



# LEGAL NOTICE



ALLISON BALL  
AUDITOR OF PUBLIC ACCOUNTS  
Independent Auditor's Report

To the People of Kentucky  
The Honorable Andy Beshear, Governor  
Holly M. Johnson, Secretary  
Finance and Administration Cabinet  
The Honorable Jerry Gilliam, Christian County Judge/Executive  
Members of the Christian County Fiscal Court

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

**Opinions**  
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, 2025, 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.

**Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the receipts, disbursements, and changes in fund balances-regulatory basis of the Christian County Fiscal Court, for the year ended June 30, 2025, in accordance with accounting practices prescribed or permitted by the Commonwealth of Kentucky as described in Note I.

**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 section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Christian County Fiscal Court, for the year ended June 30, 2025, or the changes in financial position and cash flows thereof for the year then ended.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the Fiscal Court Audit Guide issued by the Auditor of Public Accounts, Commonwealth of Kentucky. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Christian County Fiscal Court 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.

**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 and pervasive.

**Responsibilities of Management for the Financial Statement**

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statement is 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 GAAS 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 statement.

**In performing an audit in accordance with GAAS 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 statement, 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 statement.
- Obtain an understanding of internal control relevant to the audit 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 Christian County Fiscal Court'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 statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Christian County Fiscal Court'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.

**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 and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S.

Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) 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.

The accompanying Budgetary Comparison Schedules 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 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 Information**

Management is responsible for the other information included in this report. The other information is comprised of the schedule of capital assets but does not include the financial statement and our auditor's report thereon. Our opinions on the financial statement do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statement, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statement, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated November 19, 2024, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the 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 findings:

- 2025-001 The Christian County Fiscal Court Failed To Implement Effective Internal Controls Over Financial Reporting
- 2025-002 The Christian County Fiscal Court Failed To Approve Cash Transfers Prior To Them Being Made
- 2025-003 The Christian County Fiscal Court Had Inadequate Controls Over Disbursements Resulting In Noncompliance
- 2025-004 The Christian County Fiscal Court's Schedule Of Expenditures Of Federal Awards (SEFA) Was Misstated

Respectfully submitted,

*Allison Ball*

Allison Ball  
Auditor of Public Accounts  
Frankfort, Ky  
February 26, 2026

State law requires the Auditor of Public Accounts to annually audit fiscal courts, county clerks, and sheriffs; and print the results in a newspaper having general circulation in the county. The complete audit and any other audit of state agencies, fiscal courts, county clerks, sheriffs, and property valuation administrators may be viewed in the reports section of the Auditor of Public Accounts' website at [auditor.ky.gov](http://auditor.ky.gov) or upon request by calling 1-800-247-9126.

**CHRISTIAN COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES  
IN FUND BALANCES - REGULATORY BASIS  
For The Year Ended June 30, 2025**

	Budgeted Funds					E911 Fund	General Obligation Bond Fund	Clerk Storage Fees Fund	American Rescue Fund
	General Fund	Road Fund	Jail Fund	Local Government Economic Assistance Fund					
<b>RECEIPTS</b>									
Taxes	\$ 10,434,453					\$ 68,731			
In Lieu Tax Payments	214,289								
Excess Fees	719,258								
Licenses and Pennits	131,458								
Intergovernmental	5,227,147	3,074,038	5,866,697	298,059	475,900			99,790	
Charges for Services	405,070		539,342						
Miscellaneous	1,255,507	57,925	251,682				273,603		
Interest	582,139	25,2379	10,743	14,719	51,441		22,712	364,148	
Total Receipts	18,969,321	3,157,342	6,668,464	312,778	596,072		296,615	99,790	364,148
<b>DISBURSEMENTS</b>									
General Government	3,070,730								
Protection to Persons and Property	1,163,295		6,271,757			1,685,486			
General Health and Sanitation	818,804								
Social Services	152,476								
Recreation and Culture	711,400						369,844		
Roads		3,219,113				225,738			
Airports	30,000								
Debt Service							1,536,163		
Capital Projects	6,621,844		119,505						3,364,695
Administration	5,347,358	492,503	2,131,558					46,053	
Total Disbursements	17,915,907	3,711,616	8,522,820	225,738	1,685,486		1,906,007	57,289	3,364,695
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	1,053,414	(554,274)	(1,285,456)	87,0707	(1,089,414)		(1,609,692)	42,501	(3,000,547)
<b>Other Adjustments to Cash (Uses)</b>									
Lease Proceeds	955,000								
Lease Premium	45,000								
Borrowed Money	429,076								
Transfers From Other Funds	1,635	550,000	1,750,000		1,041,330		1,262,560		
Transfers To Other Funds	(4,603,890)						(1,635)		
Total Other Adjustments to Cash (Uses)	(3,173,179)	550,000	1,750,000		1,041,330		1,260,925		
Net Change in Fund Balance	(2,119,765)	(4,274)	(104,356)						
Fund Balance - Beginning (Restated)	11,918,277	63,777	218,122						
Fund Balance - Ending	\$ 9,798,512	\$ 59,503	\$ 113,766		\$ 87,040	\$ (48,084)	\$ (348,767)	\$ 42,501	\$ (3,000,547)
Composition of Fund Balance					\$ 219,274	\$ 952,113	\$ 441,631	\$ 94,897	\$ 8,546,558
Bank Balance	\$ 10,330,801	\$ 79,700	\$ 218,147		\$ 306,314	\$ 904,029	\$ 92,864	\$ 137,398	\$ 5,546,011
Plus: Deposits In Transit	12,096				\$ 307,453	\$ 1,041,337	\$ 166,362	\$ 141,926	\$ 5,546,011
Less: Outstanding Checks	(544,385)	(20,197)	(104,381)						
Fund Balance - Ending	\$ 9,798,512	\$ 59,503	\$ 113,766		\$ 306,314	\$ 904,029	\$ 92,864	\$ 137,398	\$ 5,546,011

	Unbudgeted Funds			Total Funds	Internal Service Fund Health Insurance Fund	GENERAL FUND			
	Industrial Development Authority Revolving Loan Funds	Jail Commissary Fund				Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
						Original	Final		
<b>RECEIPTS</b>									
Taxes	\$	\$	\$	10,503,184	\$	\$ 10,018,700	\$ 10,018,700	\$ 10,434,453	\$ 415,753
In Lieu Tax Payments				214,289		202,414	202,414	214,289	11,87
Excess Fees				719,258		720,000	720,000	719,258	(742)
Licenses and Pennits				131,458		151,919	151,919	131,458	(20,461)
Intergovernmental				14,941,841		7,262,611	13,562,611	5,227,147	(8,335,464)
Charges for Services				1,044,202		268,279	268,279	405,070	136,791
Miscellaneous	261,027	1,233,835		3,333,579		78,608	328,608	1,255,507	926,899
Interest	28,967	37,097		1,137,345	3,952,869	460,000	460,000	582,139	122,139
Total Receipts	289,994	1,270,932		32,025,156	3,982,519	19,162,531	25,712,531	18,969,321	(6,743,210)
<b>DISBURSEMENTS</b>									
General Government				3,081,966		4,097,488	4,263,342	3,070,730	1,192,612
Protectbn to Persons and Property				9,120,538		1,371,502	1,380,619	1,163,295	217,324
General Health and Sanitation				818,804		865,878	876,878	818,804	58,074
Social Services				152,476		168,008	175,077	152,476	22,601
Recreation and Culture		1,226,683		2,307,927		729,500	928,424	711,400	217,024
Roads				3,444,851		30,000	30,000		
Airports				30,000		30,000	30,000		
Debt Service				1,536,163		5,657,615	12,381,715	6,621,844	5,759,871
Capital Projects	286,923			10,392,967		5,640,128	5,435,164	5,347,358	87,806
Administration	25			8,017,497	3,679,593	18,560,119	25,471,219	17,915,907	7,555,312
Total Disbursements	286,948	1,226,683		38,903,189	3,679,593				
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	3,046	44,249		(6,878,033)	302,926	602,412	241,312	1,053,414	812,102
<b>Other Adjustments to Cash (Uses)</b>									
Lease Proceeds				955,000					
Lease Premium				45,000					
Borrowed Money				429,076					
Transfers From Other Funds				4,605,525					
Transfers To Other Funds				(4,605,525)					
Total Other Adjustments to Cash (Uses)				1,429,076					
Net Change in Fund Balance	3,046	44,249		(5,448,957)	302,926	2,500,000	3,500,000	955,000	(2,545,000)
Fund Balance - Beginning (Restated)	644,689	689,094		23,788,432	549,998				
Fund Balance - Ending	\$ 647,735	\$ 733,343	\$	18,339,475	\$ 852,924				
Composition of Fund Balance									
Bank Balance	\$ 647,735	\$ 751,902	\$	19,231,374	\$ 708,079				
Plus: Deposits In Transit				12,096	147,937				
Less: Outstanding Checks		(18,559)		(903,995)	(3,092)				
Fund Balance - Ending	\$ 647,735	\$ 733,343	\$	18,339,475	\$ 852,924				

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