



Auditor of Public Accounts
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Harmon Releases Audit of Bullitt County Clerk's Fee Account

FRANKFORT, Ky. – State Auditor Mike Harmon today released the audit of the 2022 financial statements of Bullitt County Clerk Kevin Mooney. State law requires the auditor to conduct annual audits of county clerks and sheriffs.

Auditing standards require the auditor's letter to communicate whether the financial statements present fairly the receipts and disbursements of the Bullitt County Clerk and the receipts, disbursements, and fund balances of the Bullitt County Clerk's operating fund and county fund in accordance with accounting principles generally accepted in the United States of America. The clerk's financial statements did not follow this format. However, the clerk's financial statements are fairly presented in conformity with the regulatory basis of accounting, which is an acceptable reporting methodology. This reporting methodology is followed for all 120 clerk audits in Kentucky.

As part of the audit process, the auditor must comment on noncompliance with laws, regulations, contracts, and grants. The auditor must also comment on material weaknesses involving internal control over financial operations and reporting.

The audit contains the following findings:

The Bullitt County Clerk overspent the general term order and annual order setting maximum amount for deputies and assistants approved by the fiscal court for calendar year 2022: The county clerk budgeted disbursements on the general term order totaling \$2,066,423, including amendments, but expended \$2,311,078 causing the general term order to be overbudget in the amount of \$244,655. The annual order setting maximum amount for deputies and assistants was budgeted at \$1,740,095, including amendments, but the county clerk expended \$1,871,513 causing the annual order to be overbudget in the amount of \$131,418.

Due to a lack of management oversight and issues concerning software management, the error went undetected causing the budget to be overspent for calendar year 2022. By overspending the amounts budgeted, the county clerk increases the risk of having a deficit and also being in noncompliance with budgetary requirements imposed by the Department for Local Government (DLG).

The state local finance officer requires the fiscal court to approve a calendar year budget for each fee office as a component of the county's budget preparation process by January 15 each year. KRS 68.210 states that the administration of the county uniform budget system shall be under the supervision of the state local finance officer who may inspect and shall supervise the administration of accounts and financial operations and shall prescribe a system of uniform accounts for all counties and county officials.

We recommend the Bullitt County Clerk monitor the budget throughout the year and request budget amendments as necessary from fiscal court before year end.

County Clerk's Response: The official did not provide a response.

The Bullitt County Clerk's fourth quarter report was not accurate for calendar year 2022:

The Bullitt County Clerk's fourth quarter report was not accurate based on delinquent tax sale deposits and delinquent tax sale refunds. When the fourth quarter report was compared to the bank account, adjustments had to be made to increase the quarterly receipts totaling \$1,717,225 and disbursements totaling \$1,724,692 to agree to the bank account.

Due to a lack of management oversight and issues with the software program, the fourth quarter report did not agree to the bank account. Due to the reporting error, the quarterly report did not accurately reflect all receipts and disbursements for calendar year 2022.

Good accounting practices indicate that all receipts and disbursements should be accounted for in the accurate period of collection and disbursement, and also agree to the bank account.

We recommend the quarterly report reflect the total collections and disbursements for the calendar year and agree to the receipts and disbursements within the bank account.

County Clerk's Response: The official did not provide a response.

The county clerk's responsibilities include collecting certain taxes, issuing licenses, maintaining county records and providing other services. The clerk's office is funded through statutory fees collected in conjunction with these duties.

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

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