

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

**For The Year Ended
June 30, 2018**



**MIKE HARMON
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MIKE HARMON
AUDITOR OF PUBLIC ACCOUNTS

To the People of Kentucky
The Honorable Matthew G. Bevin, Governor
William M. Landrum III, Secretary
Finance and Administration Cabinet
The Honorable Steve Tribble, Christian County Judge/Executive
Members of the Christian County Fiscal Court

The enclosed report prepared by Dean Dorton Allen Ford, PLLC, Certified Public Accountants, presents the financial statement of Christian County, Kentucky, for the year ended June 30, 2018.

We engaged Dean Dorton Allen Ford, PLLC, to perform the audit of this financial statement. We worked closely with the firm during our report review process; Dean Dorton Allen Ford, PLLC, evaluated the Christian County Fiscal Court's internal controls and compliance with applicable laws and regulations.

Respectfully submitted,

Mike Harmon
Auditor of Public Accounts

Enclosure



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Report of Independent Auditors

Report on the Financial Statement

We have audited the accompanying Statement of Receipts, Disbursements, and Changes in Fund Balances - Regulatory Basis of the Christian County Fiscal Court, for the year ended June 30, 2018, and the related notes to the financial statement which collectively comprise the Christian County Fiscal Court's financial statement as listed in the table of contents.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws. This includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Audit Guide for Fiscal Court Audits* issued by the Auditor of Public Accounts, Commonwealth of Kentucky. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the Christian County Fiscal Court on the basis of the accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Christian County Fiscal Court as of June 30, 2018, or changes in financial position or cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the fund balances of the Christian County Fiscal Court as of June 30, 2018, and their respective cash receipts and disbursements, and budgetary results for the year then ended, in accordance with the basis of accounting practices prescribed or permitted by the Department for Local Government described in Note 1.

Emphasis of Matter

As discussed in Note 11 to the financial statement, the entity has had numerous significant transactions with businesses controlled by, and with people who are related to, the officers and directors of the entity. Our opinion is not modified with respect to this matter.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement taken as a whole of the Christian County Fiscal Court. The Budgetary Comparison Schedules, Schedule of Capital Assets, and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the financial statement; however, they are required to be presented in accordance with accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws.

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Other Matters (Continued)

Supplementary Information (Continued)

The accompanying Budgetary Comparison Schedules, Schedule of Capital Assets, and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Schedules, Schedule of Capital Assets, and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statement as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March, 20 2019, on our consideration of the Christian 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 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 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 Christian County Fiscal Court's internal control over financial reporting and compliance.

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

2018-001 The Christian County Fiscal Court Did Not Have Adequate Internal Controls over Credit Card Disbursements

Dean Dotson Allen Ford, PLLC

Louisville, Kentucky
March 20, 2019

CHRISTIAN COUNTY OFFICIALS**For The Year Ended June 30, 2018****Fiscal Court Members:**

Steve Tribble	County Judge/Executive
Kenneth Bates	Magistrate
Mark Wells	Magistrate
Mark Cansler	Magistrate
Darrell Gustafson	Magistrate
Rich Liebe	Magistrate
Jack Lackey	Magistrate
David Collins	Magistrate
Terry Bowman	Magistrate

Other Elected Officials:

J. Michael Foster	County Attorney
Bradley Boyd	Jailer
Mike Kem	County Clerk
Paige Parker	Circuit Court Clerk
Livy Leavell, Jr.	Sheriff
Angela Strader	Property Valuation Administrator
Dorris Lamb	Coroner

Appointed Personnel:

Walter Cummings	County Treasurer
Ruth Mason	Assistant County Treasurer
Kelly Finley	County Finance Officer

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

For The Year Ended June 30, 2018

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

For The Year Ended June 30, 2018

	<u>General Fund</u>	<u>Road Fund</u>	<u>Jail Fund</u>
RECEIPTS			
Taxes	\$ 7,670,694	\$	\$
In Lieu Tax Payments	216,489		
Excess Fees	556,542		
Licenses and Permits	124,594		
Intergovernmental	2,262,767	2,141,067	6,141,422
Charges for Services	235,549		527,584
Miscellaneous	186,161	56,840	186,759
Interest	221,241	5,347	6,212
Total Receipts	<u>11,474,037</u>	<u>2,203,254</u>	<u>6,861,977</u>
DISBURSEMENTS			
General Government	6,714,251		
Protection to Persons and Property	494,995		5,467,818
General Health and Sanitation	535,725		
Social Services	121,730		
Recreation and Culture	528,868		
Roads		2,702,072	
Airports	65,676		
Debt Service			12,752
Capital Projects	3,589,285	44,000	
Administration	3,176,112	393,373	1,538,135
Total Disbursements	<u>15,226,642</u>	<u>3,139,445</u>	<u>7,018,705</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(3,752,605)</u>	<u>(936,191)</u>	<u>(156,728)</u>
Other Adjustments to Cash (Uses)			
Bond Proceeds	10,390,000		
Premium on Bond Proceeds	110,000		
Transfers From Other Funds		1,225,000	175,000
Transfers To Other Funds	(1,707,570)	(238,723)	(279,525)
Total Other Adjustments to Cash (Uses)	<u>8,792,430</u>	<u>986,277</u>	<u>(104,525)</u>
Net Change in Fund Balance	5,039,825	50,086	(261,253)
Fund Balance - Beginning	10,546,216	52,637	521,249
Fund Balance - Ending	<u>\$ 15,586,041</u>	<u>\$ 102,723</u>	<u>\$ 259,996</u>
Composition of Fund Balance			
Bank Balance	\$ 8,420,179	\$ 108,834	\$ 318,650
Plus: Deposits In Transit			160
Less: Outstanding Checks	(1,411,353)	(6,111)	(58,814)
Certificates of Deposit	8,577,215		
Fund Balance - Ending	<u>\$ 15,586,041</u>	<u>\$ 102,723</u>	<u>\$ 259,996</u>

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

CHRISTIAN COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES - REGULATORY BASIS
For The Year Ended June 30, 2018
(Continued)

Budgeted Funds			Unbudgeted Funds				Internal Service Fund
Local Government Economic Assistance Fund	E-911 Fund	General Obligation Bond Fund	Jail Commissary Fund	Industrial Development Authority Revolving Loan Fund	Public Courthouse Corporation Fund	Total Funds	Health Insurance Fund
\$	\$ 127,244	\$	\$	\$	\$	\$ 7,797,938	\$
						216,489	
						556,542	
						124,594	
194,631	356,297				1,380,825	12,477,009	
						763,133	
			1,261,997	19,527		1,711,284	2,326,637
1,821	14,872		9,589	19,018	33	278,133	7,702
196,452	498,413		1,271,586	38,545	1,380,858	23,925,122	2,334,339
						6,714,251	
	435,634					6,398,447	
						535,725	
						121,730	
			1,158,984			1,687,852	
258,245						2,960,317	
						65,676	
		825,818			1,385,868	2,224,438	
						3,633,285	
				40		5,107,660	1,987,741
258,245	435,634	825,818	1,158,984	40	1,385,868	29,449,381	1,987,741
(61,793)	62,779	(825,818)	112,602	38,505	(5,010)	(5,524,259)	346,598
						10,390,000	
						110,000	
		825,818			58,531	2,284,349	
					(58,531)	(2,284,349)	
		825,818				10,500,000	
(61,793)	62,779		112,602	38,505	(5,010)	4,975,741	346,598
82,800	924,763		602,806	915,837	5,019	13,651,327	343,778
\$ 21,007	\$ 987,542	\$ 0	\$ 715,408	\$ 954,342	\$ 9	\$ 18,627,068	\$ 690,376
\$ 23,308	\$ 1,086,452	\$	\$ 736,975	\$ 954,342	\$ 9	\$ 11,648,749	\$ 620,252
						160	70,124
(2,301)	(98,910)		(21,567)			(1,599,056)	
						8,577,215	
\$ 21,007	\$ 987,542	\$ 0	\$ 715,408	\$ 954,342	\$ 9	\$ 18,627,068	\$ 690,376

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

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**CHRISTIAN COUNTY
NOTES TO FINANCIAL STATEMENT**

June 30, 2018

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The financial statement of Christian County includes all budgeted and unbudgeted funds under the control of the Christian County Fiscal Court. Budgeted funds included within the reporting entity are those funds presented in the fiscal court's approved annual budget and reported on the quarterly reports submitted to the Department for Local Government. Unbudgeted funds may include non-fiduciary financial activities, private purpose trust funds, and internal service funds that are within the fiscal court's control. Unbudgeted funds may also include any corporation to act as the fiscal court in the acquisition and financing of any public project which may be undertaken by the fiscal court pursuant to the provisions of Kentucky law and thus accomplish a public purpose of the fiscal court. The unbudgeted funds are not presented in the annual approved budget or in the quarterly reports submitted to the Department for Local Government.

B. Basis of Accounting

The financial statement is presented on a regulatory basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. This basis of accounting involves the reporting of fund balances and the changes therein resulting from cash inflows (cash receipts) and cash outflows (cash disbursements) to meet the financial reporting requirements of the Department for Local Government and the laws of the Commonwealth of Kentucky.

This regulatory basis of accounting differs from GAAP primarily because the financial statement format does not include the GAAP presentations of government-wide and fund financial statements, cash receipts are recognized when received in cash rather than when earned and susceptible to accrual, and cash disbursements are recognized when paid rather than when incurred or subject to accrual.

Generally, except as otherwise provided by law, property taxes are assessed as of January 1, levied (mailed) November 1, due at discount November 30, due at face value December 31, delinquent January 1 following the assessment, and subject to sale ninety days following April 15.

C. Basis of Presentation

Budgeted Funds

The fiscal court reports the following budgeted funds:

General Fund - This is the primary operating fund of the fiscal court. It accounts for all financial resources of the general government, except where the Department for Local Government requires a separate fund or where management requires that a separate fund be used for some function.

Road Fund - This fund is for road and bridge construction and repair. The primary sources of receipts for this fund are state payments for truck license distribution, municipal road aid, and transportation grants. The Department for Local Government requires the fiscal court to maintain these receipts and disbursements separately from the general fund.

Jail Fund - The primary purpose of this fund is to account for the jail expenses of the county. The primary sources of receipts for this fund are reimbursements from the state and federal governments, payments from other counties for housing prisoners, and transfers from the general fund. The Department for Local Government requires the fiscal court to maintain these receipts and disbursements separately from the general fund.

CHRISTIAN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2018
(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

C. Basis of Presentation (Continued)

Budgeted Funds (Continued)

Local Government Economic Assistance Fund - The primary purpose of this fund is to account for grants and related disbursements. The primary sources of receipts for this fund are grants from the state and federal governments.

E-911 Fund - The primary purpose of this fund is to account for the dispatch expenses of the county. The primary source of receipts for this fund is the 911 telephone surcharge.

General Obligation Bond Fund - The purpose of this fund is to account for debt service requirements of the general obligation refunding bonds. The primary sources of receipts for this fund are transfers from other funds.

Unbudgeted Funds

The fiscal court reports the following unbudgeted funds:

Jail Commissary Fund - The canteen operations are authorized pursuant to KRS 441.135(1). The profits generated from the sale of items are to be used for the benefit and to enhance the well-being of the inmates, or to enhance safety and security within the jail. The jailer is required to maintain accounting records and report annually to the county treasurer the receipts and disbursements of the Jail Commissary Fund.

Industrial Development Authority Revolving Loan Fund - The primary purpose of this fund is to account for the activities of the Christian County Industrial Authority. Activity of this fund includes the repayment of small business loans made by the Revolving Loan Fund. On November 12, 2003, the Department for Local Government approved an ordinance allowing this activity.

Public Courthouse Corporation Fund - The primary purpose of this fund is to account for the activities of the Christian County Public Courthouse Corporation (the Corporation). The Corporation issues debt to build major facilities or additions. The Corporation entered into a lease/sublease agreement with the Commonwealth of Kentucky, Administrative Office of the Courts to use and sublease all or a portion of certain facilities owned or to be constructed by or on behalf of the fiscal court. This lease/sublease agreement expires every two years. The Department for Local Government does not require the fiscal court to budget this fund.

Internal Service Fund

Health Insurance Fund - The primary purpose of this fund is to account for the fiscal court's partially self-funded employee health insurance program.

D. Budgetary Information

Annual budgets are adopted on a regulatory basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board and according to the laws of Kentucky as required by the state local finance officer.

CHRISTIAN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2018
(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

D. Budgetary Information (Continued)

The county judge/executive is required to submit estimated receipts and proposed disbursements to the fiscal court by May 1 of each year. The budget is prepared by fund, function, and activity and is required to be adopted by the fiscal court by July 1.

The fiscal court may change the original budget by transferring appropriations at the activity level; however, the fiscal court may not increase the total budget without approval by the state local finance officer. Disbursements may not exceed budgeted appropriations at the activity level.

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

The state local finance officer does not require the Industrial Development Authority Revolving Loan Fund or the Public Courthouse Corporation Fund to be budgeted. Bond indentures and other relevant contractual provisions require specific payments to and from these funds annually.

E. Christian County Elected Officials

Kentucky law provides for election of the officials listed below from the geographic area constituting Christian County. Pursuant to state statute, these officials perform various services for the Commonwealth of Kentucky, its judicial courts, the fiscal court, various cities and special districts within the county, and the board of education. In exercising these responsibilities, however, they are required to comply with state laws. Audits of their financial statements are issued separately and individually and can be obtained from their respective administrative offices. These financial statements are not required to be included in the financial statement of the Christian County Fiscal Court.

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

F. Deposits and Investments

The government's fund balance is considered to be cash on hand, demand deposits, certificates of deposit, and short-term investments with original maturities of three months or less from the date of acquisition. The government's fund balance includes cash and cash equivalents and investments.

KRS 66.480 authorizes the fiscal court to invest in obligations of the United States and of its agencies and instrumentalities, obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States, obligations of any corporation of the United States government, bonds or certificates of indebtedness of this state, and certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation (FDIC) or which are collateralized, to the extent uninsured, by any obligation permitted by KRS 41.240(4).

CHRISTIAN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2018
(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

G. Long-term Obligations

The financial statement recognizes bond interest, as well as bond issuance costs when received or when paid, during the current period. The principal amount of the debt and interest are reported as disbursements. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as disbursements. Debt proceeds are reported as other adjustments to cash.

H. Subsequent Event

Management has evaluated subsequent events for accounting and disclosure requirements through March 20, 2019, the date the financial statement was available to be issued.

Note 2. Deposits

The fiscal court maintained deposits of public funds with depository institutions insured by the Federal Deposit Insurance Corporation (FDIC) as required by KRS 66.480(1)(d). According to KRS 41.240, the depository institution should pledge or provide sufficient collateral which, together with FDIC insurance, equals or exceeds the amount of public funds on deposit at all times. In order to be valid against the FDIC in the event of failure or insolvency of the depository institution, this pledge or provision of collateral should be evidenced by an agreement between the fiscal court and the depository institution, signed by both parties, that is (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution. These requirements were met.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a depository institution failure, the government's deposits may not be returned. The government does not have a deposit policy for custodial credit risk, but rather follows the requirements of KRS 66.480(1)(d) and KRS 41.240. As of June 30, 2018, all deposits were covered by FDIC insurance or a properly executed collateral security agreement.

Note 3. Transfers

The table below shows the interfund operating transfers for fiscal year 2018.

	General Fund	Road Fund	Jail Fund	Public Courthouse Corporation Fund	Total Transfers In
Road Fund	\$ 1,225,000				\$ 1,225,000
Jail Fund	175,000				175,000
General Obligation Bond Fund	307,570	238,723	220,994	58,531	825,818
Public Courthouse Corporation Fund			58,531		58,531
Total Transfers Out	\$ 1,707,570	\$ 238,723	\$ 279,525	\$ 58,531	\$ 2,284,349

Reason for transfers:

Transfers move resources from and to the general fund and other funds, for budgetary purposes, to the funds that will expend them.

CHRISTIAN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2018
(Continued)

Note 4. Agency Trust Funds

Agency trust funds report only those resources held in a trust or custodial capacity for individuals, private organizations, or other governments.

The fiscal court has the following agency trust funds:

Jail Inmate Fund - This fund accounts for funds received from the inmates. The balance in the jail inmate fund as of June 30, 2018, was \$378,814.

Animal Shelter Fund - This fund accounts for funds received by the local animal shelter. The balance in the Animal Shelter Fund as of June 30, 2018, was \$27,379.

Note 5. Receivables

- A. The fiscal court loaned \$150,000 to Hopkinsville Industrial Foundation, Inc. on April 1, 2011, for the purpose of making improvements to real estate. Terms of the agreement stipulate an eight year repayment schedule at 1.5 percent interest. Records indicate Hopkinsville Industrial Foundation, Inc. is in substantial compliance with this requirement. As of June 30, 2018, the principal balance due was \$14,838.
- B. The fiscal court loaned \$120,309 to Hopkinsville Carnegie Library Inc. on May 12, 2015, for the purpose of financing certain real estate. Terms of the agreement stipulate the principal amount of the loan plus any interest accrued at a rate of 2 percent shall be payable, in full, on or before June 15, 2020. As of June 30, 2018, the principal balance due was \$120,309.

Note 6. Long-term Debt

A. Revenue Refunding Bonds, Series 2007

The Corporation was established by the fiscal court to act as the agency and instrumentality of the fiscal court in acquiring, developing, and financing public improvements and public projects. The Corporation issued its Christian County Public Courthouse Corporation Lease Revenue Bonds (District Court Facility Project), Series 2000, dated November 1, 2000, (the Series 2000 Bonds) for the purpose of acquiring, constructing, and furnishing a court facility and the completion of the renovation and improvement of the Christian County Corrections Center located in Hopkinsville, Kentucky.

The Corporation adopted, at the direction of the fiscal court, a resolution authorizing the Series 2007 Bonds for the purpose of paying the costs associated with the refunding and refinancing of the Series 2000 Bonds.

The Series 2007 Bonds are secured by a foreclosable first mortgage lien on the District Court Facility Project. The Series 2007 Bonds are also secured by the assignment of the Corporation of all its rights, title and interest to a lease agreement with the fiscal court.

The Series 2007 Bonds in the amount of \$16,545,000 dated April 5, 2007, bear interest payable semi-annually on February 1 and August 1 of each year commencing August 1, 2007, at rates ranging from 3.50 percent to 4.00 percent. The Series 2007 Bonds mature on August 1 of each year, in the years and in the principal amounts shown below. The balance on these bonds as of June 30, 2018, was \$6,530,000. Annual debt service requirements to maturity are as follows:

CHRISTIAN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2018
(Continued)

Note 6. Long-term Debt (Continued)

A. Revenue Refunding Bonds, Series 2007 (Continued)

Fiscal Year Ended June 30	Principal	Scheduled Interest
2019	\$ 1,205,000	\$ 237,100
2020	1,255,000	187,900
2021	1,300,000	136,800
2022	1,360,000	83,600
2023	1,410,000	28,200
Totals	<u>\$ 6,530,000</u>	<u>\$ 673,600</u>

B. Christian County General Obligation Recovery Zone Economic Development and Refunding Bonds, Series 2010 A&B

On June 1, 2010, the fiscal court issued two bonds, Series 2010A Recovery Zone Economic Development Bonds in the amount of \$2,045,000 and Series 2010B General Obligation Refunding Bonds in the amount of \$1,960,000. Series 2010A was issued for the purpose of road work to be performed on county roads and Series 2010B was issued for the purpose of refunding the General Obligation Bond, Series 1998. The Series 2010A bonds bear interest of 3.60 percent and the Series 2010B bonds bear interest of 2.00 percent. Payments are due on December 1 and June 1 of each year. The maturity date of the bonds is June 30, 2020. The balance of these bonds as of June 30, 2018, was \$875,000. Annual debt service requirements to maturity for the bonds are as follows:

Fiscal Year Ended June 30	Principal	Scheduled Interest
2019	\$ 430,000	\$ 26,045
2020	445,000	11,538
Totals	<u>\$ 875,000</u>	<u>\$ 37,583</u>

CHRISTIAN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2018
(Continued)

Note 6. Long-term Debt (Continued)

C. General Obligation Refunding Bonds, Series 2011

On November 30, 2011, the fiscal court issued General Obligation Refunding Bonds, Series 2011 in the amount of \$3,785,000. The proceeds were used to refinance financing obligations with the Kentucky Association of Counties Leasing Trust Program for the Energy Conservation Project in the amount of \$2,185,000 and the jail renovation in the amount of \$1,565,000. The bonds bear interest of 2.00 percent to 3.125 percent. Payments are due on February 1 and August 1 of each year. The maturity date of the bonds is June 30, 2027. The balance of these bonds as of June 30, 2018, was \$1,360,000. Annual debt service requirements to maturity for the bonds are as follows:

Fiscal Year Ended June 30	Principal	Scheduled Interest
2019	\$ 135,000	\$ 39,156
2020	140,000	36,119
2021	140,000	32,619
2022	145,000	28,769
2023	150,000	24,419
2024-2027	<u>650,000</u>	<u>50,969</u>
Totals	<u>\$ 1,360,000</u>	<u>\$ 212,051</u>

D. General Obligation Bonds Series 2017

On December 28, 2017, the fiscal court issued General Obligation Bonds, Series 2017 in the amount of \$7,845,000. The proceeds were used to provide funds for the completion of a New Public Safety Building, Alhambra Theater Rehabilitation, Museum Rehabilitation and Sportsplex Project. The bonds bear interest of 3.00 percent to 4.00 percent. Payments are due on June 1 of each year. The maturity date of the bonds is December 1, 2037. The balance of these bonds as of June 30, 2018, was \$7,845,000. Annual debt service requirements to maturity for the bonds are as follows:

Fiscal Year Ended June 30	Principal	Scheduled Interest
2019	\$	\$ 258,700
2020		258,700
2021		258,700
2022		258,700
2023		258,700
2024-2028	1,810,000	1,157,100
2029-2033	2,790,000	703,575
2034-2038	<u>3,245,000</u>	<u>249,225</u>
Totals	<u>\$ 7,845,000</u>	<u>\$ 3,403,400</u>

CHRISTIAN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2018
(Continued)

Note 6. Long-term Debt (Continued)

E. General Obligation Bonds Series 2018

On December 28, 2017, the fiscal court issued General Obligation Bonds, Series 2018 in the amount of \$2,545,000. The proceeds were used to provide funds for the remaining costs of completion of a New Public Safety Building, Alhambra Theater Rehabilitation, Museum Rehabilitation and Sportsplex Project. The bonds bear interest of 2.00 percent. Payments are due on June 1 of each year. The maturity date of the bonds is December 1, 2024. The balance of these bonds as of June 30, 2018, was \$2,545,000. Annual debt service requirements to maturity for the bonds are as follows:

Fiscal Year Ended June 30	Principal	Scheduled Interest
2019	\$ 390,000	\$ 47,000
2020	400,000	39,100
2021	405,000	31,050
2022	415,000	22,850
2023	425,000	14,450
2024-2025	510,000	6,700
Totals	<u>\$ 2,545,000</u>	<u>\$ 161,150</u>

F. Campbell Office Building

On August 27, 2010, the fiscal court entered into an agreement with the Kentucky Association of Counties Leasing Trust Program in the sum of \$103,500 at a 4.55 percent effective interest rate. The financing obligation was used to purchase the Campbell Office Building for the Christian County Detention Center. The maturity date of the obligation is August 20, 2020. The balance of the financing obligation at June 30, 2018, was \$24,941. Annual debt service requirements to maturity are as follows:

Fiscal Year Ended June 30	Principal	Scheduled Interest
2019	\$ 11,324	\$ 1,111
2020	11,645	468
2021	1,972	14
Totals	<u>\$ 24,941</u>	<u>\$ 1,593</u>

CHRISTIAN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2018
(Continued)

Note 6. Long-term Debt (Continued)

G. Sheriff's Vehicles - 2015

On October 1, 2015, the fiscal court entered into an agreement with the Kentucky Association of Counties Leasing Trust Program in the sum of \$130,625 at a 4.55 percent effective interest rate. The financing obligation was used to purchase vehicles for the Christian County Sheriff's Department. The maturity date of the obligation is January 20, 2019. The balance of the financing obligation at June 30, 2018, was \$33,345. Annual debt service requirements to maturity are as follows:

Fiscal Year Ended June 30	Principal	Scheduled Interest
2019	<u>\$ 33,345</u>	<u>\$ 1,117</u>

H. Sheriff's Vehicles - 2016

On April 6, 2016, the fiscal court entered into an agreement with the Kentucky Association of Counties Leasing Trust Program in the sum of \$152,855 at a 3.87 percent effective interest rate. The financing obligation was used to purchase vehicles for the Christian County Sheriff's Department. The maturity date of the obligation is January 20, 2020. The balance of the financing obligation at June 30, 2018, was \$77,862. Annual debt service requirements to maturity are as follows:

Fiscal Year Ended June 30	Principal	Scheduled Interest
2019	\$ 38,493	\$ 2,394
2020	<u>39,369</u>	<u>1,211</u>
Totals	<u>\$ 77,862</u>	<u>\$ 3,605</u>

I. Sheriff's Vehicles - 2017

On March 8, 2017, the fiscal court entered into an agreement with the Kentucky Association of Counties Leasing Trust Program in the sum of \$255,255 at a 3.56 percent effective interest rate. The financing obligation was used to purchase vehicles for the Christian County Sheriff's Department. The maturity date of the obligation is January 20, 2021. The balance of the financing obligation at June 30, 2018, was \$193,508. Annual debt service requirements to maturity are as follows:

Fiscal Year Ended June 30	Principal	Scheduled Interest
2019	\$ 62,731	\$ 6,894
2020	64,486	4,659
2021	<u>66,291</u>	<u>2,362</u>
Totals	<u>\$ 193,508</u>	<u>\$ 13,915</u>

CHRISTIAN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2018
(Continued)

Note 6. Long-term Debt (Continued)

J. Changes In Long-term Debt

Long-term Debt activity for the year ended June 30, 2018, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General Obligation Bonds	\$ 2,790,000	\$10,390,000	\$ 555,000	\$12,625,000	\$ 955,000
Revenue Bonds	7,690,000		1,160,000	6,530,000	1,205,000
Financing Obligations	472,563		142,907	329,656	145,893
Total Long-term Debt	<u>\$ 10,952,563</u>	<u>\$10,390,000</u>	<u>\$ 1,857,907</u>	<u>\$19,484,656</u>	<u>\$ 2,305,893</u>

Note 7. Employee Retirement System

The fiscal court has elected to participate, pursuant to KRS 78.530, in the County Employees Retirement System (CERS), which is administered by the Board of Trustees of the Kentucky Retirement Systems (KRS). This is a cost-sharing, multiple-employer, defined benefit pension plan, which covers all eligible full-time employees and provides for retirement, disability, and death benefits to plan members. Benefit contributions and provisions are established by statute.

The county's contribution for FY 2016 was \$570,532, FY 2017 was \$677,257, and FY 2018 was \$697,558.

Nonhazardous

Nonhazardous covered employees are required to contribute 5 percent of their salary to the plan. Nonhazardous covered employees who begin participation on or after September 1, 2008, are required to contribute 6 percent of their salary to be allocated as follows: 5 percent will go to the member's account and 1 percent will go to the KRS insurance fund.

In accordance with Senate Bill 2, signed by the Governor on April 4, 2013, plan members who began participating on or after January 1, 2014, were required to contribute to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan. Members in the plan contribute a set percentage of their salary each month to their own accounts. Nonhazardous covered employees contribute 5 percent of their annual creditable compensation. Nonhazardous members also contribute 1 percent to the health insurance fund which is not credited to the member's account and is not refundable. The employer contribution rate is set annually by the KRS Board of Directors based on an actuarial valuation. The employer contributes a set percentage of the member's salary. Each month, when employer contributions are received, an employer pay credit is deposited to the member's account. A member's account is credited with a 4 percent employer pay credit. The employer pay credit represents a portion of the employer contribution.

Benefits fully vest upon reaching five years of service for nonhazardous employees. Aspects of benefits for nonhazardous employees include retirement after 27 years of service or age 65. Nonhazardous employees who begin participation on or after September 1, 2008, must meet the rule of 87 (member's age plus years of service credit must equal 87, and the member must be a minimum of 57 years of age) or the member is age 65, with a minimum of 60 months service credit.

CHRISTIAN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2018
(Continued)

Note 7. Employee Retirement System (Continued)

The fiscal court's contribution rate for the year ended June 30, 2018, for nonhazardous employees was 19.18 percent.

Other Post-Employment Benefits (OPEB)

A. Health Insurance Coverage - Tier 1

CERS provides post-retirement health care coverage as follows:

For members participating prior to July 1, 2003, years of service and respective percentages of the maximum contribution are as follows:

Years of Service	% Paid by Insurance Fund	% Paid by Member through Payroll Deduction
20 or more	100%	0%
15-19	75%	25%
10-14	50%	50%
4-9	25%	75%
Less than 4	0%	100%

As a result of House Bill 290 (2004 General Assembly), medical insurance benefits are calculated differently for members who began participation on or after July 1, 2003. Once members reach a minimum vesting period of ten years, non-hazardous employees whose participation began on or after July 1, 2003, earn ten dollars per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. This dollar amount is subject to adjustment annually based on the retiree cost of living adjustment, which is updated annually due to changes in the Consumer Price Index.

Benefits are covered under KRS 161.714 with exception of COLA and retiree health benefits after July 2003.

B. Health Insurance Coverage - Tier 2 and Tier 3 - Nonhazardous

Once members reach a minimum vesting period of 15 years, they earn ten dollars per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. This dollar amount is subject to adjustment annually by 1.5%. This was established for Tier 2 members during the 2008 Special Legislative Session by House Bill 1. During the 2013 Legislative Session, Senate Bill 2 was enacted, creating Tier 3 benefits for members.

The monthly insurance benefit has been increased annually as a 1.5% cost of living adjustment (COLA) since July 2003 when the law changed. The annual increase is cumulative and continues to accrue after the member's retirement.

Tier 2 member benefits are covered by KRS 161.714 with exception of COLA and retiree health benefits after July 2003. Tier 3 members are not covered by the same provisions.

CHRISTIAN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2018
(Continued)

Note 7. Employee Retirement System (Continued)

C. Cost of Living Adjustments - Tier 1

The 1996 General Assembly enacted an automatic cost of living adjustment (COLA) provision for all recipients of KRS benefits. During the 2008 Special Session, the General Assembly determined that each July beginning in 2009, retirees who have been receiving a retirement allowance for at least 12 months will receive an automatic COLA of 1.5%. The COLA is not a guaranteed benefit. If a retiree has been receiving a benefit for less than 12 months, and a COLA is provided, it will be prorated based on the number of months the recipient has been receiving a benefit.

D. Cost of Living Adjustments - Tier 2 and Tier 3

No COLA is given unless authorized by the legislature with specific criteria. To this point, no COLA has been authorized by the legislature for Tier 2 or Tier 3 members.

E. Death Benefit

If a retired member is receiving a monthly benefit based on at least 48 months of service credit, KRS will pay a \$5,000 death benefit payment to the beneficiary designated by the member specifically for this benefit. Members with multiple accounts are entitled to only one death benefit.

KRS Annual Financial Report and Proportionate Share Audit Report

KRS issues a publicly available annual financial report that includes financial statements and required supplementary information on CERS. This report may be obtained by writing the Kentucky Retirement Systems, 1260 Louisville Road, Frankfort, KY 40601-6124, or by telephone at (502) 564-4646.

KRS also issues proportionate share audit reports for both total pension liability and other post-employment benefits for CERS determined by actuarial valuation as well as each participating employer's proportionate share. Both the Schedules of Employer Allocations and Pension Amounts by Employer and the Schedules of Employer Allocations and OPEB Amounts by Employer reports and the related actuarial tables are available online at <https://kyret.ky.gov>. The complete actuarial valuation report, including all actuarial assumptions and methods, is also available on the website or can be obtained as described in the paragraph above.

Note 8. Deferred Compensation

On December 19, 2000, the fiscal court voted to allow all eligible employees to participate in deferred compensation plans administered by the Kentucky Public Employees' Deferred Compensation Authority. The Kentucky Public Employees' Deferred Compensation Authority is authorized under KRS 18A.230 to 18A.275 to provide administration of tax sheltered supplemental retirement plans for all state, public school and university employees, and employees of local political subdivisions that have elected to participate.

These deferred compensation plans permit all full time employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Participation by eligible employees in the deferred compensation plans is voluntary.

Historical trend information showing the Kentucky Public Employees' Deferred Compensation Authority's progress in accumulating sufficient assets to pay benefits when due is presented in the Kentucky Public Employees' Deferred Compensation Authority's annual financial report. This report may be obtained by writing the Kentucky Public Employees' Deferred Compensation Authority at 101 Sea Hero Road, Suite 110, Frankfort, KY 40601-8862, or by telephone at (502) 573-7925.

CHRISTIAN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2018
(Continued)

Note 9. Insurance

For the fiscal year ended June 30, 2018, the fiscal court was a member of the Kentucky Association of Counties' All Lines Fund (KALF). KALF is a self-insurance fund and was organized to obtain lower cost coverage for general liability, property damage, public officials' errors and omissions, public liability, and other damages. The basic nature of a self-insurance program is that of collectively shared risk by its members. If losses incurred for covered claims exceed the resources contributed by the members, the members are responsible for payment of the excess losses.

Note 10. Health Insurance Fund

The fiscal court maintains a self-insurance fund to account for the health insurance provided for other funds on a cost reimbursement basis. The purpose of the self-insurance fund is to have funds available to cover some losses as full insurance for all types of risk can be prohibitively expensive and to accumulate reserves for catastrophic losses. Under GAAP this fund would have been accounted for as an Internal Service Fund; however, under the regulatory basis this is not required. Under the regulatory basis of accounting, charges to funds by the health insurance fund will be disbursements of the respective fund being charged and then considered receipts of the health insurance fund. Charges to funds should be reasonable and equitable so that the receipts and disbursements of the health insurance fund are approximately equal and assume that the fund will have profitable and non-profitable years and will break even over time.

The partially self-funded insurance plan has two distinct components that the fiscal court must pay. The first component is the fixed cost, which consists of administrative fees associated with operating the plan, and specific and aggregate reinsurance costs that cap the county's claims exposure on an individual and aggregate basis. Incurred fixed costs for fiscal year ended June 30, 2018, were \$538,118. The second component is the claims cost, all of which the fiscal court is responsible to pay as they incur. Once an individual exceeds \$85,000 in claims or the fiscal court's aggregate claims exceed the predetermined maximum, then the fiscal court will receive reimbursements from the insurance carrier. Incurred claims for fiscal year ended June 30, 2018, were \$1,335,794. The fiscal court's contract with Anthem Blue Cross and Blue Shield has no terminal liability provision. The fiscal court would be responsible to pay all run-out claims after termination. The health insurance fund had a balance of \$690,376 as of June 30, 2018.

Note 11. Related Party Transactions

For the fiscal year ended June 30, 2018, the fiscal court engaged in the following related party transactions:

- A company owned by the brother-in-law of a magistrate received \$44,000 for construction services provided to the fiscal court.
- A company where the son of a magistrate works received \$1,513,403 for crushed stone and asphalt purchased by the fiscal court.
- A company where the wife of a magistrate works received \$60,330 for services provided to the fiscal court.
- A company where a magistrate works received \$152,416 for equipment purchased by the fiscal court.

CHRISTIAN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2018
(Continued)

Note 12. Conduit Debt

From time to time the fiscal court has issued bonds to provide financial assistance to various entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest, in accordance with KRS 103.210. This debt may take the form of certain types of limited-obligation revenue bonds, certificates of participation, or similar debt instruments. Although conduit debt obligations bear the fiscal court's name as issuer, the fiscal court has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf it is issued. Neither the fiscal court nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

Note 13. Tax Abatements

Pursuant to GASB Statement No. 77, Tax Abatement Disclosures, the fiscal court is required to disclose certain information about tax abatements as defined in the statement. GASB No. 77 defines a tax abatement as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the County or its citizens. As of June 30, 2018, the fiscal court provides tax abatements through the Tax Increment Financing ("TIF") program.

TIF enables the fiscal court to finance certain redevelopment costs with the incremental tax revenue generated by the net increase in assessed valuation resulting from the redevelopment. TIF also allows for the abatement of up to 100 percent of incremental property taxes and occupational license taxes or fees for periods of up to 20 or 30 years depending on the type of development area. A TIF may be granted but may not be activated until sometime later in its grant period. Some agreements require the fiscal court to make infrastructure change and/or make best effort to facilitate the project's progress. There are currently three active TIFs. Payments are made by appropriation rather than a tax liability reduction. Authority for the program is contained in KRS 65.7041 et seq. and KRS 154.30. For the year ended June 30, 2018, \$97,241 of property taxes and occupational taxes were abated.

**CHRISTIAN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis**

For The Year Ended June 30, 2018

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CHRISTIAN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis

For The Year Ended June 30, 2018

	GENERAL FUND			
	<u>Budgeted Amounts</u>		Actual	Variance with
	Original	Final	Amounts, (Budgetary Basis)	Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 7,287,293	\$ 7,287,293	\$ 7,670,694	\$ 383,401
In Lieu Tax Payments	237,414	237,414	216,489	(20,925)
Excess Fees	545,000	545,000	556,542	11,542
Licenses and Permits	123,531	123,531	124,594	1,063
Intergovernmental	3,315,546	3,315,546	2,262,767	(1,052,779)
Charges for Services	243,252	243,252	235,549	(7,703)
Miscellaneous	43,761	43,761	186,161	142,400
Interest	88,920	88,920	221,241	132,321
Total Receipts	<u>11,884,717</u>	<u>11,884,717</u>	<u>11,474,037</u>	<u>(410,680)</u>
DISBURSEMENTS				
General Government	11,763,692	11,767,111	6,714,251	5,052,860
Protection to Persons and Property	754,102	812,955	494,995	317,960
General Health and Sanitation	541,641	562,419	535,725	26,694
Social Services	208,557	212,757	121,730	91,027
Recreation and Culture	548,986	549,868	528,868	21,000
Airports	38,000	65,676	65,676	
Capital Projects	5,787,793	5,787,793	3,589,285	2,198,508
Administration	3,450,003	3,322,109	3,176,112	145,997
Total Disbursements	<u>23,092,774</u>	<u>23,080,688</u>	<u>15,226,642</u>	<u>7,854,046</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(11,208,057)</u>	<u>(11,195,971)</u>	<u>(3,752,605)</u>	<u>7,443,366</u>
Other Adjustments to Cash (Uses)				
Bond Proceeds	10,000,000	10,000,000	10,390,000	390,000
Premium on Bond Proceeds			110,000	110,000
Transfers To Other Funds	<u>(3,256,533)</u>	<u>(3,256,533)</u>	<u>(1,707,570)</u>	<u>1,548,963</u>
Total Other Adjustments to Cash (Uses)	<u>6,743,467</u>	<u>6,743,467</u>	<u>8,792,430</u>	<u>2,048,963</u>
Net Change in Fund Balance	(4,464,590)	(4,452,504)	5,039,825	9,492,329
Fund Balance - Beginning	<u>4,464,590</u>	<u>4,464,590</u>	<u>10,546,216</u>	<u>6,081,626</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 12,086</u>	<u>\$ 15,586,041</u>	<u>\$ 15,573,955</u>

CHRISTIAN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2018
(Continued)

	ROAD FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	\$ 1,998,976	\$ 1,998,976	\$ 2,141,067	\$ 142,091
Miscellaneous	25,196	25,196	56,840	31,644
Interest	2,700	2,700	5,347	2,647
Total Receipts	<u>2,026,872</u>	<u>2,026,872</u>	<u>2,203,254</u>	<u>176,382</u>
DISBURSEMENTS				
Roads	2,846,105	2,837,377	2,702,072	135,305
Capital Projects	144,500	144,500	44,000	100,500
Administration	443,926	452,654	393,373	59,281
Total Disbursements	<u>3,434,531</u>	<u>3,434,531</u>	<u>3,139,445</u>	<u>295,086</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(1,407,659)</u>	<u>(1,407,659)</u>	<u>(936,191)</u>	<u>471,468</u>
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	1,609,919	1,609,919	1,225,000	(384,919)
Transfers To Other Funds	(238,760)	(238,760)	(238,723)	37
Total Other Adjustments to Cash (Uses)	<u>1,371,159</u>	<u>1,371,159</u>	<u>986,277</u>	<u>(384,882)</u>
Net Change in Fund Balance	(36,500)	(36,500)	50,086	86,586
Fund Balance - Beginning	<u>36,500</u>	<u>36,500</u>	<u>52,637</u>	<u>16,137</u>
Fund Balance - Ending	<u>\$</u>	<u>\$</u>	<u>\$ 102,723</u>	<u>\$ 102,723</u>

CHRISTIAN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2018
(Continued)

	JAIL FUND			
	<u>Budgeted Amounts</u>		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
RECEIPTS				
Intergovernmental	\$ 6,120,000	\$ 6,120,000	\$ 6,141,422	\$ 21,422
Charges for Services	558,000	558,000	527,584	(30,416)
Miscellaneous	284,000	284,000	186,759	(97,241)
Interest	3,000	3,000	6,212	3,212
Total Receipts	<u>6,965,000</u>	<u>6,965,000</u>	<u>6,861,977</u>	<u>(103,023)</u>
DISBURSEMENTS				
Protection to Persons and Property	5,795,652	5,805,835	5,467,818	338,017
Debt Service	12,436	12,752	12,752	
Administration	1,686,584	1,676,085	1,538,135	137,950
Total Disbursements	<u>7,494,672</u>	<u>7,494,672</u>	<u>7,018,705</u>	<u>475,967</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(529,672)</u>	<u>(529,672)</u>	<u>(156,728)</u>	<u>372,944</u>
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	781,448	781,448	175,000	(606,448)
Transfers To Other Funds	<u>(286,776)</u>	<u>(286,776)</u>	<u>(279,525)</u>	<u>7,251</u>
Total Other Adjustments to Cash (Uses)	<u>494,672</u>	<u>494,672</u>	<u>(104,525)</u>	<u>(599,197)</u>
Net Change in Fund Balance	(35,000)	(35,000)	(261,253)	(226,253)
Fund Balance - Beginning	<u>35,000</u>	<u>35,000</u>	<u>521,249</u>	<u>486,249</u>
Fund Balance - Ending	<u>\$</u>	<u>\$</u>	<u>\$ 259,996</u>	<u>\$ 259,996</u>

CHRISTIAN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2018
(Continued)

LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND				
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	\$ 220,600	\$ 220,600	\$ 194,631	\$ (25,969)
Interest	560	560	1,821	1,261
Total Receipts	<u>221,160</u>	<u>221,160</u>	<u>196,452</u>	<u>(24,708)</u>
DISBURSEMENTS				
Roads	246,160	258,246	258,245	1
Total Disbursements	<u>246,160</u>	<u>258,246</u>	<u>258,245</u>	<u>1</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(25,000)</u>	<u>(37,086)</u>	<u>(61,793)</u>	<u>(24,707)</u>
Net Change in Fund Balance	(25,000)	(37,086)	(61,793)	(24,707)
Fund Balance - Beginning	<u>25,000</u>	<u>25,000</u>	<u>82,800</u>	<u>57,800</u>
Fund Balance - Ending	<u>\$</u>	<u>\$ (12,086)</u>	<u>\$ 21,007</u>	<u>\$ 33,093</u>

CHRISTIAN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2018
(Continued)

	E-911 FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Taxes	\$ 136,404	\$ 136,404	\$ 127,244	\$ (9,160)
Intergovernmental	266,592	266,592	356,297	89,705
Interest	4,700	4,700	14,872	10,172
Total Receipts	<u>407,696</u>	<u>407,696</u>	<u>498,413</u>	<u>90,717</u>
DISBURSEMENTS				
Protection to Persons and Property	1,101,296	1,106,234	435,634	670,600
Administration	10,000	5,062		5,062
Total Disbursements	<u>1,111,296</u>	<u>1,111,296</u>	<u>435,634</u>	<u>675,662</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(703,600)</u>	<u>(703,600)</u>	<u>62,779</u>	<u>766,379</u>
Net Change in Fund Balance	(703,600)	(703,600)	62,779	766,379
Fund Balance - Beginning	<u>703,600</u>	<u>703,600</u>	<u>924,763</u>	<u>221,163</u>
Fund Balance - Ending	<u>\$</u>	<u>\$</u>	<u>\$ 987,542</u>	<u>\$ 987,542</u>

CHRISTIAN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2018
(Continued)

GENERAL OBLIGATION BOND FUND				
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
DISBURSEMENTS				
Debt Service	\$ 1,390,702	\$ 1,390,702	\$ 825,818	\$ 564,884
Total Disbursements	<u>1,390,702</u>	<u>1,390,702</u>	<u>825,818</u>	<u>564,884</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(1,390,702)</u>	<u>(1,390,702)</u>	<u>(825,818)</u>	<u>564,884</u>
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	<u>1,390,702</u>	<u>1,390,702</u>	<u>825,818</u>	<u>(564,884)</u>
Total Other Adjustments to Cash (Uses)	<u>1,390,702</u>	<u>1,390,702</u>	<u>825,818</u>	<u>(564,884)</u>
Net Change in Fund Balance				
Fund Balance - Beginning				
Fund Balance - Ending	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

**CHRISTIAN COUNTY
NOTES TO REGULATORY SUPPLEMENTARY
INFORMATION - BUDGETARY COMPARISON SCHEDULES**

June 30, 2018

Note 1. Budgetary Information

Annual budgets are adopted on a regulatory basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board and according to the laws of Kentucky as required by the state local finance officer.

The county judge/executive is required to submit estimated receipts and proposed disbursements to the fiscal court by May 1 of each year. The budget is prepared by fund, function, and activity and is required to be adopted by the fiscal court by July 1.

The fiscal court may change the original budget by transferring appropriations at the activity level; however, the fiscal court may not increase the total budget without approval by the state local finance officer. Disbursements may not exceed budgeted appropriations at the activity level.

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**CHRISTIAN COUNTY
SCHEDULE OF CAPITAL ASSETS
Supplementary Information - Regulatory Basis**

For The Year Ended June 30, 2018

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CHRISTIAN COUNTY
SCHEDULE OF CAPITAL ASSETS
Supplementary Information - Regulatory Basis

For The Year Ended June 30, 2018

The fiscal court reports the following Schedule of Capital Assets:

	Beginning Balance	Additions	Deletions	Ending Balance
Land	\$ 2,602,049	\$	\$	\$ 2,602,049
Construction In Progress	759,117	4,298,126		5,057,243
Land Improvements	173,926			173,926
Buildings	36,733,518			36,733,518
Vehicles and Equipment	5,952,374	611,990	37,599	6,526,765
Furniture and Office Equipment	1,298,551			1,298,551
Infrastructure	24,535,609	1,393,536		25,929,145
Total Capital Assets	<u>\$ 72,055,144</u>	<u>\$ 6,303,652</u>	<u>\$ 37,599</u>	<u>\$ 78,321,197</u>

**CHRISTIAN COUNTY
NOTES TO REGULATORY SUPPLEMENTARY
INFORMATION - SCHEDULE OF CAPITAL ASSETS**

June 30, 2018

Note 1. Capital Assets

Capital assets, which include land, land improvements, buildings, furniture and office equipment, building improvements, machinery, equipment, and infrastructure assets (roads and bridges) that have a useful life of more than one reporting period based on the government's capitalization policy, are reported as other information. Such assets are recorded at historical cost or estimated historical cost when purchased or constructed.

	<u>Capitalization Threshold</u>	<u>Useful Life (Years)</u>
Land Improvements	\$ 25,000	10-60
Buildings	\$ 50,000	10-75
Building Improvements	\$ 50,000	10-75
Vehicles and Equipment	\$ 5,000	3-25
Furniture and Office Equipment	\$ 5,000	8-20
Infrastructure	\$ 25,000	10-50

**CHRISTIAN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For The Year Ended June 30, 2018

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CHRISTIAN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity's Identifying Number	Provided to Subrecipient	Total Federal Expenditures
<u>U. S. Department of Housing and Urban Development</u>				
<i>Passed-Through Kentucky Department for Local Government</i>				
Community Development Block Grant/State's Program	14.228	15-016	\$ 947,000	\$ 947,000
Community Development Block Grant/State's Program	14.228			
Trilogy Recovery Center for Women		15-010	200,000	200,000
Total U.S. Department of Housing and Urban Development			\$ 1,147,000	\$ 1,147,000
<u>U. S. Department of Justice</u>				
<i>Passed-Through Kentucky Department of Justice</i>				
Juvenile Justice and Delinquency Prevention	16.540	00108	\$ 58,507	\$ 58,507
Edward Byrne - JAG Grant - Federal	16.579	2013-MO-BX-0218	692	692
Edward Byrne - JAG Grant - Federal	16.579	2016-DJ-BX-0218	8,805	8,805
Violence Against Women Formula Grants	16.588	00568	70,106	70,106
Total U. S. Department of Justice			\$ 138,110	\$ 138,110
<u>U. S. Department of Homeland Security</u>				
<i>Passed-Through Kentucky Department of Military Affairs</i>				
Emergency Management Performance Grants	97.042	P02094140000026781	\$ 53,650	\$ 53,650
Homeland Security Grant Program	97.067			
Christian County Communications Gateway		PON209515000006543	32,926	32,926
Sheriff Equipment		PON209515000006543	4,465	4,465
Total U.S. Department of Homeland Security			\$ 91,041	\$ 91,041
Total Expenditures of Federal Awards			\$ 1,376,151	\$ 1,376,151

The accompanying notes are an integral part of this schedule.

CHRISTIAN COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2018

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the Fiscal Court of Christian County, Kentucky under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Christian County Fiscal Court, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Christian County Fiscal Court.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the basis of the accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Indirect Cost Rate

The Fiscal Court has not adopted an indirect cost rate.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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The Honorable Steve Tribble, Christian County Judge/Executive
Members of the Christian County Fiscal Court

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*

Report of Independent Auditors

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Statement of Receipts, Disbursements, and Changes in Fund Balances - Regulatory Basis of the Christian County Fiscal Court for the fiscal year ended June 30, 2018, and the related notes to the financial statement which collectively comprise the Christian County Fiscal Court's financial statement and have issued our report thereon dated March 20, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the Christian County Fiscal Court's internal control over financial reporting (internal control) to determine 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 Christian County Fiscal Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Christian County Fiscal Court's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We identified a certain deficiency in internal control which is described in the accompanying Schedule of Findings and Responses as item 2018-001 that we consider to be a significant deficiency.

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)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Christian County Fiscal Court's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Views of Responsible Official and Planned Corrective Action

Christian County's views and planned corrective action for the finding identified in our audit are included in the accompanying Schedule of Findings and Responses. The county's response was not subjected to the auditing procedures applied in the audit of the financial statement, and accordingly, we do not express an 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.

Dean Dotson Allen Ford, PLLC

Louisville, Kentucky
March 20, 2019

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

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The Honorable Steve Tribble, Christian County Judge/Executive
Members of the Christian County Fiscal Court

Report on Compliance for Each Major Federal Program
and Report on Internal Control over Compliance
In Accordance With Uniform Guidance

Report of Independent Auditors

Report on Compliance for Each Major Federal Program

We have audited the Christian County Fiscal Court's compliance with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Christian County Fiscal Court's major federal programs for the year ended June 30, 2018. The Christian 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.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Christian County Fiscal Court's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Christian County Fiscal Court's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the Christian County Fiscal Court's compliance.

Opinion on Each Major Federal Program

In our opinion, the Christian County Fiscal Court complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report On Compliance for Each Major Federal Program
And Report On Internal Control over Compliance
In Accordance With Uniform Guidance
(Continued)

Report on Internal Control over Compliance

Management of the Christian County Fiscal Court is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Christian County Fiscal Court's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Christian County Fiscal Court's internal control over compliance.

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 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. *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 consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Dean Dotson Allen Ford, PLLC

Louisville, Kentucky
March 20, 2019

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

For The Year Ended June 30, 2018

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

For The Year Ended June 30, 2018

Section I: Summary of Auditor's Results

Financial Statement

Type of report auditor issued: Adverse on GAAP and Unmodified on Regulatory Basis

Internal control over financial reporting:

Are any material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" 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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Federal Awards

Internal control over major programs:

Are any material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" 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: Unmodified		
Are any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.228	Community Development Block Grant/State's Program

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

CHRISTIAN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2018
(Continued)

Section II: Financial Statement Findings

Internal Control - Significant Deficiency

2018-001 The Christian County Fiscal Court Did Not Have Adequate Internal Controls over Credit Card Disbursements

This is a repeat finding and was included in the prior year audit as finding 2017-001. The following deficiencies were documented regarding credit card transactions:

- Four lodging transactions were tested. All four transactions included local tax when the fiscal court should be consistently receiving a government rate.
- Five of the 20 transactions that related to meal expenditures exceeded the amount allowable for meals in accordance with fiscal court policy resulting in unallowable costs of \$77.71.

These deficiencies over credit card disbursements occurred because of the fiscal court's lack of internal controls and oversight. The fiscal court's travel policy should be followed regarding meal allowances and lodging expenses. By failing to maintain adequate oversight, the fiscal court is increasing the risk of over paying for meals and lodging for employees who travel. We recommend the fiscal court further develop internal control procedures to ensure that payments for meals and lodging are within limits set forth in the fiscal court's travel policy.

Views of Responsible Official and Planned Corrective Action:

County Judge/Executive's Response: Significant improvement has been made regarding credit card transactions; however, as noted payments for five meals exceeded the limits set forth by the fiscal court's travel policy. Members of the jail staff, while traveling on jail related business, expended amounts in excess of the established limits adopted by the fiscal court on five separate occasions. As indicated in the audit, this resulted in unallowable costs totaling \$77.71. The County presented the foregoing findings to the individual incurring the excess costs for resolution. In response, the subject individual reimbursed the County with a personal check in the amount of \$77.71 for the unallowable costs.

Section III: Federal Award Findings and Questioned Costs

None

Section IV: Summary Schedule of Prior Audit Findings

2017-001 The Christian County Fiscal Court Did Not Have Adequate Internal Controls Over Credit Card Disbursements - Not Resolved - See corrective action for current year finding 2018-001.

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

CHRISTIAN COUNTY FISCAL COURT

For The Year Ended June 30, 2018

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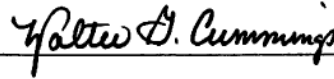
CERTIFICATION OF COMPLIANCE
LOCAL GOVERNMENT ECONOMIC ASSISTANCE PROGRAM
CHRISTIAN COUNTY FISCAL COURT

For The Fiscal Year Ended June 30, 2018

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



County Judge/Executive



County Treasurer