,154

**TRIMBLE COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**  
**For The Year Ended June 30, 2024**  
**(Continued)**

<b>COUNTY CLERK STORAGE FEE FUND</b>				
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Miscellaneous	\$ 14,600	\$ 14,600	\$ 13,701	\$ (899)
Interest	100	100	65	(35)
Total Receipts	14,700	14,700	13,766	(934)
<b>DISBURSEMENTS</b>				
General Government	25,009	25,009	18,033	6,976
Total Disbursements	25,009	25,009	18,033	6,976
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(10,309)	(10,309)	(4,267)	6,042
Net Change in Fund Balance	(10,309)	(10,309)	(4,267)	6,042
Fund Balance - Beginning	10,309	10,309	11,855	1,546
Fund Balance - Ending	\$ 0	\$ 0	\$ 7,588	\$ 7,588

**TRIMBLE COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**  
**For The Year Ended June 30, 2024**  
**(Continued)**

<b>OPIOID SETTLEMENT FUND</b>				
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Intergovernmental	\$ 9,383	\$ 9,383	\$ 56,404	\$ 47,021
Interest	200	200	236	36
Total Receipts	9,583	9,583	56,640	47,057
<b>DISBURSEMENTS</b>				
Protection to Persons and Property	63,860	63,860	45,618	18,242
Total Disbursements	63,860	63,860	45,618	18,242
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(54,277)	(54,277)	11,022	65,299
<b>Other Adjustments to Cash (Uses)</b>				
Transfers To Other Funds			(23,822)	(23,822)
Total Other Adjustments to Cash (Uses)			(23,822)	(23,822)
Net Change in Fund Balance	(54,277)	(54,277)	(12,800)	41,477
Fund Balance - Beginning	54,277	54,277	54,305	28
Fund Balance - Ending	\$ 0	\$ 0	\$ 41,505	\$ 41,505

**TRIMBLE COUNTY**  
**BUDGETARY COMPARISON SCHEDULES**  
**Supplementary Information - Regulatory Basis**  
**For The Year Ended June 30, 2024**  
**(Continued)**

<b>AMERICAN RESCUE PLAN ACT FUND</b>				
	<b>Budgeted Amounts</b>		<b>Actual Amounts, (Budgetary Basis)</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>RECEIPTS</b>				
Interest	\$ 2,000	\$ 2,000	\$ 666	\$ (1,334)
Total Receipts	2,000	2,000	666	(1,334)
<b>DISBURSEMENTS</b>				
General Government	380,024	107,228	100,000	7,228
Total Disbursements	380,024	107,228	100,000	7,228
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(378,024)	(105,228)	(99,334)	5,894
<b>Other Adjustments to Cash (Uses)</b>				
Transfers To Other Funds			(278,926)	(278,926)
Total Other Adjustments to Cash (Uses)			(278,926)	(278,926)
Net Change in Fund Balance	(378,024)	(105,228)	(378,260)	(273,032)
Fund Balance - Beginning	378,024	378,024	378,260	236
Fund Balance - Ending	\$ 0	\$ 272,796	\$ 0	\$ (272,796)

**TRIMBLE COUNTY**  
**NOTES TO REGULATORY SUPPLEMENTARY**  
**INFORMATION - BUDGETARY COMPARISON SCHEDULES**

**June 30, 2024**

**Note 1. Budgetary Information**

Annual budgets are adopted on a regulatory basis of accounting according to the laws of Kentucky as required by the state local finance officer, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board.

The county judge/executive is required to submit estimated receipts and proposed disbursements to the fiscal court by May 1 of each year. The budget is prepared by fund, function, and activity and is required to be adopted by the fiscal court by July 1.

The fiscal court may change the original budget by transferring appropriations at the activity level; however, the fiscal court may not increase the total budget without approval by the state local finance officer. Disbursements may not exceed budgeted appropriations at the activity level.

**Note 2. Reconciliation of the General Fund**

Other Adjustments to Cash (Uses) - Budgetary Basis	\$ (651,178)
Adjustments for Change in Payroll Revolving Account	<u>19,698</u>
Total Other Adjustments to Cash (Uses) - Regulatory Basis	<u><u>\$ (631,480)</u></u>
Fund Balance - Beginning - Budgetary Basis	\$ 3,360,108
Adjustment for Payroll Revolving Account Balance	<u>40,263</u>
Total Fund Balance - Beginning - Regulatory Basis	<u><u>\$ 3,400,371</u></u>
Fund Balance - Ending - Budgetary Basis	\$ 3,328,053
Adjustment for Payroll Revolving Account Balance	<u>59,961</u>
Total Fund Balance - Ending - Regulatory Basis	<u><u>\$ 3,388,014</u></u>

**Note 3. Excess of Disbursements Over Appropriations**

The General Fund, recreation and culture line-item exceeded budgeted appropriations by \$1,710.

**TRIMBLE COUNTY**  
**SCHEDULE OF CAPITAL ASSETS**  
**Other Information - Regulatory Basis**

**For The Year Ended June 30, 2024**

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**TRIMBLE COUNTY**  
**SCHEDULE OF CAPITAL ASSETS**  
**Other Information - Regulatory Basis**

**For The Year Ended June 30, 2024**

The fiscal court reports the following Schedule of Capital Assets:

	Restated Beginning Balance	Additions	Deletions	Ending Balance
Land	\$ 413,900	\$	\$	\$ 413,900
Land Improvements	567,380	476,616		1,043,996
Buildings	2,653,457			2,653,457
Building Improvements	27,589	37,931		65,520
Vehicles & Other Equipment	3,072,616	702,177		3,774,793
Infrastructure	5,198,196	1,326,952		6,525,148
 Total Capital Assets	 \$ 11,933,138	 \$ 2,543,676	 \$ 0	 \$ 14,476,814

**TRIMBLE COUNTY**  
**NOTES TO OTHER INFORMATION - REGULATORY BASIS**  
**SCHEDULE OF CAPITAL ASSETS**

**June 30, 2024**

**Note 1. Capital Assets**

Capital assets, which include land, land improvements, buildings, furniture and office equipment, building improvements, machinery, equipment, and infrastructure assets (roads and bridges) that have a useful life of more than one reporting period based on the government's capitalization policy, are reported as other information. Such assets are recorded at historical cost or estimated historical cost when purchased or constructed.

	Capitalization Threshold	Useful Life (Years)
Land Improvements	\$ 12,500	10-60
Buildings and Building Improvements	\$ 25,000	10-75
Equipment	\$ 2,500	3-25
Vehicles	\$ 2,500	3-25
Infrastructure	\$ 20,000	10-50

**Note 2. Restated Beginning Balance**

Beginning balances for capital assets were restated due to prior year reporting errors.

**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 John D. Ogburn, Jr., Trimble County Judge/Executive  
Members of the Trimble County Fiscal Court

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Statement of Receipts, Disbursements, and Changes in Fund Balances - Regulatory Basis of the Trimble County Fiscal Court for the fiscal year ended June 30, 2024, and the related notes to the financial statement which collectively comprise the Trimble County Fiscal Court's financial statement and have issued our report thereon dated June 5, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statement, we considered the Trimble County Fiscal Court'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 Trimble County Fiscal Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Trimble County Fiscal Court'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 have not been identified. However, as described in the accompanying Schedule of Findings and Responses, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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 deficiencies described in the accompanying Schedule of Findings and Responses as items 2024-001, 2024-002, and 2024-003 to be material weaknesses.



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 Compliance And Other Matters**

As part of obtaining reasonable assurance about whether the Trimble County Fiscal Court'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 2024-002.

**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

June 5, 2025

**TRIMBLE COUNTY  
SCHEDULE OF FINDINGS AND RESPONSES**

**For The Year Ended June 30, 2024**

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**TRIMBLE COUNTY  
SCHEDULE OF FINDINGS AND RESPONSES**

**For The Year Ended June 30, 2024**

INTERNAL CONTROL – MATERIAL WEAKNESS:

**2024-001    The Trimble County Fiscal Court Did Not Accurately Report Debt On The Quarterly Financial Statement**

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On November 22, 2023, the Trimble County Fiscal Court entered into a lease agreement in the amount of \$300,008 for the purchase of a dump truck. Also, on May 28, 2024, the fiscal court entered into a lease agreement with the Kentucky Association of Counties (KACo) in the amount of \$922,500 for the purchase of land. The leases were not properly recorded as a receipt when proceeds were received and were not included on the liabilities outstanding section of the fourth quarter financial statement. This caused both the receipts and liabilities outstanding sections to be materially misstated by \$922,500 in the General Fund and \$300,008 in the Road Fund.

The county did not have proper controls in place to ensure all debt was properly reported on their quarterly report.

An accurate fourth quarter report and debt schedule are necessary for both the Department for Local Government (DLG) reporting requirements and for the financial statements. The material misstatement noted on the fourth quarter report resulted in the fiscal court members and DLG relying on inaccurate financial information to assess the financial position of the county.

The DLG, under the authority of KRS 68.210, gives the State Local Finance Officer the authority to prescribe a uniform system of accounts. As outlined in the *County Budget Preparation and State Local Finance Officer Policy Manual*, the uniform system of accounts requires accurate quarterly financial report and the debt section of the fourth quarter financial report to be utilized for reporting all current long-term debt, including public corporation bonds, general obligation bonds, government leasing act issues, and bond anticipation notes. The fiscal court, State Local Debt Officer, and the Department for Local Government may not be aware of all debt held in the county's name.

We recommend the county ensure that the treasurer keeps a complete and accurate fourth quarter financial statement that reflects all transactions that occurred during the current fiscal year.

*County Judge/Executive's Response: The official did not provide a response.*

**2024-002    The Trimble County Fiscal Court Did Not Have Adequate Controls Over Disbursements**

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During disbursement testing, the following exceptions were noted:

- Two disbursements tested did not have a purchase order issued prior to purchase.
- No supporting documentation was available for three invoices.
- State price contract documentation was not maintained for two vehicles purchases totaling \$91,236.
- Bidding procedures were not properly followed for two ambulance purchases totaling \$195,894.

These deficiencies were able to occur due to the fiscal court not implementing adequate controls over disbursements. The purchase order exceptions occurred due to the county judge/executive's office staff not issuing purchase orders for all purchases as required by the county's own administrative code or by staff issuing purchase orders after the invoice comes into the county judge/executive's office for payment. Furthermore, the fiscal court did not maintain vendor files or appropriate state price contract documentation. Finally, the fiscal court did not bid the ambulances stating they were sole source providers when the county does not follow the Model Procurement Code.

TRIMBLE COUNTY  
 SCHEDULE OF FINDINGS AND RESPONSES  
 For The Year Ended June 30, 2024  
 (Continued)

FINANCIAL STATEMENT FINDINGS: (Continued)

2024-002 The Trimble County Fiscal Court Did Not Have Adequate Controls Over Disbursements  
 (Continued)

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Not issuing purchase orders or issuing them after purchases increases the risk that the county's appropriation line items could be depleted or in a negative balance due to the lack of procedures for ensuring funds are available at the time of purchase. This is a noncompliance with the Department for Local Government's (DLG) requirements. Failure to maintain all supporting documentation for invoices can result in amounts not being recorded timely on the disbursements ledger, and in the county paying finance charges and late fees. Also, failure to maintain supporting documentation for invoices, significantly increases the risk that county funds are used inappropriately. Finally, by not bidding items in accordance with the county's administrative and applicable KRS requirements could lead to the county not getting the best price for large purchases.

Good internal controls would ensure adequate processes are in place for significant areas, such as disbursements, to promote accurate recording and reporting in accordance with applicable policies and laws and regulations.

KRS 68.210 gives the State Local Finance Officer the authority to prescribe a uniform system of accounts. Per the *County Budget Preparation and State Local Finance Officer Policy Manual*, issued by the Department for Local Government (DLG), "purchases shall not be made prior to approval by the County Judge/Executive (or designee) or department head." The State Local Finance Officer requires that all counties have a purchase order system and follow the guidelines prescribed on page 54 of the *County Budget Preparation and State Local Finance Officer Policy Manual*.

KRS 424.260(1) states, "Except 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."

We recommend, prior to items being ordered for county operations or services received, a purchase order be completed and approved for the items/services. Purchase orders should be assigned for a purchase after county staff review the relevant budget line item to ensure adequate budget appropriations are available for the purchase. We also recommend all supporting documentation be maintained in vendor files for each county expenditure and state price contract purchases. Finally, all items should be bid in accordance with the county's bidding procedures as outlined in their administrative code and in accordance with KRS 424.260.

*County Judge/Executive's Response: The official did not provide a response.*

2024-003 The Trimble County Fiscal Court Did Not Have Internal Controls Over Budget Procedures

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The Trimble County Fiscal Court overspent the budget in the General Fund. In addition, the county's fourth quarter financial report submitted to the Department for Local Government (DLG) contained multiple posting errors to the approved budget amounts reported in the General Fund and Opioid Fund:

- Disbursements exceeded the budget in the General Fund by \$1,710.
- Various General Fund budgeted expenditures did not agree to the original budget. The original budget for the General Fund was \$5,178,558, while the budget on the fourth quarter report was \$5,571,786. The original budget was \$393,228 less than the amount stated on the budget per the fourth quarter report.
- The National Opioid Settlement Funds budgeted amount on the fourth quarter report was overstated by \$101,276 from the approved budget amount.

TRIMBLE COUNTY  
SCHEDULE OF FINDINGS AND RESPONSES  
For The Year Ended June 30, 2024  
(Continued)

FINANCIAL STATEMENT FINDINGS: (Continued)

2024-003 The Trimble County Fiscal Court Did Not Have Internal Controls Over Budget Procedures  
(Continued)

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Per discussion with the treasurer, they were not aware that the total budgeted amount on their fourth quarter report submitted to DLG did not agree to the approved budget. Internal controls were not in place to ensure accurate budgeted amounts were reported on the fourth quarter financial statement. However, actual amounts for receipts and disbursements were accurate and ending balances for all funds were properly reported on the fourth quarter report.

The financial statement not accurately reflecting the county's budget available for the year could lead to misappropriating funds that have restrictions. The county failing to properly report accurate budget amounts on their quarterly report could lead to negative fund balances.

KRS 68.210 gives the State Local Finance Officer the authority to prescribe a uniform system of accounts. Pursuant to KRS 68.210, the State Local Finance Officer has prescribed minimum accounting and reporting standards in the Department for Local Government's (DLG) *County Budget Preparation and State Local Finance Officer Policy Manual*. Those standards require an accurate financial statement. Furthermore, good internal controls over the processing and review of financial reporting could detect these omissions before the fourth quarter financial report was finalized and submitted to DLG.

KRS 68.300 states, "[a]ny appropriation made or claim allowed by the fiscal court in excess of any budget fund, and any warrant or contract not within the budget appropriation, shall be void. No member of the fiscal court shall vote for any such illegal appropriation or claim. The county treasurer shall be liable on his official bond for the amount of any county warrant willfully or negligently signed or countersigned by him in excess of the budget fund out of which the warrant is payable."

To comply with regulatory reporting requirements, we recommend the fiscal court implement adequate internal controls, oversight, and review procedures to ensure all activity is accurately recorded on the fourth quarter financial statement.

*County Judge/Executive's Response: The official did not provide a response.*

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**CERTIFICATION OF COMPLIANCE -  
LOCAL GOVERNMENT ECONOMIC ASSISTANCE PROGRAM**

**TRIMBLE COUNTY FISCAL COURT**

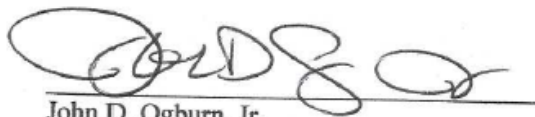
**For The Year Ended June 30, 2024**

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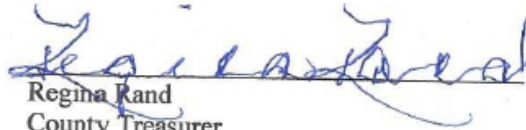
CERTIFICATION OF COMPLIANCE  
LOCAL GOVERNMENT ECONOMIC ASSISTANCE *PROGRAM*  
TRIMBLE COUNTY FISCAL COURT

For The Year Ended June 30, 2024

The Trimble County Fiscal Court hereby certifies that assistance received from the Local Government Economic Assistance Program was expended for the purpose intended as dictated by the applicable Kentucky Revised Statutes.



John D. Ogburn, Jr.  
County Judge/Executive



Regina Rand  
County Treasurer