



Auditor of Public Accounts
Allison Ball

FOR IMMEDIATE RELEASE

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Ball Releases Audit of Robertson County Fiscal Court

FRANKFORT, Ky. – State Auditor Allison Ball has released the audit of the financial statements of the Robertson County Fiscal Court for the fiscal year ended June 30, 2023. State law requires annual audits of county fiscal courts.

Auditing standards require the auditor’s letter to communicate whether the financial statements present fairly the receipts, disbursements, and changes in fund balances of the Robertson County Fiscal Court in accordance with accounting principles generally accepted in the United States of America. The fiscal court’s financial statement did not follow this format. However, the fiscal court’s financial statement is fairly presented in conformity with the regulatory basis of accounting, which is an acceptable reporting methodology. This reporting methodology is followed for 116 of 120 fiscal court audits in Kentucky.

The audit contains the following findings:

The General Fund owes the Road Fund \$48,150: During fiscal year 2009, the fiscal court transferred \$96,500 from the Road Fund to the General Fund, exceeding the amount allowable according to the road cost allocation worksheet. The county was to return the excess amount back to the Road Fund from the General Fund. The county has been making payments each year from the General Fund, and the outstanding liability amount was \$48,150 as of June 30, 2023.

We recommend the General Fund liability be paid as money becomes available.

County Judge/Executive’s Response: The County will continue to make payments to the Road Fund as funds become available and until this FY 2009 debt is paid.

The Robertson County Fiscal Court failed to implement adequate internal controls regarding oversight and financial reporting: The fiscal court and management failed to maintain adequate oversight and financial reporting during fiscal year 2023. This resulted in several issues including, but not limited to, fund fees did not agree to DLG reports; approved budget did not agree to reported budget for the fourth quarter; incorrect SEFA including non-federal monies and excluded federal monies; incomplete transfers between funds; materially misstated financial statement.

We recommend the fiscal court and management strengthen internal controls over financial reporting by providing strong oversight and review processes to ensure all financial activity is complete and accurate and is properly recorded and classified. Procedures should also be implemented to ensure compliance with applicable statutes, regulations, and policies.

County Judge/Executive's Response: The current CJE sent staff to Budget Training. Staff completed training provided by the State Auditor's Office. The former Treasurer trained offsite with another County's treasurer. The Fiscal Court and CJE(s) hired an outside professional to help create the budgets in FY 22 and 23. The Fiscal Court and CJE hired an outside professional to reinput work and reports produced in FY 2022-23. As the former treasurer resigned in January 2024, a new Treasurer was hired in December 2023. The new Treasurer has experience in fund accounting, municipal budgeting, and grant reporting. The CJE recommends the Fiscal Court employ the services of the State Auditor's Office for future audits. We believe these issues were previously ongoing. However, they were not included in the scope of prior audits completed by a private firm. We believe the Auditor's Office will conduct a broader audit, more relevant to our situation.

The Robertson County Fiscal Court had expenditures in excess of budgeted line items and did not budget funds properly: One line-item appropriation within the general and jail fund was in excess of budgeted amounts. The general fund overspent the administration line-item by \$247,599, the fund in total was overspent by \$28,735. The jail fund overspent the administration line-item by \$5,811. The document fees and special fund ARPA funds were not budgeted in the original budget and a budget amendment was not completed.

We recommend the county strengthen controls over the disbursements process to ensure purchases being made do not cause an issue with overspending a line-item budget amount and that all funds be budgeted in accordance with KRS 68.210 and KRS 68.300. Further, we recommend timely budget amendments be submitted for unanticipated receipts.

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The Robertson County Fiscal Court did not have strong internal controls over disbursements and the bidding process: During disbursement testing the auditor noted two (2) invoices were not paid within 30 working days of the receipt, totaling \$899; five (5) invoices were not presented to fiscal court before payment, totaling \$16,689; bid documents could not be located for two (2) disbursements for road construction, totaling 104,110. The auditor also noted eleven (11) disbursements did not have supporting documentation, totaling \$902, and interest charges of \$292 and late charges of \$39 were paid with regard to credit card transactions.

We recommend the fiscal court implement proper internal controls over disbursements and the bidding process to ensure they are operating effectively.

County Judge/Executive's Response: The magistrates approved changes to the purchasing policy and added encumbrances to the board packets in CY 2023. The CJE recommends the adoption of two court meetings per month to ensure invoices are paid timely. The finance officer anticipates repetitive bills and adds those estimates to the encumbrance list each month to ensure invoices are approved and paid timely.

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

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