INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of
the City Council
City of Hustonville, Kentucky

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Hustonville, Kentucky (the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the respective budgetary comparison for the general fund of the City as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Report on Summarized Comparative Information

We have previously audited the City's 2024 financial statements, and we expressed an unmodified opinion on the respective financial statements of the governmental activities, the business-type activities, and each major fund in our report dated July 17, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 15, 2026, on our consideration of the City'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 effectiveness of the City's 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 City's internal control over financial reporting and compliance.

Kerbaugh, Rodes & Butler, PLLC

Kerbaugh, Rodes & Butler, PLLC
Certified Public Accountants
Danville, Kentucky

July 15, 2026

CITY OF HUSTONVILLE, KENTUCKY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES-
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
Taxes	$41,700	$41,700	$34,051	$(7,649)
Licenses and fees	119,000	119,000	120,033	1,033
Intergovernmental revenues	35,100	35,100	39,364	4,264
Charges for services	5,300	5,300	9,305	4,005
Interest	2	2	2	-
Other	15,825	14,280	11,106	(3,174)
Total revenues	216,927	215,382	213,861	(1,521)
EXPENDITURES:				
Current operating:				
General government	142,902	155,952	134,712	21,240
Police services	26,550	26,550	17,854	8,696
Fire services	24,875	24,875	30,785	(5,910)
Streets	4,200	4,200	145	4,055
ABC administration	17,652	17,652	18,959	(1,307)
Debt Service:				
Principal	-	-	6,152	(6,152)
Interest	-	-	5,275	(5,275)
Capital outlay	-	-	57,469	(57,469)
Total expenditures	216,179	229,229	271,351	(42,122)
Excess (deficiency) of revenues over expenditures /Net change in fund balances	748	(13,847)	(57,490)	(43,643)
OTHER FINANCING SOURCES:				
Debt Proceeds	-	-	39,999	39,999
Total other financing sources	-	-	39,999	39,999
Net change in fund balances	748	(13,847)	(17,491)	(3,644)
Fund balances – beginning	35,586	35,586	35,586	-
Fund balances – ending	$36,334	$21,739	$18,095	$(3,644)

See accompanying notes to financial statements.

A copy of the complete audit report, including financial statements and supplemental information, is on file at Hustonville City Hall and is available for public inspection during normal business hours. Any citizen may obtain a complete audit report, including financial statements and supplemental information for his or her personal use. Citizens requesting a personal copy of the city audit report will be charged for duplication cost that shall not exceed twenty-five cents ($0.25) per page. The financial statements prepared are in accordance with KRS 424.220, when a financial statement is required by KRS 424.220, they are available to the public at no cost at the business address of the officer responsible for the preparation of the statement.

Public Notices

Public Notices

PUBLIC NOTICE

COMMISSIONER'S SALES
COMMONWEALTH OF KENTUCKY
28TH JUDICIAL DISTRICT
LINCOLN CIRCUIT COURT

Pursuant to the Judgments and Orders of Sale of the Lincoln Circuit Court, the Master Commissioner of the Lincoln Circuit Court will sell the real properties described in the following Civil Actions in the hallway of the first floor of the Lincoln County Courthouse, on SEPTEMBER 8, 2026 at the hour of 10:00 AM, or as soon thereafter as said property can be sold. The purpose of these sale is to satisfy the Judgements of the Lincoln Circuit Court in the amounts hereinafter set forth, together with interest, advances for the protection of the property, costs and attorney fees as authorized and provided in said Judgements.

The hereinafter described real properties will be sold and conveyed on the following terms and conditions:

1. Subject to valid and existing easements, restrictions, reservations, conditions, covenants, and limitations apparent or of record in the chain of title.

2. The purchaser shall either pay the entire purchase price at the time of sale; or if the sale is made on credit, the purchaser shall pay a minimum deposit of 10% of the purchase price with the balance due in 30 days. If the sale is made on credit, the purchaser shall pay the required deposit at the time of sale and execute bond for the balance due bearing interest at the rate the Judgement bears from the date of sale until paid, with surety thereon; and the bond shall be secured by a lien upon said property sold which shall have the full force and effect of a judgement.

3. The real properties shall be sold free and clear of all liens, indebtedness, interest and claims of the parties to the proceeding, subject to any and all applicable statutory rights of redemptions, including and Right of Redemption granted to the United States of America pursuant to 28 U.S.C Sec. 2410.

4. Delinquent ad valorem taxes will be paid out of the proceeds of sale. The purchaser will be responsible for payment of the 2024 ad valorem taxes. Possession of the real property will be given to the purchaser with the delivery of the deed of conveyance thereto.

SALE NO. 1
KENTUCKY HOUSING CORPORATION V DALE E. HOWELL II; CIVIL ACTION NO. 26-CI-00113; BEING LOT #6 RIVER RIDGE DEVELOPMENT SUBDIVISION, SECTION 2 AS SHOWN BY PLAT OF RECORD PLAT CABINET A SLIDE 358 WITH A 2002 CHARMING CASTLE LLC MOBILE HOME; THE PROPERTY ADDRESS IS 59 RIVER RIDGE DRIVE DANVILLE, KY; SEE DEED BOOK 466 PAGE 358; PVA MAP #035-01-06-004.00
SALE NO. 2
SELECT PORTFOLIO SERVICING, INC. V FRANK JOSEPH PARNASS ET AL; CIVIL ACTION NO. 25-CI-00342; THE PROPERTY AT 457 COUNTRY DRIVE HUSTONVILLE, KY; BEING LOT 9-20 COUNTRY MEADOWS SECTION 2 PLAT SLIDE B-6; SEE DEED BOOK 476 PAGE 427; PVA MAP#009-04-07.001.00
SALE NO. 3

Public Notices

KENTUCKY HOUSING CORPORATION V MABEL C. MONHOLLEN ET AL; CIVIL ACTION NO 26-CI-00096; 2 ACRES WITH HOUSE 4000 KY 39 SOUTH CRAB ORCHARD, KY; SEE DEED BOOK 484 PAGE 66;PVA MAP#091-00-08-013.00

ROBERT R. BAKER
MASTER COMMISSIONER
LINCOLN CIRCUIT COURT

Interior Journal:
Aug. 20, 27 and Sept. 3, 2026
SALE 9.8.26

PUBLIC NOTICE

The Lincoln County Board of Education is proposing a general fund tax levy of 47.1 cents on real property and 53.2 cents on personal property.
The General Fund tax levied in fiscal year 2026 was 49.9 cents on real property and 53.2 cents on personal property and produced revenue of $8,170,253.84. The proposed General Fund tax rate of 47.1 cents on real property and 53.2 cents on personal property is expected to produce $8,475,203. Of this amount $1,346,415 is from new and personal property. The compensating tax for 2027 is 45.2 cents on real property and 53.2 cents on personal property and is expected to produce $8,182,177.
The proposed rate is expected to generate more revenue than received in the preceding year. The general areas to which revenue of $304,949 above 2026 revenue is to be allocated are as follows: Cost of collections, $9,149; General Fund expenses (salaries and benefits), $295,800.
The information is published pursuant to KRS 160.470. The proposed tax rate is not subject to recall under KRS 132.017.
The General Assembly has required publication of this advertisement and information contained herein.

Interior Journal:
Aug. 20 and 27, 2026
TAX LEVY

PUBLIC NOTICE

Invitation to Bid

The Lincoln County Board of Education will be accepting sealed bids for a 2007 Hyundai Entourage. Bids must be submitted by 10:00 AM, August 27th, 2026, to the Lincoln County Board of Education, 305 Danville Avenue, Stanford, KY 40484. Office hours are Monday through Friday, 8:00 AM to 4:00 PM. The Lincoln County Board of Education reserves the right to accept or reject any and all bids. If you wish to view the vehicle, contact 606-365-2124.

Interior Journal:
Aug. 20, 2026
BIDS/07 HYUNDAI

PUBLIC NOTICE
Public Hearing

In accordance with the provisions of HB44 enacted by the 1979 Kentucky General Assembly and KRS 132.023, a public hearing has been set by the Lincoln County Public Library Board of Trustees for September 8, 2026, immediately before the Lincoln County Fiscal Court meeting currently held at Lincoln County Parks & Recreation Building 567 Goshen Rd. The purpose of the hearing is to hear public comment upon the proposed tax rate of 6.4 cents with anticipated revenue of $987,036. The tax rate for 2025 was 6.7, with an anticipated revenue of $912,617.
The Compensating rate for 2026 is 6.2, with anticipated revenue of $956,191. The expected revenue from Personal Property is $213,332. This tax rate reflects an increase in anticipated revenue which is needed for the rising cost of living and the increase in the cost of health insurance premiums.
The Kentucky General Assembly has required the publication of the information contained herein.

PUBLIC NOTICE
ORDINANCE SUMMARY

Comes John Hackley, an Attorney authorized to practice law in the Commonwealth of Kentucky, and pursuant to KRS 86A.060(4) and (9), hereby presents the following summary of Hustonville Ordinance No. 76, for both reading and publication.
AN ORDINANCE ESTABLISHING A CODE ENFORCEMENT BOARD PURSUANT TO HOUSE BILL 422.
The City of Hustonville, Kentucky is establishing a Code Enforcement Board, and an officer for enforcement, to give local effect to KRS 65.8801 to KRS 65.8839, defining and regulating conditions that constitute nuisances within the City.
The Ordinance defines and establishes control over public nuisances, defined in part, as criminal activity, graffiti, environmental nuisances, litter (garbage and trash), dilapidated housing, and chronic nuisances.
Such Board and Officer may, if imminent danger is present, act without notice and a hearing, otherwise nuisance violators shall be given notice and an opportunity to be heard before the Board regarding the allegations.
The portions of the Ordinance that define fees, and/or fines, and liens are as follows:
"**§02.03 Penalty.**
(A) Any person, firm, or corporation who violates any provision of this Chapter with the exception of §01.03 shall be subject to a civil offense with a civil fine of not less than $250.00 per violation but not more than $500.00 per violation. If the civil fine is uncontested, the amount per violation shall be $250.00.
(B) Any person, firm, or corporation who violates §01.03 shall be subject to a civil offense with a civil fine of not less than $500.00 per violation but not more than $1,000.00 per violation. If the civil fine is uncontested, the amount per violation shall be $500.00."
And:
"**(A)** The city shall possess a lien on property owned by the person found by a non-appealable final order, or by a final judgment of the court, to have committed a violation of a city ordinance. The lien shall be for all civil fines assessed for the violation and for all charges and fees incurred by the city in connection with the enforcement of the ordinance, including abatement costs and attorney's fees. An affidavit of the Code Enforcement Officer shall constitute prima facie evidence of the amount of the lien and regularity of the proceedings pursuant to KRS 65.8801 to 65.8839.
(B) The lien shall be recorded in the office of the County Clerk. The lien shall be notified to all persons from the time of its recording and shall bear interest of 12% until paid. The lien shall continue for ten (10) years following the date of the non-appealable final order or final court judgment.
(C) The lien shall take precedence over all other liens, except state, county, school board, and city taxes, and may be enforced by judicial proceedings, including a foreclosure action.
(D) In addition to the remedy prescribed in subsection (A) the person found to have committed the violation shall be personally responsible for the amount of all civil fines assessed for the violation and for all charges, fees, attorney's fees, and abatement costs incurred by the city in connection with the enforcement of the ordinance. The city may bring a civil action against the person and shall have the same remedies as provided for the recovery of a debt."
Further, the undersigned attorney saith naught.

/s/JOHN HACKLEY
CITY ATTORNEY, CITY OF HUSTONVILLE