

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

**For The Year Ended
June 30, 2019**



**MIKE HARMON
AUDITOR OF PUBLIC ACCOUNTS
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MIKE HARMON
AUDITOR OF PUBLIC ACCOUNTS

To the People of Kentucky
The Honorable Andy Beshear, Governor
Holly M. Johnson, Secretary
Finance and Administration Cabinet
The Honorable John Will Stacy, Morgan County Judge/Executive
Members of the Morgan County Fiscal Court

Independent Auditor's Report

Report on the Financial Statement

We were engaged to audit the Statement of Receipts, Disbursements, and Changes in Fund Balances - Regulatory Basis of the Morgan County Fiscal Court for the year ended June 30, 2019 and the related notes to the financial statement.

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. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

We were not engaged as auditors of the Morgan County Real Properties I and II Corporation Funds and we were unable to obtain audited financial statements to support the Morgan County Real Properties I and II Corporation Funds at June 30, 2019. The Morgan County Real Properties I and II Corporation Funds are part of the Morgan County Fiscal Court's reporting entity. The omission of the Morgan County Real Properties I and II Corporation Funds is considered a material omission of the Morgan County Fiscal Court's financial statement.



To the People of Kentucky
The Honorable Andy Beshear, Governor
Holly M. Johnson, Secretary
Finance and Administration Cabinet
The Honorable John Will Stacy, Morgan County Judge/Executive
Members of the Morgan County Fiscal Court

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion 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 financial statement.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2021, on our consideration of the Morgan 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 Morgan 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 Responses included herein, which discusses the following report findings:

- 2019-001 The Morgan County Fiscal Court Does Not Have Internal Controls Over The Real Properties I And Real Properties II Corporations
- 2019-002 The Morgan County Fiscal Court’s General Fund Owes The Road Fund Due To Inappropriate Disbursements
- 2019-003 The Morgan County Fiscal Court Does Not Have Internal Controls Over Bank Reconciliations
- 2019-004 The Morgan County Fiscal Court Did Not Accurately Report Debt On The Quarterly Financial Statement
- 2019-005 The Morgan County Fiscal Court Did Not Pay All Invoices Within 30 Working Days As Required
- 2019-006 The Morgan County Fiscal Court Does Not Have Adequate Controls Over Payroll

Respectfully submitted,



Mike Harmon
Auditor of Public Accounts

June 15, 2021

MORGAN COUNTY OFFICIALS**For The Year Ended June 30, 2019****Fiscal Court Members:**

Stanley Franklin	Former County Judge/Executive
John Will Stacy	County Judge/Executive
Carter Bolin	Magistrate
Donnie Keeton	Magistrate
Darrell Patrick	Magistrate
Brandon Evans	Magistrate
Leroy Phipps	Magistrate
Denzil Potter	Former Magistrate
Michael Shawn Conley	Former Magistrate
Jonathan Brown	Former Magistrate
Anthony Lykins	Former Magistrate

Other Elected Officials:

Myles Holbrook	County Attorney
Jimmy Easterling	Jailer
Randy Williams	County Clerk
Mary Coffee	Circuit Court Clerk
Greg Motley	Sheriff
Darby Franklin	Property Valuation Administrator
Raymond Vancleave	Coroner

Appointed Personnel:

Linzey Lewis	County Treasurer
Shenea Easterling	Chief Financial Officer

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MORGAN COUNTY
FOURTH QUARTER FINANCIAL STATEMENT

For The Year Ended June 30, 2019

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**MORGAN COUNTY
FOURTH QUARTER FINANCIAL STATEMENT**

For The Year Ended June 30, 2019



County Financials Signature Page

	The following financial files have been received from Morgan County for the 4Q of the fiscal year ending June 30, 2019:
Department for Local Government	1. Header.txt File Uploaded
	2. Summary.txt File Uploaded
County Financial Reports	3. Reconcil.txt File Uploaded
	4. Receipts.txt File Uploaded
	5. Disburse.txt File Uploaded
Upload Signature Page	6. MyLiabil.txt File Uploaded
	7. ShortTrm.txt (no file)
	8. TotLiabil.txt File Uploaded
	9. CostAllocation.txt (no file)
	10. CostAllocation_Summary.txt (no file)
If you receive any errors, please contact the DLG webmaster and provide the contents of this page. Thank you.	

Please print this out and Fax it back with the following signatures to (502) 573-3712:

To the best of my knowledge, the information contained herein is accurate and complete.

(signed) John W. Stang
COUNTY JUDGE EXECUTIVE DATE

To the best of my knowledge, the information contained herein is accurate and complete.

(signed) Sammy Lewis 9-3-19
COUNTY TREASURER DATE

MORGAN COUNTY
FOURTH QUARTER FINANCIAL STATEMENT
For The Year Ended June 30, 2019
(Continued)

Header File Text	
Morgan County Fiscal Court	
County Number	88
Fiscal Year	2019
File Type	4Q
County Name	MORGAN
Judge/Executive	JOHN WILL STACY
Treasurer	LINZEY LEWIS
Date Submitted	20190630
System Date	20190903 10:36:20
Source Code	FISUPL0

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MORGAN COUNTY
FOURTH QUARTER FINANCIAL STATEMENT
For The Year Ended June 30, 2019
(Continued)

Summary File Text
Morgan County Fiscal Court

County	FYear	FType	Fund	Fund Description	Total Receipts	Total Disburse	Cash Balance	Encumbrances	Unencumbered
88	2019	4Q	01	General Fund	3,701,755.39	3,559,815.81	141,939.58	3,553.98	138,365.60
88	2019	4Q	02	Road Fund	1,990,468.75	1,782,079.33	208,389.42	5,073.61	203,315.81
88	2019	4Q	03	Jail Fund	841,259.60	793,363.14	47,896.45	186.10	47,710.36
88	2019	4Q	04	Local Government Economic Assistance Fund	33,344.72	0.00	33,344.72	0.00	33,344.72
88	2019	4Q	12	Forest Fire Protection Fund	5,927.24	3,783.00	2,144.24	0.00	2,144.24
88	2019	4Q	75	Special Projects Fund	485,950.71	181,846.55	304,105.16	1,230.00	302,875.16
					7,058,706.41	6,320,886.83	737,819.58	10,043.69	727,775.89

MORGAN COUNTY
 FOURTH QUARTER FINANCIAL STATEMENT
 For The Year Ended June 30, 2019
 (Continued)

Reconciliation File Text									
Morgan County Fiscal Court									
County	FYear	FType	Fund	Fund Description	Bank Balance	Deposits	Checks	Other	Cash Balance
88	2019	4Q	01	General Fund	324,719.73	52,000.00	308,533.26	0.00	68,186.47
88	2019	4Q	01	General Fund	18.08	0.00	0.00	0.00	18.08
88	2019	4Q	01	General Fund	73,735.03	0.00	0.00	0.00	73,735.03
88	2019	4Q	02	Road Fund	208,659.37	0.00	269.95	0.00	208,389.42
88	2019	4Q	02	Road Fund	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	03	Jail Fund	35,964.79	0.00	628.91	0.00	35,335.88
88	2019	4Q	03	Jail Fund	12,560.58	0.00	0.00	0.00	12,560.58
88	2019	4Q	04	Local Government Economic Assistance Fund	33,344.72	0.00	0.00	0.00	33,344.72
88	2019	4Q	12	Forest Fire Protection Fund	2,144.24	0.00	0.00	0.00	2,144.24
88	2019	4Q	75	Special Projects Fund	97,106.79	0.00	1,750.00	0.00	95,356.79
88	2019	4Q	75	Special Projects Fund	208,748.37	0.00	0.00	0.00	208,748.37
					997,001.70	52,000.00	311,182.12	0.00	737,819.58

MORGAN COUNTY
 FOURTH QUARTER FINANCIAL STATEMENT
 For The Year Ended June 30, 2019
 (Continued)

Receipts File Text											
Morgan County Fiscal Court											
County	FYear	FType	Fund	Major	Sfx	Description	Original Budget	Amendments	Received YTD	Under+/Over-	Received PTD
88	2019	4Q	01	4101		REAL ESTATE TAXES	155,000.00	0.00	232,317.13	-77,317.13	11,755.66
88	2019	4Q	01	4104		DELINQUENT PROPERTY TAXES	7,000.00	0.00	6,867.11	132.89	1,960.13
88	2019	4Q	01	4106		TANGIBLE PERSONAL/ MOTOR VEHICLE	70,000.00	0.00	86,533.25	-16,533.25	24,801.64
88	2019	4Q	01	4107		UNMINED MINERALS TAX	500.00	0.00	20.02	479.98	0.00
88	2019	4Q	01	4107	001	OIL & GAS TAXES	500.00	0.00	0.00	500.00	0.00
88	2019	4Q	01	4113		SOLID WASTE RECEIPTS	125,000.00	0.00	124,507.77	492.23	36,997.10
88	2019	4Q	01	4130		BANK FRANCHISE TAX	30,000.00	0.00	0.00	30,000.00	0.00
88	2019	4Q	01	4131		FRANCHISE CORPORATION	30,000.00	0.00	0.00	30,000.00	0.00
88	2019	4Q	01	4134		OCCUPATIONAL LICENSE TAX	1,400,000.00	0.00	1,489,301.88	-89,301.88	489,309.27
88	2019	4Q	01	4134	001	ROWAN CO. PAYROLL & PROFIT TAX	80,000.00	0.00	55,085.63	24,914.37	17,028.28
88	2019	4Q	01	4135		DEED TRANSFER TAX	15,000.00	0.00	11,160.62	3,839.38	3,409.08
88	2019	4Q	01	4137		INSURANCE PREMIUM TAX	460,000.00	0.00	573,943.17	-113,943.17	130,542.84
88	2019	4Q	01	4140		E 911 PHONE SURCHARGE	55,000.00	0.00	48,657.83	6,342.17	12,007.48
88	2019	4Q	01	4204		FEDERAL PAYMENT IN LIEU	35,000.00	0.00	35,704.00	-704.00	35,704.00
88	2019	4Q	01	4302		EXCESS FEES CLERK	10,000.00	0.00	2,532.72	7,467.28	0.00
88	2019	4Q	01	4304		EXCESS FEES SHERIFF	85,000.00	0.00	86,583.92	-1,583.92	0.00
88	2019	4Q	01	4417		TELECOMMUNICATIONS TAX	800.00	0.00	0.00	800.00	0.00
88	2019	4Q	01	4507		FLOOD CONTROL PAYMENT	1,200.00	0.00	838.82	361.18	0.00
88	2019	4Q	01	4510		EMS GRANT	11,000.00	0.00	10,000.00	1,000.00	0.00
88	2019	4Q	01	4510	006	LIBRARY DEBT FUNDING PAYMENT	183,500.00	0.00	183,250.00	250.00	0.00
88	2019	4Q	01	4520		ELECTION EXPENSE REIMBURSEMENT	4,500.00	0.00	7,200.00	-2,700.00	4,800.00
88	2019	4Q	01	4521		BOARD OF ASSESSMENT APPEALS	200.00	0.00	150.00	50.00	0.00
88	2019	4Q	01	4522		LEGAL PROCESS TAX	100.00	0.00	64.38	35.62	0.00
88	2019	4Q	01	4526		STRIP MINE PERMIT FUND	300.00	1,650.00	1,950.00	0.00	0.00
88	2019	4Q	01	4532		JUDICIAL CENTER RENTAL	204,300.00	0.00	284,660.72	-80,360.72	92,514.72
88	2019	4Q	01	4542		DES EMA REIMBURSE	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	01	4612		DOG ADOPTION/SURRENDER FEES	500.00	0.00	548.00	-48.00	0.00

MORGAN COUNTY
 FOURTH QUARTER FINANCIAL STATEMENT
 For The Year Ended June 30, 2019
 (Continued)

Receipts File Text											
Morgan County Fiscal Court											
County	FYear	FType	Fund	Major	Sfx	Description	Original Budget	Amendments	Received YTD	Under+/Over-	Received PTD
88	2019	4Q	01	4699		AG DEVELOPMENT ADMIN FEES	9,000.00	0.00	0.00	9,000.00	0.00
88	2019	4Q	01	4704		2017 MAC TRUCK SALES	148,000.00	0.00	0.00	148,000.00	0.00
88	2019	4Q	01	4711		WELLNESS/COMMUNITY CENTER RENT	70,000.00	0.00	76,383.75	-6,383.75	19,182.50
88	2019	4Q	01	4711	001	RENTAL OF POST OFFICE BUILDING	660.00	0.00	715.00	-55.00	165.00
88	2019	4Q	01	4711	002	SUBLEASE TO AMBULANCE SERVICE	24,030.82	10,125.65	58,429.24	-24,272.77	23,742.32
88	2019	4Q	01	4711	003	ENTERPRISE CENTER RENT	105,000.00	0.00	105,757.76	-757.76	26,428.00
88	2019	4Q	01	4711	004	GATEWAY RENTAL (BASEMENT)	21,783.36	0.00	23,968.08	-2,184.72	9,445.84
88	2019	4Q	01	4726		INSURANCE PROCEEDS	0.00	3,668.74	3,668.74	0.00	0.00
88	2019	4Q	01	4727	002	INSURANCE REIMBURSEMENT BY EMPLOYEES	11,500.00	0.00	11,211.26	288.74	3,008.09
88	2019	4Q	01	4727	007	REBATE FROM KACO LEASING	3,000.00	0.00	0.00	3,000.00	0.00
88	2019	4Q	01	4727		SALARY REIMBURSEMENT HEALTH BOA	47,000.00	0.00	0.00	47,000.00	0.00
88	2019	4Q	01	4728		DONATIONS - REBUILD MORGAN COUNTY	410,080.52	0.00	190,000.00	220,080.52	52,000.00
88	2019	4Q	01	4728	001	WELLNESS CENTER DONATIONS	500.00	0.00	0.00	500.00	0.00
88	2019	4Q	01	4728	002	ANIMAL SHELTER DONATIONS	500.00	0.00	1,497.00	-997.00	190.00
88	2019	4Q	01	4731		MISC. REVENUE	1,000.00	0.00	58,648.86	-57,648.86	19,564.52
88	2019	4Q	01	4806		INTEREST, BANK	1,000.00	0.00	1,336.03	-336.03	261.87
88	2019	4Q	01	4901		PRIOR YEAR CARRYOVER	250,000.00	90,416.17	340,416.17	0.00	0.00
88	2019	4Q	01	4903		PRIOR YEAR ADJUSTMENT	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	01	4909		TRANSFER OUT	-319,600.00	0.00	-612,153.47	292,553.47	-197,032.00
88	2019	4Q	01	4910		TRANSFER IN	223,032.00	0.00	200,000.00	23,032.00	0.00
88	2019	4Q	02	4205		NATL FOREST REC	35,000.00	0.00	31,602.64	3,397.36	31,602.64
88	2019	4Q	02	4504		FEDERAL GRANTS - FEMA ROAD CONST	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	02	4506	001	BRIDGE CONSTRUCTION REIMBURSEMENT	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	02	4510		RURAL SECONDARY ALLOTMENT	329,957.00	0.00	329,918.00	39.00	0.00
88	2019	4Q	02	4513		3% EMERGENCY MONEY - CRA	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	02	4514		FLEX FUNDS	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	02	4516		TRUCK LICENSES	223,032.00	0.00	225,241.03	-2,209.03	0.00

MORGAN COUNTY
 FOURTH QUARTER FINANCIAL STATEMENT
 For The Year Ended June 30, 2019
 (Continued)

Receipts File Text											
Morgan County Fiscal Court											
County	FYear	FType	Fund	Major	Sfx	Description	Original Budget	Amendments	Received YTD	Under+/Over-	Received PTD
88	2019	4Q	02	4517		DRIVERS LICENSES	1,000.00	0.00	1,178.75	-178.75	0.00
88	2019	4Q	02	4518		CO. ROAD AID	1,082,578.00	0.00	1,105,566.00	-22,988.00	0.00
88	2019	4Q	02	4518	002	EMERGENCY CO ROAD AID FUNDS	0.00	24,708.00	24,708.00	0.00	0.00
88	2019	4Q	02	4726		INSURANCE CLAIMS	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	02	4731		MISC. REVENUE	500.00	0.00	15,206.08	-14,706.08	2,160.00
88	2019	4Q	02	4806		INTEREST, BANK	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	02	4901		PRIOR YEAR CARRYOVER	400,000.00	2,037.55	402,037.55	0.00	0.00
88	2019	4Q	02	4903		ADJUSTMENT TO PRIOR YEAR	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	02	4909		TRANSFER OUT	-223,032.00	0.00	-200,000.00	-23,032.00	0.00
88	2019	4Q	02	4910		TRANSFER IN	50,000.00	0.00	55,010.70	-5,010.70	0.00
88	2019	4Q	02	4911		BORROWED MONEY	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	03	4533		JAIL OPERATION	100,000.00	0.00	50,553.26	49,446.74	11,023.34
88	2019	4Q	03	4534		JAIL MEDICAL ALLOTMENT	6,000.00	41,257.27	47,257.27	0.00	0.00
88	2019	4Q	03	4535		COURT COSTS, JAIL	5,000.00	0.00	0.00	5,000.00	0.00
88	2019	4Q	03	4538		D.U.I. SERV FEE	1,000.00	0.00	1,171.48	-171.48	575.74
88	2019	4Q	03	4567		HB 413 ADD'L COURT COSTS	10,000.00	0.00	7,319.46	2,680.54	1,798.45
88	2019	4Q	03	4618		RECOUPMENT OF JAIL COSTS	15,000.00	0.00	1,741.00	13,259.00	0.00
88	2019	4Q	03	4699		TRANSPORTATION REIMBURSEMENT	15,000.00	0.00	3,832.65	11,167.35	0.00
88	2019	4Q	03	4731		MISC. REVENUE	100.00	0.00	68.25	31.75	0.00
88	2019	4Q	03	4806		INTEREST, BANK	100.00	0.00	81.69	18.31	0.00
88	2019	4Q	03	4901		PRIOR YEAR CARRYOVER	0.00	34,745.79	35,245.79	-500.00	0.00
88	2019	4Q	03	4909		TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	03	4910		TRANSFER IN	408,600.00	0.00	693,988.75	-284,388.75	197,032.00
88	2019	4Q	04	4528		COAL IMPACT	50,000.00	5,010.70	71,579.82	-16,569.12	16,569.12
88	2019	4Q	04	4529		MINERAL SEVER TAX	90,000.00	0.00	98,610.88	-8,610.88	16,775.60
88	2019	4Q	04	4806		INTEREST, BANK	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	04	4901		PRIOR YEAR CARRYOVER	0.00	0.00	0.00	0.00	0.00

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MORGAN COUNTY
 FOURTH QUARTER FINANCIAL STATEMENT
 For The Year Ended June 30, 2019
 (Continued)

Receipts File Text											
Morgan County Fiscal Court											
County	FYear	FType	Fund	Major	Sfx	Description	Original Budget	Amendments	Received YTD	Under+/Over-	Received PTD
88	2019	4Q	04	4909		TRANSFER OUT ROAD FUND	0.00	0.00	-136,845.98	136,845.98	0.00
88	2019	4Q	04	4909	001	TRANSFER TO GENERAL FUND	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	04	4909	002	TRANSFER TO ROAD	-50,000.00	0.00	0.00	-50,000.00	0.00
88	2019	4Q	04	4909		TRANSFER TO JAIL	-90,000.00	0.00	0.00	-90,000.00	0.00
88	2019	4Q	04	4910	001	TRANSFER IN	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	12	4112		TIMBERLAND TAXES	3,800.00	0.00	3,060.75	739.25	152.05
88	2019	4Q	12	4901		PRIOR YEAR CARRYOVER	0.00	0.00	2,866.49	-2,866.49	0.00
88	2019	4Q	12	4910		TRANSFERS IN	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	75	4504		LITTER ABATEMENT GRANT	25,000.00	3,744.57	25,663.07	3,081.50	0.00
88	2019	4Q	75	4504		PRIDE EDUCATION OUTREACH PROGRA	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	75	4508		EMERGENCY SERVICES LGEDF PROJEC	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	75	4510		AG DEVELOPMENT GRANTS	250,000.00	0.00	195,600.00	54,400.00	195,600.00
88	2019	4Q	75	4510	002	COAL SEVERANCE GRANTS	45,000.00	0.00	14,280.62	30,719.38	0.00
88	2019	4Q	75	4510		SPAY & NEUTER GRANT	0.00	0.00	5,400.00	-5,400.00	0.00
88	2019	4Q	75	4510		ADF EMERGENCY OPERATIONS GRANT	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	75	4728		MORGAN CO TIRE DISPOSAL GRANT	500.00	0.00	5,000.00	-4,500.00	4,500.00
88	2019	4Q	75	4728	002	CONSERVATION DISTRICT ENVIRONMEN	7,000.00	0.00	10,000.00	-3,000.00	500.00
88	2019	4Q	75	4901		PRIOR YEAR CARRYOVER	0.00	0.00	230,007.02	-230,007.02	0.00
88	2019	4Q	75	4903		ADJUSTMENT TO PRIOR YEAR	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	75	4909		TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	75	4910		TRANSFER IN	0.00	0.00	0.00	0.00	0.00
							6,763,021.80	217,364.44	7,058,706.41	-78,320.17	1,298,075.28

MORGAN COUNTY
 FOURTH QUARTER FINANCIAL STATEMENT
 For The Year Ended June 30, 2019
 (Continued)

Disbursements File Text													
Morgan County Fiscal Court													
County	FYear	FType	Fund	Major	Minor	Sfx	Description	Orig. Budget	Amendments	Transfers	Tot. Avail.	Claims Paid	Free Bal.
88	2019	4Q	01	5001	101		COUNTY JUDGE/EXECUTIVE SALARY	80,673.96	0.00	0.00	80,673.96	80,526.21	147.75
88	2019	4Q	01	5001	185		CJE OFFICE STAFF SALARY	70,000.00	0.00	38,593.20	108,593.20	108,593.20	0.00
88	2019	4Q	01	5001	212		JUDGE/EXECUTIVE TRAINING INCENTIVE	1,034.26	0.00	0.00	1,034.26	0.00	1,034.26
88	2019	4Q	01	5001	425	001	BOTTLED WATER	300.00	0.00	0.00	300.00	145.95	154.05
88	2019	4Q	01	5001	441		JUDGE/EXECUTIVE OFFICE EQUIPMENT	5,000.00	0.00	0.00	5,000.00	2,053.94	2,946.06
88	2019	4Q	01	5001	445		JUDGE/EXECUTIVE OFFICE SUPPLIES	2,000.00	0.00	781.75	2,781.75	2,781.75	0.00
88	2019	4Q	01	5001	531		COUNTY JUDGE/EXEC BOND	110.00	0.00	0.00	110.00	101.80	8.20
88	2019	4Q	01	5001	551		JUDGE'S ASSOCIATION MEMBERSHIP	1,300.00	0.00	0.00	1,300.00	1,196.00	104.00
88	2019	4Q	01	5005	101		COUNTY ATTORNEY SALARY	16,000.00	0.00	0.00	16,000.00	15,409.96	590.04
88	2019	4Q	01	5005	165		COUNTY ATTORNEY SECRETARY	15,100.00	0.00	372.08	15,472.08	15,472.08	0.00
88	2019	4Q	01	5005	172		CHILD SUPPORT OFFICE SUPPORT	0.00	0.00	9,779.69	9,779.69	5,943.27	3,836.42
88	2019	4Q	01	5005	364		COUNTY ATTORNEY RENT	7,800.00	0.00	0.00	7,800.00	7,800.00	0.00
88	2019	4Q	01	5005	531		COUNTY ATTORNEY BOND	400.00	0.00	0.00	400.00	384.80	15.20
88	2019	4Q	01	5005	551		COUNTY ATTORNEY KCAA DUES	750.00	0.00	0.00	750.00	750.00	0.00
88	2019	4Q	01	5005	563		COUNTY ATTORNEY POSTAGE	600.00	0.00	300.95	900.95	900.95	0.00
88	2019	4Q	01	5005	566		COUNTY ATTORNEY OFFICE SUPPLIES	5,500.00	0.00	0.00	5,500.00	4,772.70	727.30
88	2019	4Q	01	5005	569		COUNTY ATTORNEY TRAINING	1,000.00	0.00	570.00	1,570.00	1,570.00	0.00
88	2019	4Q	01	5005	573		COUNTY ATTORNEY TELEPHONE	5,200.00	0.00	0.00	5,200.00	4,858.40	341.60
88	2019	4Q	01	5005	576		COUNTY ATTORNEY TRAVEL EXPENSES	1,500.00	0.00	0.00	1,500.00	1,154.42	345.58
88	2019	4Q	01	5005	578		COUNTY ATTORNEY UTILITIES	3,500.00	0.00	0.00	3,500.00	2,808.07	691.93
88	2019	4Q	01	5010	348		COUNTY CLERK OFFICE SUPPORT	7,200.00	0.00	0.00	7,200.00	2,295.50	4,904.50
88	2019	4Q	01	5010	368		CLERK TAX BILL PREPARATION	5,000.00	0.00	103.33	5,103.33	5,103.33	0.00
88	2019	4Q	01	5015	103		SHERIFF'S ALLOTMENT	115,000.00	0.00	0.00	115,000.00	115,000.00	0.00
88	2019	4Q	01	5015	184		SHERIFF EXCESS FEES	85,000.00	0.00	0.00	85,000.00	85,000.00	0.00
88	2019	4Q	01	5015	212		SHERIFF TRAINING FRINGE BENEFITS	3,100.00	0.00	1,037.04	4,137.04	4,137.04	0.00
88	2019	4Q	01	5015	531		SHERIFF'S BOND	11,000.00	0.00	-7,185.86	3,814.14	1,253.16	2,560.98
88	2019	4Q	01	5020	101		CORONER SALARY	9,600.00	0.00	0.00	9,600.00	9,600.00	0.00
88	2019	4Q	01	5020	103		CORONER DEPUTY SALARY	3,000.00	0.00	240.00	3,240.00	3,240.00	0.00
88	2019	4Q	01	5020	344		CORONER PAUPER BURIALS	750.00	0.00	1,000.00	1,750.00	1,750.00	0.00
88	2019	4Q	01	5020	441		CORONER EQUIPMENT	800.00	0.00	500.00	1,300.00	1,138.25	161.75
88	2019	4Q	01	5020	531		CORONER BOND	350.00	0.00	0.00	350.00	203.60	146.40
88	2019	4Q	01	5020	551		CORONERS ASSOCIATION DUES	150.00	0.00	0.00	150.00	0.00	150.00

MORGAN COUNTY
 FOURTH QUARTER FINANCIAL STATEMENT
 For The Year Ended June 30, 2019
 (Continued)

Disbursements File Text														
Morgan County Fiscal Court														
County	FYear	FType	Fund	Major	Minor	Sfx	Description	Orig.	Budget	Amendments	Transfers	Tot. Avail.	Claims Paid	Free Bal.
88	2019	4Q	01	5020	566		CORONER'S OFFICE EXPENSE	600.00	0.00	0.00	0.00	600.00	82.98	517.02
88	2019	4Q	01	5020	569		CORONER TRAINING	750.00	0.00	0.00	0.00	750.00	0.00	750.00
88	2019	4Q	01	5020	573		CORONER TELEPHONE	2,700.00	0.00	0.00	0.00	2,700.00	1,987.50	712.50
88	2019	4Q	01	5020	592		CORONER'S VEHICLE OPERATION/MAIN	3,000.00	0.00	0.00	0.00	3,000.00	2,385.75	604.24
88	2019	4Q	01	5025	101		MAGISTRATES SALARIES	36,000.00	0.00	0.00	0.00	36,000.00	36,000.00	0.00
88	2019	4Q	01	5025	167		CLERK OF COURT SALARY	3,000.00	0.00	0.00	0.00	3,000.00	2,750.00	250.00
88	2019	4Q	01	5025	210		MAGISTRATES COMMITTEE EXPENSE	13,500.00	0.00	0.00	0.00	13,500.00	13,500.00	0.00
88	2019	4Q	01	5025	212		TRAINING INCENTIVE - MAGISTRATES	13,000.00	0.00	0.00	0.00	13,000.00	9,327.99	3,672.01
88	2019	4Q	01	5025	302		LEGAL ADVERTISING	4,000.00	0.00	0.00	0.00	4,000.00	1,112.53	2,887.37
88	2019	4Q	01	5025	315	002	SOFTWARE MAINTENANCE FEES	20,000.00	0.00	13,040.16	0.00	33,040.16	33,040.16	0.00
88	2019	4Q	01	5025	332		LEGAL FEES	5,000.00	0.00	0.00	0.00	5,000.00	2,785.25	2,214.75
88	2019	4Q	01	5025	445		JUDGE'S OFFICE SUPPLIES	4,000.00	0.00	0.00	0.00	4,000.00	725.87	3,273.13
88	2019	4Q	01	5025	499		MISCELLANEOUS EXPENSES	1,000.00	0.00	20,852.05	0.00	21,852.05	21,852.05	0.00
88	2019	4Q	01	5025	501		ADD DISTRICT PAYMENTS	4,300.00	0.00	0.00	0.00	4,300.00	4,175.90	123.10
88	2019	4Q	01	5025	531		MAGISTRATES BONDS	500.00	0.00	212.60	0.00	712.60	712.60	0.00
88	2019	4Q	01	5025	531	001	OFFICE STAFF BONDS	750.00	0.00	93.40	0.00	843.40	843.40	0.00
88	2019	4Q	01	5025	539		RECORDING FEES	300.00	0.00	0.00	0.00	300.00	19.00	281.00
88	2019	4Q	01	5025	551		ASSOCIATION MEMBERSHIPS	5,000.00	0.00	0.00	0.00	5,000.00	2,763.41	2,236.59
88	2019	4Q	01	5025	563		POSTAGE	2,500.00	0.00	0.00	0.00	2,500.00	2,062.47	437.53
88	2019	4Q	01	5025	569		CONFERENCE AND TRAINING	30,000.00	0.00	0.00	0.00	30,000.00	18,496.39	11,503.61
88	2019	4Q	01	5025	576		TRAVEL EXPENSE	2,500.00	0.00	0.00	0.00	2,500.00	237.15	2,262.85
88	2019	4Q	01	5030	367		PVA STATUTORY CONTRIBUTIONS	20,000.00	0.00	72.99	0.00	20,072.99	20,072.99	0.00
88	2019	4Q	01	5035	191		BOARD OF ASSESSMENT APPEALS	400.00	0.00	0.00	0.00	400.00	300.00	100.00
88	2019	4Q	01	5040	102		COUNTY TREASURER SALARY	29,140.00	0.00	1,084.08	0.00	30,224.08	30,224.08	0.00
88	2019	4Q	01	5040	441		TREASURER OFFICE EQUIPMENT	4,000.00	0.00	0.00	0.00	4,000.00	3,565.47	434.53
88	2019	4Q	01	5040	445		TREASURER OFFICE SUPPLIES	2,500.00	0.00	0.00	0.00	2,500.00	1,907.13	592.87
88	2019	4Q	01	5040	531		COUNTY TREASURER BOND	800.00	0.00	0.00	0.00	800.00	766.55	33.45
88	2019	4Q	01	5060	101		LAW LIBRARIAN SALARY	600.00	0.00	0.00	0.00	600.00	600.00	0.00
88	2019	4Q	01	5065	192		ELECTION OFFICERS	16,000.00	0.00	10,671.00	0.00	26,671.00	26,671.00	0.00
88	2019	4Q	01	5065	193		ELECTION COMMISSIONERS	2,000.00	0.00	225.00	0.00	2,225.00	2,225.00	0.00
88	2019	4Q	01	5065	446		ELECTION MATERIALS AND SUPPLIES	30,000.00	0.00	13,621.55	0.00	43,621.55	43,621.55	0.00
88	2019	4Q	01	5065	525		INSURANCE ON VOTING EQUIPMENT	300.00	0.00	0.00	0.00	300.00	0.00	300.00

MORGAN COUNTY
 FOURTH QUARTER FINANCIAL STATEMENT
 For The Year Ended June 30, 2019
 (Continued)

Disbursements File Text														
Morgan County Fiscal Court														
County	FYear	FType	Fund	Major	Minor	Sfx	Description	Orig.	Budget	Amendments	Transfers	Tot. Avail.	Claims Paid	Free Bal.
88	2019	4Q	01	5065	565		ELECTION PRINTING AND ADVERTISING	1,000.00	0.00		588.50	1,588.50	1,588.50	0.00
88	2019	4Q	01	5080	177		JUDICIAL CENTER MAINTENANCE SALAF	35,000.00	0.00		1,040.16	36,040.16	36,040.16	0.00
88	2019	4Q	01	5080	329		JUDICIAL CENTER CONTRACTED CUSTC	48,937.50	0.00		0.00	48,937.50	48,937.20	0.30
88	2019	4Q	01	5080	340		JUDICIAL CENTER REPAIRS & MAINTEN	20,000.00	0.00		3,332.69	23,332.69	23,332.69	0.00
88	2019	4Q	01	5080	346		JUDICIAL CENTER PEST CONTROL	1,200.00	0.00		450.00	1,650.00	1,650.00	0.00
88	2019	4Q	01	5080	352		JUDICIAL CENTER ELEVATOR MAINTENA	4,500.00	0.00		868.64	5,368.64	5,368.64	0.00
88	2019	4Q	01	5080	411		JUDICIAL CENTER CUSTODIAL SUPPLIE	4,000.00	0.00		0.00	4,000.00	2,977.68	1,022.32
88	2019	4Q	01	5080	425		JUDICIAL CENTER BOTTLED WATER	500.00	0.00		0.00	500.00	366.30	133.70
88	2019	4Q	01	5080	481		JUDICIAL CENTER UNIFORMS	7,500.00	0.00		0.00	7,500.00	5,520.51	1,979.49
88	2019	4Q	01	5080	525		JUDICIAL CENTER INSURANCE	28,000.00	0.00		-489.33	27,510.67	0.00	27,510.67
88	2019	4Q	01	5080	578		JUDICIAL CENTER FIRE ALARM	7,200.00	0.00		0.00	7,200.00	5,921.00	1,279.00
88	2019	4Q	01	5080	579		JUDICIAL CENTER WATER	5,600.00	0.00		0.00	5,600.00	4,334.44	1,265.56
88	2019	4Q	01	5080	582		JUDICIAL CENTER ELECTRIC	69,000.00	0.00		0.00	69,000.00	59,816.52	9,183.48
88	2019	4Q	01	5080	583		JUDICIAL CENTER GAS	4,700.00	0.00		4,054.22	8,754.22	8,754.22	0.00
88	2019	4Q	01	5085	175		COUNTY BUILDING CUSTODIAL PAYROLL	0.00	0.00		11,213.07	11,213.07	10,579.33	633.74
88	2019	4Q	01	5085	179		COUNTY BLDG CUSTODIAL PAYROLL PA	10,000.00	0.00		302.01	10,302.01	10,302.01	0.00
88	2019	4Q	01	5085	331		LEASE PAYMENT - NMTC MCRP I	183,016.50	0.00		0.00	183,016.50	183,016.50	0.00
88	2019	4Q	01	5085	331	02	LEASE PAYMENT - NMTC MCRP II	235,306.60	0.00		0.00	235,306.60	235,306.60	0.00
88	2019	4Q	01	5085	340		COUNTY BLDG REPAIR & MAINTENANCE	20,000.00	0.00		-11,014.96	8,985.04	8,985.04	0.00
88	2019	4Q	01	5085	346		COUNTY BLDG PEST CONTROL	1,350.00	0.00		0.00	1,350.00	900.00	450.00
88	2019	4Q	01	5085	352		COUNTY BLDG ELEVATOR MAINTENANC	3,500.00	0.00		0.00	3,500.00	1,814.28	1,685.72
88	2019	4Q	01	5085	411		COUNTY BLDG CUSTODIAL SUPPLIES	3,000.00	0.00		0.00	3,000.00	1,610.04	1,389.96
88	2019	4Q	01	5085	411	002	GATEWAY COMMUNITY SERVICES JANIT	4,000.00	0.00		0.00	4,000.00	4,000.00	0.00
88	2019	4Q	01	5085	525		PROPERTY & LIABILITY INSURANCE	125,000.00	0.00		-67,553.46	57,446.54	57,446.54	0.00
88	2019	4Q	01	5085	573		COUNTY BLD TELEPHONE	20,000.00	0.00		0.00	20,000.00	14,780.52	5,219.48
88	2019	4Q	01	5085	579		COUNTY BLDG WATER	9,000.00	0.00		0.00	9,000.00	7,276.12	1,723.88
88	2019	4Q	01	5085	582		COUNTY BLDG ELECTRIC	47,000.00	0.00		0.00	47,000.00	46,576.71	423.29
88	2019	4Q	01	5085	582	002	POOL ELECTRIC	6,000.00	0.00		1,438.02	7,438.02	7,438.02	0.00
88	2019	4Q	01	5085	583		COUNTY BLDG GAS	8,500.00	0.00		0.00	8,500.00	6,882.90	1,617.10
88	2019	4Q	01	5090	531		COUNTY SURVEYOR BOND	110.00	0.00		0.00	110.00	101.80	8.20
88	2019	4Q	01	5091	175		TECH CENTER MAINT SALARY PT	24,000.00	0.00		0.00	24,000.00	23,999.82	0.18
88	2019	4Q	01	5091	340		TECH CENTER REPAIRS & MAINTENANC	17,000.00	0.00		42,140.12	59,140.12	59,140.12	0.00

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MORGAN COUNTY
 FOURTH QUARTER FINANCIAL STATEMENT
 For The Year Ended June 30, 2019
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Disbursements File Text													
Morgan County Fiscal Court													
County	FYear	FType	Fund	Major	Minor	Sfx	Description	Orig. Budget	Amendments	Transfers	Tot. Avail.	Claims Paid	Free Bal.
88	2019	4Q	01	5091	346		TECH CENTER PEST CONTROL	1,528.00	0.00	0.00	1,528.00	1,528.00	0.00
88	2019	4Q	01	5091	352		TECH CENTER ELEVATOR MAINTENANC	4,000.00	0.00	15.27	4,015.27	4,015.27	0.00
88	2019	4Q	01	5091	411		TECH CENTER CUSTODIAL SUPPLIES	500.00	0.00	0.00	500.00	242.79	257.21
88	2019	4Q	01	5091	573		TECH CENTER TELEPHONE	1,000.00	0.00	0.00	1,000.00	925.95	74.05
88	2019	4Q	01	5091	578		TECH CENTER TRAVEL	1,000.00	0.00	0.00	1,000.00	578.22	421.78
88	2019	4Q	01	5091	579		TECH CENTER WATER	8,200.00	0.00	0.00	8,200.00	4,407.12	3,792.88
88	2019	4Q	01	5091	582		TECH CENTER ELECTRIC	85,500.00	0.00	0.00	85,500.00	68,978.10	16,521.90
88	2019	4Q	01	5091	583		TECH CENTER GAS	40,000.00	0.00	0.00	40,000.00	39,117.82	882.18
88	2019	4Q	01	5110	531		CONSTABLE BONDS	600.00	0.00	0.00	600.00	509.00	91.00
88	2019	4Q	01	5135	102		DES DIRECTOR'S SALARY	27,100.00	0.00	0.00	27,100.00	19,945.25	7,154.75
88	2019	4Q	01	5135	315		DES CONTRACTED SERVICES	0.00	0.00	20,430.00	20,430.00	0.00	20,430.00
88	2019	4Q	01	5135	420		DES MATERIALS & SUPPLIES	1,000.00	0.00	0.00	1,000.00	0.00	1,000.00
88	2019	4Q	01	5140	549		EMS GRANT TO AMBULANCE SERVICE	11,000.00	0.00	0.00	11,000.00	10,000.00	1,000.00
88	2019	4Q	01	5145	703		E-911 PROGRAM EXPENDITURES	58,000.00	0.00	0.00	58,000.00	50,878.11	7,121.89
88	2019	4Q	01	5175	903		PUBLIC DEFENDER MANDATE	1,300.00	0.00	0.00	1,300.00	0.00	1,300.00
88	2019	4Q	01	5205	105		ANIMAL SHELTER STAFF	37,000.00	0.00	4,309.35	41,309.35	41,309.35	0.00
88	2019	4Q	01	5205	179		ANIMAL SHELTER STAFF PT	10,000.00	0.00	0.00	10,000.00	1,105.63	8,894.37
88	2019	4Q	01	5205	346		ANIMAL SHELTER PEST CONTROL	500.00	0.00	0.00	500.00	418.00	82.00
88	2019	4Q	01	5205	385		ANIMAL SHELTER VETERINARY SERVICE	5,000.00	0.00	0.00	5,000.00	2,001.39	2,998.61
88	2019	4Q	01	5205	403		ANIMAL SHELTER EXPENDITURES	10,000.00	0.00	0.00	10,000.00	6,319.27	3,680.73
88	2019	4Q	01	5205	573		ANIMAL SHELTER TELEPHONE	2,200.00	0.00	0.00	2,200.00	1,804.60	395.40
88	2019	4Q	01	5205	579		ANIMAL SHELTER WATER	1,100.00	0.00	554.75	1,654.75	1,654.75	0.00
88	2019	4Q	01	5205	580		ANIMAL SHELTER SEPTIC SERVICES	4,500.00	0.00	0.00	4,500.00	3,780.00	720.00
88	2019	4Q	01	5205	582		ANIMAL SHELTER ELECTRIC	8,500.00	0.00	0.00	8,500.00	6,311.06	2,188.94
88	2019	4Q	01	5211	179		SOLID WASTE PAYROLL PART TIME	14,000.00	0.00	0.00	14,000.00	0.00	14,000.00
88	2019	4Q	01	5211	185		SOLID WASTE PAYROLL	68,000.00	0.00	-18,746.26	49,253.74	19,750.50	29,503.24
88	2019	4Q	01	5211	315		SOLID WASTE DISPOSAL FEES	77,500.00	0.00	26,615.20	104,115.20	104,115.20	0.00
88	2019	4Q	01	5211	340		SOLID WASTE REPAIR AND MAINTENAN	4,200.00	0.00	2,574.60	6,774.60	6,774.60	0.00
88	2019	4Q	01	5211	531		SOLID WASTE EMPLOYEE BONDS	400.00	0.00	0.00	400.00	228.03	171.97
88	2019	4Q	01	5211	573		SOLID WASTE TELEPHONE	650.00	0.00	0.00	650.00	585.44	64.56
88	2019	4Q	01	5211	579		SOLID WASTE WATER	350.00	0.00	0.00	350.00	287.18	62.82
88	2019	4Q	01	5211	582		SOLID WASTE ELECTRIC	12,000.00	0.00	0.00	12,000.00	3,137.88	8,862.12

MORGAN COUNTY
 FOURTH QUARTER FINANCIAL STATEMENT
 For The Year Ended June 30, 2019
 (Continued)

Disbursements File Text														
Morgan County Fiscal Court														
County	FYear	FType	Fund	Major	Minor	Sfx	Description	Orig.	Budget	Amendments	Transfers	Tot. Avail.	Claims Paid	Free Bal.
88	2019	4Q	01	5212	185		SOLID WASTE PAYROLL	0.00	0.00		43,784.26	43,784.26	43,784.26	0.00
88	2019	4Q	01	5225	580		PORTABLE RESTROOM RENTAL	1,100.00	0.00		260.00	1,360.00	1,360.00	0.00
88	2019	4Q	01	5305	179		SENIOR CITIZENS PROGRAM SUPPORT	2,200.00	0.00		8,798.00	10,998.00	10,998.00	0.00
88	2019	4Q	01	5340	507		COMMUNITY OUTREACH PROGRAMS	15,000.00	0.00		0.00	15,000.00	4,750.00	10,250.00
88	2019	4Q	01	5401	177		CANNEL CITY PARK	900.00	0.00		0.00	900.00	900.00	0.00
88	2019	4Q	01	5401	579		HORSE PARK WATER	900.00	0.00		0.00	900.00	100.57	799.43
88	2019	4Q	01	5401	582		HORSE PARK ELECTRIC	4,400.00	0.00		0.00	4,400.00	3,483.61	916.39
88	2019	4Q	01	5405	185		WELLNESS CENTER PAYROLL	85,000.00	0.00		0.00	85,000.00	75,044.51	9,955.49
88	2019	4Q	01	5405	346		WELLNESS CENTER PEST CONTROL	600.00	0.00		0.00	600.00	600.00	0.00
88	2019	4Q	01	5405	352		WELLNESS CENTER ELEVATOR MAINTEN	1,500.00	0.00		0.00	1,500.00	1,205.00	295.00
88	2019	4Q	01	5405	411		WELLNESS CENTER CUSTODIAL SUPPLI	1,300.00	0.00		0.00	1,300.00	1,268.36	31.64
88	2019	4Q	01	5405	441		WELLNESS CENTER OFFICE EQUIPMEN	300.00	0.00		4.50	304.50	281.00	23.50
88	2019	4Q	01	5405	445		WELLNESS CENTER OFFICE SUPPLIES	700.00	0.00		435.77	1,135.77	1,135.77	0.00
88	2019	4Q	01	5405	507		KIWANIS POOL	5,000.00	0.00		4,252.51	9,252.51	6,752.51	2,500.00
88	2019	4Q	01	5405	507	002	MORGAN COUNTY ARTS & REC DONATIK	15,000.00	0.00		0.00	15,000.00	0.00	15,000.00
88	2019	4Q	01	5405	531		WELLNESS CENTER DIRECTOR BOND	500.00	0.00		0.00	500.00	407.20	92.80
88	2019	4Q	01	5405	567		WELLNESS CENTER KEY DEPOSIT REFL	1,500.00	0.00		0.00	1,500.00	800.00	700.00
88	2019	4Q	01	5405	572		WELLNESS CENTER - SALES AND USE T.	0.00	0.00		0.00	0.00	0.00	0.00
88	2019	4Q	01	5405	573		WELLNESS CENTER TELEPHONE	3,000.00	0.00		0.00	3,000.00	2,677.38	322.62
88	2019	4Q	01	5405	579		WELLNESS CENTER WATER	3,600.00	0.00		0.00	3,600.00	3,471.20	128.80
88	2019	4Q	01	5405	582		WELLNESS CENTER ELECTRIC	60,000.00	0.00		0.00	60,000.00	35,176.54	24,823.46
88	2019	4Q	01	5405	586		WFI LNESS CENTER REPAIRS AND MAIN	10,000.00	0.00		1,930.53	11,930.53	11,930.53	0.00
88	2019	4Q	01	7401	601	001	BOND PRINCIPAL - #31BP2015B	134,750.01	0.00		24,375.00	159,125.01	159,125.01	0.00
88	2019	4Q	01	7401	601	002	BOND PRINCIPAL - #29BP2012A	47,500.02	0.00		0.00	47,500.02	47,500.02	0.00
88	2019	4Q	01	7401	605	001	BOND INTEREST - #31BP2015B	95,930.55	0.00		22,440.17	118,370.72	118,370.72	0.00
88	2019	4Q	01	7401	605	002	BOND INTEREST - #29BP2012A	67,728.78	0.00		0.00	67,728.78	62,151.90	5,576.88
88	2019	4Q	01	7600	537		SETTLEMENTS	0.00	0.00		31,000.00	31,000.00	31,000.00	0.00
88	2019	4Q	01	7600	901		EDS PAYMENT	100,200.00	0.00		3,400.00	103,600.00	103,600.00	0.00
88	2019	4Q	01	7700	602		LEASE PRINCIPAL - LIBRARY 2001 Series	155,553.00	0.00		0.00	155,553.00	155,553.00	0.00
88	2019	4Q	01	7700	602	002	LEASE PRINCIPAL AMBULANCE 2016 #3:	20,137.35	0.00		0.00	20,137.35	20,137.35	0.00
88	2019	4Q	01	7700	602	003	LEASE PRINCIPAL AMBULANCE 2017 #35	15,435.38	0.00		0.00	15,435.38	15,435.38	0.00
88	2019	4Q	01	7700	602	036	LEASE PRINCIPAL MC TRUCK #36	153,916.00	0.00		-153,916.00	0.00	0.00	0.00

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MORGAN COUNTY
 FOURTH QUARTER FINANCIAL STATEMENT
 For The Year Ended June 30, 2019
 (Continued)

Disbursements File Text														
Morgan County Fiscal Court														
County	FYear	FType	Fund	Major	Minor	Sfx	Description	Orig.	Budget	Amendments	Transfers	Tot. Avail.	Claims Paid	Free Bal.
88	2019	4Q	01	7700	606		LEASE INTEREST - LIBRARY 2001 Series	26,611.36	0.00	0.00	0.00	26,611.36	26,611.36	0.00
88	2019	4Q	01	7700	606	002	INTEREST ON LEASE AMBULANCE 2016	3,893.47	0.00	0.00	0.00	3,893.47	3,893.47	0.00
88	2019	4Q	01	7700	606	003	INTEREST ON LEASE AMBULANCE 2017	5,339.05	0.00	0.00	0.00	5,339.05	5,339.05	0.00
88	2019	4Q	01	7700	606	036	LEASE INTEREST MC TRUCK #36	5,169.00	0.00	0.00	1,022.25	6,191.25	6,191.25	0.00
88	2019	4Q	01	9100	307		AUDIT FEES	80,000.00	0.00	0.00	-53,288.78	26,711.22	26,711.22	0.00
88	2019	4Q	01	9200	999		RESERVE FOR TRANSFERS	135,816.01	105,860.56	0.00	-240,068.82	1,607.75	0.00	1,607.75
88	2019	4Q	01	9300	999		TRANSFER TO OTHER FUNDS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	01	9400	201		FRINGES SOCIAL SECURITY	46,500.00	0.00	0.00	579.97	47,079.97	47,079.97	0.00
88	2019	4Q	01	9400	202		FRINGES RETIREMENT	150,000.00	0.00	0.00	0.00	150,000.00	105,670.27	44,329.73
88	2019	4Q	01	9400	204		FRINGES PAYROLL INSURANCE	0.00	0.00	0.00	3,836.15	3,836.15	3,876.15	160.00
88	2019	4Q	01	9400	205		FRINGES HEALTH & DENTAL INSURANCE	324,000.00	0.00	0.00	15,029.31	339,029.31	339,029.31	0.00
88	2019	4Q	01	9400	208		FRINGES UNEMPLOYMENT INSURANCE	9,000.00	0.00	0.00	-9,000.00	0.00	0.00	0.00
88	2019	4Q	01	9400	209		FRINGES WORKMEN'S COMPENSATION	13,500.00	0.00	0.00	1,503.00	15,003.00	15,003.00	0.00
88	2019	4Q	01	9400	299		FRINGES PAYROLL GARNISHMENT	0.00	0.00	0.00	5,367.56	5,367.56	5,367.56	0.00
88	2019	4Q	02	5085	191		AIRPORT BOARD CONTRIBUTION	100.00	0.00	0.00	234.36	334.36	334.36	0.00
88	2019	4Q	02	6100	302		ROAD ADVERTISEMENT	1,400.00	0.00	0.00	1,224.33	2,624.33	2,624.33	0.00
88	2019	4Q	02	6100	425		BOTTLED WATER	650.00	0.00	0.00	0.00	650.00	164.25	485.75
88	2019	4Q	02	6103	102		ROAD SUPERVISOR SALARY	38,000.00	0.00	0.00	-38,000.00	0.00	0.00	0.00
88	2019	4Q	02	6105	143		OTHER SALARIES	275,000.00	0.00	0.00	58,845.77	333,845.77	333,845.77	0.00
88	2019	4Q	02	6105	311		EMERGENCY CO ROAD AID EXPENDITUF	0.00	24,708.00	0.00	80,605.72	105,313.72	80,605.72	24,708.00
88	2019	4Q	02	6105	315		CONTRACT LABOR	174,760.82	0.00	0.00	-164,760.82	10,000.00	10,000.00	0.00
88	2019	4Q	02	6105	324		MEDICAL TESTING	1,000.00	0.00	0.00	0.00	1,000.00	400.00	600.00
88	2019	4Q	02	6105	346		PEST CONTROL	2,104.00	0.00	0.00	0.00	2,104.00	2,104.00	0.00
88	2019	4Q	02	6105	405		ASPHALT	10,000.00	0.00	0.00	19,436.56	29,436.56	20,866.69	8,569.87
88	2019	4Q	02	6105	409		STONE & GRAVEL	65,000.00	0.00	0.00	31,429.50	96,429.50	94,317.98	2,111.52
88	2019	4Q	02	6105	415		DIESEL FUEL	65,000.00	0.00	0.00	-17,505.94	47,494.06	47,319.35	174.71
88	2019	4Q	02	6105	421		SALT	20,000.00	0.00	0.00	0.00	20,000.00	18,500.21	1,499.79
88	2019	4Q	02	6105	427		MATERIALS & SUPPLIES	20,000.00	0.00	0.00	0.00	20,000.00	14,173.08	5,826.92
88	2019	4Q	02	6105	429		GASOLINE	40,000.00	0.00	0.00	-5,000.00	35,000.00	32,971.89	2,028.11
88	2019	4Q	02	6105	443		REPAIRS AND MAINTENANCE	100,000.00	0.00	0.00	-42,005.66	57,994.34	54,474.27	3,520.07
88	2019	4Q	02	6105	455		OIL & LUBRICANTS	8,000.00	0.00	0.00	0.00	8,000.00	5,147.25	2,852.75
88	2019	4Q	02	6105	457		PIPE	25,000.00	0.00	0.00	-8,000.00	17,000.00	13,273.48	3,726.52

MORGAN COUNTY
 FOURTH QUARTER FINANCIAL STATEMENT
 For The Year Ended June 30, 2019
 (Continued)

Disbursements File Text														
Morgan County Fiscal Court														
County	FYear	FType	Fund	Major	Minor	Sfx	Description	Orig.	Budget\	amendments	Transfers	Tot. Avail.	Claims Paid	Free Bal.
88	2019	4Q	02	6105	479		TIRES & TUBES	10,000.00		0.00	4,355.91	14,355.91	14,355.91	0.00
88	2019	4Q	02	6105	481		UNIFORMS	0.00		0.00	5,236.92	5,236.92	4,727.25	509.67
88	2019	4Q	02	6105	514		STONE HAUL BILL	30,500.00		0.00	1,821.90	32,321.90	32,321.90	0.00
88	2019	4Q	02	6105	573		TELEPHONE	5,000.00		0.00	0.00	5,000.00	3,674.99	1,325.01
88	2019	4Q	02	6105	579		WATER	7,100.00		0.00	0.00	7,100.00	5,175.31	1,924.69
88	2019	4Q	02	6105	580		ROAD DEPARTMENT SEPTIC SERVICES	2,100.00		0.00	0.00	2,100.00	1,675.00	425.00
88	2019	4Q	02	6105	582		ELECTRIC	15,000.00		0.00	0.00	15,000.00	10,875.46	4,124.54
88	2019	4Q	02	6105	583		GAS	7,000.00		0.00	0.00	7,000.00	5,084.94	1,915.06
88	2019	4Q	02	7700	602	017	BOND PRINCIPAL - #31BP2015B	57,750.01		0.00	-24,375.00	33,375.01	33,375.01	0.00
88	2019	4Q	02	7700	606	017	BOND INTEREST - #31BP2015B	41,113.17		0.00	0.00	41,113.17	24,249.88	16,863.29
88	2019	4Q	02	8003	741		BRIDGE PROJECTS	200,000.00	2,037.55		-202,037.55	0.00	0.00	0.00
88	2019	4Q	02	8005	741		INFRASTRUCTURE IMPROVEMENT PROJ	20,000.00		0.00	243,579.08	263,579.08	263,579.08	0.00
88	2019	4Q	02	8005	741	002	BLACKTOP PROJECTS	329,957.00		0.00	86,181.48	416,138.48	416,138.48	0.00
88	2019	4Q	02	9100	535		VEHICLE & EQUIPMENT INSURANCE	50,000.00		0.00	-27,534.29	22,465.71	22,465.71	0.00
88	2019	4Q	02	9200	599		ROAD MISC. EXPENSE	1,000.00		0.00	-600.00	400.00	0.00	400.00
88	2019	4Q	02	9200	999		RESERVE FOR TRANSFERS	0.00		5,010.70	-5,010.70	0.00	0.00	0.00
88	2019	4Q	02	9300	999		TRANSFER TO OTHER FUNDS	0.00		0.00	0.00	0.00	0.00	0.00
88	2019	4Q	02	9400	201		FRINGES SOCIAL SECURITY	24,000.00		0.00	1,578.43	25,578.43	25,578.43	0.00
88	2019	4Q	02	9400	202		FRINGES RETIREMENT	78,000.00		0.00	0.00	78,000.00	65,075.53	12,924.47
88	2019	4Q	02	9400	205	001	FRINGES HEALTH AND DENTAL INSURA	130,000.00		0.00	0.00	130,000.00	101,389.82	28,610.18
88	2019	4Q	02	9400	208		FRINGES UNEMPLOYMENT INSURANCE	3,000.00		0.00	0.00	3,000.00	0.00	3,000.00
88	2019	4Q	02	9400	209		FRINGES WORKMEN'S COMPENSATION	24,000.00		0.00	0.00	24,000.00	21,214.00	2,786.00
88	2019	4Q	02	9500	902		NATL FOREST PYMT TO SCHOOL DISTR	17,500.00		0.00	0.00	17,500.00	0.00	17,500.00
88	2019	4Q	03	5101	101		JAILER SALARY	30,000.00		0.00	0.10	30,000.10	30,000.10	0.00
88	2019	4Q	03	5101	103		JAILER DEPUTIES	48,000.00		0.00	12,168.30	60,168.30	60,168.30	0.00
88	2019	4Q	03	5101	212		INCENTIVE TRAINING - JAILER	4,100.00		0.00	115.74	4,215.74	4,215.64	0.10
88	2019	4Q	03	5101	314		CONTRACTS WITH OTHER COUNTIES	400,000.00	76,003.06		131,326.18	607,329.24	607,329.24	0.00
88	2019	4Q	03	5101	481		JAILER UNIFORMS	600.00		0.00	0.00	600.00	422.49	177.51
88	2019	4Q	03	5101	531		JAILER'S BOND	150.00		0.00	0.00	150.00	101.80	48.20
88	2019	4Q	03	5101	549		ROUTINE MEDICAL EXPENSES	20,000.00		0.00	20,313.48	40,313.48	40,313.48	0.00
88	2019	4Q	03	5101	551		MEMBERSHIP DUES	200.00		0.00	0.00	200.00	175.00	25.00
88	2019	4Q	03	5101	569		CONFERENCES & TRAINING	2,200.00		0.00	130.95	2,330.95	2,330.95	0.00

MORGAN COUNTY
 FOURTH QUARTER FINANCIAL STATEMENT
 For The Year Ended June 30, 2019
 (Continued)

Disbursements File Text													
Morgan County Fiscal Court													
County	FYear	FType	Fund	Major	Minor	Sfx	Description	Orig. Budget	Amendments	Transfers	Tot. Avail.	Claims Paid	Free Bal.
88	2019	4Q	03	5101	573		TELEPHONE	2,250.00	0.00	0.00	2,250.00	1,966.04	283.96
88	2019	4Q	03	5101	576		TRAVEL EXPENSES - JAILERS OFFICE	300.00	0.00	0.00	300.00	43.95	256.05
88	2019	4Q	03	5101	592		VEHICLE OPERATION & MAINTENANCE	13,000.00	0.00	-1,327.69	11,672.31	11,486.21	186.10
88	2019	4Q	03	5101	739	002	OTHER EQUIPMENT	500.00	0.00	0.00	500.00	346.50	153.50
88	2019	4Q	03	5102	314		HOUSING JUVENILES	1,000.00	0.00	-1,000.00	0.00	0.00	0.00
88	2019	4Q	03	9200	999		RESERVE FOR TRANSFERS	0.00	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	03	9300	999		TRANSFER TO OTHER FUNDS	0.00	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	03	9400	201		FRINGES SOCIAL SECURITY	7,000.00	0.00	220.21	7,220.21	7,220.21	0.00
88	2019	4Q	03	9400	202		FRINGES RETIREMENT	33,000.00	0.00	-1,780.25	31,219.75	27,243.23	3,976.52
88	2019	4Q	12	5150	513		TIMBERLAND TAXING FUND APPROPRIA	3,800.00	0.00	0.00	3,800.00	3,783.00	17.00
88	2019	4Q	75	5121			FIRE PROTECTION (NOT COUNTY FIRE C	45,000.00	0.00	-7,669.25	37,340.75	10,048.24	27,292.51
88	2019	4Q	75	5130	348		RESCUE SQUAD PROGRAM SUPPORT LC	0.00	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	75	5135	420		EMERGENCY OPERATIONS CENTER EQI	0.00	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	75	5140	348		EMERGENCY SERVICES LGEDF PROJEC	0.00	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	75	5140	441		KYEM SEARCH AND RESCUE GRANT	0.00	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	75	5205	384		MORGAN COUNTY SPAY AND NEUTER	0.00	0.00	5,064.00	5,064.00	4,134.00	930.00
88	2019	4Q	75	5212	348		LITTER ABATEMENT PROGRAM	25,000.00	3,744.57	-4,163.00	24,581.57	12,000.00	12,581.57
88	2019	4Q	75	5212	479		TIRE DISPOSAL FEES	500.00	0.00	1,820.75	2,320.75	2,320.75	0.00
88	2019	4Q	75	5212	479	001	WASTE TIRE GRANT	0.00	0.00	1,081.50	1,081.50	1,081.50	0.00
88	2019	4Q	75	5232		515	#1 USDA ENVIROMENTAL DEAD ANIMAL	7,000.00	0.00	2,600.00	9,600.00	9,300.00	300.00
88	2019	4Q	75	5232	398		PRIDE ENVIRONMENTAL OUTREACH PRI	0.00	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	75	5235	716		#2 USDA LOCAL ENVIROMENTAL DEAD A	0.00	0.00	1,000.00	1,000.00	750.00	250.00
88	2019	4Q	75	5400			LITTLE LEAGUE COAL SEVERANCE	0.00	0.00	5,000.00	5,000.00	2,232.38	2,767.62
88	2019	4Q	75	5400	101			0.00	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	75	8000	741		AGRICULTURAL DEVELOPMENT GRANT +	237,500.00	0.00	0.00	237,500.00	138,362.00	99,138.00
88	2019	4Q	75	9100	398		PROGRAM ADMIN FEES AG DEVELOPME	12,500.00	0.00	-4,744.00	7,756.00	1,616.68	6,139.32
88	2019	4Q	75	9200	999		RESERVE FOR TRANSFERS	0.00	0.00	0.00	0.00	0.00	0.00
88	2019	4Q	75	9300	999		TRANSFER OUT	0.00	0.00	0.00	0.00	0.00	0.00
								6,763,521.80	217,364.44	-300.00	6,980,586.24	6,320,886.83	659,699.41

**MORGAN COUNTY
FOURTH QUARTER FINANCIAL STATEMENT
For The Year Ended June 30, 2019
(Continued)**

Long-Term Liabilities File Text Morgan County Fiscal Court															
County	Fund	Principal /	Interest	Term	Rate	Issued	NextPmt	FinalPmt	Principal	Interest	Total Issue	Prin. Bal.	Int. Bal.	Total Bal.	
FYear	FType	Major	Minor	Suffix	Description									Reserve	
88	01	7700	602		20	4.84	20020419	20200120	20210120	2,280,000.00	1,355,371.59	3,615,371.59	335,298.00	27,485.37	362,783.37
2019	4Q	7700	606												0.00
MORGAN COUNTY LIBRARY															
88	01	7401	601	002	25	4.17	20121227	20190620	20371220	1,600,000.00	1,293,219.67	2,893,219.67	1,465,000.12	1,037,192.38	2,502,192.50
2019	4Q	7401	605	002											0.00
KACo - SERIES 2012B BONDS MORGAN COUNTY															
88	01	7401	601	001	20	3	20150420	20190620	20341220	4,655,000.00	1,675,630.37	6,330,630.37	3,918,749.91	1,123,746.03	5,042,495.94
2019	4Q	7401	605	001											0.00
KACO BOND SERIES 2015R #31BP2015B															
88	01	7700	602	002	5	6.55	20160922	20190620	20210920	101,916.00	15,623.77	117,539.77	50,132.25	4,037.95	54,170.20
2019	4Q	7700	606	002											0.00
MORGAN COUNTY #33 AMBULANCE															
88	01	7700	602	003	6	6.549	20170713	20190620	20230720	101,599.00	21,804.49	123,403.49	74,390.37	10,355.92	84,745.29
2019	4Q	7700	606	003											0.00
MORGAN COUNTY #35 AMBULANCE															
88	01	7700	602	036	2	4.0358	20171018	20190620	20190920	153,916.00	9,542.01	163,458.01	153,916.00	5,685.90	159,601.90
2019	4Q	7700	606	036											0.00
MORGAN COUNTY #36 TRUCK															
									8,872,431.00	4,371,191.90	13,243,622.90	5,997,486.65	2,208,503.55	8,205,990.20	
															0.00

MORGAN COUNTY
FOURTH QUARTER FINANCIAL STATEMENT
For The Year Ended June 30, 2019
(Continued)

Total Liabilities File Text	
Morgan County Fiscal Court	
County Number	88
Fiscal Year	2019
File Type	4Q
Total Long-Term Deb	8,205,990.20
Total Short-Term Deb	0.00
Total Outstanding Debt	8,205,990.20

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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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MIKE HARMON
AUDITOR OF PUBLIC ACCOUNTS

The Honorable John Will Stacy, Morgan County Judge/Executive
Members of the Morgan 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*

Independent Auditor's Report

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, the Statement of Receipts, Disbursements, and Changes in Fund Balances - Regulatory Basis of the Morgan County Fiscal Court for the fiscal year ended June 30, 2019, and the related notes to the financial statement which collectively comprise the Morgan County Fiscal Court's financial statement and have issued our report thereon dated June 15, 2021. Our report disclaims an opinion on the financial statement because we were unable to obtain audited financial statements to support the Morgan County Real Properties I and II Corporation Funds at June 30, 2019 which are considered material omissions of the Morgan County Fiscal Court's financial statement.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the Morgan County Fiscal Court's internal control over financial reporting (internal control) to determine the 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 Morgan County Fiscal Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Morgan 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 were not identified. However, as described in the accompanying Schedule of Findings and Responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

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 Responses as items 2019-001, 2019-004, and 2019-006 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)

Internal Control Over Financial Reporting (Continued)

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. We consider the deficiencies described in the accompanying Schedule of Findings and Responses as items 2019-003 and 2019-005 to be significant deficiencies.

Compliance And Other Matters

As part of obtaining reasonable assurance about whether the Morgan 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 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 Responses as items, 2019-002, 2019-004, and 2019-006.

Views of Responsible Official and Planned Corrective Action

Morgan County's views and planned corrective action for the findings identified in our audit are included in the accompanying Schedule of Findings and Responses. The county's responses were not subjected to the auditing procedures applied in the audit of the financial statement, and accordingly, we express no opinion on them.

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,



Mike Harmon
Auditor of Public Accounts

June 15, 2021

**MORGAN COUNTY
SCHEDULE OF FINDINGS AND RESPONSES**

For The Year Ended June 30, 2019

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**MORGAN COUNTY
SCHEDULE OF FINDINGS AND RESPONSES**

For The Year Ended June 30, 2019

FINANCIAL STATEMENT FINDINGS:

2019-001 The Morgan County Fiscal Court Does Not Have Internal Controls Over The Real Properties I And Real Properties II Corporations

This is a repeat finding and was included in the prior year audit report as finding 2018-004. The county does not have internal controls over the Real Properties I and Real Properties II corporations. The Real Properties I Corporation was created for the sole purpose of constructing and equipping the health and wellness center and repairing the old Morgan County courthouse for the benefit of Morgan County after the tornado on March 2, 2012. The Real Properties II Corporation was created for the sole purpose of constructing the Morgan County Cooperative Extension Service building, the Morgan County transit station and parking garage, and repairing the Morgan County Community Center for the benefit of Morgan County after the tornado on March 2, 2012. The Morgan County Fiscal Court did not ensure annual financial statements were prepared for the Real Properties I and Real Properties II corporations. The Morgan County Fiscal Court also failed to obtain an audit of these corporations. We were not engaged as auditors of these corporations and were told that a private firm was conducting these audits. However, as of the date of this report, they have not been audited.

This is caused by a lack of knowledge by county personnel on the activity of these corporations. They have a complex structure and the personnel responsible for the financial statements did not have the knowledge necessary to prepare them.

As a result, the Real Properties I and Real Properties II corporations have not been audited. These are significant components of the Morgan County Fiscal Court and therefore we have disclaimed an opinion on the financial statement for the year ending June 30, 2019.

Good internal controls dictate that financial statements are timely prepared and audited.

We recommend management of the Real Properties I and Real Properties II corporations ensure that financial statements are prepared timely and audited as required.

Views of Responsible Official and Planned Corrective Action:

County Judge/Executive's Response: The Real Properties I and Real Properties II corporations are complete and have closed to date.

2019-002 The Morgan County Fiscal Court's General Fund Owes The Road Fund Due To Inappropriate Disbursements

Below is a chart that depicts how the general fund owes the road fund monies due to various reasons over the past years, including local government economic assistance (LGEA) funds that should have been spent 100% on road categories (FY 2018), too much truck license fees being transferred to the general fund (FY 2016 and 2017), transfer station disbursements being paid from the road fund (FY 2014 and 2015), and LGEA funds being transferred to the jail fund that should have been used for transportation (FY 2014).

MORGAN COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended June 30, 2019
(Continued)

FINANCIAL STATEMENT FINDINGS: (Continued)

2019-002 The Morgan County Fiscal Court's General Fund Owes The Road Fund Due To Inappropriate Disbursements (Continued)

	<u>General Fund</u>	<u>Road Fund</u>	<u>Jail Fund</u>	<u>LGEA Fund</u>
Interfund Receivable (Liabilities) 2014	\$ (138,775)	\$ 165,165	\$(26,390)	\$
Interfund Receivable (Liabilities) 2015	(143,238)	143,238		
Interfund Receivable (Liabilities) 2016	(200,892)	200,892		
Interfund Receivable (Liabilities) 2017				(24,677)
Credit given for Truck License Not Transferred in FY 2017	150,788	(201,855)	26,390	24,677
Interfund Receivable (Liabilities) 2018	(2,254)	2,254		
Total	<u>\$ (334,371)</u>	<u>\$ 309,694</u>	<u>\$ 0</u>	<u>\$ 0</u>

Since fiscal year 2014, the county has not remedied the issues noted and is not in compliance in the use of restricted monies. The liabilities of the general fund has the fund in a deficit and the road fund is being deprived of money that could be used in the fund.

Road monies are restricted by KRS 177.320 and KRS 177.360. Under the regulatory basis of accounting, fund balances are not adjusted for the unpaid liability on the financial statements.

We recommend the Morgan County Fiscal Court remedy the liabilities owed to the road fund as soon as possible and to avoid having deficit balances.

Views of Responsible Official and Planned Corrective Action:

County Judge/Executive's Response: The general fund is in the process of repaying the road fund. This is an error from previous administration.

2019-003 The Morgan County Fiscal Court Does Not Have Internal Controls Over Bank Reconciliations

This is a repeat finding and was included in the prior year audit report as finding 2018-002. Bank reconciliations were not completed for all bank accounts including payroll, rebuild Morgan County and Public Properties Corporation. Bank reconciliations that were completed did not appear to be reviewed by a second party for accuracy. Mistakes could occur and not be corrected in a timely manner because the official did not have controls in place to ensure that bank reconciliations were completed for all accounts and that those that were completed were reviewed by a second party.

Good internal controls dictate bank reconciliations should be completed for all bank accounts and should reconcile to supporting financial information. A person independent of the posting and reconciliation process should review the reconciliation and original bank statement. We recommend the fiscal court determine appropriate internal controls to ensure that reconciliations are performed and they are reviewed by a second party.

Views of Responsible Official and Planned Corrective Action:

County Judge/Executive's Response: Internal controls have been implemented with the new administration to eliminate issues that existed previously.

**MORGAN COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended June 30, 2019
(Continued)**

FINANCIAL STATEMENT FINDINGS: (Continued)

2019-004 The Morgan County Fiscal Court Did Not Accurately Report Debt On The Quarterly Financial Statement

The debt schedule presented with the Fourth Quarter Report (which serves as the year-end financial statement) inaccurately reported debt obligations. Two debts were omitted from the schedule and four were inaccurately reported.

The fiscal court does not have controls in place to ensure that debt obligations are properly reported on the fourth quarter report.

Due to the omission and inaccuracy, long term debt was understated by \$10,360,718, which could impact the fiscal court's ability to make sound financial decisions.

KRS 68.210 gives the state local finance officer the authority to prescribe a uniform system of accounts. The uniform system of accounts is set forth in the *County Budget Preparation and State Local Finance Officer Policy Manual*, which requires all county debt be reflected properly on the quarterly financial statement.

We recommend that the county ensure that the correct amounts are shown on all financial statements presented to the public and to the Department for Local Government. We further recommend that that county review all aspects of the quarterly reports before signing and submitting.

Views of Responsible Official and Planned Corrective Action:

County Judge/Executive's Response: This has been corrected.

2019-005 The Morgan County Fiscal Court Did Not Pay All Invoices Within 30 Working Days As Required

The Morgan County Fiscal Court did not pay all invoices within 30 working days. We determined that four invoices totaling \$113,776 were not paid within 30 days.

Invoices that were paid late consisted of insurance and for a project. The fiscal court was unaware the full amount had to be paid to the insurance company within 30 working days since paying in payments is an option and the other invoices were for a road repair project and were not paid until the job was complete.

Failure to pay bills within 30 days could result in finance charges and late fees, which would be improper use of taxpayer monies.

KRS 65.140(2) states, in part, "all bills for goods or services shall be paid within thirty (30) working days of receipt of vendor's invoice except when payment is delayed because the purchaser has made a written disapproval of improper performance or improper invoicing by the vendor or by the vendor's subcontractor."

We recommend the fiscal court monitor and ensure all invoices are paid within 30 working days.

Views of Responsible Official and Planned Corrective Action:

County Judge/Executive's Response: We have implemented multiple internal controls to ensure that all disbursements are paid properly and timely.

**MORGAN COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended June 30, 2019
(Continued)**

FINANCIAL STATEMENT FINDINGS: (Continued)

2019-006 The Morgan County Fiscal Court Does Not Have Adequate Controls Over Payroll

We noted the following control deficiencies during our test of payroll out of the 39 timesheets tested:

- Fifteen timesheets were not signed by a supervisor.
- Two timesheets were missing.

Because the county failed to maintain signed timesheets, employee hours worked could not be substantiated due to the lack of adequate controls over payroll.

KRS 337.320(1) states, in part, “[e]very employer shall keep a record of: (a) The amount paid each pay period to each employee; (b) [t]he hours worked each day and each week by each employee[.]”

We recommend the fiscal court strengthen controls over payroll to ensure timesheets are prepared each pay period for all employees. All timesheets should be signed by employees and their supervisor.

Views of Responsible Official and Planned Corrective Action:

County Judge/Executive’s Response: Internal controls have been implemented with the new administration to eliminate issues that existed previously.

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

MORGAN COUNTY FISCAL COURT

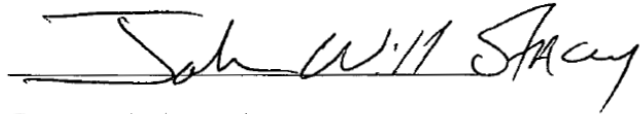
For The Year Ended June 30, 2019

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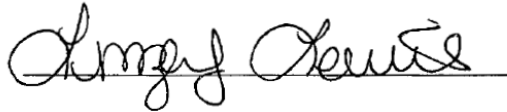
CERTIFICATION OF COMPLIANCE
LOCAL GOVERNMENT ECONOMIC ASSISTANCE
COUNTY FISCAL COURT

For The Year Ended June 30, 2019

The Morgan 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.

A handwritten signature in black ink, appearing to read "John Will Stacy", written over a horizontal line.

County Judge/Executive

A handwritten signature in black ink, appearing to read "Amy O'Leary", written over a horizontal line.

County Treasurer