

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

**For The Year Ended
June 30, 2023**



**ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS
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CONTENTS

PAGE

INDEPENDENT AUDITOR’S REPORT	1
CLINTON COUNTY OFFICIALS	5
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - REGULATORY BASIS.....	8
NOTES TO FINANCIAL STATEMENT.....	12
BUDGETARY COMPARISON SCHEDULES.....	23
NOTES TO REGULATORY SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULES.....	35
SCHEDULE OF CAPITAL ASSETS.....	39
NOTES TO OTHER INFORMATION - REGULATORY BASIS SCHEDULE OF CAPITAL ASSETS.....	40
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 <i>GOVERNMENT AUDITING STANDARDS</i>	43
APPENDIX A: CERTIFICATION OF COMPLIANCE - LOCAL GOVERNMENT ECONOMIC ASSISTANCE PROGRAM	

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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 Ricky L. Craig, Clinton County Judge/Executive
Members of the Clinton 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 Clinton County Fiscal Court, for the year ended June 30, 2023, and the related notes to the financial statement, which collectively comprise the Clinton 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 Clinton County Fiscal Court, for the year ended June 30, 2023, 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 Clinton County Fiscal Court, for the year ended June 30, 2023, 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 Clinton 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
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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 Clinton 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

Clinton 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.

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 Clinton County Fiscal Court's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clinton County Fiscal Court's ability to continue as a going concern for a reasonable period of time.

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we 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 Clinton 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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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2024, on our consideration of the Clinton 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 Clinton County Fiscal Court's internal control over financial reporting and compliance.

Respectfully submitted,



Allison Ball
Auditor of Public Accounts
Frankfort, Ky

June 26, 2024

CLINTON COUNTY OFFICIALS**For The Year Ended June 30, 2023****Fiscal Court Members:**

Ricky L. Craig	County Judge/Executive
Johnny Russell	Magistrate (7/1/2022 - 12/31/2022)
Tony Delk	Magistrate (1/1/2023 - present)
Ray Marcum	Magistrate (7/1/2022 - 12/31/2022)
Jason Pitman	Magistrate (1/1/2023 - present)
Terry Buster	Magistrate
Gary Ferguson	Magistrate
Jerry Lowhorn	Magistrate
Mickey Riddle	Magistrate

Other Elected Officials:

Michael Rains	County Attorney
Tracy Thurman	Jailer (7/1/2022 - 12/31/2022)
Bruce Starnes	Jailer (1/1/2023 - present)
Nathan Collins	County Clerk
Jake Staton	Circuit Court Clerk
Jeff Vincent	Sheriff (7/1/2022 - 12/31/2022)
Ricky Marcum	Sheriff (1/1/2023 - present)
Pat Campbell	Property Valuation Administrator
Steve Talbott	Coroner (7/1/2022 - 12/31/2022)
Lonnie Scott	Coroner (1/1/2023 - present)

Appointed Personnel:

Cindy Thrasher	County Treasurer
Virginia Conner	Finance Officer/Occupational Tax Administrator

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

For The Year Ended June 30, 2023

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

For The Year Ended June 30, 2023

	<u>Budgeted Funds</u>		
	<u>General Fund</u>	<u>Road Fund</u>	<u>Jail Fund</u>
RECEIPTS			
Taxes	\$ 484,565	\$	\$
In Lieu Tax Payments	115,236		
Excess Fees	59,163		
Licenses and Permits	33,943		
Intergovernmental	127,520	1,182,854	92,557
Charges for Services	11,222		4,401
Miscellaneous	103,442	2,250	768
Interest	81	831	12
Total Receipts	<u>935,172</u>	<u>1,185,935</u>	<u>97,738</u>
DISBURSEMENTS			
General Government	970,420	20,700	
Protection to Persons and Property	3,534		431,923
General Health and Sanitation	126,620		
Social Services			
Recreation and Culture			
Roads		1,088,236	
Administration	370,790	233,030	96,966
Total Disbursements	<u>1,471,364</u>	<u>1,341,966</u>	<u>528,889</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(536,192)</u>	<u>(156,031)</u>	<u>(431,151)</u>
Other Adjustments to Cash (Uses)			
Transfers From Other Funds	537,912		431,000
Transfers To Other Funds			
Total Other Adjustments to Cash (Uses)	<u>537,912</u>		<u>431,000</u>
Net Change in Fund Balance	1,720	(156,031)	(151)
Fund Balance - Beginning (Restated)	41,809	577,209	1,190
Fund Balance - Ending	<u>\$ 43,529</u>	<u>\$ 421,178</u>	<u>\$ 1,039</u>
Composition of Fund Balance			
Bank Balance	\$ 44,898	\$ 427,284	\$ 6,463
Plus: Deposits In Transit			
Less: Outstanding Checks	<u>(1,369)</u>	<u>(6,106)</u>	<u>(5,424)</u>
Fund Balance - Ending	<u>\$ 43,529</u>	<u>\$ 421,178</u>	<u>\$ 1,039</u>

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

CLINTON COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES - REGULATORY BASIS
For The Year Ended June 30, 2023
(Continued)

Budgeted Funds						
Local Government Economic Assistance Fund	Federal Fund	Disaster and Emergency Services Fund	Ambulance Fund	Occupational Tax Fund	911 Fund	Opioid Settlement Fund
\$	\$	\$	\$	\$ 1,776,416	\$ 262,974	\$
99,870			758,142			
500			35,503		27,695	181,117
27	91		44	2,960	77	105
<u>100,397</u>	<u>91</u>		<u>793,689</u>	<u>1,779,376</u>	<u>290,746</u>	<u>181,222</u>
27,868				38,789		
2,000		8,989	993,462		236,950	
2,287						
40,908						
12,090		2,300	298,613	11,481	51,806	
<u>85,153</u>		<u>11,289</u>	<u>1,292,075</u>	<u>50,270</u>	<u>288,756</u>	
15,244	91	(11,289)	(498,386)	1,729,106	1,990	181,222
		13,500	505,000	(1,257,500)		
		<u>13,500</u>	<u>505,000</u>	<u>(1,257,500)</u>		
15,244	91	2,211	6,614	471,606	1,990	181,222
16,944	181,912	174	14,394	636,339	48,902	
<u>\$ 32,188</u>	<u>\$ 182,003</u>	<u>\$ 2,385</u>	<u>\$ 21,008</u>	<u>\$ 1,107,945</u>	<u>\$ 50,892</u>	<u>\$ 181,222</u>
\$ 32,460	\$ 182,003	\$ 2,385	\$ 28,768	\$ 1,107,945	\$ 50,917	\$ 181,222
(272)			(7,760)		(25)	
<u>\$ 32,188</u>	<u>\$ 182,003</u>	<u>\$ 2,385</u>	<u>\$ 21,008</u>	<u>\$ 1,107,945</u>	<u>\$ 50,892</u>	<u>\$ 181,222</u>

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

CLINTON COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES - REGULATORY BASIS
For The Year Ended June 30, 2023
(Continued)

	<u>Budgeted Funds</u>		<u>Unbudgeted</u>	<u>Total</u>
	<u>American Rescue Plan Act Fund</u>	<u>Clerk Storage Fees Fund</u>	<u>Jail Commissary Fund</u>	
RECEIPTS				
Taxes	\$	\$	\$	\$ 2,523,955
In Lieu Tax Payments				115,236
Excess Fees				59,163
Licenses and Permits				33,943
Intergovernmental	1,045,539			2,548,340
Charges for Services				773,765
Miscellaneous		16,110	41,924	409,309
Interest	2,177	5	11	6,421
Total Receipts	<u>1,047,716</u>	<u>16,115</u>	<u>41,935</u>	<u>6,470,132</u>
DISBURSEMENTS				
General Government				1,057,777
Protection to Persons and Property				1,676,858
General Health and Sanitation				126,620
Social Services				2,287
Recreation and Culture			48,589	89,497
Roads				1,088,236
Administration				1,077,076
Total Disbursements			<u>48,589</u>	<u>5,118,351</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>1,047,716</u>	<u>16,115</u>	<u>(6,654)</u>	<u>1,351,781</u>
Other Adjustments to Cash (Uses)				
Transfers From Other Funds				1,487,412
Transfers To Other Funds	(229,912)			(1,487,412)
Total Other Adjustments to Cash (Uses)	<u>(229,912)</u>			
Net Change in Fund Balance	817,804	16,115	(6,654)	1,351,781
Fund Balance - Beginning (Restated)	858,609		20,857	2,398,339
Fund Balance - Ending	<u>\$ 1,676,413</u>	<u>\$ 16,115</u>	<u>\$ 14,203</u>	<u>\$ 3,750,120</u>
Composition of Fund Balance				
Bank Balance	\$ 1,676,413	\$ 16,115	\$ 14,002	\$ 3,770,875
Plus: Deposits In Transit			223	223
Less: Outstanding Checks			(22)	(20,978)
Fund Balance - Ending	<u>\$ 1,676,413</u>	<u>\$ 16,115</u>	<u>\$ 14,203</u>	<u>\$ 3,750,120</u>

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	12
NOTE 2.	DEPOSITS	15
NOTE 3.	TRANSFERS	15
NOTE 4.	CUSTODIAL FUNDS	16
NOTE 5.	EMPLOYEE RETIREMENT SYSTEM	16
NOTE 6.	INSURANCE	18
NOTE 7.	PRIOR PERIOD ADJUSTMENTS	19
NOTE 8.	CONDUIT DEBT	19

CLINTON COUNTY
NOTES TO FINANCIAL STATEMENT

June 30, 2023

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The financial statement of Clinton County includes all budgeted and unbudgeted funds under the control of the Clinton 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.

CLINTON COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2023
(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.

Federal Fund - The primary purpose of this fund is to account for grant expenses of the county. The primary source of receipts for this fund is federal grants.

Disaster and Emergency Services Fund - The primary purpose of this fund is to account for the disaster and emergency services of the county. The primary source of receipts for this fund is the Kentucky State Treasurer.

Ambulance Fund - The primary purpose of this fund is to account for the ambulance expenses of the county. The primary source of receipts for this fund are user fees paid by insurance companies.

Occupational Tax Fund - The primary purpose of this fund is to account for occupational tax collections of the county.

911 Fund - The primary purpose of this fund is to account for the emergency dispatch activities of the county. The primary source of receipts for this fund are telephone 911 fees.

Opioid Settlement Fund - The primary purpose of this fund is to account for revenues received as a result of the opioid settlement related to Oxycontin. Funds received under this settlement are to be used in efforts to reduce the illicit use of opioids.

American Rescue Plan Act Fund - The primary purpose of this fund is to manage the American Rescue Plan Act (ARPA) funds received by the county from the federal government.

Clerk Storage Fees Fund - The primary purpose of this fund is to account for receipts and disbursements related to county clerk's permanent storage of county records. The funds are used for maintenance of records and for the facilities used to store those records.

Unbudgeted Fund

The fiscal court reports the following unbudgeted fund:

Jail Commissary Fund - The canteen operations are authorized pursuant to KRS 441.135. The profits generated from the sale of items are to be used for the benefit and to enhance the well-being of the inmates, or to enhance safety and security within the jail. The jailer is required to maintain accounting records and report annually to the county treasurer the receipts and disbursements of the jail commissary fund.

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.

CLINTON COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2023
(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

D. Budgetary Information (Continued)

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.

The state local finance officer does not require the jail commissary fund to be budgeted because the fiscal court does not approve the expenses of this fund.

E. Clinton County Elected Officials

Kentucky law provides for election of the officials listed below from the geographic area constituting Clinton 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 Clinton County Fiscal Court.

- 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.

CLINTON COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2023
(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

H. Related Obligations and Joint Ventures

A related organization is an entity for which a primary government is not financially accountable. It does not impose will or have a financial benefit or burden relationship, even if the primary government appoints a voting majority of the related organization's governing board. Based on this criteria, the following is considered a related organization of the Clinton County Fiscal Court:

- Clinton County Tourist and Convention Commission

A legal entity or other organization that results from a contractual agreement and that is owned, operated, or governed by two or more participants as a separate activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility is a joint venture. Based on this criteria, the following are considered joint ventures of the Clinton County Fiscal Court:

- Parks and Recreation (with City of Albany and Clinton County Board of Education)
- Animal Control (with Cumberland County and Wayne County)
- Airport (with Cumberland County)

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) *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 the DLG *County Budget Preparation and State Local Finance Officer Policy Manual*. As of June 30, 2023, 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 2023.

	Occupational Tax Fund	ARPA Fund	Total Transfers In
General Fund	\$ 308,000	\$ 229,912	\$ 537,912
Jail Fund	431,000		431,000
Disaster and Emergency Services Fund	13,500		13,500
Ambulance Fund	505,000		505,000
Total Transfers Out	<u>\$ 1,257,500</u>	<u>\$ 229,912</u>	<u>\$ 1,487,412</u>

CLINTON COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2023
(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. Custodial Funds

Custodial funds report only those resources held in a trust or custodial capacity for individuals, private organizations, or other governments. In accordance with the regulatory basis of accounting, custodial funds are not presented on the financial statement.

The fiscal court has the following custodial fund:

Jail Inmate Fund - This fund accounts for funds received from the inmates. The balance in the jail inmate fund as of June 30, 2023, was \$235.

Note 5. Employee Retirement System

The fiscal court has elected to participate, pursuant to KRS 78.530, in the County Employees Retirement System (CERS), which is administered by the Board of Trustees of the Kentucky Retirement Systems (Ky. Ret. Sys.). 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 Ky. Ret. Sys. The CERS 9-member board of trustees is responsible for the governance of the CERS pension and insurance plans.

The county's contribution for FY 2021 was \$414,303, FY 2022 was \$443,284, and FY 2023 was \$452,428.

Nonhazardous

Nonhazardous covered employees are required to contribute 5 percent of their salary to the plan. Nonhazardous covered employees who begin participation on or after September 1, 2008, are required to contribute 6 percent of their salary to be allocated as follows: 5 percent will go to the member's account and 1 percent 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 percent of their annual creditable compensation. Nonhazardous members also contribute 1 percent 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 Ky. Ret. Sys. Board of Directors 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 percent employer pay credit. The employer pay credit represents a portion of the employer contribution.

CLINTON COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2023
(Continued)

Note 5. Employee Retirement System (Continued)

Nonhazardous (Continued)

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 26.79 percent.

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 ten dollars 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.

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 ten dollars 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 percent. 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 percent 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.

CLINTON COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2023
(Continued)

Note 5. Employee Retirement System (Continued)

Other Post-Employment Benefits (OPEB) (Continued)

C. 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 percent. 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.

D. 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.

E. 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.

F. Annual Financial Report and Proportionate Share Audit Report

Ky. Ret. Sys. 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.

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.

Note 6. Insurance

For the fiscal year ended June 30, 2023, the Clinton 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.

CLINTON COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2023
(Continued)

Note 7. Prior Period Adjustments

	Local Government Economic Assistance Fund	
	<hr/>	
Ending Balance, June 30, 2022	\$	16,509
Adjustment:		
Voided Checks		435
		<hr/>
Restated Beginning Balance, July 1, 2022	\$	<u>16,944</u>

Note 8. Conduit Debt

From time to time the county has issued bonds to provide financial assistance to third party for the acquisition and construction of industrial and commercial facilities deemed to be in public interest, in accordance with KRS 103.210. This debt may take form of certain types of limited-obligation revenue bonds, certificates of participation, or similar debt instruments. Although conduit debt obligation bears the Clinton 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 of repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statement. As of June 30, 2023, conduit debt has been issued but the amount currently outstanding is not reasonably determinable.

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CLINTON COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis

For The Year Ended June 30, 2023

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CLINTON COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis

For The Year Ended June 30, 2023

	GENERAL FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Taxes	\$ 489,820	\$ 532,091	\$ 484,565	\$ (47,526)
In Lieu Tax Payments	125,500	127,032	115,236	(11,796)
Excess Fees	16,200	59,163	59,163	
Licenses and Permits	25,000	26,490	33,943	7,453
Intergovernmental	105,500	129,083	127,520	(1,563)
Charges for Services	10,960	10,960	11,222	262
Miscellaneous	32,700	33,364	103,442	70,078
Interest	100	100	81	(19)
Total Receipts	<u>805,780</u>	<u>918,283</u>	<u>935,172</u>	<u>16,889</u>
DISBURSEMENTS				
General Government	602,570	974,769	970,420	4,349
Protection to Persons and Property	5,000	3,600	3,534	66
General Health and Sanitation	95,500	126,749	126,620	129
Administration	409,500	377,166	370,790	6,376
Total Disbursements	<u>1,112,570</u>	<u>1,482,284</u>	<u>1,471,364</u>	<u>10,920</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(306,790)</u>	<u>(564,001)</u>	<u>(536,192)</u>	<u>27,809</u>
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	<u>103,154</u>	<u>103,154</u>	<u>537,912</u>	<u>434,758</u>
Total Other Adjustments to Cash (Uses)	<u>103,154</u>	<u>103,154</u>	<u>537,912</u>	<u>434,758</u>
Net Change in Fund Balance	(203,636)	(460,847)	1,720	462,567
Fund Balance - Beginning	<u>203,636</u>	<u>203,636</u>	<u>41,809</u>	<u>(161,827)</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ (257,211)</u>	<u>\$ 43,529</u>	<u>\$ 300,740</u>

CLINTON COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2023
(Continued)

	ROAD FUND			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
RECEIPTS				
Intergovernmental	\$ 1,142,304	\$ 1,184,130	\$ 1,182,854	\$ (1,276)
Miscellaneous	1,500	2,618	2,250	(368)
Interest	700	700	831	131
Total Receipts	<u>1,144,504</u>	<u>1,187,448</u>	<u>1,185,935</u>	<u>(1,513)</u>
DISBURSEMENTS				
General Government	22,000	22,000	20,700	1,300
Roads	912,725	1,284,107	1,088,236	195,871
Administration	853,000	524,562	233,030	291,532
Total Disbursements	<u>1,787,725</u>	<u>1,830,669</u>	<u>1,341,966</u>	<u>488,703</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(643,221)</u>	<u>(643,221)</u>	<u>(156,031)</u>	<u>487,190</u>
Net Change in Fund Balance	(643,221)	(643,221)	(156,031)	487,190
Fund Balance - Beginning	<u>643,221</u>	<u>643,221</u>	<u>577,209</u>	<u>(66,012)</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 421,178</u>	<u>\$ 421,178</u>

CLINTON COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2023
(Continued)

	JAIL FUND			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
RECEIPTS				
Intergovernmental	\$ 124,000	\$ 124,615	\$ 92,557	\$ (32,058)
Charges for Services	2,500	4,901	4,401	(500)
Miscellaneous	1,500	1,500	768	(732)
Interest	25	25	12	(13)
Total Receipts	<u>128,025</u>	<u>131,041</u>	<u>97,738</u>	<u>(33,303)</u>
DISBURSEMENTS				
Protection to Persons and Property	542,660	558,531	431,923	126,608
Administration	143,489	130,824	96,966	33,858
Total Disbursements	<u>686,149</u>	<u>689,355</u>	<u>528,889</u>	<u>160,466</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(558,124)</u>	<u>(558,314)</u>	<u>(431,151)</u>	<u>127,163</u>
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	557,124	557,124	431,000	(126,124)
Total Other Adjustments to Cash (Uses)	<u>557,124</u>	<u>557,124</u>	<u>431,000</u>	<u>(126,124)</u>
Net Change in Fund Balance	(1,000)	(1,190)	(151)	1,039
Fund Balance - Beginning	<u>1,000</u>	<u>1,190</u>	<u>1,190</u>	
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,039</u>	<u>\$ 1,039</u>

CLINTON COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2023
(Continued)

LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND

	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	\$ 65,426	\$ 85,541	\$ 99,870	\$ 14,329
Miscellaneous	7,774	7,774	500	(7,274)
Interest	20	21	27	6
Total Receipts	<u>73,220</u>	<u>93,336</u>	<u>100,397</u>	<u>7,061</u>
DISBURSEMENTS				
General Government	23,000	34,513	27,868	6,645
Protection to Persons and Property	2,000	2,000	2,000	
Social Services	3,000	3,000	2,287	713
Recreation and Culture	41,000	48,257	40,908	7,349
Administration	42,100	48,390	12,090	36,300
Total Disbursements	<u>111,100</u>	<u>136,160</u>	<u>85,153</u>	<u>51,007</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(37,880)</u>	<u>(42,824)</u>	<u>15,244</u>	<u>58,068</u>
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	<u>25,880</u>	<u>25,880</u>		<u>(25,880)</u>
Total Other Adjustments to Cash (Uses)	<u>25,880</u>	<u>25,880</u>		<u>(25,880)</u>
Net Change in Fund Balance	(12,000)	(16,944)	15,244	32,188
Fund Balance - Beginning (Restated)	<u>12,000</u>	<u>16,944</u>	<u>16,944</u>	
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 32,188</u>	<u>\$ 32,188</u>

CLINTON COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2023
(Continued)

	FEDERAL FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Interest	\$ 50	\$ 68	\$ 91	\$ 23
Total Receipts	50	68	91	23
DISBURSEMENTS				
Administration	181,940	181,958		181,958
Total Disbursements	181,940	181,958		181,958
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	(181,890)	(181,890)	91	181,981
Net Change in Fund Balance	(181,890)	(181,890)	91	181,981
Fund Balance - Beginning	181,890	181,890	181,912	22
Fund Balance - Ending	\$ 0	\$ 0	\$ 182,003	\$ 182,003

CLINTON COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2023
(Continued)

	DISASTER AND EMERGENCY SERVICES FUND			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
RECEIPTS				
Intergovernmental	\$ 2,500	\$ 2,500	\$	\$ (2,500)
Interest	10	10		(10)
Total Receipts	<u>2,510</u>	<u>2,510</u>		<u>(2,510)</u>
DISBURSEMENTS				
Protection to Persons and Property	9,378	9,443	8,989	454
Administration	4,850	4,959	2,300	2,659
Total Disbursements	<u>14,228</u>	<u>14,402</u>	<u>11,289</u>	<u>3,113</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(11,718)</u>	<u>(11,892)</u>	<u>(11,289)</u>	<u>603</u>
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	11,718	11,718	13,500	1,782
Total Other Adjustments to Cash (Uses)	<u>11,718</u>	<u>11,718</u>	<u>13,500</u>	<u>1,782</u>
Net Change in Fund Balance		(174)	2,211	2,385
Fund Balance - Beginning		<u>174</u>	<u>174</u>	
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,385</u>	<u>\$ 2,385</u>

CLINTON COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2023
(Continued)

	AMBULANCE FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Charges for Services	\$ 607,500	\$ 607,500	\$ 758,142	\$ 150,642
Miscellaneous	500	28,658	35,503	6,845
Interest	50	50	44	(6)
Total Receipts	<u>608,050</u>	<u>636,208</u>	<u>793,689</u>	<u>157,481</u>
DISBURSEMENTS				
Protection to Persons and Property	959,506	1,025,348	993,462	31,886
Administration	<u>342,280</u>	<u>308,990</u>	<u>298,613</u>	<u>10,377</u>
Total Disbursements	<u>1,301,786</u>	<u>1,334,338</u>	<u>1,292,075</u>	<u>42,263</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(693,736)</u>	<u>(698,130)</u>	<u>(498,386)</u>	<u>199,744</u>
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	<u>683,736</u>	<u>683,736</u>	<u>505,000</u>	<u>(178,736)</u>
Total Other Adjustments to Cash (Uses)	<u>683,736</u>	<u>683,736</u>	<u>505,000</u>	<u>(178,736)</u>
Net Change in Fund Balance	(10,000)	(14,394)	6,614	21,008
Fund Balance - Beginning	<u>10,000</u>	<u>14,394</u>	<u>14,394</u>	
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 21,008</u>	<u>\$ 21,008</u>

CLINTON COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2023
(Continued)

	OCCUPATIONAL TAX FUND			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 1,275,000	\$ 1,316,591	\$ 1,776,416	\$ 459,825
Interest	500	2,043	2,960	917
Total Receipts	<u>1,275,500</u>	<u>1,318,634</u>	<u>1,779,376</u>	<u>460,742</u>
DISBURSEMENTS				
General Government	34,950	39,289	38,789	500
Administration	20,605	171,362	11,481	159,881
Total Disbursements	<u>55,555</u>	<u>210,651</u>	<u>50,270</u>	<u>160,381</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>1,219,945</u>	<u>1,107,983</u>	<u>1,729,106</u>	<u>621,123</u>
Other Adjustments to Cash (Uses)				
Transfers To Other Funds	(1,487,112)	(1,487,112)	(1,257,500)	229,612
Total Other Adjustments to Cash (Uses)	<u>(1,487,112)</u>	<u>(1,487,112)</u>	<u>(1,257,500)</u>	<u>229,612</u>
Net Change in Fund Balance	(267,167)	(379,129)	471,606	850,735
Fund Balance - Beginning	<u>267,167</u>	<u>636,340</u>	<u>636,339</u>	<u>(1)</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 257,211</u>	<u>\$ 1,107,945</u>	<u>\$ 850,734</u>

CLINTON COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2023
(Continued)

	911 FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Taxes	\$ 267,450	\$ 267,450	\$ 262,974	\$ (4,476)
Miscellaneous	100	26,695	27,695	1,000
Interest	50	59	77	18
Total Receipts	<u>267,600</u>	<u>294,204</u>	<u>290,746</u>	<u>(3,458)</u>
DISBURSEMENTS				
Protection to Persons and Property	286,600	311,942	236,950	74,992
Administration	<u>101,500</u>	<u>136,664</u>	<u>51,806</u>	<u>84,858</u>
Total Disbursements	<u>388,100</u>	<u>448,606</u>	<u>288,756</u>	<u>159,850</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(120,500)</u>	<u>(154,402)</u>	<u>1,990</u>	<u>156,392</u>
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	<u>105,500</u>	<u>105,500</u>		<u>(105,500)</u>
Total Other Adjustments to Cash (Uses)	<u>105,500</u>	<u>105,500</u>		<u>(105,500)</u>
Net Change in Fund Balance	(15,000)	(48,902)	1,990	50,892
Fund Balance - Beginning	<u>15,000</u>	<u>48,902</u>	<u>48,902</u>	
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 50,892</u>	<u>\$ 50,892</u>

CLINTON COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2023
(Continued)

OPIOID SETTLEMENT FUND

	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Miscellaneous	\$	\$ 181,116	\$ 181,117	\$ 1
Interest		49	105	56
Total Receipts		181,165	181,222	57
DISBURSEMENTS				
Administration		181,165		181,165
Total Disbursements		181,165		181,165
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)			181,222	181,222
Net Change in Fund Balance			181,222	181,222
Fund Balance - Beginning				
Fund Balance - Ending	\$ 0	\$ 0	\$ 181,222	\$ 181,222

CLINTON COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2023
(Continued)

AMERICAN RESCUE PLAN ACT FUND

	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	\$ 992,363	\$ 1,045,539	\$ 1,045,539	\$
Interest	1,000	1,649	2,177	528
Total Receipts	<u>993,363</u>	<u>1,047,188</u>	<u>1,047,716</u>	<u>528</u>
DISBURSEMENTS				
Administration	1,851,613	1,905,797		1,905,797
Total Disbursements	<u>1,851,613</u>	<u>1,905,797</u>		<u>1,905,797</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(858,250)</u>	<u>(858,609)</u>	<u>1,047,716</u>	<u>1,906,325</u>
Other Adjustments to Cash (Uses)				
Transfers To Other Funds			(229,912)	(229,912)
Total Other Adjustments to Cash (Uses)			<u>(229,912)</u>	<u>(229,912)</u>
Net Change in Fund Balance	(858,250)	(858,609)	817,804	1,676,413
Fund Balance - Beginning	<u>858,250</u>	<u>858,609</u>	<u>858,609</u>	
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,676,413</u>	<u>\$ 1,676,413</u>

CLINTON COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2023
(Continued)

CLERK STORAGE FEES FUND

	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	\$	\$ 13,150	\$	\$ (13,150)
Miscellaneous			16,110	16,110
Interest		2	5	3
Total Receipts		<u>13,152</u>	<u>16,115</u>	<u>2,963</u>
DISBURSEMENTS				
General Government		<u>13,152</u>		<u>13,152</u>
Total Disbursements		<u>13,152</u>		<u>13,152</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)			<u>16,115</u>	<u>16,115</u>
Net Change in Fund Balance			16,115	16,115
Fund Balance - Beginning				
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 16,115</u>	<u>\$ 16,115</u>

CLINTON COUNTY
NOTES TO REGULATORY SUPPLEMENTARY
INFORMATION - BUDGETARY COMPARISON SCHEDULES

June 30, 2023

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.

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

For The Year Ended June 30, 2023

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CLINTON COUNTY
SCHEDULE OF CAPITAL ASSETS
Other Information - Regulatory Basis

For The Year Ended June 30, 2023

The fiscal court reports the following Schedule of Capital Assets:

	Beginning Balance	Additions	Deletions	Ending Balance
Land and Land Improvements	\$ 153,907	\$	\$	\$ 153,907
Buildings	5,713,169			5,713,169
Vehicles	1,320,271	181,829		1,502,100
Equipment	1,441,106			1,441,106
Infrastructure	8,639,327	583,230		9,222,557
 Total Capital Assets	 <u>\$ 17,267,780</u>	 <u>\$ 765,059</u>	 <u>\$ 0</u>	 <u>\$ 18,032,839</u>

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

June 30, 2023

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.

	<u>Capitalization Threshold</u>	<u>Useful Life (Years)</u>
Land Improvements	\$ 12,500	10-60
Buildings and Building Improvements	\$ 25,000	10-75
Equipment	\$ 5,000	2-20
Vehicles	\$ 5,000	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 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 Ricky L. Craig, Clinton County Judge/Executive
Members of the Clinton 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 Clinton County Fiscal Court for the fiscal year ended June 30, 2023 and the related notes to the financial statement which collectively comprise the Clinton County Fiscal Court's financial statement and have issued our report thereon dated June 26, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the Clinton 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 Clinton County Fiscal Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clinton County Fiscal Court's internal control.

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 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. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.



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 Clinton 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 26, 2024

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

CLINTON COUNTY FISCAL COURT

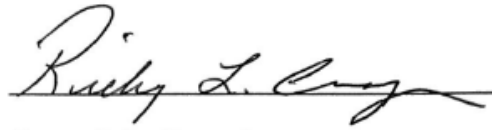
For The Year Ended June 30, 2023

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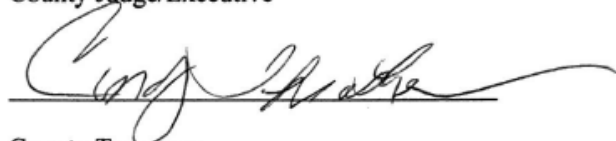
CERTIFICATION OF COMPLIANCE
LOCAL GOVERNMENT ECONOMIC ASSISTANCE
COUNTY FISCAL COURT

For The Year Ended June 30, 2023

The Clinton 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