



News from the Rockcastle Courthouse

District Civil Suits

Crown Asset Management v. Olivia Abney.
Eagle Financial Services v. Michael Barbour.
Midland Credit Management, Inc. v. Shannon Damrell.

DNF Associates LLC v. Christian A. Sagraves.
Capital One Bank (USA) v. Eric K. Hodge. C-00001

Marriage Licenses

Bethany Michelle Deatherage, 36, Mt. Vernon, unemployed and Michael Denton Allen, 39, Mt. Vernon, construction. 12/29/20

Circuit Civil Suits

Joseph W. Thacker v. Andrew W. Lowe.

Mid South Capital Partners LP v. Unknown Heirs of James Roberts.

Commonwealth of Kentucky v. Randy W. Allen.

Jimmy Gross v. Angela Gross.

Ann Marie Bolin v. Rian C. McVey.

Tatyana Yastremskaya v. Thorotruck, Inc., et al.

Discover Bank v. Harry J. Potter, et al.

Discover Bank v. Jerry L. Saylor.

Thorotruck, Inc. v. Arm Trucking, Inc.

US Bank, as CTS for Red Clover 1, LLC v. Anthony Noel, et al.

US Bank, as CTS for Red Clover 1, LLC v. Ida Whitson, et al.

Charles Dalio v. Edward Bowman, et al.

Deanna Cartmill v. Denis Doan.

Mid South Capital Partners LP v. Otis Bradley, et al.

Adam Bales v. Autumn Bales.

Onemain Financial Group, LLC v. Emma Clines. CI-00255

Deeds Recorded

Jerry Warren Carter and Larry Dale Carter, Trustees, property in Rainbow Ridge Subdv., to Charles Robert Wilson. Tax \$8

Jesse and Megan Coffey, property on Richmond Road, to Donald R. Coffey, Jr. and Michelle Coffey. No tax

Stella Mason, property on KY 1617, to Eric and Rebecca Jackson. Tax \$18

William Martin and Jennie Darlene and Michael Roy Bray, property in Rockcastle County, to Barbara Dooley. Tax 50c

Robert and Leigha Cameron, property in Rockcastle County, to Pete Borchert and Tina M. Pfeiffer. Tax \$650

WPF Investments LLC, property on new Main St., to Gregory Merrell Chandler. Tax \$52

Josiah Bertrand, property on Old State Road, to Kenny Hobbs. Tax \$10

Judy M. and Sammy L. Ford, and others, Zade McClure property, to Genievee Reppert. Tax \$60

Judy M. and Sammy L. Ford, and others, Zade McClure property, to Connie and Ryan Riddle. Tax \$60

Eugene T. Caldwell and Lori E. Caldwell Revocable Living Trust, property in Rockcastle County, to Dustin A. and Bridget A. Rose. Tax \$75

John Derek and Jessica Lawson, property on branch of Copper Creek, to Arthur Louis Baxter, Andrew R. Schermerhorn and Krystal Karen Young. Tax \$16

To the People of Kentucky

The Honorable Andy Beshear, Governor

Holly M. Johnson, Secretary

Finance and Administration Cabinet

The Honorable Howell Holbrook, Rockcastle County Judge/Executive

Members of the Rockcastle County Fiscal Court

Independent Auditor's Report

Report on the Financial Statement

We have audited the accompanying Statement of Receipts, Disbursements, and Changes in Fund Balances - Regulatory Basis of the Rockcastle County Fiscal Court, for the year ended June 30, 2019, and the related notes to the financial statement which collectively comprise the Rockcastle County Fiscal Court's financial statement as listed in the table of contents.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Rockcastle County Fiscal Court as of June 30, 2019, or changes in financial position or cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the fund balances of the Rockcastle County Fiscal Court as of June 30, 2019, and their respective cash receipts and disbursements, and budgetary results for the year then ended, in accordance with the basis of accounting practices prescribed or permitted by the Department for Local Government described in Note 1.

Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statement taken as a whole of the Rockcastle County Fiscal Court. The Budgetary Comparison Schedules and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Schedule of Capital Assets 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.

The Schedule of Capital Assets has not been subjected to the auditing procedures applied in the audit of the basic financial statement, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2020 on our consideration of the Rockcastle 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 Rockcastle 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:

2019-001	The Fiscal Court Did Not Ensure All Timesheets Were Prepared And Approved Prior To Payment
2019-002	The Local Emergency Planning Commission (LEPC) Account Is Administered By The Fiscal Court Contrary To State Regulation
2019-003	The Fiscal Court Did Not Properly Budget And Record Amounts For Third Party Financing Agreements
2019-004	The Fiscal Court Had Overdrawn Bank Balances In Numerous Bank Accounts During Fiscal Year 2019
2019-005	The Fiscal Court Lacks Controls Over Credit Card Disbursements
2019-006	The Fiscal Court Had A Negative Reconciled Balance In The Payroll Account As Of June 30, 2019
2019-007	The Fiscal Court Did Not Remit Health Reimbursement Account And Flex Fund Account Payments Timely
2019-008	The Fiscal Court Does Not Have Adequate Internal Controls Over The Purchase Order System
2019-009	The Jailer Did Not Submit A Complete Annual Commissary Financial Report To The County Treasurer
2019-010	The Jailer Lacks Internal Controls Over Inmate And Commissary Receipts
2019-011	The Jailer Did Not Comply With Bidding Requirements Set Forth In KRS 424.260
2019-012	The Rockcastle County Detention Center Lacks Segregation Of Duties Over Receipts, Disbursements, And Bank Reconciliations For the Commissary Account
2019-013	The Jailer Failed To Properly Reconcile The Commissary And Inmate Bank Accounts
2019-014	The Jailer Lacks Adequate Internal Controls Over the Overall Environment Of The Detention Center
2019-015	The Jailer Was Unable To Provide All Requested Documentation

Respectfully submitted, Tammy R. Patrick, CPA - Patrick & Associates, LLC

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Notice

A copy of the complete audit report of Rockcastle County Fiscal Court for the year ending June 30, 2019, including financial statements and supplemental information, is on file at the Rockcastle County courthouse and is available for public inspection during normal business hours.

Any citizen may obtain from the Rockcastle County Courthouse a copy of the complete audit report, including financial statements and supplemental information, for their personal use.

Citizens requesting a personal copy of the Rockcastle County's audit report will be charged duplication cost at a rate that shall not exceed twenty-five cents (\$0.25) per page.

Copies of the financial statement prepared in accordance with KY KRS 424.220, when a financial statement is required by KRS 424.220, are available to the public at no cost at the Rockcastle County courthouse located at 205 E. Main St. #14, Mt. Vernon, KY