

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

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



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

Independent Auditor's Report

To the People of Kentucky

The Honorable Andy Beshear, Governor  
Holly M. Johnson, Secretary  
Finance and Administration Cabinet  
The Honorable Zeke Little, Jr., Owsley County Judge/Executive  
The Honorable Cale Turner, Former Owsley County Judge/Executive  
Members of the Owsley County Fiscal Court

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

***Disclaimer of Opinion***

We were engaged to audit the financial activity contained in the Fourth Quarter Financial Statement of the Owsley County Fiscal Court for the year ended June 30, 2023.

We do not express an opinion on the accompanying financial activity contained in the Fourth Quarter Financial Statement of the Owsley County Fiscal Court. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial activity.

***Basis for Disclaimer of Opinion***

The absence of effective internal controls, oversight, and review procedures created an environment in which funds were misappropriated and financial records were inaccurate. Based on these conditions, we determined the fraud risk to be too high and were unable to apply other procedures to mitigate this risk. The significance of these issues, in the aggregate, prevents us from placing reliance on the financial activities contained in the Owsley County Fiscal Court's Fourth Quarter Financial Statement and from expressing an opinion on the financial statement of the Owsley County Fiscal Court.

***Responsibilities of Management for the Financial Statement***

Owsley 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 Owsley 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.



To the People of Kentucky

The Honorable Andy Beshear, Governor

Holly M. Johnson, Secretary

Finance and Administration Cabinet

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### ***Auditor's Responsibilities for the Audit of the Financial Statement***

Our responsibility is to conduct an audit of the Owsley County Fiscal Court's financial statement in accordance with auditing standards generally accepted in the United States of America and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statement.

We are required to be independent of the Owsley County Fiscal Court and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit.

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

### **Other Matter**

We were engaged to express an opinion on whether the Schedule of Expenditures of Federal Awards (SEFA), as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) is fairly stated in all material respects, in relation to the financial statements as a whole. Because of the matter described in the Basis for Disclaimer of Opinion section of our report, it is inappropriate to, and we do not express an opinion on the SEFA in relation to the financial statement.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 24, 2024, on our consideration of the Owsley 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 Owsley County Fiscal Court's internal control over financial reporting and compliance.

To the People of Kentucky

The Honorable Andy Beshear, Governor

Holly M. Johnson, Secretary

Finance and Administration Cabinet

The Honorable Zeke Little, Jr., Owsley County Judge/Executive

The Honorable Cale Turner, Former Owsley County Judge/Executive

Members of the Owsley County Fiscal Court

**Other Reporting Required by *Government Auditing Standards* (Continued)**

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

- 2023-001 The Owsley County Fiscal Court Failed To Implement A Strong Internal Control System
- 2023-002 The Owsley County Fiscal Court Failed To Monitor Credit Card Purchases
- 2023-003 The Owsley County Fiscal Court Lacks Adequate Internal Controls Over Receipts At The Recreation Center
- 2023-004 The Owsley County Fiscal Court Lack Adequate Internal Controls Over Receipts
- 2023-005 The Owsley County Fiscal Court Lacks Adequate Internal Controls Over Disbursements
- 2023-006 The Owsley County Fiscal Court Does Not Have Adequate Controls Over The Payroll Process
- 2023-007 The Owsley County Fiscal Court Did Not Prepare An Accurate Schedule Of Expenditures Of Federal Awards
- 2023-008 The Owsley County Fiscal Court Did Not Follow Bidding Requirements Or Have Adequate Controls Over Bidding Process
- 2023-009 The Owsley County Fiscal Court's Disbursements Exceeded Budgeted Appropriations
- 2023-010 The Owsley County Fiscal Court Did Not Maintain Documentation To Support Expenditures For Federal Programs

Respectfully submitted,



Allison Ball

Auditor of Public Accounts

Frankfort, Ky

May 24, 2024

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

Cale Turner	Former County Judge/Executive
Zeke Little, Jr.	Current County Judge/Executive
Jordan Burch	Magistrate (July 2022 - December 2022)
Tim Bishop	Magistrate (July 2022 - December 2022)
Jason Reed	Magistrate (January 2023 - June 2023)
Jeff Dooley	Magistrate (January 2023 - June 2023)
Alan Taylor	Magistrate (January 2023 - June 2023)

**Other Elected Officials:**

Henley McIntosh	County Attorney
Jason Hollan	Jailer
Shanna Oliver	County Clerk
Phyllis Cornett	Circuit Court Clerk
Tara Roberts	Sheriff
Michael Reynolds	Property Valuation Administrator
Donald Morgan	Coroner

**Appointed Personnel:**

Diana Wilder	County Treasurer (June 22, 2023 - June 30, 2023)
Dominic Johnson	County Treasurer (July 1, 2022 - June 21, 2023)



**OWSLEY COUNTY  
FOURTH QUARTER FINANCIAL STATEMENT**

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

**OWSLEY COUNTY  
FOURTH QUARTER FINANCIAL STATEMENT**

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

**Financial Statement**  
**OWSLEY COUNTY FISCAL COURT**  
 Fund Type: Governmental  
 From: 07/01/2022 To: 06/30/2023

**SUMMARY**

	GENERAL	ROAD	JAIL	L.G.E.A.	Solid Waste	Parks & Rec.	LGEDF	STORAGE	OPIOID	ARPA	EKSAFE	Totals
Total Receipts	1,291,490.09	1,766,766.65	174,421.06	186,497.91	351,886.94	115,511.40	897.16	5,852.08	41,012.53	-329,214.88	446,743.00	4,051,863.94
Total Claims	1,129,451.03	1,961,322.70	179,869.60	122,823.08	325,373.74	103,644.29				78,770.36		3,600,854.78
Cash Balance	162,039.06	105,443.95	-5,248.54	63,874.85	26,513.20	11,867.11	897.16	5,852.08	41,012.53	-407,985.24	446,743.00	451,009.16
Encumbrances	3,722.64	30,259.12	50.00	792.89	11,452.86	4,874.96						50,952.27
Unencumbered Cash Balance	158,316.42	75,184.83	-5,298.54	63,081.96	15,060.34	7,192.15	897.16	5,852.08	41,012.53	-407,985.24	446,743.00	400,056.89

**RECONCILIATION**

Bank Balance	104,305.78	284,874.48	3,782.13	58,032.65	28,229.93	13,396.64	897.16		41,018.17	59,597.11		574,114.05
Outstanding Deposits			0.17									0.17
Outstanding Checks	475.00	178,246.68	1,521.61	810.00	2,566.81	964.30						182,584.40
Other Investments												
Cash Balance	103,830.78	88,627.80	2,240.69	57,222.65	25,663.12	12,432.34	897.16		41,018.17	59,597.11		391,529.82

TO THE BEST OF MY KNOWLEDGE, THE INFORMATION CONTAINED HEREIN IS ACCURATE AND COMPLETE

\_\_\_\_\_  
 DIANA WILDER, COUNTY TREASURER \_\_\_\_\_  
Date

\_\_\_\_\_  
 ZEKE LITTLE JR., COUNTY JUDGE EXECUTIVE \_\_\_\_\_  
Date

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Revenue Condition Report</b>										
<b>OWSLEY COUNTY FISCAL COURT</b>										
Fiscal Year: 2022-2023 Fund Type: Governmental										
Fund: All Funds Dept: All Departments										
From: July 1, 2022 To: June 30, 2023										
Account	Name	Original Budget	Amendments	Transfers +/-	Total Budgeted	Total Received For This Period	Total Received Since July	% Rcvd	Anticipated FY Revenues	
<b>GENERAL FUND</b>										
01-4101-	REAL PROPERTY	137,000.00			137,000.00	61,101.30	61,101.30	44.60%	75,898.70	
01-4102-	PERSONAL PROPERTY	250.00			250.00	108,051.09	108,051.09	220.44%	(107,801.09)	
01-4103-	MOTOR VEHICLE	32,000.00			32,000.00	292,065.87	292,065.87	912.71%	(260,065.87)	
01-4104-	DELIQUENT PROPERTY	3,200.00			3,200.00	5,929.51	5,929.51	185.30%	(2,729.51)	
01-4106-	TANGIBLE PERSONAL PROPERTY	100.00			100.00	1,800.52	1,800.52	800.52%	(1,700.52)	
01-4107-	UNMINED MINERAL TAX	875.00			875.00				875.00	
01-4112-	FIRE PROTECTION	1,000.00			1,000.00	1,002.18	1,002.18	100.22%	(2.18)	
01-4130-	BANK FRANCHISE	31,000.00			31,000.00	1,236.46	1,236.46	3.99%	29,763.54	
01-4135-	DEED TRANSFER	6,500.00			6,500.00	9,497.63	9,497.63	146.12%	(2,997.63)	
01-4137-	INSURANCE LICENSE	288,000.00			288,000.00	273,269.56	273,269.56	94.89%	14,730.44	
01-4140-	TELEPHONE 911 FEE	17,000.00			17,000.00	5,031.86	5,031.86	29.60%	11,968.14	
01-4204-	PILOT	38,000.00			38,000.00	198,156.00	198,156.00	521.46%	(160,156.00)	
01-4205-	NATIONAL FOREST	7,500.00			7,500.00	21,095.86	21,095.86	281.28%	(13,595.86)	
01-4302-	COUNTY CLERK EXCESS FEES	4,000.00			4,000.00	28,056.33	28,056.33	701.41%	(24,056.33)	
01-4304-	COUNTY SHERIFF EXCESS FEES	13,000.00			13,000.00	16,540.56	16,540.56	127.24%	(3,540.56)	
01-4402-	ALCOHOLIC BEV LIC FEES									
01-4501-	OMITTED PROPERTY	250.00			250.00				250.00	
01-4504-	FEDERAL GRANTS	100.00			100.00				100.00	
01-4508-	LGED GRANT									
01-4510-	STATE GRANTS					55,746.31	55,746.31		(55,746.31)	
01-4517-	DRIVERS LICENSE REFUND									
01-4520-	ELECTION EXPENSE									
01-4532-	COURTHOUSE RENTAL	20,000.00			20,000.00	21,499.03	21,499.03	107.50%	(1,499.03)	
01-4539-	POLICE INCENTATIVE	9,000.00			9,000.00				9,000.00	
01-4541-	DEM	100.00			100.00	45.90	45.90	45.90%	54.10	
01-4542-	DES REIMBURSEMENT	8,000.00			8,000.00				8,000.00	
01-4561-	FISCAL COURT FILING FEES	100.00			100.00				100.00	
01-4602-	SOLID WASTE FEES					209.80	209.80		(209.80)	
01-4727-	REIMBURSEMENT	58,000.00			58,000.00	84,510.46	84,510.46	145.71%	(26,510.46)	
01-4727-A	CLERK SALARY REIMBURSMENT	133,216.00			133,216.00	160,326.42	160,326.42	120.35%	(27,110.42)	
01-4728-	DONATIONS	200.00			200.00				200.00	

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Revenue Condition Report</b>									
<b>OWSLEY COUNTY FISCAL COURT</b>									
Fiscal Year: 2022-2023 Fund Type: Governmental									
Fund: All Funds Dept: All Departments									
From: July 1, 2022 To: June 30, 2023									
Account	Name	Original Budget	Amendments	Transfers +/-	Total Budgeted	Total Received For This Period	Total Received Since July	% Rcvd	Anticipated FY Revenues
<b>GENERAL FUND</b>									
01-4731-	- MISC REVENUE	3,600.00			3,600.00	101,931.33	101,931.33	831.43%	(98,331.33)
01-4801-	- INTEREST	12.00			12.00	120.47	120.47	003.92%	(108.47)
01-4802-	- INTEREST ON CD								
Total Above Line Revenues		812,003.00			812,003.00	1,447,224.45	1,447,224.45	178.23%	(635,221.45)
01-4901-	- PRIOR YEAR CARRYOVER	120,000.00			120,000.00	122,332.66	122,332.66	101.94%	(2,332.66)
01-4903-	- ADJUSTMENT TO PRIOR YEAR SURPLUS								
01-4909-	- TRANSFERS OUT	71,098.00			71,098.00	(440,539.25)	(440,539.25)	-619.62%	511,637.25
01-4910-	- TRANSFERS IN	256,495.00			256,495.00	162,472.23	162,472.23	63.34%	94,022.77
01-4911-	- BORROWED MONEY								
01-4912-	- LEASE PROCEEDS								
Total Below Line Revenues		447,593.00			447,593.00	(155,734.36)	(155,734.36)	-34.79%	603,327.36
Total Revenues		1,259,596.00			1,259,596.00	1,291,490.09	1,291,490.09	102.53%	(31,894.09)

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Revenue Condition Report</b>									
<b>OWSLEY COUNTY FISCAL COURT</b>									
Fiscal Year: 2022-2023 Fund Type: Governmental									
Fund: All Funds Dept: All Departments									
From: July 1, 2022 To: June 30, 2023									
Account	Name	Original Budget	Amendments	Transfers +/-	Total Budgeted	Total Received For This Period	Total Received Since July	% Rcvd	Anticipated FY Revenues
<b>ROAD FUND</b>									
02-4107-	- UNMINED MINERAL								
02-4205-	- NATIONAL FOREST								
02-4504-	- FEDERAL GRANT								
02-4506-	- STATE REIMBURSEMENT	200,000.00			200,000.00	71,121.56	71,121.56	35.56%	128,878.44
02-4507-	- NRCS FLOOD PLAIN	500.00			500.00				500.00
02-4510-	- STATE GRANT	150,000.00			150,000.00				150,000.00
02-4513-	- EMERGENCY COUNTY ROAD AID	300,000.00			300,000.00	54,798.88	54,798.88	18.27%	245,201.12
02-4514-	- TRANSPORTATION CABINET								
02-4516-	- TRUCK LICENSE	223,214.00			223,214.00				223,214.00
02-4517-	- DRIVERS LICENSE REFUND	200.00			200.00				200.00
02-4518-	- COUNTY ROAD AID	733,719.00			733,719.00				733,719.00
02-4520-	- ELECTION EXPENSE	3,200.00			3,200.00				3,200.00
02-4542-	- FEMA	700,000.00			700,000.00	266,963.62	266,963.62	38.14%	433,036.38
02-4704-	- SURPLUS SALE	12,000.00			12,000.00				12,000.00
02-4706-	- ROAD MATERIAL SALE	65,000.00			65,000.00	696,870.36	696,870.36	1072.11%	(631,870.36)
02-4727-	- REIMBURSEMENT					84,933.86	84,933.86		(84,933.86)
02-4731-	- MISC REVENUE					138,733.00	138,733.00		(138,733.00)
02-4801-	- INTEREST	20.00			20.00	32.22	32.22	161.10%	(12.22)
02-4802-	- INTEREST ROAD C.D.								
Total Above Line Revenues		2,387,853.00			2,387,853.00	1,313,453.50	1,313,453.50	55.01%	1,074,399.50
02-4901-	- PRIOR YEAR CARRYOVER	10,000.00			10,000.00	32,013.24	32,013.24	320.13%	(22,013.24)
02-4903-	- ADJUSTMENT TO PRIOR YEAR SURPLUS								
02-4909-	- TRANSFERS OUT	223,214.00			223,214.00	(3,530.64)	(3,530.64)	-1.58%	226,744.64
02-4910-	- TRANSFERS IN					424,830.55	424,830.55		(424,830.55)
Total Below Line Revenues		233,214.00			233,214.00	453,313.15	453,313.15	194.38%	(220,099.15)
Total Revenues		2,621,067.00			2,621,067.00	1,766,766.65	1,766,766.65	67.41%	854,300.35

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Revenue Condition Report</b>									
<b>OWSLEY COUNTY FISCAL COURT</b>									
Fiscal Year: 2022-2023 Fund Type: Governmental									
Fund: All Funds Dept: All Departments									
From: July 1, 2022 To: June 30, 2023									
Account	Name	Original Budget	Amendments	Transfers +/-	Total Budgeted	Total Received For This Period	Total Received Since July	% Rcvd	Anticipated FY Revenues
<b>JAIL FUND</b>									
03-4533-	JAIL ALLOTMENT	66,000.00			66,000.00	45,057.27	45,057.27	68.27%	20,942.73
03-4534-	JAIL MEDICAL	100.00			100.00				100.00
03-4535-	COURT COST	100.00			100.00				100.00
03-4538-	DUI FEE	100.00			100.00	65.86	65.86	65.86%	34.14
03-4634-	JAIL FEE REIMBURSEMENT	100.00			100.00	193.99	193.99	193.99%	(93.99)
03-4731-	MISC REVENUE								
03-4801-	INTEREST	2.00			2.00	0.95	0.95	47.50%	1.05
Total Above Line Revenues		66,402.00			66,402.00	45,318.07	45,318.07	68.25%	21,083.93
03-4901-	PRIOR YEAR CARRYOVER	2,500.00			2,500.00	602.99	602.99	24.12%	1,897.01
03-4903-	ADJUSTMENT TO PRIOR YEAR SURPLUS								
03-4909-	TRANSFER OUT								
03-4910-	TRANSFERS IN	151,098.00			151,098.00	128,500.00	128,500.00	85.04%	22,598.00
Total Below Line Revenues		153,598.00			153,598.00	129,102.99	129,102.99	84.05%	24,495.01
Total Revenues		220,000.00			220,000.00	174,421.06	174,421.06	79.28%	45,578.94

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Revenue Condition Report</b>									
<b>OWSLEY COUNTY FISCAL COURT</b>									
Fiscal Year: 2022-2023 Fund Type: Governmental									
Fund: All Funds Dept: All Departments									
From: July 1, 2022 To: June 30, 2023									
Account	Name	Original Budget	Amendments	Transfers +/-	Total Budgeted	Total Received For This Period	Total Received Since July	% Rcvd	Anticipated FY Revenues
<b>Local Government Economic Assistance Fund</b>									
04-4107-	- UNMINED MINERALS								
04-4527-	- LGEA COAL PRODUCTION	140,000.00			140,000.00	180,043.51	180,043.51	128.60%	(40,043.51)
04-4529-	- LGEA MINERAL TAX	1,500.00			1,500.00				1,500.00
04-4542-	- DES REIMBURSEMENT					4,858.45	4,858.45		(4,858.45)
04-4731-	- MISC REVENUE								
04-4801-	- INTEREST	4.00			4.00	7.17	7.17	179.25%	(3.17)
04-4802-	- INTEREST ON CD								
Total Above Line Revenues		141,504.00			141,504.00	184,909.13	184,909.13	130.67%	(43,405.13)
04-4901-	- PRIOR YEAR CARRYOVER	15,000.00			15,000.00	12,667.54	12,667.54	84.45%	2,332.46
04-4903-	- PRIOR YEAR								
04-4909-	- TRANSFER OUT					(12,000.00)	(12,000.00)		12,000.00
04-4910-	- TRANSFER IN					921.24	921.24		(921.24)
Total Below Line Revenues		15,000.00			15,000.00	1,588.78	1,588.78	10.59%	13,411.22
Total Revenues		156,504.00			156,504.00	186,497.91	186,497.91	119.16%	(29,993.91)

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Revenue Condition Report</b>									
<b>OWSLEY COUNTY FISCAL COURT</b>									
<i>Fiscal Year: 2022-2023 Fund Type: Governmental</i>									
<i>Fund: All Funds Dept: All Departments</i>									
<i>From: July 1, 2022 To: June 30, 2023</i>									
Account	Name	Original Budget	Amendments	Transfers +/-	Total Budgeted	Total Received For This Period	Total Received Since July	% Rcvd	Anticipated FY Revenues
<b>CDBG Federal Grants Fund</b>									
07-4504-	FEDERAL GRANT								
Total Above Line Revenues									
07-4901-	PRIOR YEAR SURPLUS								
Total Below Line Revenues									
Total Revenues									



**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Revenue Condition Report</b>									
<b>OWSLEY COUNTY FISCAL COURT</b>									
<i>Fiscal Year: 2022-2023 Fund Type: Governmental</i>									
<i>Fund: All Funds Dept: All Departments</i>									
<i>From: July 1, 2022 To: June 30, 2023</i>									
Account	Name	Original Budget	Amendments	Transfers +/-	Total Budgeted	Total Received For This Period	Total Received Since July	% Rcvd	Anticipated FY Revenues
<b>Solid Waste Fund</b>									
13-4113-	- SOLID WASTE COLLECTIONS					127,300.34	127,300.34		(127,300.34)
13-4504-	- USDA GRANT								
13-4510-	- STATE GRANTS					4,000.00	4,000.00		(4,000.00)
13-4602-	- SOLID WASTE COLLECTIONS	278,169.00			278,169.00	151,958.58	151,958.58	54.63%	126,210.42
13-4713-	- RECYCLING	50.00			50.00				50.00
13-4728-	- DONATIONS								
13-4731-	- MISC REVENUE								
13-4732-	- REVOLVING LOAN FUND								
13-4801-	- INTEREST	10.00			10.00	7.16	7.16	71.60%	2.84
13-4802-	- INTEREST ON CD								
Total Above Line Revenues		278,229.00			278,229.00	283,266.08	283,266.08	101.81%	(5,037.08)
13-4901-	- PRIOR YEAR CARRYOVER	20,000.00			20,000.00	23,851.81	23,851.81	119.26%	(3,851.81)
13-4909-	- TRANSFERS OUT					(7,500.00)	(7,500.00)		7,500.00
13-4910-	- TRANSFERS IN					52,269.05	52,269.05		(52,269.05)
Total Below Line Revenues		20,000.00			20,000.00	68,620.86	68,620.86	343.10%	(48,620.86)
Total Revenues		298,229.00			298,229.00	351,886.94	351,886.94	117.99%	(53,657.94)

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Revenue Condition Report</b>									
<b>OWSLEY COUNTY FISCAL COURT</b>									
Fiscal Year: 2022-2023 Fund Type: Governmental									
Fund: All Funds Dept: All Departments									
From: July 1, 2022 To: June 30, 2023									
Account	Name	Original Budget	Amendments	Transfers +/-	Total Budgeted	Total Received For This Period	Total Received Since July	% Rcvd	Anticipated FY Revenues
<b>Parks and Recreation Fund</b>									
14-4504-	FEDERAL GRANT								
14-4508-	LGED GRANT	50,000.00			50,000.00				50,000.00
14-4510-	STATE GRANTS								
14-4608-	MUSIC/SERVICE	5,600.00			5,600.00	607.00	607.00	10.84%	4,993.00
14-4703-	CONCESSION SALES	13,500.00			13,500.00	61,407.49	61,407.49	454.87%	(47,907.49)
14-4711-	RENTAL	1,400.00			1,400.00	600.00	600.00	42.86%	800.00
14-4728-	DONATIONS					200.00	200.00		(200.00)
14-4731-	MISC REV.					1,885.88	1,885.88		(1,885.88)
14-4801-	INTEREST	3.00			3.00	1.89	1.89	63.00%	1.11
	Total Above Line Revenues	70,503.00			70,503.00	64,702.26	64,702.26	91.77%	5,800.74
14-4901-	PRIOR YEAR CARRYOVER	10,000.00			10,000.00	3,938.22	3,938.22	39.38%	6,061.78
14-4909-	TRANSFERS OUT								
14-4910-	TRANSFERS IN	75,000.00			75,000.00	46,870.92	46,870.92	62.49%	28,129.08
	Total Below Line Revenues	85,000.00			85,000.00	50,809.14	50,809.14	59.78%	34,190.86
	Total Revenues	155,503.00			155,503.00	115,511.40	115,511.40	74.28%	39,991.60

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Revenue Condition Report</b>									
<b>OWSLEY COUNTY FISCAL COURT</b>									
<i>Fiscal Year: 2022-2023 Fund Type: Governmental</i>									
<i>Fund: All Funds Dept: All Departments</i>									
<i>From: July 1, 2022 To: June 30, 2023</i>									
Account	Name	Original Budget	Amendments	Transfers +/-	Total Budgeted	Total Received For This Period	Total Received Since July	% Rcvd	Anticipated FY Revenues
<b>Local Government Economic Development Fund</b>									
31-4508-	- LGED GRANT FUND	300,000.00			300,000.00				300,000.00
31-4508-314-	TELEWORKS								
31-4508-420-	DES SUPPLIES GRANT								
31-4508-441-	MACHINERY EQUIPMENT GRANT								
31-4508-548-	HEALTH DEPARTMENT								
31-4508-571-	COURTHOUSE GRANT								
31-4508-715-	HEALTH DEPT PROPERTY GRANT								
31-4508-911-	FIRE DEPT GRANT								
31-4801-	- INTEREST EARNED								
Total Above Line Revenues		300,000.00			300,000.00				300,000.00
31-4901-	- PRIOR YEAR CARRYOVER					897.16	897.16		(897.16)
31-4909-	- TRANSFER OUT								
31-4910-	- TRANSFERS IN								
Total Below Line Revenues						897.16	897.16		(897.16)
Total Revenues		300,000.00			300,000.00	897.16	897.16	0.30%	299,102.84

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Revenue Condition Report</b>									
<b>OWSLEY COUNTY FISCAL COURT</b>									
<i>Fiscal Year: 2022-2023 Fund Type: Governmental</i>									
<i>Fund: All Funds Dept: All Departments</i>									
<i>From: July 1, 2022 To: June 30, 2023</i>									
Account	Name	Original Budget	Amendments	Transfers +/-	Total Budgeted	Total Received For This Period	Total Received Since July	% Rcvd	Anticipated FY Revenues
<b>CLERK STORAGE</b>									
75-4731-	- CLERK STORAGE	5,000.00	5,000.00		10,000.00	3,370.15	3,370.15	33.70%	6,629.85
75-4800-	- INTEREST					0.37	0.37		(0.37)
	Total Above Line Revenues	5,000.00	5,000.00		10,000.00	3,370.52	3,370.52	33.71%	6,629.48
75-4909-	- TRANSFERS OUT TO OTHER FUNDS					(59,814.69)	(59,814.69)		59,814.69
75-4910-	- TRANSFERS IN FROM OTHER FUNDS					62,296.25	62,296.25		(62,296.25)
	Total Below Line Revenues					2,481.56	2,481.56		(2,481.56)
	Total Revenues	5,000.00	5,000.00		10,000.00	5,852.08	5,852.08	58.52%	4,147.92

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Revenue Condition Report</b>									
<b>OWSLEY COUNTY FISCAL COURT</b>									
Fiscal Year: 2022-2023 Fund Type: Governmental									
Fund: All Funds Dept: All Departments									
From: July 1, 2022 To: June 30, 2023									
Account	Name	Original Budget	Amendments	Transfers +/-	Total Budgeted	Total Received For This Period	Total Received Since July	% Rcvd	Anticipated FY Revenues
<b>OPIOID SETTLEMENT</b>									
76-4760-	- OPIOID SETTLEMENT	9,842.81	59,814.69		69,657.50	1.68	1.68	0.00%	69,655.82
76-4800-	- INTEREST					3.72	3.72		(3.72)
Total Above Line Revenues		9,842.81	59,814.69		69,657.50	5.40	5.40	0.01%	69,652.10
76-4909-	- TRANSFERS OUT TO OTHER FUNDS					(18,807.56)	(18,807.56)		18,807.56
76-4910-	- TRANSFERS IN FROM OTHER FUNDS					59,814.69	59,814.69		(59,814.69)
Total Below Line Revenues						41,007.13	41,007.13		(41,007.13)
Total Revenues		9,842.81	59,814.69		69,657.50	41,012.53	41,012.53	58.88%	28,644.97

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Revenue Condition Report</b>									
<b>OWSLEY COUNTY FISCAL COURT</b>									
Fiscal Year: 2022-2023 Fund Type: Governmental									
Fund: All Funds Dept: All Departments									
From: July 1, 2022 To: June 30, 2023									
Account	Name	Original Budget	Amendments	Transfers +/-	Total Budgeted	Total Received For This Period	Total Received Since July	% Rcvd	Anticipated FY Revenues
<b>ARPA FUND</b>									
84-4504-	FEDERAL GRANT	428,781.00	133,088.64		561,869.64	66,544.32	66,544.32	11.84%	495,325.32
84-4801-	INTEREST					23.59	23.59		(23.59)
Total Above Line Revenues		428,781.00	133,088.64		561,869.64	66,567.91	66,567.91	11.85%	495,301.73
84-4901-	PRIOR YEAR SURPLUS								
84-4903-	ADJUST PRIOR YEAR SURPLUS								
84-4909-	TRANSFERS OUT	188,281.00			188,281.00	(395,782.79)	(395,782.79)	-210.21%	584,063.79
84-4910-	TRANSFERS IN								
Total Below Line Revenues		188,281.00			188,281.00	(395,782.79)	(395,782.79)	-210.21%	584,063.79
Total Revenues		617,062.00	133,088.64		750,150.64	(329,214.88)	(329,214.88)	-43.89%	1,079,365.52

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Revenue Condition Report</b>									
<b>OWSLEY COUNTY FISCAL COURT</b>									
Fiscal Year: 2022-2023 Fund Type: Governmental									
Fund: All Funds Dept: All Departments									
From: July 1, 2022 To: June 30, 2023									
Account	Name	Original Budget	Amendments	Transfers +/-	Total Budgeted	Total Received For This Period	Total Received Since July	% Rcvd	Anticipated FY Revenues
<b>EKSAFE</b>									
88-4504-	FEDERAL GRANT	446,743.00			446,743.00	446,743.00	446,743.00	100.00%	
	Total Above Line Revenues	446,743.00			446,743.00	446,743.00	446,743.00	100.00%	
88-4910-	TRANSFERS IN FROM OTHER FUNDS								
	Total Below Line Revenues								
	Total Revenues	446,743.00			446,743.00	446,743.00	446,743.00	100.00%	

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Revenue Condition Report</b>									
<b>OWSLEY COUNTY FISCAL COURT</b>									
<i>Fiscal Year: 2022-2023 Fund Type: Governmental</i>									
<i>Fund: All Funds Dept: All Departments</i>									
<i>From: July 1, 2022 To: June 30, 2023</i>									
Account	Name	Original Budget	Amendments	Transfers +/-	Total Budgeted	Total Received For This Period	Total Received Since July	% Rcvd	Anticipated FY Revenues
<b>Capital Improvements Fund</b>									
97-4503-	-	FEDERAL REIMBURSEMENT/REFUND							
97-4504-	-	FEDERAL GRANT							
97-4801-	-	INTEREST							
Total Above Line Revenues									
97-4901-	-	PRIOR YEAR SURPLUS							
97-4903-	-	ADJUST PRIOR YEAR SURPLUS							
97-4909-	-	TRANSFERS OUT							
Total Below Line Revenues									
Total Revenues									
Total All Funds Receipts		6,089,546.81	197,903.33		6,287,450.14	4,051,863.94	4,051,863.94	64.44%	2,235,586.20



**OWSLEY COUNTY  
FOURTH QUARTER FINANCIAL STATEMENT  
For The Year Ended June 30, 2023  
(Continued)**

<b>Appropriation Condition Report</b>											
<b>OWSLEY COUNTY FISCAL COURT</b>											
Fiscal Year: 2022-2023 Fund Type: Governmental											
Fund: All Funds Dept: All Departments											
From: July 1, 2022 To: June 30, 2023											
Account	Name	Original Budget	Amendments	Transfers +/-	Total Available	Claims for Period	Claims Since July	% Used	Available Free Balance	Encumbered	Unencumbered Free Balance
<b>GENERAL FUND</b>											
01-5001-101-	COUNTY JUDGE EXECUTIVE	84,218.00			84,218.00	80,040.00	80,040.00	95.04%	4,178.00		4,178.00
01-5001-104-	FINANCE OFFICER	27,640.00		4,700.00	32,340.00	34,506.45	34,506.45	106.70%	(2,166.45)		(2,166.45)
01-5001-445-	OFFICE SUPPLIES	8,000.00		10,500.00	18,500.00	15,989.70	15,989.70	86.43%	2,510.30	482.13	2,028.17
01-5001-551-	MEMBERSHIPS	750.00		1,500.00	2,250.00	2,232.48	2,232.48	99.22%	17.52		17.52
01-5001-573-	TELEPHONE	2,500.00		6,805.00	9,305.00	8,270.93	8,270.93	88.89%	1,034.07		1,034.07
01-5005-101-	COUNTY ATTORNEY	14,228.00			14,228.00	13,728.00	13,728.00	96.49%	500.00		500.00
01-5005-165-	COUNTY ATTORNEY SECRETARY	22,800.00		2,000.00	24,800.00	25,089.64	25,089.64	101.17%	(289.64)		(289.64)
01-5005-445-	COUNTY ATTORNEY OFFICE SUPPLIES	300.00			300.00				300.00		300.00
01-5010-101-	COUNTY COURT CLERK	84,218.00			84,218.00	90,386.57	90,386.57	107.32%	(6,168.57)		(6,168.57)
01-5010-103-	COUNTY COURT CLERK DEPUTIES	55,280.00		(12,000.00)	43,280.00	38,854.16	38,854.16	89.77%	4,425.84		4,425.84
01-5010-210-	COUNTY COURT CLERK EXPENSE	3,600.00			3,600.00				3,600.00		3,600.00
01-5010-349-	COUNTY COURT CLERK BINDINGS & BOOKS	6,000.00		(6,000.00)							
01-5010-540-	COUNTY COURT CLERK INDEXING	700.00			700.00				700.00		700.00
01-5010-567-	REFUND OF CLERK EXCESS FEES										
01-5015-101-	SHERIFF	84,218.00			84,218.00	87,879.97	87,879.97	104.35%	(3,661.97)		(3,661.97)
01-5015-103-	COUNTY ROAD PATROL	55,280.00		30,000.00	85,280.00	90,446.47	90,446.47	106.06%	(5,166.47)		(5,166.47)
01-5015-106-	SHERIFF CLERK	27,640.00			27,640.00	19,545.09	19,545.09	70.71%	8,094.91		8,094.91
01-5015-429-	SHERIFF EXPENSE	12,600.00			12,600.00	107.80	107.80	0.86%	12,492.20		12,492.20
01-5025-565-	PRINTING	6,000.00		3,900.00	9,900.00	9,661.75	9,661.75	97.59%	238.25		238.25
01-5025-574-	TRAINING	6,000.00		5,000.00	11,000.00	10,829.71	10,829.71	98.45%	170.29		170.29
01-5030-367-	PVA STATUTORY SUPPORT	6,842.00		55.00	6,897.00	6,897.00	6,897.00	100.00%			
01-5035-191-	BOARD OF ASSES. APPEALS PER DIEM	600.00		(350.00)	250.00				250.00		250.00
01-5040-102-	COUNTY TREASURER	27,640.00		9,995.20	37,635.20	36,361.92	36,361.92	96.62%	1,273.28		1,273.28
01-5040-319-	FISCALSOFT SOFTWARE	5,200.00		2,900.00	8,100.00	8,067.50	8,067.50	99.60%	32.50		32.50
01-5060-102-	LAW LIBRARIAN	1,200.00			1,200.00	1,250.00	1,250.00	104.17%	(50.00)		(50.00)
01-5065-192-	ELECTION OFFICERS PER DIEM			2,750.00	2,750.00	2,310.00	2,310.00	84.00%	440.00		440.00
01-5065-193-	ELECTION COMMISSIONERS PER DIEM			1,500.00	1,500.00				1,500.00		1,500.00
01-5065-347-	POLLING PLACE RENT										
01-5065-365-	ELECTION PRINTING & ADVERTISING	8,000.00		39,750.00	47,750.00	107,416.88	107,416.88	224.96%	(59,666.88)		(59,666.88)
01-5080-175-	CUSTODIAN	13,990.00		2,000.00	15,990.00	16,524.52	16,524.52	103.34%	(534.52)		(534.52)
01-5080-571-	COURTHOUSE RENEWAL & REPAIRS	12,000.00		22,911.12	34,911.12	35,170.18	35,170.18	100.74%	(259.06)	3,224.14	(3,483.20)

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

**Appropriation Condition Report**

**OWSLEY COUNTY FISCAL COURT**  
 Fiscal Year: 2022-2023 Fund Type: Governmental  
 Fund: All Funds Dept: All Departments  
 From: July 1, 2022 To: June 30, 2023

Account	Name	Original Budget	Amendments	Transfers +/-	Total Available	Claims for Period	Claims Since July	% Used	Available Free Balance	Encumbered	Unencumbered Free Balance
<b>GENERAL FUND</b>											
01-5080-578-	COURTHOUSE UTILITIES	30,000.00		5,000.00	35,000.00	33,081.13	33,081.13	94.52%	1,918.87		1,918.87
01-5140-602-	AMBULANCE	10,000.00		(10,000.00)							
01-5145-107-	911 COORDINATOR	5,000.00		1,910.80	6,910.80	5,763.12	5,763.12	83.39%	1,147.68		1,147.68
01-5150-902-	FIRE PROTECTION	2,100.00			2,100.00	2,056.00	2,056.00	97.90%	44.00		44.00
01-5212-102-	SOLID WASTE COORDINATOR SALARY	6,300.00			6,300.00	2,950.44	2,950.44	46.83%	3,349.56		3,349.56
01-5212-179-	TEMPORARY/PART TIME PERSONNEL	2,500.00		750.00	3,250.00	4,820.00	4,820.00	148.31%	(1,570.00)		(1,570.00)
01-5212-468-	SOLID WASTE EXPENSE	22,000.00			22,000.00				22,000.00		22,000.00
01-5400-742-	AMPITHEATER										
01-7500-603-	NOTES-PRINCIPAL										
01-7500-607-	NOTES-INTEREST										
01-7700-602-	LEASE PAYMENT										
01-9100-307-	AUDITS	60,000.00			60,000.00	25,125.00	25,125.00	41.88%	34,875.00		34,875.00
01-9100-521-	INSURANCE	50,000.00		1,000.00	51,000.00	50,694.00	50,694.00	99.40%	306.00		306.00
01-9100-531-	OFFICIALS BONDS	1,000.00		5,981.56	6,981.56	6,917.31	6,917.31	99.08%	64.25		64.25
01-9100-553-	KRADD	3,665.00			3,665.00	3,321.00	3,321.00	90.61%	344.00	16.37	327.63
01-9100-555-	KACO	3,600.00		3,250.00	6,850.00	6,739.13	6,739.13	98.38%	110.87		110.87
01-9100-599-	MISC	1,000.00		7,500.00	8,500.00	8,518.94	8,518.94	100.22%	(18.94)		(18.94)
01-9200-999-	RESERVE FOR TRANSFER	155,239.00		(138,313.48)	16,925.52	77,190.08	77,190.08	456.06%	(60,264.56)		(60,264.56)
01-9300-999-	TRANSFER TO OTHER FUNDS										
01-9400-201-	EMPLOYERS SHARE SOCIAL SECURITY	39,188.00			39,188.00	41,822.47	41,822.47	106.72%	(2,634.47)		(2,634.47)
01-9400-202-	EMPLOYER SHARE RETIREMENT	131,684.00			131,684.00	118,885.69	118,885.69	90.28%	12,798.31		12,798.31
01-9400-208-	UNEMPLOYMENT INSURANCE	3,500.00			3,500.00				3,500.00		3,500.00
01-9400-209-	WORKERS COMP	13,500.00			13,500.00				13,500.00		13,500.00
01-9400-212-	TRAINING FRINGE BENEFITS	3,280.00			3,280.00				3,280.00		3,280.00
01-9500-902-	PAYMENTS FOR GOVERNMENT AGENCIES										
<b>Fund Totals</b>		<b>1,121,000.00</b>		<b>4,995.20</b>	<b>1,125,995.20</b>	<b>1,129,451.03</b>	<b>1,129,451.03</b>	<b>100.31%</b>	<b>(3,455.83)</b>	<b>3,722.64</b>	<b>(7,178.47)</b>

**OWSLEY COUNTY  
FOURTH QUARTER FINANCIAL STATEMENT  
For The Year Ended June 30, 2023  
(Continued)**

<b>Appropriation Condition Report</b>											
<b>OWSLEY COUNTY FISCAL COURT</b>											
Fiscal Year: 2022-2023 Fund Type: Governmental											
Fund: All Funds Dept: All Departments											
From: July 1, 2022 To: June 30, 2023											
Account	Name	Original Budget	Amendments	Transfers +/-	Total Available	Claims for Period	Claims Since July	% Used	Available Free Balance	Encumbered	Unencumbered Free Balance
<b>ROAD FUND</b>											
02-5025-101-	MAGISTRATES SALARY	37,696.00			37,696.00	36,417.29	36,417.29	96.61%	1,278.71		1,278.71
02-5025-343-	CDL PHYSICAL	2,400.00			2,400.00	100.00	100.00	4.17%	2,300.00		2,300.00
02-5025-425-	FOOD-INMATES	4,000.00			4,000.00	3,630.15	3,630.15	90.75%	369.85	26.25	343.60
02-5080-578-	MAINTENANCE GARAGE UTILITIES	17,000.00			17,000.00	5,508.65	5,508.65	32.40%	11,491.35	600.00	10,891.35
02-6103-102-	ROAD SUPERVISOR	32,882.00			32,882.00	33,393.28	33,393.28	101.55%	(511.28)		(511.28)
02-6105-143-	ROAD WORKERS SALARY	248,760.00		50,000.00	298,760.00	264,818.39	264,818.39	88.64%	33,941.61		33,941.61
02-6105-336-	MAINTENANCE & REPAIRS	175,000.00		60,000.00	235,000.00	216,796.93	216,796.93	92.25%	18,203.07	25,662.57	(7,459.50)
02-6105-373-	CONTRACTED CONSTRUCTION	75,000.00			75,000.00	12,300.00	12,300.00	16.40%	62,700.00		62,700.00
02-6105-405-	ASPHALT	300,000.00			300,000.00	2,184.00	2,184.00	0.73%	297,816.00	2,560.00	295,256.00
02-6105-441-	ROAD EQUIPMENT	80,000.00			80,000.00	192,453.80	192,453.80	240.57%	(112,453.80)	1,310.30	(113,764.10)
02-6105-447-	ROAD MATERIALS	300,000.00		85,000.00	385,000.00	399,795.80	399,795.80	103.84%	(14,795.80)		(14,795.80)
02-6105-504-	CEMETERY MAINTENANCE	10,000.00			10,000.00				10,000.00		10,000.00
02-6105-713-	HIGHWAY EQUIPMENT	40,000.00		5,000.00	45,000.00	43,608.04	43,608.04	96.91%	1,391.96	100.00	1,291.96
02-6105-731-	RIGHT OF WAY	100.00			100.00						100.00
02-6107-447-	EMERGENCY ROAD AID	150,000.00			150,000.00	83,475.00	83,475.00	55.65%	66,525.00		66,525.00
02-7500-603-	LEASE PRINCIPAL	205,000.00		(376.51)	204,623.49	202,056.48	202,056.48	98.75%	2,567.01		2,567.01
02-7500-607-	LEASE INTEREST	1,000.00		376.51	1,376.51	1,376.51	1,376.51	100.00%			
02-8003-312-	BRIDGES	80,000.00			80,000.00				80,000.00		80,000.00
02-9100-512-	INSURANCE	50,000.00		190.00	50,190.00	50,186.00	50,186.00	99.99%	4.00		4.00
02-9100-574-	TRAINING	2,500.00			2,500.00	2,542.39	2,542.39	101.70%	(42.39)		(42.39)
02-9100-599-	MISC	1,000.00		1,325.00	2,325.00	2,340.64	2,340.64	100.67%	(15.64)		(15.64)
02-9200-999-	RESERVE FOR TRANSFER	241,372.00		(201,515.00)	39,857.00	3,492.17	3,492.17	8.76%	36,364.83		36,364.83
02-9400-201-	EMPLOYER'S SHARE SOCIAL SECURITY	24,729.00			24,729.00	25,599.31	25,599.31	103.52%	(870.31)		(870.31)
02-9400-202-	EMPLOYER SHARE RETIREMENT	86,600.00			86,600.00	79,247.87	79,247.87	91.51%	7,352.13		7,352.13
02-9400-208-	UNEMPLOYMENT	3,600.00			3,600.00				3,600.00		3,600.00
02-9400-209-	WORKERS COMPENSATION	2,500.00			2,500.00				2,500.00		2,500.00
02-9500-902-	NATIONAL FOREST REVENUE TO SCHOOLS	3,500.00			3,500.00				3,500.00		3,500.00
<b>Fund Totals</b>		<b>2,174,639.00</b>			<b>2,174,639.00</b>	<b>1,661,322.70</b>	<b>1,661,322.70</b>	<b>76.40%</b>	<b>513,316.30</b>	<b>30,259.12</b>	<b>483,057.18</b>

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Appropriation Condition Report</b>											
<b>OWSLEY COUNTY FISCAL COURT</b>											
<i>Fiscal Year: 2022-2023 Fund Type: Governmental</i>											
<i>Fund: All Funds Dept: All Departments</i>											
<i>From: July 1, 2022 To: June 30, 2023</i>											
Account	Name	Original Budget	Amendments	Transfers +/-	Total Available	Claims for Period	Claims Since July	% Used	Available Free Balance	Encumbered	Unencumbered Free Balance
<b>JAIL FUND</b>											
03-5101-101-	JAILER	23,000.00		10,000.00	33,000.00	30,608.05	30,608.05	92.75%	2,391.95	50.00	2,341.95
03-5101-103-	DEPUTY JAILER	1,000.00			1,000.00				1,000.00		1,000.00
03-5101-314-	CONTRACTED PRISONER HOUSING	132,000.00			132,000.00	120,375.00	120,375.00	91.19%	11,625.00		11,625.00
03-5101-399-	PRISONER TRANSPORT	2,500.00			2,500.00	45.01	45.01	1.80%	2,454.99		2,454.99
03-5101-425-	FOOD-INMATES	1,500.00			1,500.00	108.79	108.79	7.25%	1,391.21		1,391.21
03-5101-549-	INMATE MEDICAL	27,000.00			27,000.00	16,622.51	16,622.51	61.56%	10,377.49		10,377.49
03-5101-551-	MEMBERSHIP	717.00			717.00				717.00		717.00
03-5101-573-	TELEPHONE	1,200.00			1,200.00	521.49	521.49	43.46%	678.51		678.51
03-5101-576-	TRAVEL	500.00			500.00	30.00	30.00	6.00%	470.00		470.00
03-5102-314-	CONTRACTED JUVENILE HOUSING	1,500.00			1,500.00	188.00	188.00	12.53%	1,312.00		1,312.00
03-9100-599-	MISC	1,000.00			1,000.00	441.00	441.00	44.10%	559.00		559.00
03-9200-999-	RESERVE FOR TRANSFER	14,713.00		(13,000.00)	1,713.00	188.17	188.17	10.98%	1,524.83		1,524.83
03-9400-201-	EMPLOYER'S SHARE SOCIAL SECURITY	1,760.00		1,500.00	3,260.00	2,341.68	2,341.68	71.83%	918.32		918.32
03-9400-202-	EMPLOYER SHARE RETIREMENT	6,210.00		1,500.00	7,710.00	8,199.90	8,199.90	106.35%	(489.90)		(489.90)
03-9400-212-	TRAINING	1,200.00			1,200.00				1,200.00		1,200.00
03-9400-574-	JAILER INCENTIVE	4,200.00			4,200.00				4,200.00		4,200.00
<b>Fund Totals</b>		<b>220,000.00</b>			<b>220,000.00</b>	<b>179,669.60</b>	<b>179,669.60</b>	<b>81.67%</b>	<b>40,330.40</b>	<b>50.00</b>	<b>40,280.40</b>

**OWSLEY COUNTY  
FOURTH QUARTER FINANCIAL STATEMENT  
For The Year Ended June 30, 2023  
(Continued)**

<b>Appropriation Condition Report</b>											
<b>OWSLEY COUNTY FISCAL COURT</b>											
Fiscal Year: 2022-2023 Fund Type: Governmental											
Fund: All Funds Dept: All Departments											
From: July 1, 2022 To: June 30, 2023											
Account	Name	Original Budget	Amendments	Transfers +/-	Total Available	Claims for Period	Claims Since July	% Used	Available Free Balance	Unencumbered Free Balance	
<b>Local Government Economic Assistance Fund</b>											
04-5020-101-	CORONER	5,184.00		2,500.00	7,684.00	7,141.94	7,141.94	92.95%	542.06	542.06	
04-5020-103-	DEPUTY CORONER	2,495.00			2,495.00	2,496.00	2,496.00	100.04%	(1.00)	(1.00)	
04-5020-547-	AUTOPSY	3,000.00			3,000.00	1,904.94	1,904.94	63.50%	1,095.06	1,095.06	
04-5130-429-	FIRE DEPARTMENTS	10,800.00			10,800.00	8,300.00	8,300.00	76.85%	2,500.00	2,500.00	
04-5130-446-	RESCUE SERVICE SUPPLIES	3,600.00			3,600.00	3,241.00	3,241.00	90.03%	359.00	359.00	
04-5135-107-	DES DIRECTOR	12,400.00			12,400.00	10,140.64	10,140.64	81.78%	2,259.36	2,259.36	
04-5135-420-	CERT	400.00			400.00				400.00	400.00	
04-5135-445-	DES SUPPLIES	1,000.00			1,000.00	893.52	893.52	89.35%	106.48	792.89	
04-5135-576-	TRAVEL	1,000.00			1,000.00	131.25	131.25	13.13%	868.75	868.75	
04-5135-578-	UTILITIES	4,000.00		7,500.00	11,500.00	10,105.90	10,105.90	87.88%	1,394.10	1,394.10	
04-5135-739-	EQUIPMENT	2,500.00		7,500.00	10,000.00	9,925.32	9,925.32	99.25%	74.68	74.68	
04-5175-179-	TEMP. PART TIME PERSONEL	18,000.00		10,000.00	28,000.00	29,045.00	29,045.00	103.73%	(1,045.00)	(1,045.00)	
04-5175-903-	PUBLIC ADVOCATE SUPPLIES	500.00		6,000.00	6,500.00	6,441.00	6,441.00	99.09%	59.00	59.00	
04-5205-102-	DOG WARDEN	10,000.00			10,000.00				10,000.00	10,000.00	
04-5305-507-	SENIOR CITIZEN CONTRIBUTION	5,400.00		3,500.00	8,900.00	8,845.96	8,845.96	99.39%	54.04	54.04	
04-6500-568-	CDL TRAINING			5,500.00	5,500.00	5,213.50	5,213.50	94.79%	286.50	286.50	
04-9100-302-	LG&A ADVERTISING	300.00			300.00	220.00	220.00	73.33%	80.00	80.00	
04-9100-999-	MISC	1,000.00		4,750.00	5,750.00	5,678.40	5,678.40	98.75%	71.60	71.60	
04-9200-999-	RESERVE FOR TRANSFER	55,371.00		(47,750.00)	7,621.00	75.00	75.00	0.98%	7,546.00	7,546.00	
04-9300-999-	TRANSFER FROM OTHER ACCOUNTS										
04-9400-201-	EMPLOYER SHARE SOCIAL SECURITY	3,678.00		500.00	4,178.00	4,157.84	4,157.84	99.52%	20.16	20.16	
04-9400-202-	EMPLOYER SHARE RETIREMENT	12,880.00			12,880.00	8,665.85	8,665.85	67.28%	4,214.15	4,214.15	
04-9400-212-	TRAINING	3,000.00			3,000.00				3,000.00	3,000.00	
<b>Fund Totals</b>		<b>156,508.00</b>			<b>156,508.00</b>	<b>122,623.06</b>	<b>122,623.06</b>	<b>78.35%</b>	<b>33,884.94</b>	<b>792.89</b>	<b>33,092.05</b>

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Appropriation Condition Report</b>											
<b>OWSLEY COUNTY FISCAL COURT</b>											
Fiscal Year: 2022-2023 Fund Type: Governmental											
Fund: All Funds Dept: All Departments											
From: July 1, 2022 To: June 30, 2023											
Account	Name	Original Budget	Amendments	Transfers +/-	Total Available	Claims for Period	Claims Since July	% Used	Available Free Balance	Encumbered	Unencumbered Free Balance
<b>CDBG Federal Grants Fund</b>											
07-8000-501-	ADD PAYMENTS										
07-8000-599-	MISC.										
07-8000-709-	FIXTURES										
07-8000-742-	BUILDING & CONSTRUCTION										
07-8000-999-	RESERVE FOR TRANSFER										
Fund Totals											

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Appropriation Condition Report</b>											
<b>OWSLEY COUNTY FISCAL COURT</b>											
<i>Fiscal Year: 2022-2023 Fund Type: Governmental</i>											
<i>Fund: All Funds Dept: All Departments</i>											
<i>From: July 1, 2022 To: June 30, 2023</i>											
Account	Name	Original Budget	Amendments	Transfers +/-	Total Available	Claims for Period	Claims Since July	% Used	Available Free Balance	Encumbered	Unencumbered Free Balance
<b>Solid Waste Fund</b>											
13-5211-366	TIPPING FEES	60,000.00		11,500.00	71,500.00	71,466.39	71,466.39	99.95%	33.61		33.61
13-5211-431	REPAIRS	15,000.00			15,000.00	3,985.90	3,985.90	26.57%	11,014.10	11,113.13	(99.03)
13-5212-441	SOLID WASTE EQUIPMENT LGEDP	12,000.00		(12,000.00)							
13-5215-149	SALARIES	82,920.00		28,000.00	110,920.00	112,481.37	112,481.37	101.41%	(1,561.37)		(1,561.37)
13-5215-441	MACHINERY & EQUIPMENT	35,000.00		(20,000.00)	15,000.00	11,987.98	11,987.98	79.92%	3,012.02	339.53	2,672.49
13-5215-445	SOLID WASTE OFFICE SUPPLIES & BILLING	3,000.00		8,000.00	11,000.00	10,958.25	10,958.25	99.62%	41.75		41.75
13-5215-446	PPE SUPPLIES	3,500.00		(3,000.00)	500.00	25.28	25.28	5.06%	474.72		474.72
13-6100-415	FUEL	20,000.00			20,000.00	63,628.58	63,628.58	318.14%	(43,628.58)		(43,628.58)
13-7500-502	PRINCIPAL ON LEASE	500.00		(500.00)							
13-7500-506	INTEREST ON LEASE	30.00		(30.00)							
13-9100-521	INSURANCE	16,000.00		(3,000.00)	13,000.00	12,649.00	12,649.00	97.30%	351.00		351.00
13-9100-599	MISC.	1,000.00			1,000.00	431.72	431.72	43.17%	568.28		568.28
13-9200-999	RESERVE FOR TRANSFER	20,722.00		(17,470.00)	3,252.00	250.00	250.00	7.69%	3,002.00		3,002.00
13-9400-201	EMPLOYER SOCIAL SECURITY	6,343.00		2,000.00	8,343.00	8,605.00	8,605.00	103.14%	(262.00)		(262.00)
13-9400-202	EMPLOYER SHARE RETIREMENT	22,214.00		6,500.00	28,714.00	28,904.27	28,904.27	100.66%	(190.27)		(190.27)
<b>Fund Totals</b>		<b>298,229.00</b>			<b>298,229.00</b>	<b>325,373.74</b>	<b>325,373.74</b>	<b>109.10%</b>	<b>(27,144.74)</b>	<b>11,452.66</b>	<b>(38,597.40)</b>

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Appropriation Condition Report</b>										
<b>OWSLEY COUNTY FISCAL COURT</b>										
<i>Fiscal Year: 2022-2023 Fund Type: Governmental</i>										
<i>Fund: All Funds Dept: All Departments</i>										
<i>From: July 1, 2022 To: June 30, 2023</i>										
Account	Name	Original Budget	Amendments	Transfers +/-	Total Available	Claims for Period	Claims Since July	% Used	Available Free Balance	Unencumbered Free Balance
<b>Parks and Recreation Fund</b>										
14-5400-107-	RECREATION DIRECTOR			14,863.00	14,863.00	11,604.00	11,604.00	78.07%	3,259.00	3,259.00
14-5400-167-	RECREATION CLERK			15,900.00	15,900.00	15,370.00	15,370.00	96.67%	530.00	530.00
14-5401-179-	TEMP/PART TIME PERSONNEL	22,500.00		(11,018.00)	11,482.00	8,610.00	8,610.00	74.99%	2,872.00	2,872.00
14-5401-425-	FOOD	11,500.00		12,500.00	24,000.00	21,854.78	21,854.78	91.06%	2,145.22	2,145.22
14-5401-570-	UTILITIES	20,000.00		(5,800.00)	14,200.00	11,908.44	11,908.44	83.86%	2,291.56	2,291.56
14-5401-718-	EQUIPMENT	25,000.00		(15,950.00)	9,050.00	9,043.97	9,043.97	99.93%	6.03	3,633.41
14-5401-739-	EXERCISE EQUIPMENT	10,000.00		(3,750.00)	6,250.00	6,242.91	6,242.91	99.89%	7.09	7.09
14-5404-738-	FEDERAL GRANTS									
14-5405-423-	SUPPLIES/PREP	3,200.00		6,000.00	9,200.00	9,555.61	9,555.61	103.87%	(355.61)	1,041.55
14-9100-999-	MISC.	1,000.00			1,000.00	777.40	777.40	77.74%	222.60	222.60
14-9200-999-	RESERVE FOR TRANSFER	60,582.00		(46,491.22)	14,090.78				14,090.78	14,090.78
14-9400-201-	SOCIAL SECURITY MATCH	3,000.00		(440.56)	2,559.44	2,636.55	2,636.55	103.01%	(77.11)	(77.11)
14-9400-202-	RETIREMENT MATCH	1,721.00		27,500.00	29,221.00	6,040.63	6,040.63	20.67%	23,180.37	23,180.37
<b>Fund Totals</b>		<b>158,503.00</b>		<b>(6,686.78)</b>	<b>151,816.22</b>	<b>103,644.29</b>	<b>103,644.29</b>	<b>68.27%</b>	<b>48,171.93</b>	<b>43,496.97</b>



**OWSLEY COUNTY  
FOURTH QUARTER FINANCIAL STATEMENT  
For The Year Ended June 30, 2023  
(Continued)**

<b>Appropriation Condition Report</b>											
<b>OWSLEY COUNTY FISCAL COURT</b>											
Fiscal Year: 2022-2023 Fund Type: Governmental											
Fund: All Funds Dept: All Departments											
From: July 1, 2022 To: June 30, 2023											
Account	Name	Original Budget	Amendments	Transfers +/-	Total Available	Claims for Period	Claims Since July	% Used	Available Free Balance	Encumbered	Unencumbered Free Balance
Local Government Economic Development Fund											
31-5030-725-	PVA OFFICE										
31-5076-742-	COMMUNITY CENTER CONSTRUCTION										
31-5080-365-	COURTHOUSE SECURITY										
31-5080-571-	COURTHOUSE RENEWAL & REPAIRS										
31-5120-381-	FIRE DEPARTMENT EQUIPMENT										
31-5130-420-	DES SUPPLIES GRANT										
31-5135-548-	DISASTER AND EMERGENCY SERVICES										
31-5231-548-	HEALTH DEPARTMENT/LOT/BUILDING										
31-5231-715-	HEALTH DEPARTMENT LAND/BLDG										
31-5305-155-	SENIOR CITIZEN DRIVER										
31-5305-571-	SENIOR CITIZEN REPAIRS/CONSTRUCTION										
31-5401-365-	PARK SECURITY										
31-5401-718-	PARK PROJECTS										
31-5410-315-	LIBRARY CONTRACTS										
31-5410-446-	LIBRARY EQUIPMENT & SUPPLIES										
31-5410-566-	LIBRARY REIMBURSEMENT										
31-6005-365-	COUNTY GARAGE SECURITY										
31-8001-310-	BUILDINGS-CONTRACTED CONSTRUCTION										
31-8001-314-	TELEWORKS										
31-8001-742-	MATCH GRANTS	300,000.00			300,000.00				300,000.00		300,000.00
31-8099-742-	AMPITHEATER										
31-9100-307-	AUDIT MATCH										
31-9100-599-	MISC.										
31-9100-715-	MATCHING GRANT										
31-9200-599-	RESERVE FOR TRANSFER										
Fund Totals		300,000.00			300,000.00				300,000.00		300,000.00

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Appropriation Condition Report</b>										
<b>OWSLEY COUNTY FISCAL COURT</b>										
<i>Fiscal Year: 2022-2023 Fund Type: Governmental</i>										
<i>Fund: All Funds Dept: All Departments</i>										
<i>From: July 1, 2022 To: June 30, 2023</i>										
Account	Name	Original Budget	Amendments	Transfers +/-	Total Available	Claims for Period	Claims Since July	% Used	Available Free Balance	Unencumbered Free Balance
<b>CLERK STORAGE</b>										
75-5010-540-	STORAGE	5,000.00	5,000.00		10,000.00				10,000.00	10,000.00
<i>Fund Totals</i>		5,000.00	5,000.00		10,000.00				10,000.00	10,000.00

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Appropriation Condition Report</b>											
<b>OWSLEY COUNTY FISCAL COURT</b>											
<i>Fiscal Year: 2022-2023 Fund Type: Governmental</i>											
<i>Fund: All Funds Dept: All Departments</i>											
<i>From: July 1, 2022 To: June 30, 2023</i>											
Account	Name	Original Budget	Amendments	Transfers +/-	Total Available	Claims for Period	Claims Since July	% Used	Available Free Balance	Encumbered	Unencumbered Free Balance
<b>OPIOID SETTLEMENT</b>											
76-9200-999-	RESERVE FOR TRANSFER	9,842.81	59,814.69		69,657.50				69,657.50		69,657.50
Fund Totals		9,842.81	59,814.69		69,657.50				69,657.50		69,657.50

**OWSLEY COUNTY  
FOURTH QUARTER FINANCIAL STATEMENT  
For The Year Ended June 30, 2023  
(Continued)**

<b>Appropriation Condition Report</b>											
<b>OWSLEY COUNTY FISCAL COURT</b>											
<i>Fiscal Year: 2022-2023 Fund Type: Governmental</i>											
<i>Fund: All Funds Dept: All Departments</i>											
<i>From: July 1, 2022 To: June 30, 2023</i>											
Account	Name	Original Budget	Amendments	Transfers +/-	Total Available	Claims for Period	Claims Since July	% Used	Available Free Balance	Encumbered	Unencumbered Free Balance
<b>ARPA FUND</b>											
84-9200-999-	RESERVE FOR TRANSFER	30,000.00	133,088.64	(4,995.20)	158,093.44	78,770.36	78,770.36	49.83%	79,323.08		79,323.08
84-9300-999-	TRANSFERS TO OTHER FUNDS										
Fund Totals		30,000.00	133,088.64	(4,995.20)	158,093.44	78,770.36	78,770.36	49.83%	79,323.08		79,323.08

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Appropriation Condition Report</b>											
<b>OWSLEY COUNTY FISCAL COURT</b>											
<i>Fiscal Year: 2022-2023 Fund Type: Governmental</i>											
<i>Fund: All Funds Dept: All Departments</i>											
<i>From: July 1, 2022 To: June 30, 2023</i>											
Account	Name	Original Budget	Amendments	Transfers +/-	Total Available	Claims for Period	Claims Since July	% Used	Available Free Balance	Encumbered	Unencumbered Free Balance
<b>Capital Improvements Fund</b>											
97-8000-999-	MISC.										
97-8000-742-	BUILDING & CONSTRUCTION										
97-8000-999-	RESERVE FOR TRANSFER										
97-8001-310-	BUILDINGS-CONTRACTED CONSTRUCTION										
Fund Totals											
Grand Total All Funds		4,473,721.81	197,903.33	(6,686.78)	4,664,938.36	3,600,854.78	3,600,854.78	77.19%	1,064,083.58	50,952.27	1,013,131.31

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Account Encumbrances</b>						
<b>OWSLEY COUNTY FISCAL COURT</b>						
Fund Type: Governmental						
Fund: All Funds Dept: All Departments						
From: 07/01/2022 To: 06/30/2023						
01-5001-445- OFFICE SUPPLIES						
00002740	01	02/28/23	QUILL	SUPPLIES		409.40
00002744	01	03/08/23	QUILL	SUPPLIES		72.73
					2 Order Items	482.13
01-5080-571- COURTHOUSE RENEWAL & REPAIRS						
00002685	01	01/05/23	LEE CO BLD	PAINT		100.00
00002687	01	01/06/23	LEE CO BLD	CONSTRUCTION MATERIALS		200.00
00002692	01	01/10/23	JACOBSTRAD	PARTS		500.00
00002693	01	01/10/23	LEE CO BLD	FOAM		200.00
00002694	01	01/10/23	JACOBSTRAD	PLUGS		25.00
00002698	02	01/13/23	ULINE	CLEANING SUPPLIES		732.12
00002703	01	01/17/23	LEE CO BLD	WATER HEATER		600.00
00002749	01	03/13/23	LEE CO BLD	PAINT		40.00
00002749	03	03/13/23	LEE CO BLD			10.00
00002814	01	05/04/23	JACOBSTRAD	LOCKS		100.00
00002841	01	05/18/23	LEE CO BLD	AOC PLUMBING		100.00
00002841	02	05/18/23	LEE CO BLD	SHERIFF PLUMBING		100.00
00002860	01	06/07/23	SEALMAST	HIGH RES		517.02
					13 Order Items	3,224.14
01-5080-578- COURTHOUSE UTILITIES						
00002093	01	11/01/21	RECC			
					1 Order Items	
01-9100-553- KRADD						
00002914	01	06/15/23	JACOBSTRAD	PLUMBING PARTS		16.37
					1 Order Items	16.37
02-5025-425- FOOD-INMATES						
00002828	01	05/11/23	LEXINGTONT	FOOD		26.25
					1 Order Items	26.25
02-5080-578- MAINTENANCE GARAGE UTILITIES						
00002094	01	11/01/21	RECC			
00002716	01	02/01/23	TIMSHORTFO	SHERIFF'S VEHICLE		600.00
					2 Order Items	600.00

**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Account Encumbrances</b>						
<b>OWSLEY COUNTY FISCAL COURT</b>						
Fund Type: Governmental						
Fund: All Funds Dept: All Departments						
From: 07/01/2022 To: 06/30/2023						
02-6105-336-			MAINTENANCE & REPAIRS			
00002099	01	11/05/21	BEGLEYAUTO			
00002691	01	01/09/23	KPS	PARTS		850.00
00002696	01	01/12/23	BEGLEYAUTO	SHERIFF PARTS		120.00
00002697	01	01/13/23	MEADE	PARTS		600.00
00002702	01	01/17/23	BEGLEYAUTO	BATTERIES		400.00
00002711	01	01/24/23	BEGLEYAUTO	PULLEY		200.00
00002714	01	01/26/23	BOONETIRE	TIRES		465.00
00002715	01	02/01/23	BEGLEYAUTO	WATER PUMP - SHERIFF		150.00
00002715	02	02/01/23	BEGLEYAUTO	PARTS - GARAGE		50.00
00002717	01	02/02/23	LEE CO BLD	ELECTRICAL		500.00
00002719	01	02/02/23	KIMBALL	HYDRHAULICS		850.00
00002722	01	02/06/23	BEGLEYAUTO	O2		500.00
00002724	01	02/09/23	TRUCKPRO	PTO		1,200.00
00002727	01	02/09/23	HUTCHAUTOM	HEADLIGHT		535.00
00002728	01	02/10/23	BEGLEYAUTO	PARTS		140.00
00002731	01	02/16/23	DONFRANKLI	SHERIFF DEPT		300.00
00002735	01	02/21/23	KPS	OIL		900.00
00002735	02	02/21/23	KPS	TRANSMISSION FLUID		1,020.00
00002736	01	02/23/23	BEGLEYAUTO	SHERIFF VEHICLE		105.00
00002738	01	02/27/23	BEGLEYAUTO	PARTS		200.00
00002739	01	02/28/23	KPS	HYRDAULIC OIL		1,000.00
00002742	01	03/08/23	MEADE	PARTS		500.00
00002747	01	03/13/23	MEADE	GLASS FOR BACKHOE		1,100.00
00002748	02	03/13/23	MEADTRACT	FUEL FILTER		50.00
00002748	03	03/13/23	MEADTRACT	BAR AND CHAIN MF170		75.00
00002748	04	03/13/23	MEADTRACT	SHOCK STEERING WHEEL		70.00
00002755	01	03/24/23	ADVANCEAUT	90W OIL		100.00
00002758	01	03/29/23	PARSLEYSTI	BACKHOE TIRES		2,720.00
00002764	01	04/03/23	BEGLEYAUTO	HEATING PARTS		125.00
00002768	01	04/10/23	JACOBSTRAD	CHAIN		75.00
00002769	01	04/11/23	LUCASAUTOM	MUFFLER		
00002772	01	04/11/23	AMERICANWE	ARGON		900.00
00002777	01	04/14/23	ADVANCEAUT	SHERIFF - LIGHTBULBS		100.00
00002780	01	04/24/23	ADVANCEAUT	FAN BELT		40.00
00002813	01	05/04/23	MEADTRACT	MOWER PARTS		500.00
00002824	01	05/08/23	BEGLEYAUTO	FILTER		100.00
00002826	01	05/10/23	BEGLEYAUTO	HYDROLIC HOSE		400.00
00002827	01	05/11/23	ADVANCEAUT	TRANSMISSION COOLER		174.24
00002827	02	05/11/23	ADVANCEAUT	TRANSMISSION FLUID		40.00
00002827	03	05/11/23	ADVANCEAUT	TRANSMISSION LUCAS		20.00
00002848	01	05/30/23	EASTKYMETA	BUILDING MATERIALS		4,590.84
00002854	01	06/01/23	KPS	HYDROLIC OIL		831.95
00002863	01	06/08/23	BEGLEYAUTO	OIL FITERS		78.80
00002871	01	06/09/23	MEADE	BRAKE SENSORS		168.38

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**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Account Encumbrances</b>						
<b>OWSLEY COUNTY FISCAL COURT</b>						
<i>Fund Type: Governmental</i>						
<i>Fund: All Funds Dept: All Departments</i>						
<i>From: 07/01/2022 To: 06/30/2023</i>						
<b>02-6105-336- MAINTENANCE &amp; REPAIRS</b>						
00002908	01	06/12/23	BEGLEYAUTO	PARTS		75.00
00002910	01	06/12/23	KIMBALL	PARTS		784.00
00002911	02	06/12/23	MCKSUPPLY	HOSE		250.00
00002913	01	06/15/23	ADVANCEAUT			199.74
00002916	01	06/15/23	MEADTRACT	FILTER ELEMENT		71.12
00002920	01	06/22/23	MEADTRACT	TRANSMISSION FILTER		100.00
00002920	02	06/22/23	MEADTRACT			100.00
00002921	01	06/22/23	CMIEQUIPME	PACKING KIT		230.00
00002921	02	06/22/23	CMIEQUIPME	SLEEVES		702.50
00002922	01	06/23/23	BEGLEYAUTO			75.00
00002924	01	06/26/23	BEGLEYAUTO	HYDROLIC HOSE REPAIR		121.54
00002924	02	06/26/23	BEGLEYAUTO	HYDROLIC OIL		45.98
00002916	02	06/15/23	MEADTRACT	FUEL FILTER		63.48
					57 Order Items	25,662.57
<b>02-6105-405- ASPHALT</b>						
00002767	01	04/05/23	C&RASPHALT	COAL PATCH MIX		2,560.00
					1 Order Items	2,560.00
<b>02-6105-441- ROAD EQUIPMENT</b>						
00002725	01	02/09/23	ROBOTSINDI	ROAD SIGNS		
00002757	01	03/29/23	MEADE	SKID STEER		315.00
00002786	01	04/25/23	RODSAUTORE	TIRES		700.00
00002855	01	06/01/23	SEFARM	BUSHHOG BLADE 90015		145.68
00002855	02	06/01/23	SEFARM	BUSHHOG BLADE 90014		149.62
					5 Order Items	1,310.30
<b>02-6105-713- HIGHWAY EQUIPMENT</b>						
00002708	01	01/19/23	ROBOTSINDI	ROAD SIGNS		100.00
					1 Order Items	100.00
<b>03-5101-101- JAILER</b>						
00002734	01	02/21/23	BEGLEYAUTO	CAR PARTS		50.00
					1 Order Items	50.00
<b>04-5135-445- DES SUPPLIES</b>						
00002765	01	04/04/23	QUILL	WIFI EXTENDER		54.99
00002836	01	05/17/23	SAR	SAR SUPPLIES		737.90
					2 Order Items	792.89
<b>04-5135-578- UTILITIES</b>						
00002095	01	11/01/21	RECC			
					1 Order Items	



**OWSLEY COUNTY**  
**FOURTH QUARTER FINANCIAL STATEMENT**  
**For The Year Ended June 30, 2023**  
**(Continued)**

<b>Account Encumbrances</b>						
<b>OWSLEY COUNTY FISCAL COURT</b>						
<i>Fund Type: Governmental</i>						
<i>Fund: All Funds Dept: All Departments</i>						
<i>From: 07/01/2022 To: 06/30/2023</i>						
<b>13-5211-431- REPAIRS</b>						
00002761	01	03/29/23	BEGLEYAUTO	PARTS FOR ROLLOFF		650.00
00002762	01	03/29/23	WORLDWIDEE	TRUCK PARTS		650.00
00002771	01	04/11/23	PARSLEYSTI	ROLL OFF TIRES		2,700.00
00002857	01	06/06/23	WORLDWIDEE	PARTS		2,340.91
00002861	01	06/07/23	PARSLEYSTI	TIRES		1,816.76
00002915	01	06/15/23	PARSLEYSTI	GARBAGE TRUCK TIRES		2,311.28
00002918	01	06/19/23	TANNERDODG	AXLE JOINT		149.50
00002919	01	06/19/23	BEGLEYAUTO			137.42
00002923	01	06/26/23	BLUEGRASSI	BRAKE SHOES		173.48
00002923	02	06/26/23	BLUEGRASSI	WHEEL SEAL		69.16
00002923	03	06/26/23	BLUEGRASSI	100AMP FUSE		69.76
00002923	04	06/26/23	BLUEGRASSI	RELAY 5 PIN		44.86
					12 Order Items	11,113.13
<b>13-5215-441- MACHINERY &amp; EQUIPMENT</b>						
00002712	01	01/24/23	SAM'SCLUBM	AIR TAGS		189.53
00002917	01	06/19/23	BEGLEYAUTO	AXLE JOINTS DODGE GARBAGE		150.00
					2 Order Items	339.53
<b>14-5401-578- UTILITIES</b>						
00002097	01	11/05/21	ALPHAMECHA			
					1 Order Items	
<b>14-5401-718- EQUIPMENT</b>						
00002752	01	03/21/23	SWEETWATER	SOUND EQUIPMENT		3,173.43
00002781	01	04/24/23	QUILL	PRINTER INK		159.98
00002785	01	04/25/23	LEE CO BLD	PLUMBING		200.00
00002825	01	05/10/23	LEE CO BLD	LOCKS		100.00
					4 Order Items	3,633.41
<b>14-5405-423- SUPPLIES/PREP</b>						
00002710	01	01/23/23	ULINE	CLEANING/HYGEINE		263.90
00002710	02	01/23/23	ULINE	S/H		45.82
00002753	01	03/21/23	ROBOTSINDI	BASKETBALL LEAGUE		
00002756	01	03/28/23	JACOBSTRAD	BUG SPRAY		50.00
00002791	01	05/08/23	ROBOTSINDI	LITTLE LEAGUE JERSEYS		483.00
00002926	01	06/28/23	LEE CO BLD	PLYWOOD		118.93
00002926	02	06/28/23	LEE CO BLD	LIQUID NAIL		59.90
00002926	03	06/28/23	LEE CO BLD	PROPANE		20.00
					8 Order Items	1,041.55
<b>18 Accounts listed</b>						<b>50,952.27</b>

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**OWSLEY COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

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

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**OWSLEY COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

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

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity's Identifying Number	Provided to Subrecipient	Total Federal Expenditures
<b><u>Department of Health and Human Services</u></b>				
<b>Direct Program</b>				
OPIOID Funding	93.788		\$ -	\$18,807.56
<b>Total Department of Health and Human Services</b>				<b>\$18,807.56</b>
<b><u>Department of Homeland Security</u></b>				
<i>Passed-Through State Department KY-EM</i>				
Program Name: FEMA	#		\$ -	\$1,025,063.17
<i>Less: Adjustment for FEMA expenditures for January 2022 flood not approved by DHS</i>				
Emergency Management Performance Grant	97.042			\$11,600.00
<b>Total U.S. Department of Homeland Security</b>			<b>-</b>	<b>\$1,036,663.17</b>
<i>Passed-Through Owsley Fiscal Court to Partnership Housing</i>				
Owsley County Commodity Supplemental Food Program Project -CBDG				\$345,000.00
<b>Total: U.S. Department of Housing and Urban Development</b>				<b>\$345,000.00</b>
<b><u>U. S. Department of Treasury</u></b>				
<b>Direct Program</b>				
ARPA Funding	21.027	#	\$ -	\$474,553.15
<b>Total U.S. Department of Treasury</b>			<b>-</b>	<b>\$474,553.15</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 0</b>	<b>\$1,875,023.88</b>

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**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 Zeke Little, Jr., Owsley County Judge/Executive  
The Honorable Cale Turner, Former Owsley County Judge/Executive  
Members of the Owsley County Fiscal Court

We were engaged to audit, 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, financial activity contained in the Fourth Quarter Financial Statement of the Owsley County Fiscal Court for the fiscal year ended June 30, 2023 and have issued our report thereon dated May 24, 2024. Our report disclaims an opinion on the financial statement because the absence of effective internal controls, oversight, and review procedures created an environment in which funds were misappropriated and financial records were inaccurate.

**Report on Internal Control Over Financial Reporting**

In connection with our engagement to audit the financial statement, we considered the Owsley 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 Owsley County Fiscal Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Owsley 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 Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2023-001, 2023-002, 2023-003, 2023-004, 2023-005, 2023-006, 2023-007, and 2023-009 to be material weaknesses.



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

**Report on Compliance And Other Matters**

In connection with our engagement to audit the financial statement of the Owsley County Fiscal Court, 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2023-001, 2023-002, 2023-003, 2023-004, 2023-005, 2023-006, 2023-007, 2023-008, and 2023-009. Additionally, if the scope of our work had been sufficient to enable us to express an opinion on the financial statement, other instances of noncompliance or other matters may have been identified and reported herein.

**Views of Responsible Official and Planned Corrective Action**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Owsley County Fiscal Court's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The county's response was not subjected to the auditing procedures applied in the engagement to audit the financial statement, and accordingly, we express no opinion on it.

**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

May 24, 2024

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM  
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

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ALLISON BALL  
AUDITOR OF PUBLIC ACCOUNTS

Report On Compliance For Each Major Federal Program  
And Report On Internal Control Over Compliance  
In Accordance With The Uniform Guidance

Independent Auditor's Report

The Honorable Zeke Little, Jr., Owsley County Judge/Executive  
The Honorable Cale Turner, Former Owsley County Judge/Executive  
Members of the Owsley County Fiscal Court

**Report on Compliance for Each Major Federal Program**

*Disclaimer of Opinion*

We were engaged to audit the Owsley County Fiscal Court's compliance with the types of compliance requirements identified as subject to audit in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on the Owsley County Fiscal Court's major federal programs for the year ended June 30, 2023. The Owsley County Fiscal Court's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

*Disclaimer of Opinion on ALN 21.027 Coronavirus State and Local Fiscal Recovery Funds*

We do not express an opinion on Owsley County Fiscal Court's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on Major Federal Program ALN 21.027 Coronavirus State and Local Fiscal Recovery Funds. Because of the significance of the matters described in the Basis for Disclaimer of Opinion of ALN 21.027 paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the compliance requirements referred to above that could have a direct and material effect on the Owsley County Fiscal Court's major federal program Coronavirus State and Local Fiscal Recovery Funds for the fiscal year ended June 30, 2023.

*Basis for Opinion of ALN 21.027*

The absence of effective internal controls, oversight, and review procedures over this major program created an environment in which funds were misappropriated and financial records were inaccurate. Based on these conditions, we determined the fraud risk to be too high and were unable to apply other procedures to mitigate this risk. The significance of these matters, in the aggregate, prevents us from placing reliance on the schedule of expenditures of federal awards and from expressing an opinion on the compliance requirements referred to above related to this major federal program 21.027 Coronavirus State and Local Fiscal Recovery Funds for the year ended June 30, 2023. The matters are further described in finding number 2023-010 in the accompanying schedule of findings and questioned costs.



Report On Compliance For Each Major Federal Program  
And Report On Internal Control Over Compliance  
In Accordance With The Uniform Guidance  
(Continued)

**Report on Compliance for Each Major Federal Program (Continued)**

*Basis for Opinion of ALN 21.027 (Continued)*

We are required to be independent of the Owsley County Fiscal Court and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We were unable to obtain sufficient and appropriate audit evidence to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of Owsley County Fiscal Court's compliance with the compliance requirements referred to above.

Compliance with such requirements is necessary, in our opinion, for the Owsley County Fiscal Court to comply with the requirements applicable to that program.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Owsley County Fiscal Court's federal programs.

**Auditor's Responsibilities for the Audit of Compliance**

Our responsibility is to conduct and audit of compliance in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion on ALN 21.027 section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on compliance.

We are required to be independent of the Owsley County Fiscal Court and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance, and therefore, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness.

Report On Compliance For Each Major Federal Program  
And Report On Internal Control Over Compliance  
In Accordance With The Uniform Guidance  
(Continued)

**Report on Internal Control over Compliance (Continued)**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-010 to be a material weakness. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Owsley County Fiscal Court's response to the internal control over compliance findings identified and described in the accompanying schedule of findings and questioned costs. The Owsley County Fiscal Court's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



Allison Ball  
Auditor of Public Accounts  
Frankfort, Ky

May 24, 2024

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**OWSLEY COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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

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**OWSLEY COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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

**Section I: Summary of Auditor’s Results**

***Financial Statement***

Type of report the auditor issued on whether the financial statement audited was prepared in accordance with GAAP:  
Disclaimer of Opinion on the financial statement

Internal control over financial reporting:

Are any material weaknesses identified?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are any significant deficiencies identified?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> None Reported
Are any noncompliances material to financial statements noted?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

***Federal Awards***

Internal control over major programs:

Are any material weaknesses identified?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are any significant deficiencies identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None Reported
Type of auditor’s report issued on compliance for major federal programs: Disclaimer of Opinion		
Are any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Identification of major programs:

<u>Assistance Listing Number</u> 21.027	<u>Name of Federal Program or Cluster</u> Coronavirus State and Local Fiscal Recovery Funds
--	--

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as a low-risk auditee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**OWSLEY COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For The Year Ended June 30, 2023**  
**(Continued)**

**Section II: Financial Statement Findings**

2023-001 The Owsley County Fiscal Court Failed To Implement A Strong Internal Control System

The Owsley County Fiscal Court lacks adequate segregation of duties over revenues, disbursements, cash, and payroll. The former Owsley County Treasurer was responsible for recording receipts and disbursements in the ledgers, preparing bank reconciliations, and preparing the county's payroll. As a result, the Owsley County Fiscal Court's fourth quarter financial statement was not an accurate representation of the financial activity of the fiscal court for the fiscal year ending June 30, 2023. There is a known management override of controls, resulting in misappropriation of assets. Furthermore, multiple items were incorrectly classified, and several transactions were not recorded on the financial statement. The following issues were noted:

- As noted in finding 2023-002, assets were misappropriated by a former employee.
- \$37,830 in payments could not be traced to the receipts ledger.
- \$1,422,382 was recorded on the receipts ledger incorrectly.
- The prior year carryover balance was misstated by \$454,622.
- Receipts were misstated by \$524,991.
- Disbursements were misstated by \$511,092.
- The ending balance was misstated by \$585,973.

Due to management override of controls, material errors that were identified, and the potential for unidentified material errors due to a lack of strong internal controls over the financial reporting process, we cannot overcome the fraud risks with additional audit procedures; therefore, we are unable to provide the fiscal court with an opinion on whether the financial statement is free from material misstatement. A disclaimer of opinion will be issued.

The fiscal court failed to adequately segregate the duties involved in recording receipts and disbursements, preparing monthly bank reconciliations, and preparing the fiscal court's payroll. Management also failed to provide adequate oversight regarding the former Owsley County Treasurer's preparation of financial reports, payroll, and use of the county's credit card.

The lack of adequate controls resulted in the misappropriation of county assets and material misstatements on the financial statement. As discussed in finding 2023-002, \$36,285 was charged to the county's credit card that were personal charges for a former member of management. Also, the fiscal court's fourth quarter financial statement and the underlying accounting records were materially misstated. When financial statements do not agree with the actual transaction amounts and are not reconciled to actual bank activity, the risk of material misstatement due to errors or fraud increases substantially.

Proper accounting procedures and internal controls require the financial statement be supported with accurate underlying accounting records such as bank reconciliations and receipts and disbursements ledgers. To ensure adequate oversight, the financial statement should be submitted to the fiscal court for review. Strong internal controls over financial reporting are vital in ensuring the fiscal court's financial statement accurately reflects the financial activity of the fiscal court. Furthermore, strong controls over the county's credit card would prevent misuse and personal expenditures by employees.

These controls should include an individual independent of the accounting function reviewing the financial statements for accuracy and compliance with DLG's reporting requirements. KRS 68.020(4) states the county treasurer, "shall keep an accurate detailed account of all money received and disbursed by him for the county and shall keep books of accounts of the financial transactions of the county in the manner required by the uniform system of accounting prescribed by the state local finance officer." KRS 68.210 gives the state local finance officer the authority to prescribe a uniform system of accounts.

**OWSLEY COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For The Year Ended June 30, 2023**  
**(Continued)**

**Section II: Financial Statement Findings (Continued)**

2023-001 The Owsley County Fiscal Court Failed To Implement A Strong Internal Control System  
 (Continued)

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Also, custody and use of the county's credit card should be limited to appropriate individuals, and a review of any charges to the credit card should be performed monthly.

We recommend the fiscal court implement internal controls and management oversight over the financial reporting process such as:

- A thorough review of the quarterly financial statements by someone independent of the accounting function that can help detect misstatements and errors that have occurred.
- Tracing transactions posted to the receipts and disbursements ledger to actual bank statement transactions.
- Agreeing fund balances between the quarterly financial statements and bank reconciliations, agreeing bank balances per the bank statements to the quarterly financial statements, and agreeing monthly bank reconciliations.
- Review ledgers to verify transactions have been recorded in the appropriate account codes. Once the ledgers and reconciliations are deemed accurate, the reviewer should document their review and submit the quarterly financial statement to the fiscal court for review.
- The fiscal court should ensure that credit cards are maintained by appropriate personnel and charges are reviewed by an independent employee.

By implementing these procedures, the fiscal court can strengthen its internal control system, ensure accurate financial reporting, and deter misappropriation of assets. This finding will be referred to the Kentucky Department for Local Government.

Views of Responsible Official and Planned Corrective Action:

*County Judge/Executive's Response: Owsley County Fiscal Court has been under new administration since January 2023 and working diligently to fix any and all problems that have been an issue. Owsley County Fiscal Court will develop a procedure manual to ensure that proper actions are taken on segregation of duties over revenues, disbursements, cash and payroll.*

2023-002 The Owsley County Fiscal Court Failed To Monitor Credit Card Purchases

---

The Owsley County Fiscal Court maintained a credit card to be used for various purchases that cannot be made by check. The credit card was utilized primarily by a former employee without oversight of purchases made on this credit card. Based upon a review of the activity for the credit card for fiscal year 2023, the following issues were noted:

- \$36,285 in personal charges, which included a \$204 cash advance for the former county treasurer.
- \$11,809 in charges were potentially for official business, but supporting documentation was not maintained to verify the nature of the charges.
- \$280 in late fees were assessed on the account.
- \$1,250 in interest was charged because billed amounts were not paid timely.
- \$6 in cash advance fees were charged to the account.

**OWSLEY COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2023  
(Continued)**

**Section II: Financial Statement Findings (Continued)**

2023-002 The Owsley County Fiscal Court Failed To Monitor Credit Card Purchases (Continued)

According to the county, the incoming county judge/executive was unaware that the fiscal court maintained a credit card. Also, there were no internal controls over the custody, purchasing, and payment of the credit card. As a result, the fiscal court has paid at least \$37,821 for personal purchases and an additional \$11,809 that are potentially not valid obligations of the fiscal court. This occurred as a direct result of the fiscal court's failure to implement internal controls to prevent personal use of the credit card.

According to KRS 68.275(1), "[c]laims against the county that are within the amount of line items of the county budget and arise pursuant to contracts duly authorized by the fiscal court shall be paid by the county judge/executive by a warrant drawn on the county...". The fiscal court should approve all expenditures, management should be involved in the purchasing process, and all expenditures should be treated consistently. Also, the custody and purchases on a credit card should be approved at an appropriate level of management and an independent employee should review all credit card purchases.

We recommend the fiscal court implement internal controls over the use of credit cards. If a credit card is maintained by the fiscal court, the use of the card should be limited to appropriate individuals and standard procedures should be developed and followed. This finding will be referred to the Kentucky State Police and the Kentucky Office of the Attorney General.

Views of Responsible Official and Planned Corrective Action:

*County Judge/Executive's Response: Owsley County Fiscal Court has been under new administration since January 2023 and working diligently to fix any and all problems that have been an issue. Owsley County Fiscal Court has already put in place that credit card is only given to Treasurer, Finance Officer, Road Forman and Judge Executive to use for any purchases needing bought.*

2023-003 The Owsley County Fiscal Court Lacks Adequate Internal Controls Over Receipts At The Recreation Center

The Owsley County Fiscal Court operates a recreation center. The recreation center collects receipts for events, room rentals, and the sale of concessions for events. The receipts collected for these events and concession sales are routinely cash receipts. There is no established process for these collections. Receipts are not given to customers, daily checkout sheets are not prepared, and deposits are not made daily.

During a review of the activity for the recreation center, it was noted that from July 2022 through January 4, 2023, the recreation center collected and deposited cash receipts of \$5,291 for events and concession sales. From January 2023 through mid-June 2023, there was no cash receipts for the recreation center for events and concession sales deposited into the parks and recreation fund. During this same period, checks totaling \$48,709 designated for other county funds were deposited into the parks and recreation fund. Beginning June 23, 2023 through June 30, 2023, the recreation center collected cash receipts of \$745 that were deposited into the parks and recreation fund for events and concession sales.

Management failed to implement controls over the receipts process at the recreation center. Management also failed to monitor deposits to determine why there were no cash sales for events and concession sales documented from January 2023 through June 22, 2023, and checks designated for other funds of the county were deposited into the recreation fund for that period of time. Failure to implement adequate controls over off-site collections could have resulted in a misappropriation of cash assets and checks totaling \$48,709 designated for other funds were incorrectly deposited into the parks and recreation fund. As a result of the erroneous deposits, the parks and recreation center fund receipts are overstated by \$48,709.

**OWSLEY COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For The Year Ended June 30, 2023**  
**(Continued)**

**Section II: Financial Statement Findings (Continued)**

2023-003 The Owsley County Fiscal Court Lacks Adequate Internal Controls Over Receipts At The Recreation Center (Continued)

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Good internal controls dictate that adequate controls exist over recreation center receipts and disbursements to ensure they are properly reported and that all receipts are deposited into the correct fund. In addition, KRS 68.210 gives the state local finance officer the authority to prescribe a uniform system of accounts. Pursuant to KRS 68.210 the state local finance officer has prescribed minimum accounting and reporting standards in the Department for Local Government's *County Budget Preparation and State Local Finance Officer Policy Manual*. The manual states, "Daily deposits intact into a federally insured banking institution." It also states, "Pre-numbered three-part receipt forms should be issued for all receipts. Original to be given to payer, copy to be attached in sequential order to daily cash check-out sheet or daily deposit record, and copy to remain in file." Also, good internal controls dictate receipts are accounted for daily and all collections are deposited daily. Any discrepancies between the deposit and daily checkout sheet should be documented.

We recommend the fiscal court enforce triplicate receipt issuance and maintenance for off-site collections for any payment from a customer, whether the payment is cash or check. In addition, daily checkout sheets should be prepared, daily deposits should be made into a federally insurance bank, and a member of management should review collection activity.

Views of Responsible Official and Planned Corrective Action:

*County Judge/Executive's Response: Owsley County Fiscal Court has been under new administration since January 2023 and working diligently to fix any and all problems that have been an issue. Owsley County Fiscal Court will develop a procedure manual to ensure that proper actions are taken on receiving cash on sales that are made at the Recreation Center.*

2023-004 The Owsley County Fiscal Court Lacks Adequate Internal Controls Over Receipts

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The Owsley County Fiscal Court lacks adequate internal controls over receipts. During fiscal year 2023, the following errors were noted:

- \$37,830 was paid to the fiscal court from the Kentucky Finance and Administration Cabinet that could not be traced to the receipts ledger.
- \$1,422,382 was paid to the fiscal court from the Kentucky Finance and Administration Cabinet and was posted to the receipts ledger incorrectly.
- \$322,500 was paid to the fiscal court for a pass-through grant and was not recorded on the receipts ledger.

Also, the fiscal court has off-site collections for the sale of gravel from a stockpile where citizens of the county can purchase gravel at the cost paid by the fiscal court. Receipts are issued to customers; however, there are no daily checkout sheets and deposits are not made daily. Receipts are posted to the county's ledger when deposits are reviewed on the bank statement.

The fiscal court failed to realize the importance of strong internal controls over reporting financial information, and instead relied on a single employee without sufficient oversight. The errors were not detected because financial reports were not reviewed by another employee to ensure accuracy. Furthermore, management has failed to implement policies and procedures for off-site collections that aren't directly received by the county treasurer. As a result, the fiscal court's financial reports were materially misstated.

**OWSLEY COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2023  
(Continued)**

**Section II: Financial Statement Findings (Continued)**

2023-004 The Owsley County Fiscal Court Lacks Adequate Internal Controls Over Receipts (Continued)

KRS 68.020(4) states, “[h]e shall keep an accurate detailed account of all money received and disbursed by him for the county, and shall keep books of accounts of the financial transactions of the county in the manner required by the uniform system of accounting prescribed by the state local finance officer.”

We recommend the fiscal court implement stronger internal controls over all receipts of the county. All receipts should be recorded in the appropriate account code, deposits should be made daily, daily checkout sheets should be prepared, and an employee not involved in the receipts process should review all receipts. We also recommend any payment for off-site collections from a customer should be accompanied by triplicate receipt, daily checkout sheets should be prepared, daily deposits should be made, and a member of management should review collection activity.

Views of Responsible Official and Planned Corrective Action:

*Owsley County Judge/Executive’s Response: Owsley County Fiscal Court has been under new administration since January 2023 and working diligently to fix any and all problems that have been an issue. Owsley County Fiscal Court will implement stronger internal controls over all receipts of the county. Owsley County Fiscal Court will see that deposits are made daily and recorded correctly.*

2023-005 The Owsley County Fiscal Court Lacks Adequate Internal Controls Over Disbursements

During fiscal year 2023, the Owsley County Fiscal Court lacked proper controls over purchasing and disbursement procedures. The purchase order system in place did not operate correctly and was not in compliance with the fiscal court's purchasing procedures and Kentucky Department for Local Government (DLG) guidance. The following deficiencies were noted:

- 27 disbursements totaling \$301,981 were made without adequate supporting documentation, and it is unclear if these disbursements were recorded correctly or if the disbursements were valid obligations of the fiscal court.
- 18 disbursements totaling \$258,769 were not presented to the fiscal court prior to payment.
- 20 invoices totaling \$134,946 were not paid within 30 working days.
- 54 invoices were paid without a purchase order.
- Encumbrances reported on the county’s financial statement are not accurate.

As noted in finding 2023-001, these deficiencies were largely related to the fiscal court’s weak system of internal controls. Management failed to implement adequate internal controls over the disbursements process. As a result of these deficiencies, it is unclear if all purchases were for official business or were properly recorded on the financial statement. Further, without an operating purchase order system, the fiscal court was not monitoring the budget effectively.

KRS 68.210 gives the state local finance officer the authority to prescribe a uniform system of accounts. Pursuant to KRS 68.210, the state local finance officer has prescribed minimum accounting and reporting standards in the Department for Local Government's *County Budget Preparation and State Local Finance Officer Policy Manual*, which outlines the necessary requirements of a purchase order system. These requirements include listing the amount of the claim and the appropriation code to which the claim will be posted. Proper internal controls would require the purchase order number be noted on the related invoice.



**OWSLEY COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2023  
(Continued)**

**Section II: Financial Statement Findings (Continued)**

2023-005 The Owsley County Fiscal Court Lacks Adequate Internal Controls Over Disbursements  
(Continued)

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KRS 68.275(2) states, “[t]he county judge/executive shall present all claims to the fiscal court for review prior to payment[.]”

KRS 65.140(2) requires that “all bills for goods or services shall be paid within thirty (30) working days of receipt of a vendor's invoice.”

We recommend the fiscal court implement stronger internal controls over the disbursements process including ensuring all expenditures are supported by an invoice or bill; ensuring all expenditures are valid obligations of the fiscal court; properly document that all claims were presented to the fiscal court prior to payment; ensuring all invoices are paid within 30 business days; and implementing a functioning purchase order system.

Views of Responsible Official and Planned Corrective Action:

*Owsley County Judge/Executive's Response: Owsley County Fiscal Court has been under new administration since January 2023 and working diligently to fix any and all problems that have been an issue. Owsley County Fiscal Court will implement a stronger internal control over the disbursements process including ensuring all expenditures are supported by an invoice or bill; ensuring all expenditures are valid obligations of the fiscal court; properly document that all claims were presented to the fiscal court prior to payment; ensuring all invoices are paid within thirty business days; and implementing a functioning purchase order system.*

2023-006 The Owsley County Fiscal Court Does Not Have Adequate Controls Over The Payroll Process

---

This is a repeat finding and was included in the prior year audit report as finding 2022-005. The Owsley County Fiscal Court's internal controls over the payroll process were not operating effectively. The following deficiencies were noted:

- Five timesheets were not approved by a supervisor.
- Timesheets did not separate hours worked from overtime hours.
- Overtime paid to a former employee was not documented on the employee's timesheets.
- Timesheets were signed before the end of the respective pay period.
- Payroll taxes withheld from employee pay were not remitted timely, resulting in interest and penalties paid by the county for the late payments, totaling \$25,659.
- The payroll revolving account, used to process payroll, has an unreconciled ending balance of \$56,889 as of June 30, 2023. It is unknown to which county fund this amount belongs.
- Amounts from the fiscal court's payroll reports do not agree to amounts on monthly retirement remittance reports.

The above deficiencies occurred as a result of the improper design and implementation of internal controls. A lack of strong internal controls over payroll could allow employees to be underpaid/overpaid and an unexplained ending balance in the payroll revolving account. Delayed payment of withheld employee taxes to state and federal agencies costs the county penalty and interest fees.

**OWSLEY COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2023  
(Continued)**

**Section II: Financial Statement Findings (Continued)**

2023-006 The Owsley County Fiscal Court Does Not Have Adequate Controls Over The Payroll Process  
(Continued)

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Strong internal controls over payroll and timekeeping are vital in ensuring that payroll amounts are calculated and accounted for properly. Additionally, properly designed internal controls over payroll processing requires all timesheets are prepared consistently and accurately, and the revolving account to be reconciled monthly. Also, any taxes withheld should be paid to state and federal revenue departments as required.

Per the Withholding Kentucky Income Tax manual Section I, “Wages paid to a Kentucky resident as a regular employee in the conduct of business of an employer required to withhold taxes, are subject to withholding on services performed both in and outside Kentucky.” In addition, Section IV(D) states, “Employers withholding \$50,000 or more Kentucky income tax a year must file and pay on a twice-monthly basis. Employers meeting the twice-monthly filing requirement must notify DOR and be placed on a twice-monthly basis. When an account has been placed on twice-monthly filing and the employer fails to file twice-monthly, applicable interest and penalties will be assessed as described in Section X.”

We recommend the fiscal court develop and implement strong internal controls over payroll. All timesheets prepared by employees should be dated, reviewed, and approved correctly, and the payroll revolving account should be reconciled monthly. Also, all taxes withheld should be paid promptly in accordance with their respective taxing agency.

Views of Responsible Official and Planned Corrective Action:

*Owsley County Judge/Executive’s Response: Owsley County Fiscal Court has been under new administration since January 2023 and working diligently to fix any and all problems that have been an issue. Owsley County Fiscal Court will add a column to timesheets to capture overtime hours. Owsley County Fiscal Court will ensure that ALL timesheets are signed by supervisors.*

2023-007 The Owsley County Fiscal Court Did Not Prepare An Accurate Schedule Of Expenditures Of Federal Awards

---

The Owsley County Treasurer prepared a Schedule of Expenditures of Federal Awards (SEFA) for fiscal year 2023. The SEFA reported federal expenditures totaling \$1,875,024. The SEFA was materially misstated. The amounts reported could not be verified and the following discrepancies were noted:

- \$18,808 was included for ‘OPIOID Funding’ that could not be verified.
- Federal Emergency Management Agency (FEMA) expenditure amount was overstated by \$831,833.
- U.S. Department of Housing and Urban Development expenditures were overstated by \$22,500.

If the SEFA amounts were adjusted for errors noted, total federal expenditures would be \$1,001,883. However, due to issues noted in report finding 2023-001, we cannot determine the accuracy of this amount.

The fiscal court failed to implement adequate controls over the preparation of the SEFA. The failure to prepare the SEFA accurately, misrepresented the fiscal court’s federal expenditure activity for the fiscal year and overstated federal expenditures by \$873,140.

**OWSLEY COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2023  
(Continued)**

**Section II: Financial Statement Findings (Continued)**

2023-007 The Owsley County Fiscal Court Did Not Prepare An Accurate Schedule Of Expenditures Of Federal Awards (Continued)

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2 C.F.R. § 200.510(b) states, “[t]he auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee’s financial statements which must include the total Federal awards expended....” At a minimum, the schedule must include the following if applicable:

- (1) List individual Federal programs by Federal agency.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity.
- (3) Provide total Federal awards expended for each individual Federal program and the Assistance Listings Number or other identifying number when the ALN information is not available.
- (4) The total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
- (6) Include notes that describe the significant accounting policies used in preparing the schedule.

Good internal controls dictate that the fiscal court have procedures in place to review the SEFA prepared by the county treasurer for accuracy and to ensure all federal expenditures for the fiscal year are accurately included on the SEFA.

We recommend the fiscal court implement internal controls to ensure that the SEFA is properly prepared and federal expenditures are reported accurately. This finding will be referred to the Kentucky Department for Local Government, the U.S. Department of The Treasury, and Kentucky Emergency Management.

Views of Responsible Official and Planned Corrective Action:

*Owsley County Judge/Executive’s Response: Owsley County Fiscal Court has been under new administration since January 2023 and working diligently to fix any and all problems that have been an issue. Owsley County Fiscal Court will develop a procedure manual to ensure that proper actions are taken when utilizing Federal Expenditures.*

2023-008 The Owsley County Fiscal Court Did Not Follow Bidding Requirements Or Have Adequate Controls Over Bidding Procedures

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The Owsley County Fiscal Court did not have adequate internal controls over bidding procedures and did not follow bid requirements. The fiscal court advertised for bids but did not keep any documentation to support the approval or awarding of bids. Also, the fiscal court failed to advertise for bids for fuel, on which \$63,629 was spent during fiscal year 2023.

The fiscal court failed to keep records to support the awarding of bids and were unaware of the requirement to advertise for bids for fuel. Limiting competition or not receiving bids at all could hinder the fiscal court from procuring equipment and services at the best price available.

**OWSLEY COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2023  
(Continued)**

**Section II: Financial Statement Findings (Continued)**

2023-008 The Owsley County Fiscal Court Did Not Follow Bidding Requirements Or Have Adequate Controls Over Bidding Procedures (Continued)

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During the year of audit, KRS 424.260 required that when procuring services at a cost exceeding \$30,000, the county should make a newspaper advertisement for bids. A county should determine its reasonable and anticipated needs for at least a year. Strong internal controls over the awarding of bids would require that bid documents be maintained to support why each contract is awarded. Furthermore, the fiscal court's administrative code 410.1 states, "Contracts exceeding \$30,000 shall be approved by the fiscal court before it is executed."

We recommend the fiscal court ensure any purchases over \$30,000 or more are bid in compliance with the county administrative code. When bids are awarded by the fiscal court, adequate documentation should be maintained to support the award. In addition, we recommend any invoice for items bid be compared to the actual proposal to ensure items delivered were the one actually bid and to ensure accurate billing.

Views of Responsible Official and Planned Corrective Action:

*Owsley County Judge/Executive's Response: Owsley County Fiscal Court has been under new administration since January 2023 and working diligently to fix any and all problems that have been an issue. Owsley County Fiscal Court will develop a procedure manual to ensure that proper actions are taken when handling bidding procedures.*

2023-009 The Owsley County Fiscal Court's Disbursements Exceeded Budgeted Appropriations

---

This is a repeat finding and was included in the prior year audit report as finding 2022-001. The Owsley County Fiscal Court lacks internal controls over the budgeting process. The fiscal court is required to prepare a budget each fiscal year and make any amendments to the budget if necessary. The fiscal court exceeded their budgeted appropriations in the General Fund and the Solid Waste Fund by \$3,456 and \$27,145, respectively. Furthermore, budget amendments were not recorded correctly on the financial statement, approved by the fiscal court, or submitted to the Kentucky Department for Local Government (DLG) as required.

The fiscal court failed to implement internal controls over the budgeting process and failed to properly make necessary budget amendments. As a result, the fiscal court had expenditures from funds that were in excess of budgeted amounts. Also, the fiscal court is not in compliance with budget requirements.

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

Strong internal controls over financial reporting are vital in ensuring the fiscal court's actual expenditures do not exceed the budgeted expenditures in each fund and that any amendments to the county's budget are properly approved.

We recommend the Owsley County Fiscal Court implement internal controls to ensure that expenditures are within budget appropriations as required by statute and if necessary, request a budget amendment prior to exceeding the budget. Furthermore, any amendments to the fiscal court's budget should be recorded on the financial statement, documented in the fiscal court minutes, and submitted to DLG for approval.

**OWSLEY COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For The Year Ended June 30, 2023**  
**(Continued)**

**Section II: Financial Statement Findings (Continued)**

2023-009 The Owsley County Fiscal Court's Disbursements Exceeded Budgeted Appropriations (Continued)

Views of Responsible Official and Planned Corrective Action:

*Owsley County Judge/Executive's Response: Owsley County Fiscal Court has been under new administration since January 2023 and working diligently to fix any and all problems that have been an issue. Owsley County Fiscal Court will have the Judge and Finance Officer review budget before sending to DLG.*

**Section III: Federal Award Findings And Questioned Costs**

2023-010 The Owsley County Fiscal Court Did Not Maintain Documentation To Support Expenditures For Federal Programs

Federal Program: Assistance Listing Number 21.027 – Coronavirus State and Local Fiscal Recovery Funds  
Award Number and Year: 2023

Name of Federal Agency and Pass-Thru Agency (if applicable): U.S. Department of The Treasury

Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Period of Performance, Procurement, Suspension, Debarment, Reporting

Type of Finding: Material Weakness, Material Noncompliance

Amount of Likely Questioned Costs: \$474,553

Opinion Modification (if applicable): Disclaimer

COVID-19 Related: Yes

The Owsley County Fiscal Court was awarded \$857,562 from the United States Department of The Treasury during fiscal years 2021 and 2022. These funds were provided to respond to the public health emergency with respect to COVID-19 and its negative economic impact. The fiscal court used the funds to supplement a loss of revenue in the county's various funds used for day-to-day operations. The fiscal court expended \$474,553 during fiscal year 2023 through inter-fund transfers and expenditures directly from the fund. Of the \$474,553 expended, there was no documentation maintained to support the expenditures.

The fiscal court failed to implement adequate internal controls over federal expenditures which would require adequate documentation for any federal program expenditures. Without adequate documentation to support expenditures, granting agencies could request the funds be refunded. Furthermore, we were unable to obtain sufficient audit evidence to provide an opinion on the fiscal court's compliance with the direct and material compliance requirements for this major federal program.

2 CFR § 200.303 requires a non-federal entity to "[e]stablish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award." In addition, 2 CFR § 200.302 states, in part, "These records must contain information pertaining to Federal awards, authorizations, financial obligations, unobligated balances, assets, expenditures, income, and interest be supported by source documentation." Good internal controls dictate that the fiscal court have procedures in place to ensure that all records are maintained and can support expenditures of program awards.

Total likely questioned costs are \$474,553. Questioned costs were computed by reviewing the total amount of expenditures of program funds during fiscal year 2023. There was no documentation maintained to support any of the expenditures for this program. This is not a repeat finding.

**OWSLEY COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2023  
(Continued)**

**Section III: Federal Award Findings And Questioned Costs (Continued)**

2023-010 The Owsley County Fiscal Court Did Not Maintain Documentation To Support Expenditures For Federal Programs (Continued)

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We recommend the fiscal court strengthen internal controls over federal awards to ensure all expenditures of federal program awards are adequately supported and documentation is maintained.

Views of Responsible Official and Planned Corrective Action:

*Owsley County Judge Executive's Response: Owsley County Fiscal Court has been under new administration since January 2023 and working diligently to fix any and all problems that have been an issue. Owsley County Fiscal Court will develop a procedure manual to ensure that proper actions are taken when utilizing Federal Expenditures.*

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

**OWSLEY COUNTY FISCAL COURT**

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

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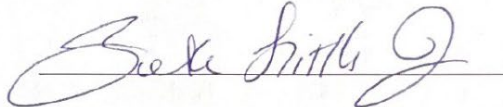
CERTIFICATION OF COMPLIANCE

LOCAL GOVERNMENT ECONOMIC ASSISTANCE AND DEVELOPMENT PROGRAM

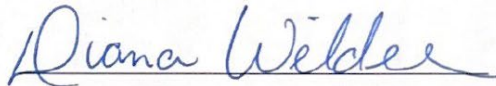
OWSLEY COUNTY FISCAL COURT

For The Year Ended June 30, 2023

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

A handwritten signature in blue ink, reading "Brett Little J", written over a horizontal line.

County Judge/Executive

A handwritten signature in blue ink, reading "Diana Wilder", written over a horizontal line.

County Treasurer