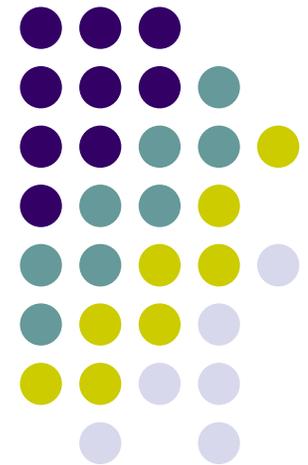


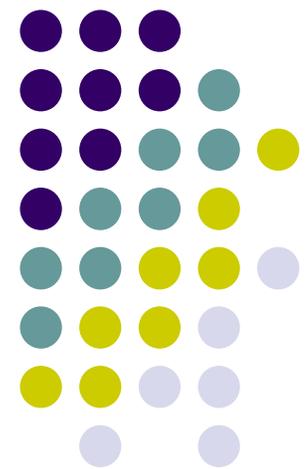
County Budget Workshop 2016-2017

Department for Local Government

Office of Financial Management &
Administration



Introductions





2016 DLG County Staff Assignments

Prepared By:
Kentucky Infrastructure Authority

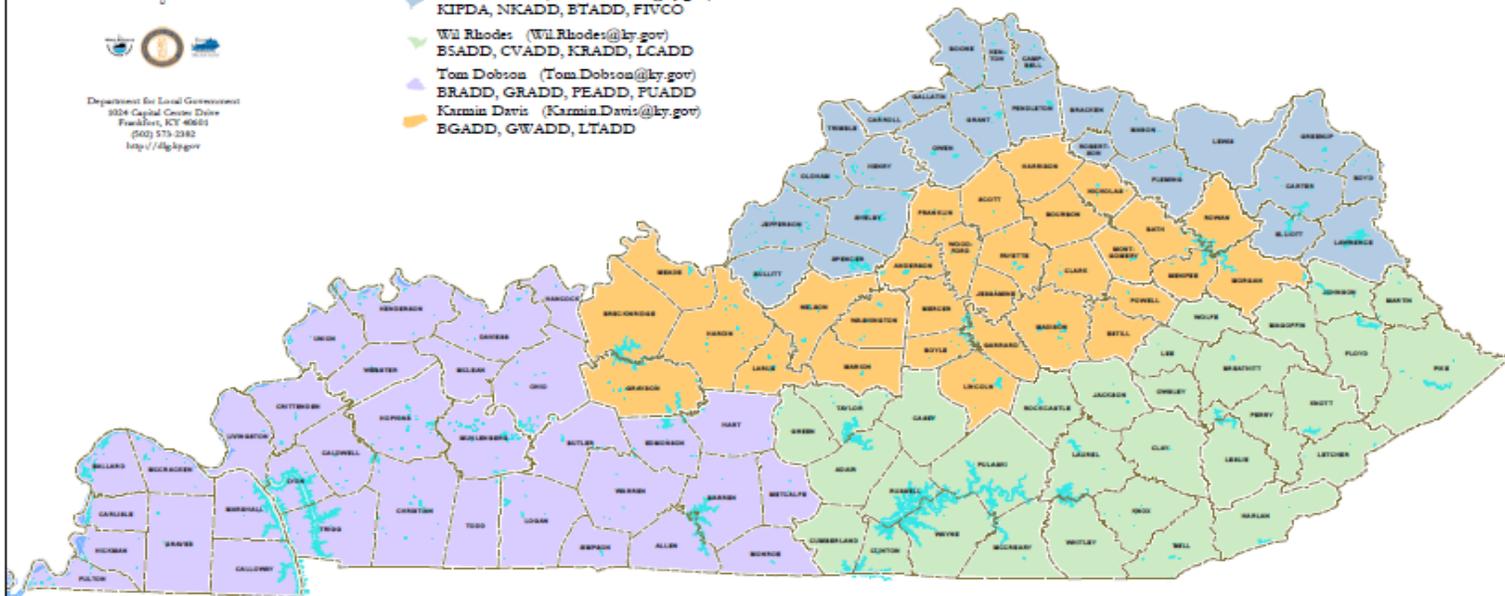
October, 2014



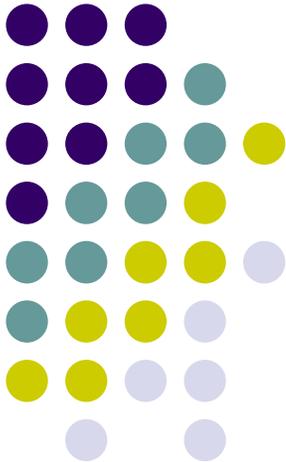
Department for Local Government
1024 Capital Center Drive
Frankfort, KY 40601
(502) 573-2382
<http://dlg.ky.gov>

Symbology

- Robert Brown (Roberto.Brown@ky.gov)
KIPDA, NKADD, BTADD, FIVCO
- Will Rhodes (Will.Rhodes@ky.gov)
BSADD, CVADD, KRADD, LCADD
- Tom Dobson (Tom.Dobson@ky.gov)
BRADD, GRADD, FEADD, FUADD
- Karmin Davis (Karmin.Davis@ky.gov)
BGADD, GWADD, LTADD



Budget Workshop



Budget Timetable

Page 4



January



Approve fee office budgets by
January 15th*

Fee Office Budget Approval



- Approval prior to January 1st is ideal.
- Operation of fee office without a budget?

Approving Fee Office Budgets



Approve as a whole:

Without spending caps

Capping total disbursements line

Approve each line item:

Put a spending cap on each line item

Order must state specifics of approval



MEMORANDUM

TO: The Honorable «NAME»
«COUNTY» County Judge Executive

FROM: Sandra Dunahoo, State Local Finance Officer
Office of Financial Management & Administration

DATE: *****

SUBJECT: 2016 Fee Office Budgets

Your Clerk and Sheriff's 201 Fee Office Budgets were due to the Department for Local Government on January 15, 2016. To date, our office has not received their budgets and, therefore, they are considered delinquent.

Your county budget must be approved by July 1, 2016, for Fiscal Year 2017. Unfortunately, I cannot approve the county's budget without the receipt of a completed fee office budget from your clerk and sheriff.

If you have any questions, please feel free to contact me or your county representative at 800-346-5606

cc: Clerk
Sheriff

Order Setting Maximum Amount for Fee Office Deputies and Assistants



- KRS 64.530 states:
- The Fiscal Court shall fix annually the maximum amount including fringe benefits which the county clerk and sheriff may expend for deputies and assistants.
- Form available*

**ANNUAL ORDER SETTING MAXIMUM AMOUNT
FOR DEPUTIES AND ASSISTANTS**

Pursuant to KRS 64.530(3), "...The fiscal court shall fix annually the maximum amount, including fringe benefits, which the officer may expend for deputies and assistants...".

The fiscal court of _____ County in compliance with state law hereby sets the maximum amount which the _____ (specify county clerk or sheriff) of _____ County may expend from fees during calendar year _____ at \$ _____ for deputies, assistants and other employees. The maximum amount as set includes all amounts paid from fees for:

- Full time salaries and wages
- Overtime wages
- Part time salaries and wages
- Vacation and sick leave
- Health insurance
- Insurance other than health
- Employer match SS/Retirement
- Other _____
- Other _____

Motion made by _____, second by _____

Vote _____

Signed _____ Fiscal Court Clerk
Date _____

Fee Official Support



- Fiscal Courts may support fee official's expenses through the payment of claims presented to the fiscal court and paid from a properly budgeted line item in the county budget.
- If the county pays these expenses they should not be included in the fee officials budget. This includes salaries, fringe benefits or all expenses should you fee pool.
- Lump sum payments (i.e. prior year excess fee reimbursement to the fee official) are prohibited.
KRS 64.710

KRS 64.710



No public officer or employee shall receive or be allowed or paid any lump sum expense allowance, or contingent fund for personal or official expenses, except where such allowance or fund either is expressly provided for by statute or is specifically appropriated by the General Assembly.

Approving Fee Office Budgets



Amount budgeted to receive from fiscal court:

Sheriff's budget = Line 11

Clerk's budget = Line 4

If fiscal court pays for an item out of fiscal court budget, same item should not be listed in lines 4 & 11.

Part Two Receipts	Budget Estimate	1/1 thru 3/31	4/1 thru 6/30	7/1 thru 9/30	10/1 thru 12/31	Total YTD	Accounts Receivable 12/31	Settlement Total
1. Federal Grants						\$0.00		\$0.00
2. State Grants						\$0.00		\$0.00
3. State - KLEFFP						\$0.00		\$0.00
4. State Fees for Services								
5. Finance and Administration Cab.						\$0.00		\$0.00
6. Cabinet Human Resources						\$0.00		\$0.00
7. Circuit Clerk								
8. Sheriff Security Services						\$0.00		\$0.00
9. Fines/Fees Collected						\$0.00		\$0.00
10. Court Ordered Payments						\$0.00		\$0.00
11. Fiscal Court (includes Election Comm.)						\$0.00		\$0.00
12. County Clerk (Delinquent taxes)						\$0.00		\$0.00
13. Commissions on Taxes Collected						\$0.00		\$0.00
14. Fees Collected for Services								
15. Auto Inspections						\$0.00		\$0.00
16. Accident/Police Reports						\$0.00		\$0.00
17. Serving Papers						\$0.00		\$0.00
18. CCDW						\$0.00		\$0.00
19. Other (Describe)						\$0.00		
20.						\$0.00		\$0.00
21. Interest Earned						\$0.00		\$0.00
22. Total Revenues	\$0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
23. Petty Cash						\$0.00		\$0.00
24. Borrowed Money						\$0.00		\$0.00
25. State Advancement						\$0.00		\$0.00
26. Bank Note						\$0.00		\$0.00
27. Total Receipts (Total lines 22 through 26)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Copy the figures shown on line 27 in the Budget Estimate column to the Summary on page 1, column 1, line 1. Copy the figure shown on Line 27 in the Total YTD column to page 1, column 2, line 1. Copy the figure shown on Line 27 in the Receivable column (

Budget Timetable



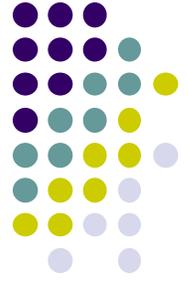
February



Attend budget workshops.

Get information together.

Budget Timetable



March

Prepare proposed jail fund budget.*

Budget Timetable



April



Submit proposed jail fund budget to the fiscal court by April 1st.

Budget Timetable



May



Submit entire proposed budget to the fiscal court by
May 1st

Budget Timetable

June



Fiscal court meets to consider
proposed budget ordinance by June 1st

Hold LGEA and CRA proposed use
hearings

Budget Timetable

July



2nd reading and adoption of proposed budget ordinance by July 1

Publish -- *sample form starts on page 9*

Forward copy to state local finance officer

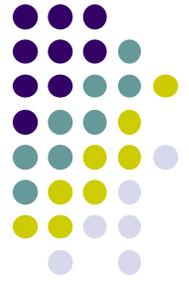
Budget Preparation



- Estimating Receipts
- Estimating Expenditures
- Unpaid Claims
- Liabilities
- Road Cost Allocation Worksheet
- Standing Orders
- Signature Page

Estimating Receipts

Pages 21 – 24



- Utilize the 6/30/2015 quarterly
- Compare to the most recent quarterly report (3-31-16 electronic report)
- Check with the treasurer, the jailer, other elected officials budgets
- Other sources...

Estimating Receipts

Pages 21 -24

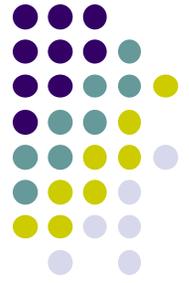


Other sources might include:

- The ADD: Grants
- The fiscal court: New taxes or fees
- Your associations: Changes in legislation

Estimating Receipts

Use Current Year Figures!



- Property tax receipts

- Truck license.....

\$201,071

- LGEA

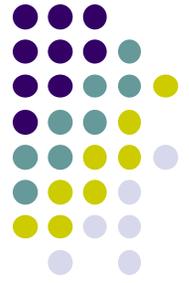
- Jail (bed allotment, medical, DUI)

- State Prisoner Payments

- Strip mine permit fees

\$\$ Budgeting Cash Transfers

Page 22



	General Fund	Road Fund	Jail Fund	Total
4909	(50,000)	(100,000)		(150,000)
4910	100,000		50,000	150,000

Revenue Sources

Pages 11 - 13



General purpose revenues

Restricted revenues



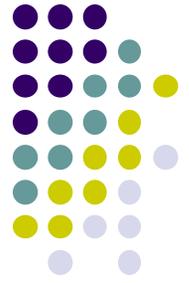
LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUNDS



Page 5

**KRS 42.455 prohibits expenditure of
LGEA funds for administration of
government**

ALLOWABLE USES FOR LGEA FUNDS DEPENDS UPON THE SOURCE



Coal impact

Coal severance

Mineral severance

-uses will be addressed
later in presentation



LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUNDS



The county's status may change during the fiscal year

Coal Producing



Coal Impact

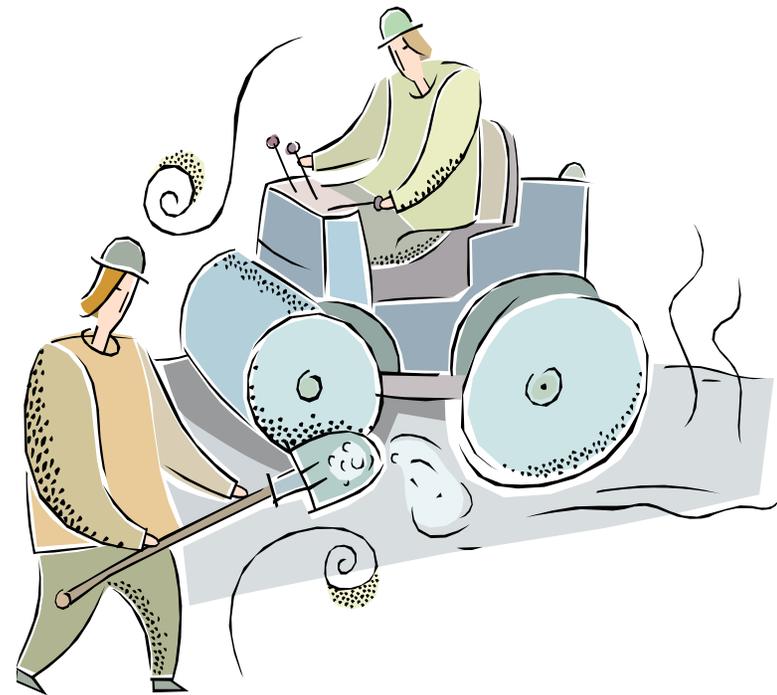
COUNTY ROAD AID

KRS 177.320

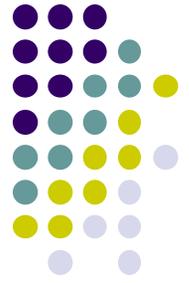


These funds are for the construction, reconstruction and maintenance of county roads and bridges

Municipal Road Aid 02-4519



CRA 2016-2017 Figures*



Available for review at your leisure

60% allocation available Aug 1.

Estimating Expenditures

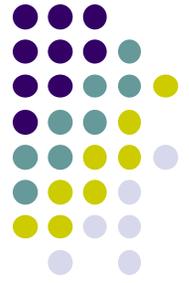
Page 26



- Check the most recent electronic quarterly report
- Check the 6/30/2015 report
- Get budgets, financial statements, contracts, agreements, etc.

Estimating Expenditures

Page 26



- Check with the treasurer, department heads, other offices, fiscal court...
- Was there anything mentioned during the proposed use hearings for LGEA and CRA that needs to be included?
- Check the fee office budgets

Fund to Fund Appropriation Transfer



--01-9200-999 (10,000)

--01-9300-999 10,000

--01-9300-999 (10,000)

--03-9200-999 10,000

Mandated Appropriations



List begins on page 14



Mandated Appropriations



Elected officials' salaries

- County Judge/Executive
- Jailer (if county operates a full service jail)
KRS 64.5275
- Jailer (if county does not operate a full -
service jail) KRS 441.245

Mandated Appropriations



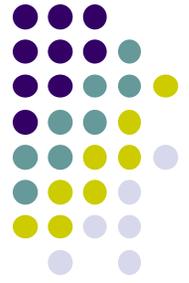
- Sheriff and Clerk : (if county fee pools or pays salary through county budget)
- 1/12 of Fee Officer's Salary shall be paid monthly
KRS 64.535 (HB 810)
- County Attorney (if fiscal court has set a salary)

Mandated Appropriations



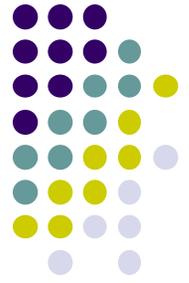
- Commissioners/Magistrates
- Coroner
- Constable (if paid a salary)
- Salaries for statutorily mandated appointments including the road supervisor, the county treasurer and the dog warden.

Mandated Appropriations



- Personal bonds for elected/appointed officials. (Pages 90 – 91)
- Unemployment insurance for county employees. KRS 341.050
- Worker's compensation for county employees KRS 342.630 and KRS 342.640

Mandated Appropriations



Social security match for county employees of 7.65% KRS 61.460



Retirement match for county employees effective July 1 is 18.68%  for non-hazardous and 31.06%  for hazardous duty KRS 78.530

Mandated Appropriations



Office expenses incurred by the county attorney in the performance of his duties as legal advisor to the county shall be paid by the fiscal court. KRS 15.750 (4)



Mandated Appropriations



PVA Statutory Contribution -- KRS 132.590

Preliminary figure comes via letter from Revenue
in March/April – based upon last years
assessments plus 5%

Final figures come via letter from Revenue in
August / September

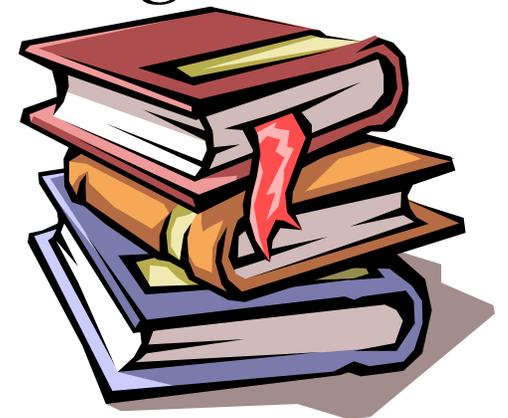
Contact: JoJuana Leavell-Greene, PVA
Administrative Support 502-564-5620

Mandated Appropriations



Between \$600 and \$1,200 annually to the Circuit Clerk for duties as ex officio librarian of the county law library. KRS 172.110(1)

This payment is subject to all withholdings.



Mandated Appropriations



Election expenses

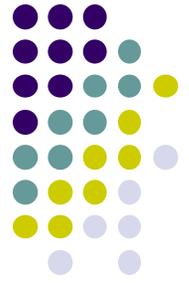
KRS 117.035, 117.045



30% of LGEA coal producing
receipts for coal haul roads.

KRS 42.455(2)

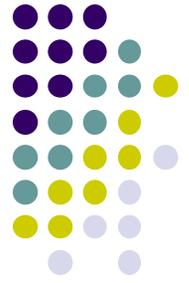
Mandated Appropriations



100% of LGEA coal impact receipts
for roads and public transportation.
KRS 42.470 (1)

50% of forestry receipts distributed
through the Road Fund to the school
board using code: 02-9500-902
KRS 149.130(3)

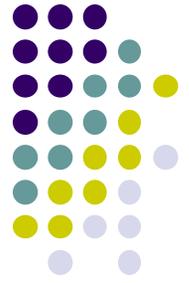
Mandated Appropriations



12.5 cents per capita for the public defender -- KRS 31.185 (2)

Cost of interdisciplinary evaluation report if court ordered. KRS 387.540

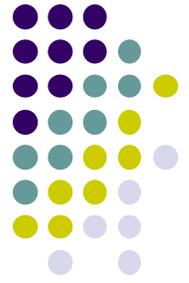
Additional Items to Consider



All categories of tax revenue to be estimated and reported separately.

Utilization of minor codes 499 and 599 for miscellaneous is limited to \$1000 per major object code.

Unpaid Claims



Counties are discouraged from carrying over unpaid obligations into the next fiscal year due to the fact that, under KRS 65.140, counties are required to pay all bills for goods and services within 30 days of receipt of an invoice. However, if a county must carry over an unpaid obligation, the county MUST budget for the complete payment of this obligation within the upcoming fiscal year. ALL unpaid obligations of any kind must be included in the county's budget.

Liabilities



Page 25 is the required budget form for showing outstanding debt and debt service

Appropriating for debt service is a mandate
(Notification required)

The liabilities section and the appropriations sections must tie together. **Include account codes!**

Make sure quarterly report includes issue dates for all liabilities as well as date report was submitted.

Liabilities



We are experiencing an increasing amount of liability pages that are not updated on both the budgets and quarterly reports.

This includes issues with issue / due dates, account codes, and amounts due during the fiscal year.

Road Cost Allocation Worksheet

Pages 30 - 31



- Allowable administrative costs
- Percentage of Road Fund to Operating Budget excluding Grants
- Maximum allowable.. **\$201,071**

1. General Fund *	\$	Line 2	\$
2. Road Fund *	\$	Divided By	
3. Jail Fund *	\$	Line 6	\$
4. LG EA Fund *	\$		
5. Other funds *	\$		
6. Total	\$	Equals	%

* These amounts are taken from budget revenue line(s) 47, 74, & 100, as applicable.

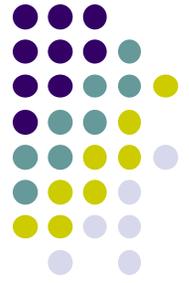
Account #	Description	Amount	%	Road Fund \$ Allowed
Office of the County Judge/Executive				
5001 - _____		\$	X _____ % =	\$
5001 - _____		\$	X _____ % =	\$
5001 - _____		\$	X _____ % =	\$
5001 - _____		\$	X _____ % =	\$
Office of the County Attorney				
5005 - _____		\$	X _____ % =	\$
5005 - _____		\$	X _____ % =	\$
5005 - _____		\$	X _____ % =	\$
Fiscal Court Clerk				
50 _____ - _____		\$	X _____ % =	\$
Fiscal Court				
5025 - _____		\$	X _____ % =	\$
5025 - _____		\$	X _____ % =	\$
5025 - _____		\$	X _____ % =	\$
5025 - _____		\$	X _____ % =	\$
5025 - _____		\$	X _____ % =	\$
Office of the County Treasurer				
5040 - _____		\$	X _____ % =	\$
5040 - _____		\$	X _____ % =	\$
5040 - _____		\$	X _____ % =	\$
Administration				
9 _____ - _____		\$	X _____ % =	\$
9 _____ - _____		\$	X _____ % =	\$
9 _____ - _____		\$	X _____ % =	\$
9 _____ - _____		\$	X _____ % =	\$
9 _____ - _____		\$	X _____ % =	\$
Subtotal of Administrative Costs				\$ *
Other (ie. TAP, Road Patrol, Etc., No office expense permitted)				
5 _____ - _____		\$	100 %	
5 _____ - _____		\$	100 %	
5 _____ - _____		\$	100 %	
Subtotal Other				\$ *
Grand Total (The sum of the subtotal of administrative costs & other costs *)				

Standing Orders



- It is preferred that you send your Standing Orders at the same time you send the rest of the budget.
- Payroll, Utilities and Debt Service are the only items that are guaranteed approval.
- The approval or disapproval or any other expenses on the Standing Order is the sole discretion of the State Local Finance Officer.

The Signature Page of the Budget Document (Page 27)

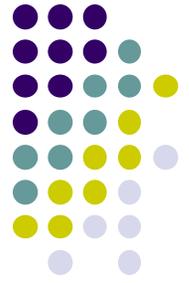


Judge Executive signs after first reading

State local finance officer signs as to form
and classification

....ADVERTISE.... (7 – 21 day window)

The Signature Page of the Budget Document (Page 27)



Judge Executive signs after second reading and adoption

County Clerk signs to attest and county sends adopted copy of entire budget to
DLG



BUDGET SIGNATURE PAGE

Budget Document
Page ____ of ____

Submitted

Date _____

Signed _____
County Judge/Executive

Approved as to Form and Classification

Date: _____

Signed: _____
State Local Finance Officer

I certify that this budget, incorporating the changes if any, as required by the State Local Finance Officer, has been duly adopted by the _____
County Fiscal Court on the _____ day of _____, 20_____.

Signed _____
County Judge/Executive

Attest _____
County Clerk

Initial budget submission is one (1) original and two (2) copies. Return final budget as adopted by the fiscal court within fifteen (15) days of adoption.

All materials should be sent to:
Governor's Office for Local Development
Attention: State Local Finance Officer
1024 Capital Center Drive, Suite 340
Frankfort, KY 40601

**Other items that could delay
budget approval by the SLFO**



Quarterly Reports

1. Must be current & accurate
2. Delinquency Letter
3. Road Aid Withheld



The Honorable «NAME»
«COUNTY» County Judge Executive
«ADDRESS1»
«ADDRESS2»
«CSZ»

Dear Judge «Last»:

We have not received your electronic financial report for the quarter ending September 2016. This report includes:

- Section I Summary and Reconciliation, prepared by county treasurer
- Section II Receipts Section, prepared by county treasurer
- Section II Contingent Liabilities Section, prepared by county treasurer
- Section IV Appropriation Condition Report, prepared by county judge/executive

This report was due the 20th day following the close of the quarter. This information is very important to us since we use it to satisfy several requirements by federal and state government agencies. Our office works very close with the Auditor's Office, therefore, they will be receiving a copy of this delinquency letter.

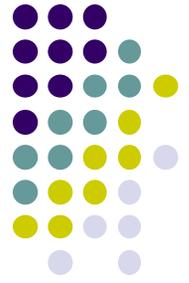
If you need assistance in completing this report you may contact me or anyone in the Counties Branch at 800-346-5606

Sincerely,

Sandra Dunahoo
State Local Finance Officer

cc: County Treasurer
Auditor of Public Accounts

Other items that could delay budget approval by the SLFO



- Fee office budgets submitted
- Adopted Amendments
- Tax Rates (Page 28)
- 2015 – 2016 Adopted Budget on File

Newspaper Advertisements



KRS Chapter 424

Qualifying newspaper



Time and periods of publication

Rates — 7 pt type on solid leading and shall not exceed the lowest non-contract classified rate paid by advertisers

Annual Financial Statement & Publication Requirements



KRS 91A.040(6)

- Portions of the office's annual Audit shall be published within 30 days of the presentation of the audit to the County, Sheriff or Clerk.
- This is done in lieu of publishing the Annual Financial Statement

Annual Financial Statement & Publication Requirements



What is to be published?

- Auditor's Opinion Letter
- Budgetary Comparison Schedule – Major Funds
- Statements
 - Where to get a copy of complete audit report
 - Anyone may get a copy of audit or statement
 - Charge (not to exceed \$0.25) per page

Annual Financial Statement & Publication Requirements



What also must be done?

- File a written and printed copy of the advertisement with proof of publication with the county clerk and Auditor of Public Accounts.
- File a copy of the Annual Financial Statement with the Department for Local Government.

AMENDMENTS

Pages 44 - 49



- Simple five step process
- Include documentation

Emergency Amendments



- KRS 67.078
- Requires only one reading by FC
- Does not require SLFO signature
- Emergency must be declared in
Fiscal Court meeting and
reflected in the minutes

Uniform System of Accounts



- Chart of accounts
Pages 93 – 107
- Required books of accounts
Pages 50-53
- Purchase order system
Page 54

Uniform System of Accounts



- Inventory of county property
Pages 55-60
- Minimum requirements for Handling of
Public Funds
Page 61
- Jail commissary fund instructions
Pages 62-66

County Property Tax Rates

Pages 77 - 78



Two Tax rates are calculated by DLG

1. Compensating Rate

Generates approximately the same revenue as the previous year exclusive of new property.

Rounded to next higher one - tenth of one cent.

County Property Tax Rates



2. 4% Rate increase

Generates four percent more revenue than compensating rate

Requires hearing process

Rounded down to next one-tenth of one cent

Rate in excess of 4% is subject to recall

Tax Rate Calculation Process



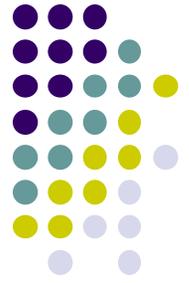
County PVA sends assessment information to DOR

DOR certifies assessment and gives to DLG

DLG calculates compensating and 4% real property rates within 48 hours and mails information to county

County has 45 days from date of DOR certification to set real rate as well as calculate and set personal rate

County Property Tax Rates



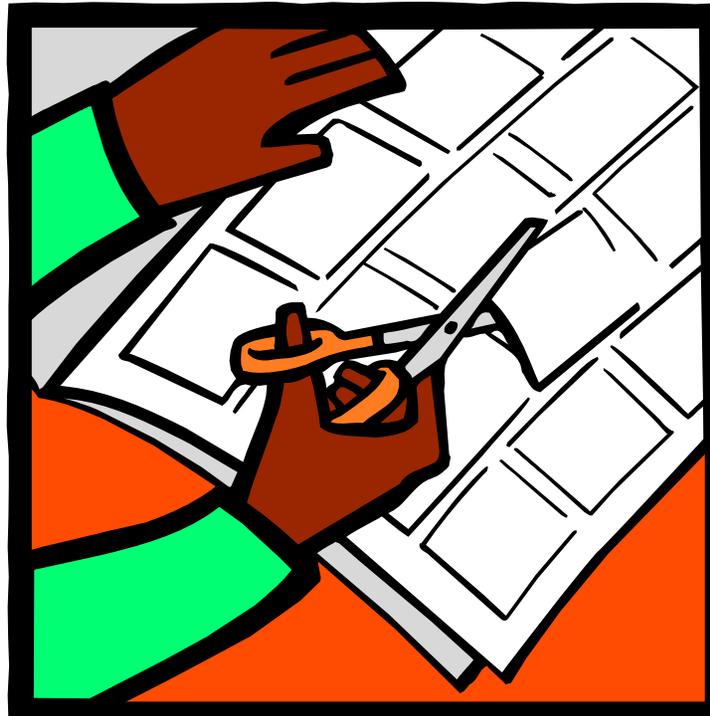
Hearing Process (KRS 68.245)

- Required for any rate above the compensating rate
- Advertise at least twice in two consecutive weeks in newspaper with largest circulation in the county, OR;
- Mail notice of hearing to every property owner in the county

County Property Tax Rates



Sample Advertisement on page 78



Occupational License Taxes

Pages 89



- Occupational Taxes may be implemented at any time during the year
- Occ Tax: Counties with populations over 30,000 must credit cities within county that have an occupational tax
- Estimates for occupational tax are available through DLG

Insurance Premium Tax

Pages 88 - 89



- Insurance Premiums Taxes must be implemented by March 23rd and begin on the following July 1.
- Insurance Tax: Regardless of population, county must credit cities with tax
- Department of Insurance Contact: Josh Rayburn
502-564-1649 or 800-595-6053

Review



Important dates:

April 1

- Proposed jail budget to FC

May 1

- Entire proposed budget to FC



June

- FC must have met to consider budget by June 1
- Review of administrative code

July 1

- Must have adopted budget

County Debt



- Short-Term Borrowing Act
- Governmental Leasing Act
- County Debt Capacity

Short-Term Borrowing Act

Page 79



- Requires notification to the state local debt officer (SLDO) PRIOR to borrowing
- SLDO approval not required
- Must amend to reflect the receipt and repayment of the borrowed money
- Must be repaid by the end of the fiscal year in which the money was borrowed
- Reported on the liabilities section of the quarterly financial statement

Governmental Leasing Act

Pages 82 - 86



- Notification of lease issues less than \$200,000 is not required, however, is strongly recommended by SLDO
- Notification to SLDO of lease issues of \$200,000 or more is required
- SLDO hearing and approval required for all lease issues of \$500,000 or more
- All lease issues are reported on the liabilities section of the quarterly financial statement
- SLFO will approve standing orders for debt service payments

County Debt Capacity



- Section 158 of the KY Constitution limits a county's debt capacity to 2% of the value of taxable property within the county (Calculation available upon request)
- Capacity is determined from the most recent assessment of taxable property as certified by the Department of Revenue.

2013 Total Valuation of Adjusted Property at Full Rates (Line E)	0			
2013 Motor Vehicles (Line M, Column 3)	0			
2013 Watercraft (Line N, Column 3)	0			
TOTAL	0			
Statutory Debt Limit	2.00%			
MAXIMUM COUNTY DEBT CAPACITY	0			
Current Outstanding Debt	Amount	Description	Issue Date	Term
Liability Issue #1 Outstanding Principle*	0			
Liability Issue #2 Outstanding Principle*	0			
Liability Issue #3 Outstanding Principle*	0			
Liability Issue #4 Outstanding Principle*	0			
Liability Issue #5 Outstanding Principle*	0			
Liability Issue #6 Outstanding Principle*	0			
Liability Issue #7 Outstanding Principle*	0			
Liability Issue #8 Outstanding Principle*	0			
Liability Issue #9 Outstanding Principle*	0			
TOTAL OUTSTANDING DEBT PRINCIPLE	0			
* As reported on the 9/30/12 Financial Statement				
TOTAL DEBT CAPACITY AVAILABLE	0			
The above outstanding debt principle is based on information provided by the county. The Department for Local Government makes no assurance of the accuracy of the reported outstanding debt principle. Inaccuracy in reporting will affect the available debt capacity.				

County Debt



- All borrowed money received and repaid must be reflected in the county budget
- *(County Budget Preparation and State Local Finance Officer Policy Manual Page 45)*
- What is Borrowed Money?
 - Bond Proceeds
 - Lease Proceeds
 - Loan Proceeds
- Includes Funds actually received by County and **funds handled by Third Party** (KACO, Banks, etc...)

Where to Budget and Post Proceeds



- **4900 Surplus, Borrowing and Transfers**
 - 4902 Tax Anticipation Note
 - 4904 Bond Anticipation Note
 - 4905 Bond Sale Proceeds
 - 4911 Borrowed Money
 - 4912 Governmental Leasing Act Receipts
(KRS 65.940)



Which Fund?

- Borrowed money should be budgeted and accounted for in an existing fund, based on what the use of the funds are for, or can be accounted for in a separate fund (Bond Proceeds Fund)
 - Example:
 - Borrowed Funds for Road Improvement - Road Fund
 - Borrowed Funds for Jail Updates – Jail Fund
 - Borrowed Funds for Park Improvements – General Fund (If regular Park receipts and expenditures are included here)

Expenditure of Borrowed Money



- Needs to be budgeted and accounted for in Budget and Quarterly Report
 - Should use proper Accounting Code for expenditure based on the use of the funds

Borrowed Money



- Not properly budgeting these funds could result in the county overspending its budget appropriations
- If budget needs to be amended for borrowed money follow the proper procedures for budget amendments

Public Properties Corporation



- If a County has a Public Properties Corp the county should ensure the proper records are maintained and financial statements are prepared.
- While the financial activity does not need to be included on the 4th Quarter Report the debt needs to be included in the Liabilities section of the quarterly (County Budget Preparation and State Local Finance Officer Policy Manual Page 25).

Schedule of Federal Awards (SEFA)



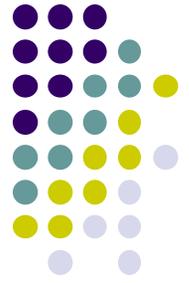
- Remember to send in SEFA with the Fourth Quarter Report (Received only 81 of 120 for FYE 6/30/15)
- Should include the expenditure of all Federal Funds by the County for the fiscal year
- Single Audit threshold for 6/30/16 has been increased to \$750,000

Budget Transfers and Amendments

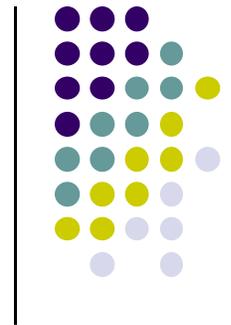


- When making transfers or amendments the County should not make final line item appropriations be less than \$0.
- Should not have negative final budget appropriation line items

68.300 Expenditures in excess of budget fund void and illegal.

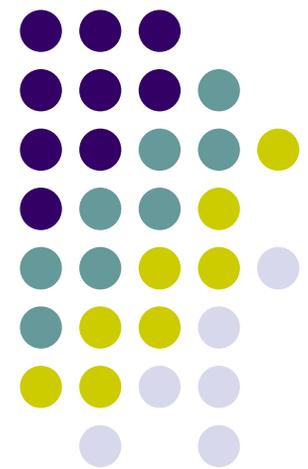


- Any appropriation made or claim allowed by the fiscal court in excess of any budget fund, and any warrant or contract not within the budget appropriation, shall be void. No member of the fiscal court shall vote for any such illegal appropriation or claim. The county treasurer shall be liable on his official bond for the amount of any county warrant willfully or negligently signed or countersigned by him in excess of the budget fund out of which the warrant is payable.

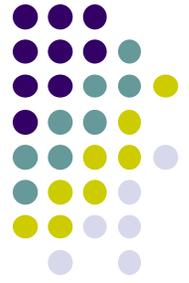


Break

County Elected Officials Training Incentive Program



County Elected Officials Training Incentive Program



KRS 64.5275(6)(7)

Eligible officials who participate in 40 hours of approved training activities per year are entitled to receive a financial incentive.

What You Should Know About the Training Incentive Program



Participation is **VOLUNTARY**

Officials are not automatically enrolled in the program

Funding is **LOCAL**

There are specific line items in the County's Budget for each officials Training Fringe Benefit. Each line should have the minor code of 212

Who Can Participate



Eligible County Officials Are:

Members of the Fiscal Court

Judge Executives, Magistrates or Commissioners

County Clerks

Sheriffs

Jailers

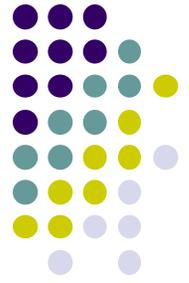


How To Participate



1. Complete and submit the [County Elected Officials Training Participation Form](#) to DLG
2. Notify your county's Judge Executive to ensure that funds are budgeted
3. Attend 40 hours of approved training each calendar year
4. Send documentation of attendance to DLG



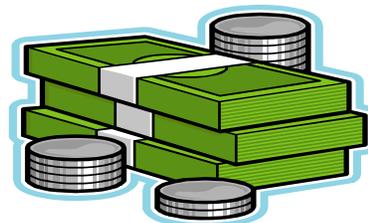


How Much is an Incentive?

The amount of 1 incentive unit (**\$100**) adjust annually for changes in the Consumer Price Index (**CPI**).

2016 CPI: **.7%**

2016 Incentive Value: **\$992.15**



How Much Could I Earn?



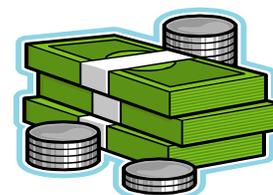
2016 Incentive Unit Values

1st unit = \$ 992.15

2nd unit = \$1,984.30

3rd unit = \$2,976.45

4th unit = \$3,968.60



How Do I Earn an Incentive?



- An incentive unit is comprised of the completion of 40 hours of approved training.
- One incentive unit can be earned per calendar year by attending training and/or carrying over hours from the previous year.
- Carryover hours are limited to a maximum of 40 hours that can be carried from one year into the next consecutive year.
- The accumulation of incentive units is capped at a maximum of four units.
- To maintain incentive units that have been accumulated, a 40 hour incentive unit must be completed each calendar year.



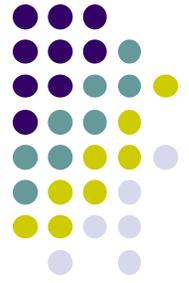


When Will I Receive My Incentive Payment?

- Officials are eligible once per calendar year upon completion of their 40 hour training unit
- DLG will mail notice to the official, the County Judge Executive, the County Treasurer, and the State Auditors Office
- Payment is issued from County funds
 - Must be budgeted
 - Is subject to fiscal court review
 - Is subject to all withholdings
- **Payment can not be issued until the authorization letter has been received!!!**



Incentive Payment Process For Fee Officials (County Clerks & Sheriffs)



- **County's with population of less than 70,000**

The incentive can be paid from the fee account or by the fiscal court.

- **County's with population of 70,000 or greater**

Notice will be mailed to the County Fees Office in the Finance and Administration Cabinet which will then send the payment to the official.

Training Recommendations:



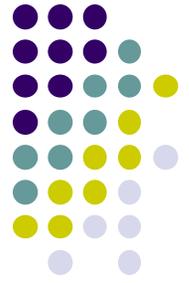
- Select training that will benefit you in your role as an elected official
- Vary selections to include conferences as well as traditional classroom settings
- Most counties have limited funds available so don't waste your training dollars

Sources for Obtaining Training:

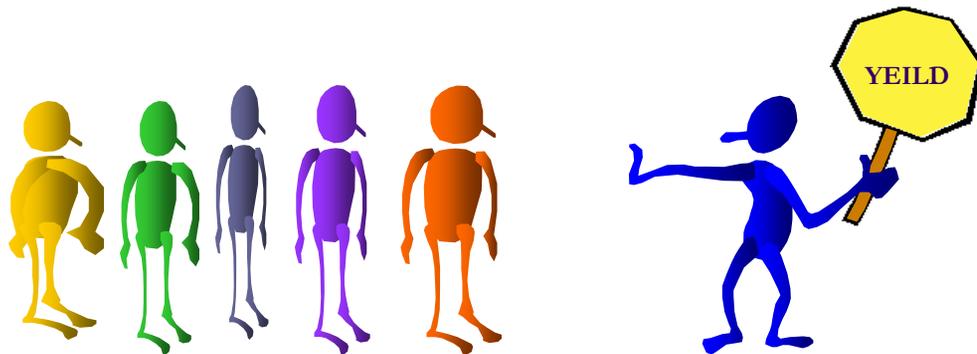


- Area Development Districts
- Association Conferences
- Government Agencies
- KACo
- Local Schools, Universities and Colleges

County Policies Regarding Travel & Training Reimbursements



Each county determines its own policies regarding the reimbursement for travel and training expenses. While incentives earned are mandated county expenses. The cost of travel and tuition related to training are not statutorily mandated. Therefore, each county decides what to fund.



Registering for Training Events



OFFICE OF THE GOVERNOR
DEPARTMENT FOR LOCAL GOVERNMENT
 COMMONWEALTH OF KENTUCKY

GLIC ENTITIES DEBT LEGAL TRAINING

John Doe, Non-Participant

Name:	John Doe	Salutation:	Mr.
Job Title:	Magistrate	Category:	Non-Participant
County:	Adair	eMail:	
Address1:		Phone:	
Address2:		Fax:	
City, State, Zip:	, KY		

If this data is incorrect or out of date, please fill out and submit an [Updated Information](#) form (Adobe - 122KB). If there is a training event not listed here that you would like to request approval for, please fill out and submit a [Training Approval Request](#) form (Adobe - 154KB). For all other questions, please contact Scott Sharp at scott.sharp@ky.gov or (800) 346-5606.

[Summary of Training Hours Report](#)

Classes Completed	Relevant Upcoming Classes																								
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; font-weight: normal;">Start Date</th> <th style="text-align: left; font-weight: normal;">Course</th> <th style="text-align: right; font-weight: normal;">LOOKUP</th> </tr> </thead> <tbody> <tr style="background-color: #f2f2f2;"> <td>12/05/2011</td> <td>2011 Incentive Requirement Not Yet Met</td> <td style="text-align: right;">LOOKUP</td> </tr> <tr> <td>11/28/2011</td> <td>Non-Participant Information sent to County Judge & Treasurer</td> <td style="text-align: right;">LOOKUP</td> </tr> </tbody> </table>	Start Date	Course	LOOKUP	12/05/2011	2011 Incentive Requirement Not Yet Met	LOOKUP	11/28/2011	Non-Participant Information sent to County Judge & Treasurer	LOOKUP	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; font-weight: normal;">Start Date</th> <th style="text-align: left; font-weight: normal;">Course</th> <th style="text-align: right; font-weight: normal;">LOOKUP</th> </tr> </thead> <tbody> <tr style="background-color: #f2f2f2;"> <td>01/19/2012</td> <td>2012 KBT Kentucky Transportation Conference</td> <td style="text-align: right;">LOOKUP</td> </tr> <tr> <td>01/24/2012</td> <td>2012 Risk Management/Tort Liability</td> <td style="text-align: right;">LOOKUP</td> </tr> <tr style="background-color: #f2f2f2;"> <td>02/01/2012</td> <td>2012 KCJEA Winter Conference</td> <td style="text-align: right;">LOOKUP</td> </tr> <tr> <td>02/01/2012</td> <td>2012 Plantmix Asphalt Industry of KY Winter Training School</td> <td style="text-align: right;">LOOKUP</td> </tr> </tbody> </table>	Start Date	Course	LOOKUP	01/19/2012	2012 KBT Kentucky Transportation Conference	LOOKUP	01/24/2012	2012 Risk Management/Tort Liability	LOOKUP	02/01/2012	2012 KCJEA Winter Conference	LOOKUP	02/01/2012	2012 Plantmix Asphalt Industry of KY Winter Training School	LOOKUP
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02/01/2012	2012 Plantmix Asphalt Industry of KY Winter Training School	LOOKUP																							

To view contact info for training events click "[LOOKUP](#)"

Done
Internet

Registering for Training Events



OFFICE OF THE GOVERNOR
DEPARTMENT FOR LOCAL GOVERNMENT
COMMONWEALTH OF KENTUCKY

GLIC ENTITIES DEBT LEGAL TRAINING

Course Information

Course Name: 2012 Risk Management/Tort Liability
Vendor: UK - Kentucky Transportation Center
Number of Days: 1
Training Hours: 6.00
Contact Name: Dina Johnson
Contact Title: Training Program Manager
Contact eMail:
Fiscal Court: **County Clerk:** **Sheriff:** **Jailer:**

Max Enrollment:
Registration Fee: \$80.00
Contact Agency: UK Transportation Center
Contact Phone: 800-432-0719
Contact Website:

Class Dates

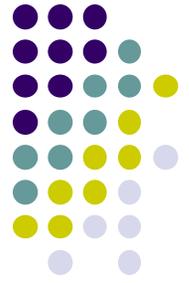
Start Date	Number of Days	Location
08/30/2012	1	Pennyrile Forest SP
05/17/2012	1	Natural Bridge SP
03/27/2012	1	Barren River State Park
01/24/2012	1	Lexington, KY

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Done Internet

How to get a Training Event Approved

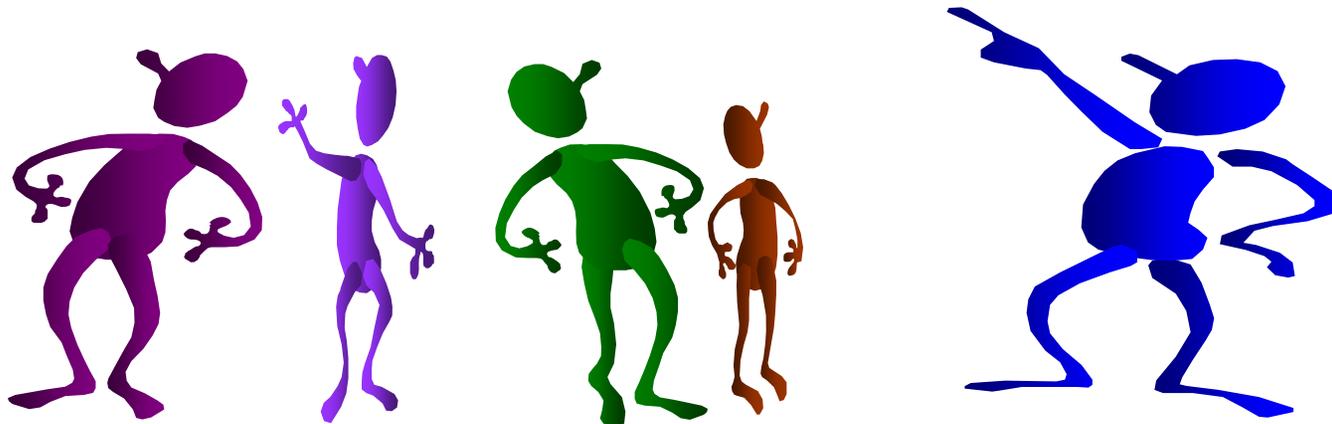


If a training event is not listed on your “**Relevant Upcoming Classes List**” it could be because DLG is not aware of the training. To get the training approved in this program we will need the “**Training Hour Approval Request Form**” filled out and submitted to our office along with the “**Detailed Agenda**” for the training event.

Your Training Record



- Reflects what you have certified that you attended on your Proof of Attendance Forms (POA's). So fill them out accurately!
- **Your Training Record and Proof of Attendance Forms are Subject To Open Records Requests!!!**



Why You Should Report Accurately



AOC-025 Rev. 12-01 Page 1 of 1	Doc. Code: RS	 [X] SUBPOENA	Case No. _____
Commonwealth of Kentucky Court of Justice	CR45; RCr 7.02		[X] SUBPOENA DUCES TECUM

COMMONWEALTH OF KENTUCKY PLAINTIFF
 VS. _____ DEFENDANT(S)

The Commonwealth of Kentucky to:
 Name Custodian of the Records – Scott Sharp, Director of Training, Governor’s Office for Local Government
 Address Office of the Governor, 1024 Capital Center Drive, Suite 340, Frankfort, KY 40601

You are commanded to appear before: (Select one of three choices)
 _____ CIRCUIT COURT The Grand Jury of _____ County
 Other _____

You are to appear at: _____ COUNTY COURTHOUSE
 _____, KENTUCKY _____

on the 13th day of January, 2009 at 9:00 a.m., Eastern Time.
 To testify in behalf of the Commonwealth -
 To produce copies of: (1) each and every letter issued by the Governor’s Office for Local Government to the _____ County Judge Executive _____ regarding the amount he was required to be paid each year as “an annual training incentive” per KRS 64.5275(6) for the years 2002 to present; (2) each and every letter issued by the Governor’s Office for Local Government to the _____ County Judge Executive and/or the _____ County Treasurer notifying them of the maximum salary guideline and/or CPI for constitutional officers for the years 1999 to present; and (3) a current printout of the training history for _____, Employee number _____.
 To give depositions


 _____ Clerk
 Issuing Officer
 By: _____ D.C.

James M. Crawford
 Name of Requesting Attorney
 Phone # (502) 732-5841 fax 732-8303

This subpoena was served by delivery of a true copy to: Custodian of the Records, Scott Sharp via e-mail

 This 29th day of December, 2008. By: Mimi N. Sherrell
 _____ Secretary _____ Title

Training Record Transcript



1 / 2 103% Find



Department for Local Government
1024 Capital Center Drive, Suite 340
Frankfort, KY 40601
(800) 346-5606

**County Elected Officials Training Incentive Program
Summary of Training Hours and Units Completed**

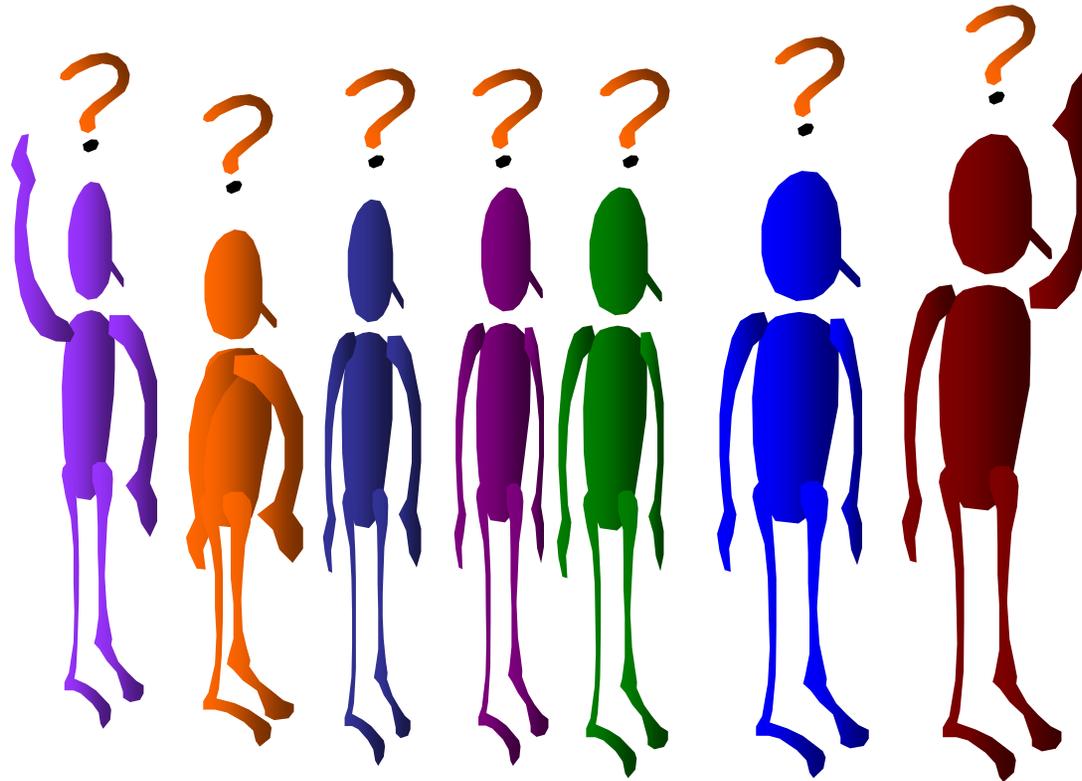
Doe John	Adair County	Magistrate
2011		
<u>TRAINING EVENT</u>		<u>COMPLETION DATE</u> <u>HOURS</u>
2011 Incentive Requirement Not Yet Met		12/05/2011 0.00
Non-Participant Information sent to County Judge & Treasurer		11/28/2011 0.00
		TOTAL FOR YEAR 2011 0.00

Training Record Transcript

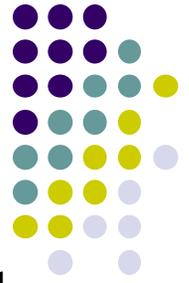


	<u>HOURS EARNED</u>	<u>HOURS CREDITED FROM PRIOR YEAR</u>	<u>UNIT COMPLETED</u>	<u>HOURS NEEDED TO COMPLETE UNIT</u>
Calendar year 2011	0.00	0.00	No	40.00

Common Training Questions

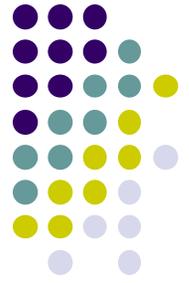


I Have Completed My 40 Hours but Haven't Received My Incentive Letter



- Are you signed up to participate in the training program? When looking up officials on our website if there is a “NP” by an officials status then they are not signed up to participate in the program. To participate fill out the participation form that was covered earlier in this program.
- Have you turned in all of your Proof of Attendance (POA) Documentation? Your State Associations ([KCJEA](#), [KMCA](#), [KCCA](#), [KSA](#), [KJA](#), & [KACo](#)) are very good about turning your completions in for you. However, Most training entities do not forward this information to DLG. If you have your POA you can scan and e-mail it to scott.sharp@ky.gov , or fax it to 502-573-3712.
- Sometimes the Association conducting the training has to document your attendance in their system before they forward that information on to DLG. It is not uncommon for DLG to receive attendance documentation anywhere from three to six weeks after the training event occurred.
- Incentive letters are not automatically generated upon the completion of an incentive unit. DLG periodically runs reports that let us know which officials have recently completed their training requirement. (on average letters are generated more than once a month)
- For officials carrying 40 hours into the new calendar year; the incentive dollar amount has to be calculated based upon changes in the CPI (Consumer Price Index). DLG normally receives this information in the last part of January and then has to calculate the new incentive amount before any incentive letters can be issued.

The Training Event Didn't Have A Certificate, Sign-in Sheet or a Proof of Attendance Form



This mostly happens with out of state training events. In the event that you attend a training event that does not provide attendee's with some type of proof of attendance (POA). Simply:

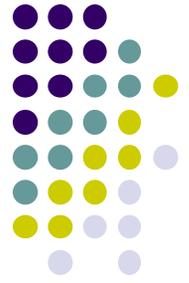
- Keep your agenda and **initial** by each session you attended
- Write a letter on **your office letterhead** stating that you attended the training event listing its: name, date, and location and that you would like for the sessions initialed on your agenda to be considered for training credit.
- Submit the initialed agenda and letter to our office and we will use it as your proof of attendance for the event.

I Can't Find My Training ID Card and Can't Remember My Training Number



In the old training system “Training Identification Numbers” were created to allow official’s access to their training record information. With the implementation of the new training system ID numbers are no longer used to gain access. Therefore, DLG will no longer be issuing training identification numbers.

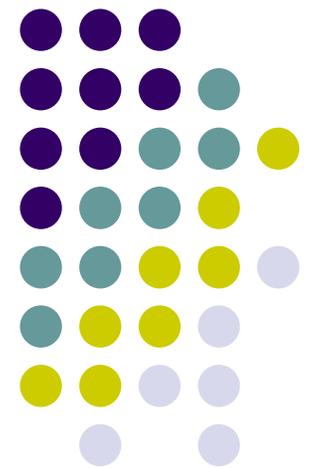
Other Training Questions

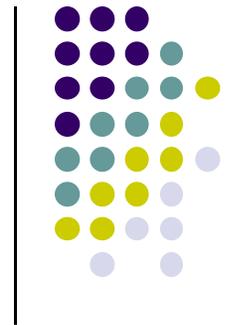


If you have any question about the Elected County Officials Training Program please contact Scott Sharp at:

- Phone: 1-800-346-5606
- Fax: 502-573-3712
- E-mail: scott.sharp@ky.gov

Legislative Update





Break



СОЛБЫННЕН
ЕОУ ГОСУ
ДЕПАРТАМЕНТ

Special Purpose Governmental Entities

Cities and Special Districts Branch
2016



CONTACTS

Tammy Vernon – Branch manager

Linda Lilly – Local Government Advisor

Lori Denhart – Local Government Advisor

Taylor Maxson – Customer Service Rep

Lee Hamilton – Customer Service Rep

Dept for Local Government

Phone – 1-800-346-5606

Email – dlg-csd@ky.gov

DLG website:

<https://kydlgweb.ky.gov>

Contents - Outline

- SPGE Public Portal
- Compliance/Noncompliance
- Dissolution of SPGEs
- SPGE Fees & Ad Valorem Taxes
- Ethics Code
- 2015 Legislation
 - Housing Authority Exclusion
 - Grant Exemption
 - Alternative financial review
- 2016 Legislative Updates

SPGE Public Portal – Accessing

DLG website - <https://kydlgweb.ky.gov>

What SPGEs are in your County?

Find out by accessing the **SPGE Public Portal** on the DLG Website. On the left-side menu, click **Financial Management**. Then click **Special Purpose Government Entities**. Finally, click **Public Portal** to open the page.

The screenshot shows the website interface for the Department for Local Government, Commonwealth of Kentucky. On the left is a navigation menu with the following items: Home, Office of the Commissioner, Staff Directory, Financial Management & Administration, Counties, Cities, Special Purpose Government Entities, Information, Public Portal, Registration / Financial Disclosure, and Area Development Districts. Three red arrows point from numbered boxes (1, 2, 3) to the 'Financial Management & Administration', 'Special Purpose Government Entities', and 'Public Portal' menu items respectively. The main content area features the title 'SPGE Public Portal' and a search instruction: 'Enter search criteria in the boxes provided, then click the "SEARCH" button.' Below this is a search form with the following fields: SPGE Name (text input), ADD (dropdown), City (text input), Zip (text input), Taxing (dropdown), County (dropdown), District Type (dropdown), Status (dropdown with 'Active' selected), and Compliance (dropdown with 'All' selected). At the bottom of the form are 'SEARCH' and 'RESET FIELDS' buttons.

SPGE Public Portal - Accessing

To Search for
SPGEs in your
County -

Click on the box
beside **County**
and find your
County on the
drop-down list.
Then, click
SEARCH.

SPGE Public Portal

Enter search criteria in the boxes provided, then click the "SEARCH" button.

SPGE Name	<input type="text"/>
ADD	<input type="text"/>
City	<input type="text"/>
Zip	<input type="text"/>
Taxing	<input type="text"/>
County	<input type="text" value="Franklin"/>
District Type	<input type="text"/>
Status	<input type="text" value="Active"/>
Compliance	<input type="text" value="All"/>

SPGE Public Portal - Accessing

On the County list:

You will see all the SPGEs we currently have listed in your county. You can look at documents submitted by these SPGEs by clicking on **VIEW** beside each district's name.

NOTE: If you feel the list of SPGEs in your county is incorrect, please contact DLG.

SPGE Name	Compliance	City
Bluegrass Area Development District		Lexington VIEW
Bluegrass Community Action Partnership		Frankfort VIEW
Bluegrass Water Supply Commission		Lexington VIEW
Elkhorn Water District		Frankfort VIEW
Farmdale Sanitation District		Frankfort VIEW
Farmdale Water District		Frankfort VIEW
Frankfort/Franklin County Planning Commission		Frankfort VIEW
Frankfort/Franklin County Tourist & Convention Commission		Frankfort VIEW
Franklin County Extension Taxing District		Frankfort VIEW
Franklin County Health Department		Frankfort VIEW
Franklin County Library Taxing District		Frankfort VIEW

SPGE Public Portal - Reports

SPGEs Fiscal Year:

All SPGEs operate on a July fiscal year unless noted here.

District Data:

This is the SPGEs contact information as well as whether they have taxing authority.

Compliance Reports:

Submitted documents will be shown here. You can access completed reports by clicking on the blue links in the box.

UFIR Reports:

This box has year-end reports submitted by Taxing Districts.

Franklin County Extension Taxing District

(Non-Enterprise - With Taxing Authority)

District Data				Counties Served			
HQ: Franklin	TAX: Taxing			Franklin			
ADDRESS: 101 Lakeview Court							
CITY: Frankfort	ZIP: 40601						
CONTACT: Keenan Bishop	KRS: 164.605-675						
PHONE: (502) 695-9035	FAX: (502) 695-9309						
HEADQUARTERED COUNTY: Franklin							

** Year End Actual Figures are the actual figures reported at the end of the fiscal year and are un-audited **

Compliance Reports							
MORE / LESS							
FY	REGISTRATION	BUDGETS	AMENDMENTS	ACTUALS	FEDERAL FORMS	AUDITS	COMPLIANCE
2016	2016	2016					
2015	2015	2015	2015	2015		2015	

Audit Reports	
MORE / LESS	
2015	

UFIR Reports	
MORE / LESS	
2015	
2014	
2013	

SPGE Public Portal - Reports

Financial Disclosure Report:

These three pieces of financial information all appear on one report. To view the report, click on the **blue** link in the Budget field.

Franklin County Extension Taxing District

(Non-Enterprise - With Taxing Authority)

District Data		Counties Served
HQ: Franklin	TAX: Taxing	Franklin
ADDRESS: 101 Lakeview Court		
CITY: Frankfort	ZIP: 40601	
CONTACT: Keenan Bishop	KRS: 164.605-675	
PHONE: (502) 695-9035	FAX: (502) 695-9309	
HEADQUARTERED COUNTY: Franklin		

**** Year End Actual Figures are the actual figures reported at the end of the fiscal year and are un-audited ****

Compliance Reports							
MORE / LESS							
FY	REGISTRATION	BUDGETS	AMENDMENTS	ACTUALS	FEDERAL FORMS	AUDITS	COMPLIANCE
2016	2016	2016					
2015	2015	2015	2015	2015		2015	

Audit Reports
MORE / LESS
2015

UFIR Reports
MORE / LESS
2015
2014
2013

SPGE Public Portal - Reports

Financial Disclosure Report:

The three columns on this report are submitted at different times.

Column 1 – The Beginning Budget

Column 2 – Amendments and Line Item Transfers

Column 3 – Year End Actuals



Franklin County Extension Taxing District Financial Disclosure Report 2015

SPGE INFORMATION			
CONTACT NAME Keenan Bishop	TELEPHONE NUMBER (502) 695-9035	FAX NUMBER (502) 695-9309	
MAILING ADDRESS 101 Lakeview Court	EMAIL Kbishop@uky.edu		
CITY Frankfort	STATE KY	ZIP CODE 40601	
DO YOU HAVE A DULY ADOPTED BUDGET IN PLACE? Yes	IF NO, EXPLANATION: N/A		
FINANCIAL INFORMATION			
Description	Current Year Estimates	Amendments / Transfers	Year End Actuals
Revenues			
Taxes (all categories)	\$475,228.00	\$0.00	\$518,406.76
Permits and Licenses	\$0.00	\$0.00	\$0.00
Payments in Lieu of Taxes	\$0.00	\$0.00	\$0.00
Intergovernmental Revenues	\$0.00	\$0.00	\$0.00
Charges for Services	\$0.00	\$0.00	\$0.00
Other Revenues	\$0.00	\$0.00	\$250.00
Interest Earned	\$1,336.00	\$0.00	\$1,578.68
TOTALS	\$476,564.00	\$0.00	\$520,235.44
Receipts and Cash			
Carryover from Prior Fiscal Year	\$764,998.00	\$0.00	\$737,446.00
Bonded Debt, Public Corporation	\$0.00	\$0.00	\$0.00
Transfers to Other Funds	\$0.00	\$0.00	\$0.00
Transfers from Other Funds	\$0.00	\$0.00	\$0.00
Borrowed Money (all short term /	\$0.00	\$0.00	\$0.00
Governmental Leasing Act	\$0.00	\$0.00	\$0.00
All Other Borrowed Money	\$0.00	\$0.00	\$0.00
TOTALS	\$764,998.00	\$0.00	\$737,446.00
Appropriations			
Personnel	\$282,456.00	\$0.00	\$267,000.02
Operations	\$167,219.00	\$0.00	\$141,201.56
Administration & Reserves	\$284,886.00	\$0.00	\$251,046.00

SPGE Public Portal - Compliance

Is an SPGE compliant?

Monitor an SPGE's compliance by looking in the **Compliance Reports** box. All submitted documents will be shown.

Franklin County Extension Taxing District

(Non-Enterprise - With Taxing Authority)

District Data				Counties Served			
HQ: Franklin		TAX: Taxing		Franklin			
ADDRESS: 101 Lakeview Court							
CITY: Frankfort		ZIP: 40601					
CONTACT: Keenan Bishop		KRS: 164.605-675					
PHONE: (502) 695-9035		FAX: (502) 695-9309					
HEADQUARTERED COUNTY: Franklin							

** Year End Actual Figures are the actual figures reported at the end of the fiscal year and are un-audited **

Compliance Reports							
MORE / LESS							
FY	REGISTRATION	BUDGETS	AMENDMENTS	ACTUALS	FEDERAL FORMS	AUDITS	COMPLIANCE
2016	2016	2016					
2015	2015	2015	2015	2015		2015	

Audit Reports
MORE / LESS
2015

UFIR Reports
MORE / LESS
2015
2014
2013

Compliance - SPGE Submission Due Dates

- Beginning Budget –
 - No later than 15 days after the start of the fiscal year
- Amendments and Line Item Transfers –
 - No later than the last day of the fiscal year
- Year-End Actuals -
 - No later than 60 days after the close of the fiscal year
- Uniform Financial Information Report (UFIR) -
 - No later than 10 months after the close of the fiscal year
 - Only required for Taxing Districts
- Audit Requirement
 - Determined based on Total Annual Revenues

Compliance - SPGE Required Filings Calendar

The screenshot shows the website for the Department for Local Government, Commonwealth of Kentucky. On the left is a navigation menu with the following items: Home, Office of the Commissioner, Staff Directory, Financial Management & Administration, Counties, Cities, and Special Purpose Government Entities. The main content area is titled "Special Purpose Government Entities (SPGE) Home" and features a "DOWNLOADS" section. The links in this section are: Attestation Engagement Format (.docx - 41 kb), Housing Authority Exclusion Request Form (.pdf - 102 kb), Special Districts Tax Rate Calc Workbook (.xls - 65 kb), SPGE Calendar - APRIL Fiscal Year (.doc - 51 kb), SPGE Calendar - JANUARY Fiscal Year (.doc - 51 kb), SPGE Calendar - JULY Fiscal Year (.doc - 51 kb), and SPGE Calendar - OCTOBER Fiscal Year (.doc - 52 kb). A red box highlights the four calendar links, and red arrows point from the "Financial Management & Administration" menu item and the "Special Purpose Government Entities" menu item to the calendar links.

To access the SPGE Home Page:
On the left-side menu, first, click on **Financial Management**, then on **Special Purpose Government Entities**.

To access the SPGE Filing Calendar:
Click on a link to open a PDF of the document. Due dates on each calendar are based on the fiscal year listed beside the calendar.

Compliance – Noncompliant Penalty

Districts are considered noncompliant if they:

- Fail to Submit Information.
- Submit information that does not comply with the Statute.
- Fail to Pay the Registration Fee

Noncompliant Penalties:

- All State Funds will be Withheld.
- Newspaper Publication of Noncompliance including:
 - Name of the SPGE
 - Statement that SPGE failed to comply with Reporting Requirements
 - SPGE Contact Name and Contact Information
 - Names of SPGE Board Members AND
 - Any Other Information DLG May Require
- Audit or Special Examination by the APA at the SPGE's expense.

Dissolution of SPGEs – KRS 65A.050

An SPGE may be Administratively dissolved if:

- SPGE has taken no action for two or more consecutive years
- SPGE chairman, following a written inquiry, sends written notification the entity has had no governing board, or insufficient board members to form a quorum, for two or more consecutive years
- SPGE chairman, following written inquiry, does not respond within thirty days
- SPGE fails to register with DLG as required by KRS 65A.090;
- SPGE fails to file information required by KRS 65A.020 for two or more consecutive years
- SPGE provides documentation to DLG or the establishing entity that the SPGE has adopted a resolution declaring the entity inactive

SPGE Fees & Ad Valorem Taxes - KRS 65A.100

- An SPGE is required to report to Fiscal Court if:
 1. Fiscal court established the SPGE, and
 2. The SPGE adopts a new fee or ad valorem tax;
 3. The SPGE increases the rate at which the existing fee or tax, other than ad valorem tax, is imposed; or
 4. The SPGE adopts an ad valorem tax rate.

SPGE Fees & Ad Valorem Taxes - KRS 65A.100

- The report is for information only
- Fiscal court can not adjust, amend, or veto the fee or tax
- SPGE gives written notification to fiscal court 30 days from effective date
- SPGE presents testimony at an open, regularly scheduled fiscal court meeting 10 days from effective date

SPGE Fees & Ad Valorem Taxes - KRS 65A.100

- Report is not required for:
 - Federally regulated municipal utilities
 - KRS 96.740 public utilities
 - 10 fees listed under KRS 65A.100(4) A thru J
- Fiscal court shall include notification in all public notices for the meeting of fee/tax presentation
- Fiscal court may require more stringent report process by ordinance or inter-local agreement
- NOTE: 2016 legislation could change this process.

Ethics Code - KRS 65A.070

- SPGEs are subject to Code of their Establishing Entity:
 - If more than one establishing entity, the SPGE Board selects which code applies
- If no Establishing Entity, the SPGE is subject to the Code of Ethics of the County where SPGE principal business office is located
- The SPGE may adopt there own Code only if it is more stringent than their Establishing Entity.

Ethics Code - SPGE Exemption Removed

Financial Disclosure by Board Members

Prior to HB348:

KRS 65.003(3)(b)2 read:

Board members, officers, and employees of special purpose governmental entities shall not be required to file financial disclosure statements for their service or employment with the special purpose governmental entity, unless the special purpose governmental entity adopts more stringent requirements under KRS 65A.070 that require the filing of financial disclosure statements;

Effective June 24, 2015, per HB348:

KRS 65.003(3)(b)2 is removed from law. No SPGE financial disclosure exemption.

SPGEs Check the County Ethics Code:

- What is “financial disclosure” for the County?
- Is the financial disclosure requirement an issue for Board Members?

2015 Legislative Session

- **Housing Authority Exclusion**

- KRS 65A.010 (9) (d) 8 - “Federally regulated public housing authorities established pursuant to KRS Chapter 80 that receive no more than twenty percent (20%) of their total funding for any fiscal year from nonfederal fees, not including rental income.”
- SPGE must submit a *Housing Authority Exclusion Request Form* annually to DLG to remain exempt

- **Grant Exemption**

- 65A.020 (5) (e) - “...revenues constitute nonrecurring, nonoperating grants...” are exempted from total annual revenue, which determines Fee and Audit requirements
- To exempt grant revenues, an SPGE must submit a *Grant Exemption Form* to DLG each fiscal year a grant is received

- **Alternative financial review - revenues <\$100,000:**

- KRS 65A.030 (3) states: “Any board, commission, or agency established by statute with regulatory authority or oversight responsibilities for a category of (SPGE) entities may apply to the Auditor of Public Accounts to be approved to provide an alternative financial review

2016 Legislative Updates

