REPORT OF THE AUDIT OF THE TRIMBLE COUNTY FISCAL COURT

For The Year Ended
June 30, 2025

ALLISON BALL
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<u>CONTENTS</u> PAGE

INDEPENDENT AUDITOR'S REPORT 1

TRIMBLE COUNTY OFFICIALS 5

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES - REGULATORY BASIS 8

NOTES TO FINANCIAL STATEMENT 11

BUDGETARY COMPARISON SCHEDULES 25

NOTES TO REGULATORY SUPPLEMENTARY
INFORMATION - BUDGETARY COMPARISON SCHEDULES 31

SCHEDULE OF CAPITAL ASSETS 35

NOTES TO OTHER INFORMATION - REGULATORY BASIS
SCHEDULE OF CAPITAL ASSETS 36

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* 39

SCHEDULE OF FINDINGS AND RESPONSES 43

APPENDIX A:

CERTIFICATION OF COMPLIANCE - LOCAL GOVERNMENT ECONOMIC ASSISTANCE PROGRAM

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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, 2025, 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, 2025, 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, 2025, 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
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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.

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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.

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 2, 2026, 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:

2025-001 The Trimble County Fiscal Court Did Not Accurately Report The General Fund Beginning Balance On The Quarterly Financial Statement

Respectfully submitted,

Allison Ball
Auditor of Public Accounts
Frankfort, Ky

June 2, 2026

TRIMBLE COUNTY OFFICIALS

For The Year Ended June 30, 2025

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, 2025

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

For The Year Ended June 30, 2025

	Budgeted Funds		
	General Fund	**Road Fund**	**Jail Fund**
RECEIPTS			
Taxes	$ 2,302,069	$	$
Excess Fees	29,708		
Licenses and Permits	1,008,386	800	
Intergovernmental	349,036	1,064,426	84,689
Charges for Services	398,748		
Miscellaneous	456,125	15,392	309
Interest	62,052	1,414	
Total Receipts	4,606,124	1,082,032	84,998
DISBURSEMENTS			
General Government	2,361,864		
Protection to Persons and Property	1,178,330		296,391
General Health and Sanitation	644,648	1,150	
Social Services			
Recreation and Culture	85,874		
Roads		1,989,564	
Debt Service	13,994	106,794	
Administration	1,170,514	189,490	44,665
Total Disbursements	5,455,224	2,286,998	341,056
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(849,100)	(1,204,966)	(256,058)
Other Adjustments to Cash (Uses)			
Financing Obligation Proceeds	533,555		56,174
Change In Payroll Revolving Account	5,713		
Transfers From Other Funds		1,138,000	165,000
Transfers To Other Funds	(1,398,000)		
Total Other Adjustments to Cash (Uses)	(858,732)	1,138,000	221,174
Net Change in Fund Balance	(1,707,832)	(66,966)	(34,884)
Fund Balance - Beginning (Restated)	3,388,339	87,730	79,077
Fund Balance - Ending	$ 1,680,507	$ 20,764	$ 44,193
Composition of Fund Balance			
Bank Balance	$ 829,462	$ 22,315	$ 50,076
Less: Outstanding Checks	(10,934)	(1,551)	(5,883)
Certificates of Deposit	861,979		
Fund Balance - Ending	$ 1,680,507	$ 20,764	$ 44,193

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, 2025
(Continued)

Budgeted Funds			
Local Government Economic Assistance Fund	County Clerk Storage Fee Fund	Opioid Settlement Fund	Total Funds
$	$	$	$ 2,302,069
			29,708
			1,009,186
1,500		33,790	1,533,441
			398,748
3,295	15,030		490,151
490	58	410	64,424
5,285	15,088	34,200	5,827,727
20,945	17,109		2,399,918
			1,474,721
33,750			679,548
22,257			22,257
113,337			199,211
			1,989,564
			120,788
			1,404,669
190,289	17,109		8,290,676
(185,004)	(2,021)	34,200	(2,462,949)
			589,729
			5,713
95,000			1,398,000
			(1,398,000)
95,000			595,442
(90,004)	(2,021)	34,200	(1,867,507)
113,558	7,588	41,505	3,717,797
$ 23,554	$ 5,567	$ 75,705	$ 1,850,290
$ 28,426	$ 5,567	$ 75,705	$ 1,011,551
(4,872)			(23,240)
			861,979
$ 23,554	$ 5,567	$ 75,705	$ 1,850,290

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

INDEX FOR NOTES
TO THE FINANCIAL STATEMENT

NOTE 1.	SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	11
NOTE 2.	DEPOSITS AND INVESTMENTS	13
NOTE 3.	TRANSFERS	13
NOTE 4.	SHORT-TERM DEBT	14
NOTE 5.	LONG-TERM DEBT	14
NOTE 6.	COMMITMENTS AND CONTINGENCIES	17
NOTE 7.	EMPLOYEE RETIREMENT SYSTEM	17
NOTE 8.	DEFERRED COMPENSATION	21
NOTE 9.	HEALTH REIMBURSEMENT ACCOUNT/FLEXIBLE SPENDING ACCOUNT	21
NOTE 10.	INSURANCE	21
NOTE 11.	PAYROLL REVOLVING ACCOUNT	21
NOTE 12.	CONDUIT DEBT	21
NOTE 13.	PRIOR PERIOD ADJUSTMENTS	22

TRIMBLE COUNTY
NOTES TO FINANCIAL STATEMENT

June 30, 2025

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.

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.

TRIMBLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

C. Basis of Presentation (Continued)

Budgeted Funds (Continued)

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.

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.

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

TRIMBLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

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, 2025, all deposits were covered by FDIC insurance or a properly executed collateral security agreement.

Note 3. Transfers

The table below shows the interfund operating transfers for fiscal year 2025.

	General Fund	Total Transfers In
Road Fund	$ 1,138,000	$ 1,138,000
Jail Fund	165,000	165,000
LGEA Fund	95,000	95,000
Total Transfers Out	$ 1,398,000	$ 1,398,000

TRIMBLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 3. Transfers (Continued)

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. Short-term Debt

A. Direct Borrowings and Direct Placements

On December 6, 2024, the Trimble County Fiscal Court entered into a short-term $460,075 loan agreement with Bedford Loan and Deposit Bank to complete county road projects and for IT project management and administrative services. One principal payment of $460,075 plus interest (6.1% rate) was due on June 6, 2025. Interest of $13,994 was paid on June 3, 2025. The loan was renewed and extended to May 6, 2026.

B. Changes In Short-term Debt

Short-term Debt activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Direct Borrowings and Direct Placements	$	$ 460,075	$	$ 460,075	$ 460,075
Total Short-term Debt	$ 0	$ 460,075	$ 0	$ 460,075	$ 460,075

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 $53,448 as of June 30, 2025. The future principal and interest lease payments were as follows:

Fiscal Year Ended June 30	Principal	Interest
2026	$ 53,448	$ 2,950
Totals	$ 53,448	$ 2,950

TRIMBLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(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 $213,618 as of June 30, 2025. The future principal and interest lease payments were as follows:

Fiscal Year Ended June 30	Principal	Scheduled Interest
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	$ 213,618	$ 38,360

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 on June 30, 2025, was $857,500. Annual debt service requirements to maturity are as follows:

Fiscal Year Ended June 30	Principal	Scheduled Interest
2026	$ 75,000	$ 41,554
2027	80,000	37,679
2028	85,000	33,554
2029	90,000	29,179
2030	95,000	24,553
2031-2034	432,500	46,625
Totals	$ 857,500	$ 213,144

TRIMBLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 5. Long-term Debt (Continued)

A. Direct Borrowings and Direct Placements (Continued)

4. Sheriff Vehicle

On May 5, 2025, the fiscal court entered into a lease agreement with Framers Bank of Milton in the amount of $73,555 at a 5.24% fixed interest rate. The financing obligation was used to purchase a vehicle for the sheriff's office. The agreement is secured by the equipment purchased. The maturity date of the obligation is December 31, 2028. 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 $73,555 as of June 30, 2025. The future principal and interest lease payments were as follows:

Fiscal Year Ended June 30	Principal	Scheduled Interest
2026	$ 17,970	$ 2,534
2027	17,591	2,913
2028	18,513	1,991
2030	19,481	1,024
Totals	$ 73,555	$ 8,462

5. Jailer's Vehicle

On May 5, 2025, the fiscal court entered into a lease agreement with Framers Bank of Milton in the amount of $56,174 at a 5.24% fixed interest rate. The financing obligation was used to purchase a vehicle for the jailor. The agreement is secured by the equipment purchased. The maturity date of the obligation is December 31, 2028. 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 $56,174 as of June 30, 2025. The future principal and interest lease payments were as follows:

Fiscal Year Ended June 30	Principal	Scheduled Interest
2026	$ 14,442	$ 952
2027	13,207	2,187
2028	13,899	1,495
2030	14,626	768
Totals	$ 56,174	$ 5,402

TRIMBLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 5. Long-term Debt (Continued)

B. Changes In Long-term Debt

Long-term Debt activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Direct Borrowings and Direct Placements	$ 1,276,212	$ 129,729	$ 151,646	$ 1,254,295	$ 198,929
Total Long-term Debt	$ 1,276,212	$ 129,729	$ 151,646	$ 1,254,295	$ 198,929

C. Aggregate Debt Schedule

The amount of required principal and interest payments on long-term obligations on June 30, 2025, were as follows:

	Direct Borrowings and Direct Placements	
Fiscal Year Ended June 30	Principal	Interest
2026	$ 198,929	$ 60,316
2027	151,064	52,909
2028	160,002	44,846
2029	169,154	36,320
2030	142,646	27,302
2031-2034	432,500	46,625
Totals	$ 1,254,295	$ 268,318

Note 6. Commitments and Contingencies

The county is involved in a lawsuit. While individually they may not be significant, in the aggregate they could negatively impact the county's financial position. Due to the uncertainty of the litigation, a reasonable estimate of the financial impact on the county cannot be made at this time.

Note 7. 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 2023 was $466,128, FY 2024 was $460,845, and FY 2025 was $414,443.

TRIMBLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 7. 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 be allocated to CERS's share of assets in the Ky. Ret. Sys. insurance trust 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 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 19.71%.

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 be allocated to CERS's share of assets in the Ky. Ret. Sys. insurance trust 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, 2025
(Continued)

Note 7. Employee Retirement System (Continued)

Hazardous (Continued)

The county's contribution rate for hazardous employees was 38.61%.

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:

Years of Service	% Paid by Insurance Fund	% Paid by Member through Payroll Deduction
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, 2025
(Continued)

Note 7. 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, KPPA 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 may also be obtained 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, 2025
(Continued)

Note 8. 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 9. 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 10. Insurance

For the fiscal year ended June 30, 2025, 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 11. Payroll Revolving Account

The reconciled balance of the payroll revolving account as of June 30, 2025, was added to the General Fund cash balance for financial reporting purposes.

Note 12. 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, 2025, conduit debt has been issued but the amount currently outstanding is not reasonably determinable.

TRIMBLE COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 13. Prior Period Adjustments

The General Fund beginning balance was restated and increased by $325 for prior year voided checks.

TRIMBLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis

For The Year Ended June 30, 2025

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TRIMBLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis

For The Year Ended June 30, 2025

	GENERAL FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Taxes	$ 2,046,000	$ 2,046,000	$ 2,302,069	$ 256,069
Excess Fees	10,000	10,000	29,708	19,708
Licenses and Permits	747,600	747,600	1,008,386	260,786
Intergovernmental	543,246	549,352	349,036	(200,316)
Charges for Services	395,000	395,000	398,748	3,748
Miscellaneous	463,500	463,500	456,125	(7,375)
Interest	50,600	50,600	62,052	11,452
Total Receipts	4,255,946	4,262,052	4,606,124	344,072
DISBURSEMENTS				
General Government	1,264,061	2,572,149	2,361,864	210,285
Protection to Persons and Property	1,793,600	1,980,167	1,178,330	801,837
General Health and Sanitation	584,631	662,137	644,648	17,489
Social Services	12,000	12,000		12,000
Recreation and Culture	82,000	94,000	85,874	8,126
Roads	8,000	8,000		8,000
Debt Service		13,994	13,994	
Administration	2,035,102	1,839,630	1,170,514	669,116
Total Disbursements	5,779,394	7,182,077	5,455,224	1,726,853
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(1,523,448)	(2,920,025)	(849,100)	2,070,925
Other Adjustments to Cash (Uses)				
Financing Obligation Proceeds		533,555	533,555	
Economic Development		995,000		(995,000)
Transfers To Other Funds	(650,181)	(650,181)	(1,398,000)	(747,819)
Total Other Adjustments to Cash (Uses)	(650,181)	878,374	(864,445)	(1,742,819)
Net Change in Fund Balance	(2,173,629)	(2,041,651)	(1,713,545)	328,106
Fund Balance - Beginning	2,173,629	2,297,451	3,388,339	1,090,888
Fund Balance - Ending	$ 0	$ 255,800	$ 1,674,794	$ 1,418,994

TRIMBLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

ROAD FUND

	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Licenses and Permits	$ 500	$ 500	$ 800	$ 300
Intergovernmental	1,827,954	1,827,954	1,064,426	(763,528)
Miscellaneous	3,000	3,000	15,392	12,392
Interest	1,900	1,900	1,414	(486)
Total Receipts	1,833,354	1,833,354	1,082,032	(751,322)
DISBURSEMENTS				
General Health and Sanitation	500	1,400	1,150	250
Roads	1,979,415	2,207,845	1,989,564	218,281
Debt Service	56,398	107,398	106,794	604
Administration	223,580	199,050	189,490	9,560
Total Disbursements	2,259,893	2,515,693	2,286,998	228,695
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(426,539)	(682,339)	(1,204,966)	(522,627)
Other Adjustments to Cash (Uses)				
Transfers From Other Funds			1,138,000	1,138,000
Total Other Adjustments to Cash (Uses)			1,138,000	1,138,000
Net Change in Fund Balance	(426,539)	(682,339)	(66,966)	615,373
Fund Balance - Beginning	426,539	426,539	87,730	(338,809)
Fund Balance - Ending	$ 0	$ (255,800)	$ 20,764	$ 276,564

TRIMBLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

JAIL FUND

	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	$ 84,600	$ 84,600	$ 84,689	$ 89
Miscellaneous			309	309
Total Receipts	84,600	84,600	84,998	398
DISBURSEMENTS				
Protection to Persons and Property	395,341	453,918	296,391	157,527
General Health and Sanitation	500	500		500
Administration	79,450	117,050	44,665	72,385
Total Disbursements	475,291	571,468	341,056	230,412
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(390,691)	(486,868)	(256,058)	230,810
Other Adjustments to Cash (Uses)				
Financing Obligation Proceeds		56,177	56,174	(3)
Transfers From Other Funds	358,891	358,891	165,000	(193,891)
Total Other Adjustments to Cash (Uses)	358,891	415,068	221,174	(193,894)
Net Change in Fund Balance	(31,800)	(71,800)	(34,884)	36,916
Fund Balance - Beginning	31,800	71,800	79,077	7,277
Fund Balance - Ending	$ 0	$ 0	$ 44,193	$ 44,193

TRIMBLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

	LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	$ 75,000	$ 75,000	$ 1,500	$ (73,500)
Miscellaneous	5,000	5,000	3,295	(1,705)
Interest	1,000	1,000	490	(510)
Total Receipts	81,000	81,000	5,285	(75,715)
DISBURSEMENTS				
General Government	27,000	27,000	20,945	6,055
General Health and Sanitation	40,000	40,000	33,750	6,250
Social Services	28,000	35,300	22,257	13,043
Recreation and Culture	254,290	271,620	113,337	158,283
Administration	28,000	59,500		59,500
Total Disbursements	377,290	433,420	190,289	243,131
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(296,290)	(352,420)	(185,004)	167,416
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	291,290	291,290	95,000	(196,290)
Total Other Adjustments to Cash (Uses)	291,290	291,290	95,000	(196,290)
Net Change in Fund Balance	(5,000)	(61,130)	(90,004)	(28,874)
Fund Balance - Beginning	5,000	61,130	113,558	52,428
Fund Balance - Ending	$ 0	$ 0	$ 23,554	$ 23,554

TRIMBLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

	COUNTY CLERK STORAGE FEE FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Miscellaneous	$ 14,600	$ 14,600	$ 15,030	$ 430
Interest	100	100	58	(42)
Total Receipts	14,700	14,700	15,088	388
DISBURSEMENTS				
General Government	25,009	25,009	17,109	7,900
Total Disbursements	25,009	25,009	17,109	7,900
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(10,309)	(10,309)	(2,021)	8,288
Net Change in Fund Balance	(10,309)	(10,309)	(2,021)	8,288
Fund Balance - Beginning	10,309	10,309	7,588	(2,721)
Fund Balance - Ending	$ 0	$ 0	$ 5,567	$ 5,567

TRIMBLE COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

	OPIOID SETTLEMENT FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	$ 110,659	$ 110,659	$ 33,790	$ (76,869)
Interest	200	200	410	210
Total Receipts	110,859	110,859	34,200	(76,659)
DISBURSEMENTS				
Protection to Persons and Property	165,136	165,136		165,136
Total Disbursements	165,136	165,136		165,136
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(54,277)	(54,277)	34,200	88,477
Net Change in Fund Balance	(54,277)	(54,277)	34,200	88,477
Fund Balance - Beginning	54,277	54,277	41,505	(12,772)
Fund Balance - Ending	$ 0	$ 0	$ 75,705	$ 75,705

TRIMBLE COUNTY
NOTES TO REGULATORY SUPPLEMENTARY
INFORMATION - BUDGETARY COMPARISON SCHEDULES

June 30, 2025

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

Reconciliation of the General Fund

Other Adjustments to Cash (Uses) - Budgetary Basis	$	(864,445)
Adjustments for Change in Payroll Revolving Account		5,713
Total Other Adjustments to Cash (Uses) - Regulatory Basis	$	(858,732)
Fund Balance - Beginning - Budgetary Basis	$	3,328,378
Adjustment for Payroll Revolving Account Balance		59,961
Total Fund Balance - Beginning - Regulatory Basis	$	3,388,339
Fund Balance - Ending - Budgetary Basis	$	1,614,833
Adjustment for Payroll Revolving Account Balance		65,674
Total Fund Balance - Ending - Regulatory Basis	$	1,680,507

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TRIMBLE COUNTY
SCHEDULE OF CAPITAL ASSETS
Other Information - Regulatory Basis

For The Year Ended June 30, 2025

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TRIMBLE COUNTY
SCHEDULE OF CAPITAL ASSETS
Other Information - Regulatory Basis

For The Year Ended June 30, 2025

The fiscal court reports the following Schedule of Capital Assets:

	Beginning Balance	Additions	Deletions	Ending Balance
Land	$ 413,900	$ 1,021,569	$	$ 1,435,469
Land Improvements	1,043,996			1,043,996
Buildings	2,653,457			2,653,457
Building Improvements	65,520			65,520
Vehicles & Other Equipment	3,774,793	311,853	97,586	3,989,060
Infrastructure	6,525,148	366,083		6,891,231
Total Capital Assets	$ 14,476,814	$ 1,699,505	$ 97,586	$ 16,078,733

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

June 30, 2025

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

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, 2025, 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 2, 2026.

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 a certain deficiency in internal control that we consider to be a material weakness

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 2025-001 to be a material weakness.

209 St. Clair Street
Frankfort, KY 40601-1817

Telephone 502.564.5841
Facsimile 502.564.2912
auditor.ky.gov

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 2025-001.

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

Allison Ball
Auditor of Public Accounts
Frankfort, Ky

June 2, 2026

TRIMBLE COUNTY
SCHEDULE OF FINDINGS AND RESPONSES

For The Year Ended June 30, 2025

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TRIMBLE COUNTY
SCHEDULE OF FINDINGS AND RESPONSES

For The Year Ended June 30, 2025

2025-001 The Trimble County Fiscal Court Did Not Accurately Report The General Fund Beginning Balance On The Quarterly Financial Statement

Condition and Context

In the prior fiscal year, the Trimble County Fiscal Court entered into a lease agreement with the Kentucky Association of Counties (KACo) in the amount of $995,000 for the purchase of land. The fiscal court did not use the lease proceeds received during fiscal year 2024 until fiscal year 2025 to purchase the land. The lease proceeds were recorded by the county when the land was purchased in fiscal year 2025, instead of when the proceeds were received in fiscal year 2024. This caused the beginning cash balance to be understated by $995,000 and lease proceeds to be overstated $995,000 for fiscal year 2025.

Cause

This fiscal court failed to account for the lease proceeds in the proper fiscal year.

Effect

An accurate fourth quarter report is necessary for both Department of Local Government (DLG) reporting requirements and to complete accurate financial statements. The reporting error 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.

Criteria

KRS 46.010(2) requires, "each county treasurer, and each county officer who receives or disburses state funds, to keep an accurate account of receipts and disbursements, showing a daily balance of receipts and disbursements." KRS 46.010(3) requires, "all county officers handling state funds, other than taxes, to make an annual report to the Department for Local Government showing receipts and disbursements, and to make other financial statements as the Department for Local Government requires." Management oversight and reviews over preparation of financial reports is a basic internal control necessary to ensure the accuracy and reliability of financial reports. Management should review financial reports to ensure they report accurate data and totals when compared to the supporting accounting ledgers.

Recommendation

We recommend the fiscal court ensures that the treasurer implements procedures to keep a complete and accurate fourth quarter financial statement that reflects actual cash balances and all transactions that occurred during the current fiscal year.

Views of Responsible Official and Planned Corrective Action

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, 2025

Appendix A

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CERTIFICATION OF COMPLIANCE

LOCAL GOVERNMENT ECONOMIC ASSISTANCE PROGRAM

COUNTY FISCAL COURT

For The Year Ended June 30, 2025

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.

County Judge/Executive

County Treasurer