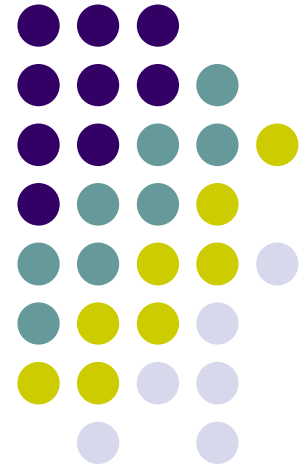


# County Budget Workshop 2018-2019

---

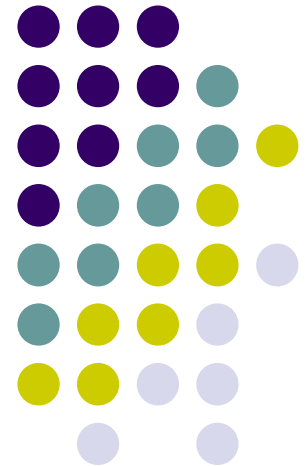
Department for Local Government

Office of Financial Management &  
Administration



# Welcome & Introductions

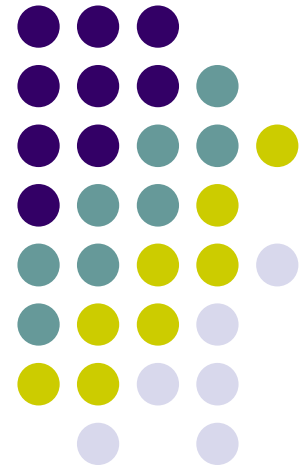
---



# 2018 Budget Workshop

---

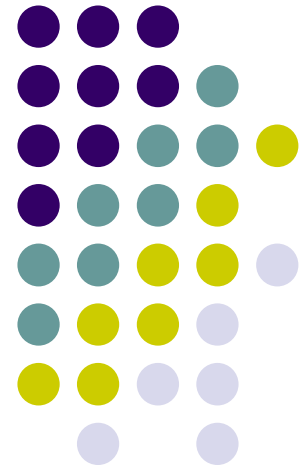
Counties Branch Staff



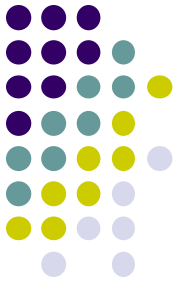
# 4<sup>th</sup> Year in Office

---

Setting Salaries  
&  
Term-Ending Restrictions  
on Spending



# Setting Salaries for the New Term



What does KRS 64.530 require the fiscal court to do?

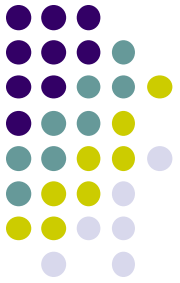


# Required per KRS 64.530

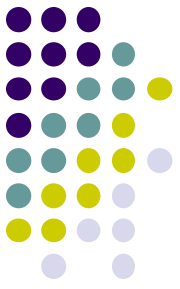
- By fiscal court order:

By May 7, 2018, set the monthly compensation of elected officers (whose salaries are not subject to HB 810) to be paid through the budget for new term (i.e., Coroner, Magistrate, Constable)

# Required per KRS 64.530



By May 7, 2018, set the monthly compensation of elected officials' deputies and assistants to be paid through the budget for new term (i.e., Deputy Coroner, Deputy Judge/Executive, Finance Officer)



# Term-End Restrictions On Spending

- KRS 68.310
- Complying with the 65% limitation restrictions on expenditures for the first half of Fiscal Year 2018-19



# KRS 68.310 Limit of Expenditures for First Half of Each Fourth Year



Except in case of an emergency concerning which the county judge/executive, the fiscal court and the State Local Finance Officer unanimously agree in writing, and, except for encumbrances or expenditures from the county road fund, no county shall, beginning with the fiscal year 1998-1999, **encumber** or expend more than sixty-five percent (65%) in any fund budgeted for that fiscal year, not counting as current funds any budgetary allotments for or payments of principle and interest of bonded indebtedness...

# KRS 68.310 Limit of Expenditures for First Half of Each Fourth Year

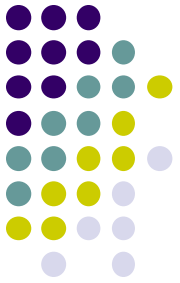


...Prior to encumbering or expending any funds from the road fund during the first half of any fourth fiscal year which exceed sixty-five percent (65%) of the amount budgeted the fiscal court shall assure there are sufficient funds remaining in the general fund to provide for the excess encumbrance or expenditure from the road fund on a dollar for dollar basis. Those excess funds shall remain in the general fund until on or after January 1 of that fiscal year.

# CALCULATION BY FUND



# GENERAL FUND



## *Budgeted* Appropriation

plus amendments	1,000,000
Less <i>Budgeted</i> Debt Service	<u>(100,000)</u>
Available per KRS 68.310	900,000

<i>Actual</i> Claims Allowed 12/31/18	535,500
Less <i>Actual</i> Debt Service Pd.	(75,000)
Encumbrances 12/31/18	<u>87,250</u>
Total Claims and Encumbrances	547,750
% expended	<b>547,750/900,000    60.9%</b>

# ROAD FUND



<i>Budgeted</i> Appropriation	
plus amendments	629,870
Less <i>Budgeted</i> Debt Service	<u>(29,000)</u>
Available per KRS 68.310	600,870
 <i>Actual</i> Claims Allowed 12/31/18	409,008
Less <i>Actual</i> Debt Service Pd.	(15,000)
Encumbrances 12/31/18	<u>87,250</u>
Total Claims and Encumbrances	481,258
% expended	 481,258/600,870
	80.1%

# Term-End Restrictions On Spending



## GENERAL FUND

Available appropriation	\$900,000
	<u>x 65%</u>
Total allowable expenditures	\$585,000
Total claims/encumbrances	\$547,750
Amount <b>under</b> 65%	\$37,250

# Term-End Restrictions On Spending



## ROAD FUND

Available appropriation	\$600,870
	<u>x 65%</u>
Total allowable expenditures	\$390,565
 Total claims/encumbrances	 \$481,258
 Amount in <b>excess</b> of 65%	 \$90,693

# Term-End Restrictions On Spending



## GENERAL FUND

Total allowable expenditures	\$585,000
Total claims/encumbrances	<u>\$547,750</u>
Total <b>under</b> 65%	\$37,250

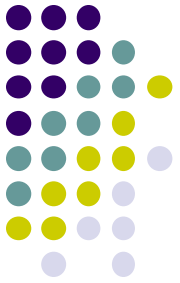
## ROAD FUND

Total allowable expenditures	\$360,565
Total claims/encumbrances	<u>\$481,258</u>
Total <b>over</b> 65%	\$90,693

**BOTH FUNDS NON-COMPLIANT**



# JAIL FUND



Budgeted Appropriation

plus amendments

\$350,000

Available per KRS 68.310

\$350,000

*Actual* Claims Allowed 12/31/18

\$178,090

Encumbrances 12/31/18

\$19,700

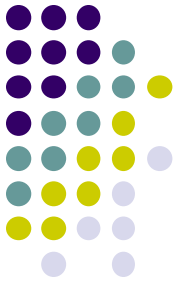
Total Claims and Encumbrances

\$197,790

% expended      197,790/350,000

56.5%

# LGEA FUND



Budgeted Appropriation		
plus amendments		<u>\$1,500,000</u>
Available per KRS 68.310		\$1,500,000
Actual Claims Allowed 12/31/18		\$654,123
Encumbrances 12/31/18		<u>\$61,937</u>
Total Claims and Encumbrances		\$716,060
% expended	716,060/1,500,000	47.7%

# What encumbrances and expenditures does KRS 68.310 restrict?

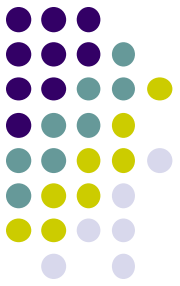


All encumbrances and expenditures except:  
Debt Payments

**Other exceptions must be approved in writing and may include:**

CDBG Projects  
State Budget Line Item Projects  
Homeland Security Grants

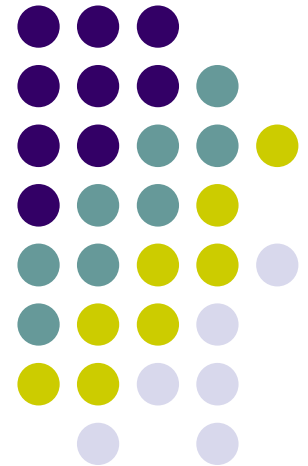
## **KRS 68.990(6)**



Any county or state officer who knowingly violates any of the provisions of KRS 68.310 shall...be guilty of a misdemeanor and, upon conviction thereof, shall have his office declared vacant, and may also be fined not more than five hundred dollars (\$500) or imprisoned for not more than ninety (90) days, or both.

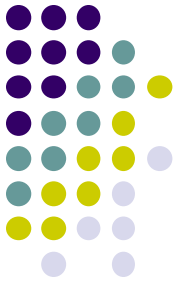
# Budget Workshop

---



# Budget Timetable

## Page 7

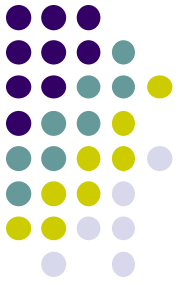


# January



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: Robert O. Brown, State Local Finance Officer  
Office of Financial Management & Administration

DATE: \*\*\*\*\*

SUBJECT: 2013 Fee Office Budgets

Your Clerk and Sheriff's 2013 Fee Office Budgets were due to the Department for Local Government on January 15, 2013. To date, our office has not received their budgets.

Your county budget must be approved by July 1, 2013, for Fiscal Year 2014. Unfortunately, I cannot approve the county's budget without the receipt of a completed fiscal court fee budget from your clerk and sheriff.

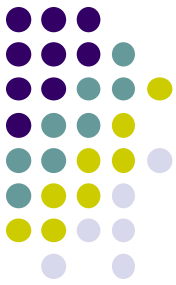
If you have any questions, please feel free to contact me or your county representative at 800-346-5606

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 \_\_\_\_\_

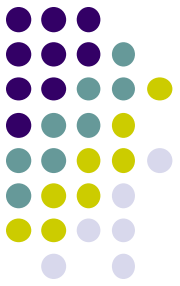
Motion made by \_\_\_\_\_, second by \_\_\_\_\_

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

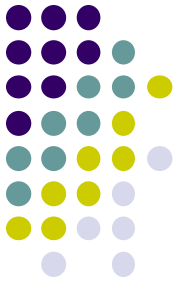
If fiscal court pays for an item out of fiscal court budget, same item should not be listed in lines 4 & 11.

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 Adminstration 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

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/Reimbursements								
2. State Grants								
3. State Fees For Services								
4. Fiscal Court						\$0.00		
5. Revenue Supplement (< 20,000 pop)						\$0.00		
6. Licenses and Taxes								
7. Motor Vehicle:								
8. Licenses and Transfers								
9. Usage Tax								
10. Tangible Personal Property Tax								
11. Notary Fees								
12.								
13. Licenses: (describe)								
14. Fish and Game								
15. Marriage								
16. Occupational								
17. Beer & Liquor								
18.								
19.								
20. Deed Transfer Tax								
21. Delinquent Taxes								
22. Fees Collected for Services								
23. Recordings:								
24. Deeds, Easements, and Contracts								
25. Real Estate Mortgages								
26. Chattel Mortgages & Financing Stmtnts								
27. Powers of Attorney								
28. All Other Recordings								
29. Charges for Other Services:								
30. Copywork								
31. Postage								



# Budget Timetable



## February



Attend budget workshops.

Get information together.

# Budget Timetable



**March**

Prepare proposed jail fund budget.\*

# Budget Timetable

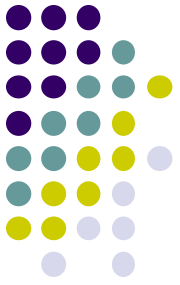


April



Submit proposed jail fund budget  
to the fiscal court by April 1<sup>st</sup>.

# Budget Timetable



## May



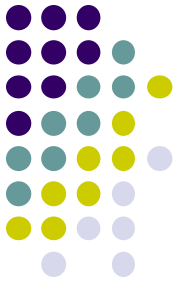
Submit entire proposed  
budget to the fiscal court by

May 1st

*notice on page 6*

# Budget Timetable

## June

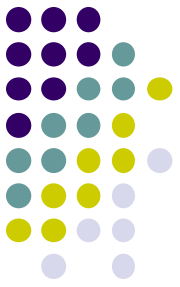


Fiscal court meets to consider  
proposed budget ordinance by June 1<sup>st</sup>

Hold LGEA and CRA proposed use  
hearings

# Budget Timetable

## July

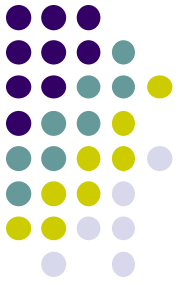


2nd reading and adoption of proposed budget ordinance by July 1

Publish -- *sample form starts on page 9*

Forward copy to state local finance officer

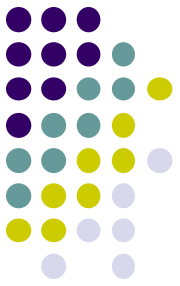
# Budget Preparation



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

# Estimating Receipts

Pages 14 – 16

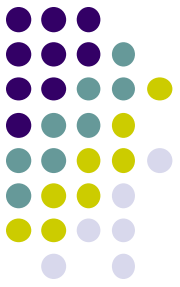


- Utilize the 6/30/2017 quarterly
- Compare to the most recent quarterly report (3-31-18 electronic report)
- Check with the treasurer, the jailer, other elected officials budgets
- Other sources...



# Estimating Receipts

Pages 14 -16



Other sources might include:

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

# Estimating Receipts

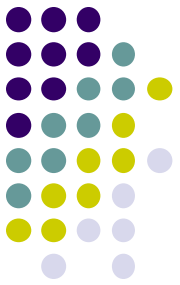
## Use Current Year Figures!



- Property tax receipts
- Truck license **\$223,032.00**
- Jail (bed allotment, medical, DUI)
- State Prisoner Payments
- Strip mine permit fees

# \$\$ Budgeting Cash Transfers

Page 25



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

# Revenue Sources

## Pages 14 - 16

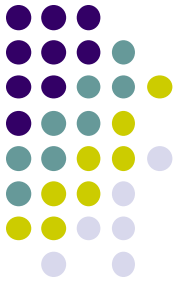


**General purpose revenues**

**Restricted revenues**



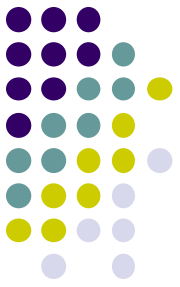
# LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUNDS



Page 8

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

# ALLOWABLE USES FOR LGEA FUNDS DEPENDS UPON THE SOURCE



Coal impact

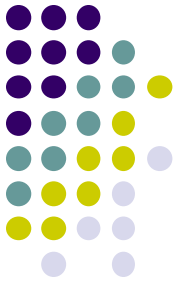
Coal severance

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

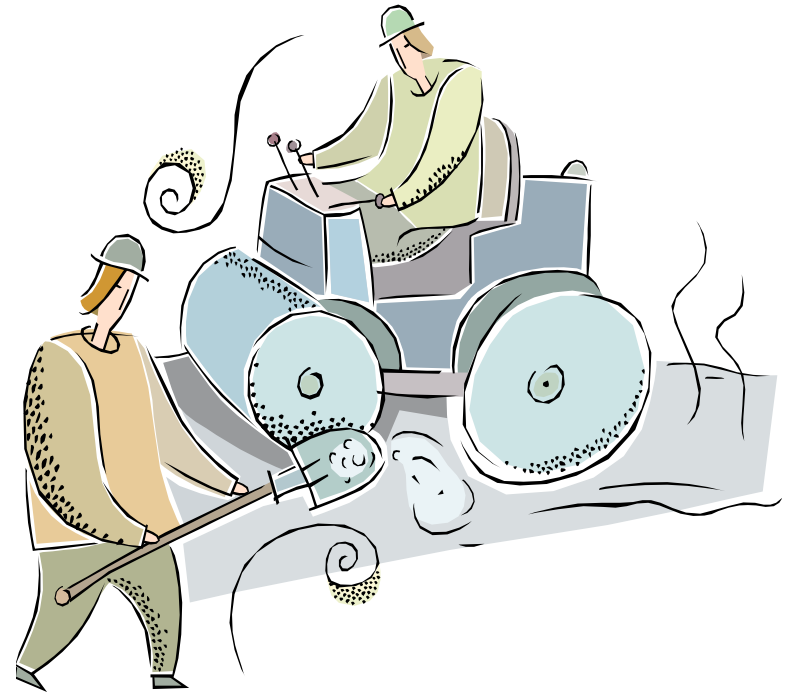
# COUNTY ROAD AID

## KRS 177.320



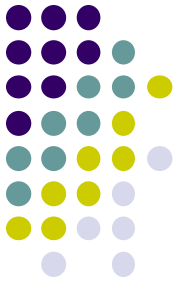
These funds are for the  
construction, reconstruction  
and maintenance of county  
roads and bridges

Municipal Road Aid 02-4519





# CRA 2018-2019 Figures\*

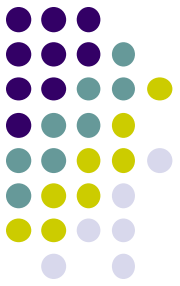


Available for review at your leisure

60% allocation available Aug 1.

# Estimating Expenditures

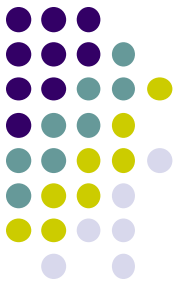
Page 26



- Check the most recent electronic quarterly report
- Check the 6/30/2017 report
- Get budgets, financial statements, contracts, agreements, etc.

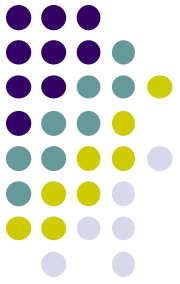
# Estimating Expenditures

## 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

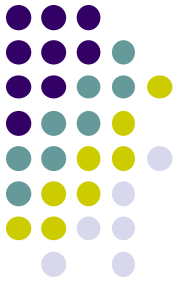


--01-9200-999 (10,000)

--01-9300-999 10,000

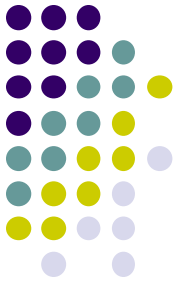
--01-9300-999 (10,000)

--03-9200-999 10,000



STOP

# Mandated Appropriations



List begins on page 17



# 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)

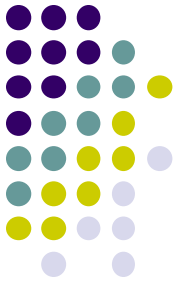


# Mandated Appropriations



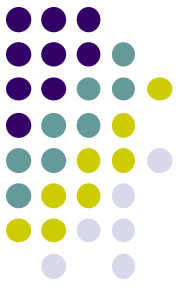
- Commissioners/Magistrates
- Coroner
- Constable (if paid a salary)
- Salaries for statutorily mandated appointments including the road supervisor, the county treasurer and the dog warden.

# Mandated Appropriations



- Personal bonds for elected/appointed officials. (Pages 93 – 94)
- Unemployment insurance for county employees. KRS 341.050
- Worker's compensation for county employees KRS 342.630 and KRS 342.640

# Mandated Appropriations

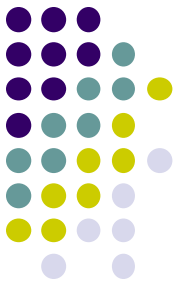


Social security match for county employees  
of 7.65% KRS 61.460



Retirement match for county employees  
effective July 1 is 28.05% ↑ for non-  
hazardous and 47.86% ↑ 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)

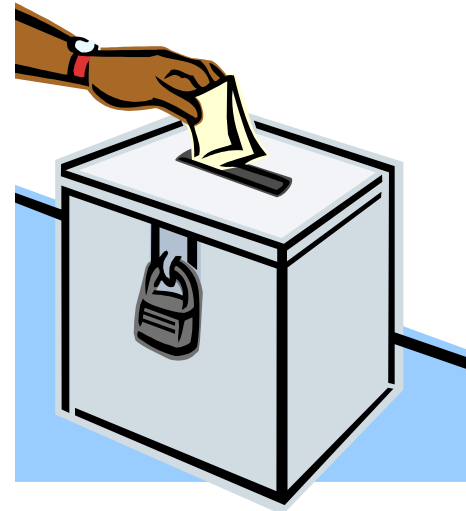
**This payment is subject to all withholdings.**



# Mandated Appropriations

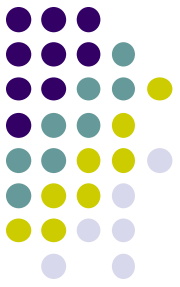


Election expenses  
KRS 117.035, 117.045



30% of LGEA coal producing  
receipts for coal haul roads.  
KRS 42.455(2)

# Mandated Appropriations

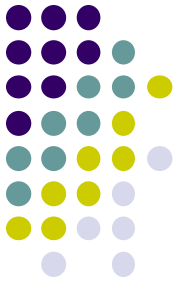


100% of LGEA coal impact receipts  
for roads and public transportation.  
KRS 42.470 (1)

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



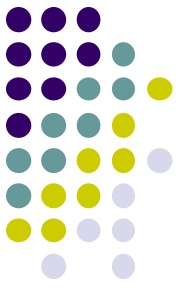
# Mandated Appropriations



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.

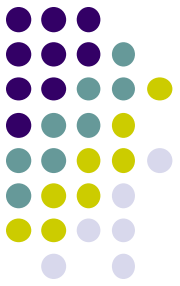
Utilization of minor codes 499 and 599 for miscellaneous is limited to \$1000 per major object code.

# 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 28 is the required budget form for showing outstanding debt and debt service

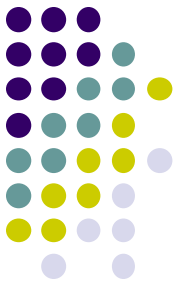
Appropriating for debt service is a mandate  
(Notification required)

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.**

# Road Cost Allocation Worksheet

Pages 33 - 34



- Allowable administrative costs
- Percentage of Road Fund to Operating Budget excluding Grants
- Maximum allowable..

\$223,032

1. General Fund *	\$		Line 2	\$
2. Road Fund *	\$		Divided By	
3. Jail Fund *	\$		Line 6	\$
4. LGEA 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
<b>Office of the County Judge/Executive</b>				
5001 - _____		\$	X _____ % =	\$
5001 - _____		\$	X _____ % =	\$
5001 - _____		\$	X _____ % =	\$
5001 - _____		\$	X _____ % =	\$
<b>Office of the County Attorney</b>				
5005 - _____		\$	X _____ % =	\$
5005 - _____		\$	X _____ % =	\$
5005 - _____		\$	X _____ % =	\$
<b>Fiscal Court Clerk</b>				
50 _____ - _____		\$	X _____ % =	\$
<b>Fiscal Court</b>				
5025 - _____		\$	X _____ % =	\$
5025 - _____		\$	X _____ % =	\$
5025 - _____		\$	X _____ % =	\$
5025 - _____		\$	X _____ % =	\$
5025 - _____		\$	X _____ % =	\$
<b>Office of the County Treasurer</b>				
5040 - _____		\$	X _____ % =	\$
5040 - _____		\$	X _____ % =	\$
5040 - _____		\$	X _____ % =	\$
<b>Administration</b>				
9 _____ - _____		\$	X _____ % =	\$
9 _____ - _____		\$	X _____ % =	\$
9 _____ - _____		\$	X _____ % =	\$
9 _____ - _____		\$	X _____ % =	\$
9 _____ - _____		\$	X _____ % =	\$
<b>Subtotal of Administrative Costs</b>				\$ *
<b>Other (ie. TAP, Road Patrol, Etc., No office expense permitted)</b>				
5 _____ - _____		\$	100%	
5 _____ - _____		\$	100%	
5 _____ - _____		\$	100%	
<b>Subtotal Other</b>		\$ *	100%	
<b>Grand Total (The sum of the subtotal of administrative costs &amp; other costs *)</b>				



# 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.

**ANNUAL STANDING ORDER TO PRE-APPROVE CERTAIN RECURRING  
EXPENSES**



Pursuant to KRS 68.275(3), "The fiscal court may adopt an order, to pre-approve the payment of monthly payroll and utility expenses. No other expenses shall be pre-approved pursuant to this subsection without the written consent of the State Local Finance Officer...". The Fiscal Court of \_\_\_\_\_ County in accordance with state law hereby orders recurring expenses for \_\_\_\_\_ and \_\_\_\_\_ be paid when due.

The fiscal court of \_\_\_\_\_ County further orders upon the written consent of the State Local Finance Officer the following expenses be paid when due:

Account Number	Description

It is hereby acknowledged the above standing orders shall expire after July 1 of each fiscal year and no more payments designated in the standing order shall be pre-approved unless a new order is adopted by the fiscal court of \_\_\_\_\_ County according to the provisions of KRS 68.275(3).

Motion made by: \_\_\_\_\_  
Seconded by: \_\_\_\_\_

Vote \_\_\_\_\_  
\_\_\_\_\_

Signature: \_\_\_\_\_

County Judge Executive

Date

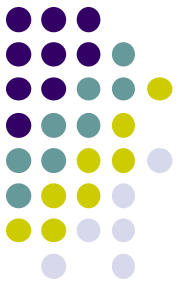
Approved: \_\_\_\_\_

State Local Finance Officer

Date



# The Signature Page of the Budget Document (Page 30)



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 30)



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

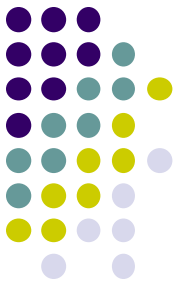
I certify that this budget, incorporating the changes if any, as required by the State Local Finance Officer, has been duly adopted by the \_\_\_\_\_  
County Fiscal Court on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Signed \_\_\_\_\_  
County Judge/ExecutiveAttest \_\_\_\_\_  
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 2013. 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 20<sup>th</sup> 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,

Robert O. Brown  
State Local Finance Officer

cc: County Treasurer  
Auditor of Public Accounts

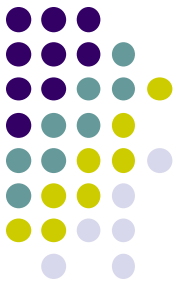
# Other items that could delay budget approval by the SLFO



- Fee office budgets submitted
- Adopted Amendments
- Tax Rates (Page 31)
- 2017 – 2018 Adopted Budget on File

# AMENDMENTS

Pages 47 - 52



- 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



# County Property Tax Rates

## Pages 80 - 81



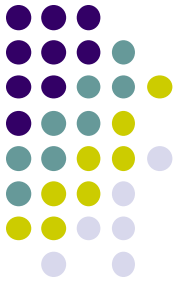
Two Tax rates are calculated by DLG

### 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



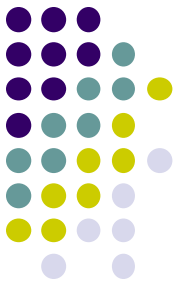
County PVA sends assessment information to DOR

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

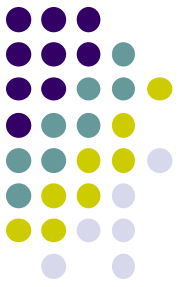
# County Property Tax Rates



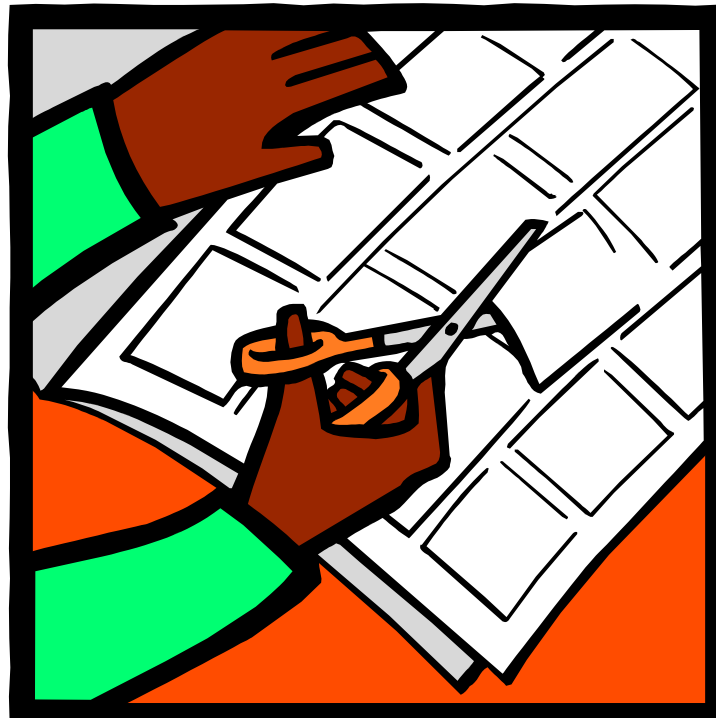
## Hearing Process (KRS 68.245)

- 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

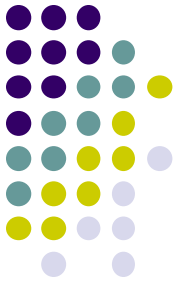
# County Property Tax Rates



Sample Advertisement on page 81



# Review



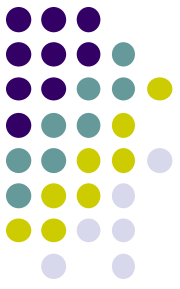
## Important dates:

April 1

- Proposed jail budget to FC

May 1

- Entire proposed budget to FC



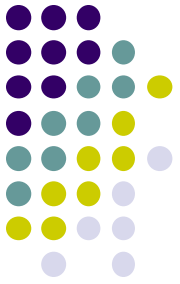
June

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

July 1

- Must have adopted budget

# County Debt

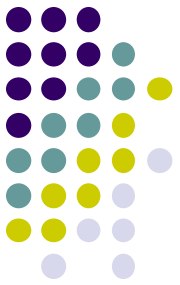


- Short-Term Borrowing Act
- Governmental Leasing Act
- County Debt Capacity



# Short-Term Borrowing Act

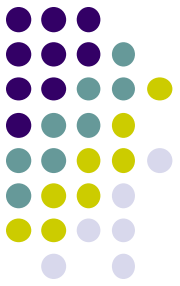
Page 82



- 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 85 - 86



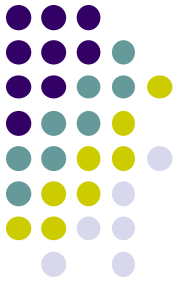
- Notification of lease issues less than \$200,000 is not required, however, is strongly recommended by SLDO
- Notification to SLDO of lease issues of \$200,000 or more is required
- SLDO hearing and approval required for all lease issues of \$500,000 or more
- All lease issues are reported on the liabilities 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.

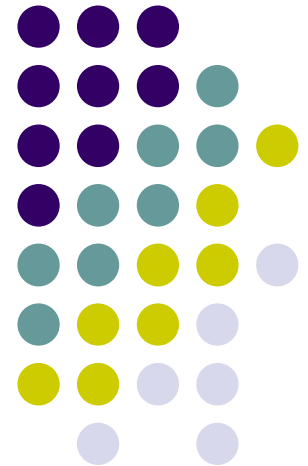
2013 Total Valuation of Adjusted Property at Full Rates (Line E)	0			
2013 Motor Vehicles (Line M, Column 3)	0			
2013 Watercraft (Line N, Column 3)	0			
TOTAL	0			
Statutory Debt Limit	2.00%			
<b>MAXIMUM COUNTY DEBT CAPACITY</b>	<b>0</b>			
Current Outstanding Debt	Amount	Description	Issue Date	Term
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			
<b>TOTAL OUTSTANDING DEBT PRINCIPLE</b>	<b>0</b>			
* As reported on the 9/30/12 Financial Statement				
<b>TOTAL DEBT CAPACITY AVAILABLE</b>	<b>0</b>			
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.				



STOP

# Filing a Notice of Intent for Bonds Issuance or Lease Agreements

---



# Go to the DLG home Page and find the login at the bottom



Browser tabs: Kentucky Department for Local Government, Kentucky DLG Home

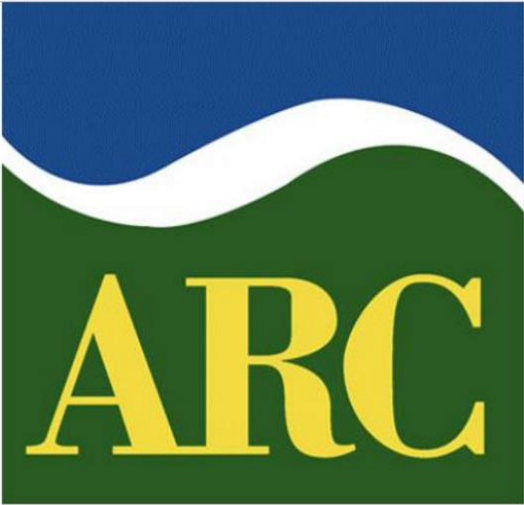
Address bar: [https://kydlgweb.ky.gov/16\\_Index.cfm](https://kydlgweb.ky.gov/16_Index.cfm)

Navigation menu: Apps, DLG Pages, KOHS Pages, State Resources, Web Design, Lunch

Left sidebar menu:

- COUNTY INFORMATION
- CITY INFORMATION
- LOCAL OFFICIALS TRAINING PROGRAM
- LEGAL
- SPECIAL PURPOSE GOVERNMENTAL ENTITIES
- SPGE FINANCIAL DISCLOSURE
- KENTUCKY eCLEARINGHOUSE
- LOCAL GOVERNMENT DEBT
- GOVERNOR'S LOCAL ISSUES CONFERENCE
- SPIRIT OF KENTUCKY AWARD
- EMPLOYEE RESOURCE CENTER

Main content area:



Marcum and Wallace Memorial Hospital Receives \$250,902 in ARC Grant Funding to Purchase 3D Mammography Equipment  
(CLICK HERE TO READ FULL ARTICLE)

Right sidebar (Twitter feed):

Dept for Local Govt @DLG\_KY  
Many thanks to Dr. Audria Denker, Judge/Exec Scott Alexander, @SandyDunahoo @GalenNursing @apprhs @KentuckyLiving  
[kentuckyliving.com/news/nurse-bri...](http://kentuckyliving.com/news/nurse-bri...)

Nurse Brings New Opportunity, Hope to Hazard - Kentuck...  
[...]  
[kentuckyliving.com](http://kentuckyliving.com)

20 Apr

Dept for Local Govt Retweeted

Embed View on Twitter

Footer:

PRIVACY	SECURITY	ACCESSIBILITY	LOGIN	LOGOUT
Phone (502) 573-2382 Toll Free (800) 346-5606		Copyright © 2008-2017 Department for Local Government 1024 Capital Center Drive, Suite 340 Frankfort, KY 40601		TDD (800) 648-6056 FAX (502) 573-2939



# Login here with User name and Password



Kentucky Department for Local Government - Log In

https://kydlgweb.ky.gov/16\_Login.cfm

Apps | DLG Pages | KOHS Pages | State Resources | Web Design | Lunch

OFFICE OF THE GOVERNOR | COMMONWEALTH OF KENTUCKY  
**DEPARTMENT FOR LOCAL GOVERNMENT**

CONTACT US | DIRECTIONS | Search DLG

## Log In

**TO LOG IN**

Username:

Password:

LOG IN

[Forgot My Username](#) | [Forgot My Password](#)

[I Don't Have a Username or Password](#)

**COMMISSIONER'S OFFICE**

**STAFF DIRECTORY**

**FEDERAL GRANTS**

**STATE GRANTS**

**COUNTY INFORMATION**

**CITY INFORMATION**

**LOCAL OFFICIALS TRAINING PROGRAM**

**LEGAL**

**SPECIAL PURPOSE GOVERNMENTAL ENTITIES**

**SPGE FINANCIAL DISCLOSURE**

**KENTUCKY eCLEARINGHOUSE**

**LOCAL GOVERNMENT DEBT**



# If you do not have a login, request one here



Kentucky Department for Local Government - Log In

https://kydlgweb.ky.gov/16\_Login.cfm

Apps | DLG Pages | KOHS Pages | State Resources | Web Design | Lunch

OFFICE OF THE GOVERNOR COMMONWEALTH OF KENTUCKY  
**DEPARTMENT FOR LOCAL GOVERNMENT**

CONTACT US DIRECTIONS Search DLG

## Log In

**TO LOG IN**

Username:

Password:

LOG IN

[Forgot My Username](#) [Forgot My Password](#)

[I Don't Have a Username or Password](#)

**COMMISSIONER'S OFFICE**

**STAFF DIRECTORY**

**FEDERAL GRANTS**

**STATE GRANTS**

**COUNTY INFORMATION**

**CITY INFORMATION**

**LOCAL OFFICIALS TRAINING PROGRAM**

**LEGAL**

**SPECIAL PURPOSE GOVERNMENTAL ENTITIES**

**SPGE FINANCIAL DISCLOSURE**

**KENTUCKY eCLEARINGHOUSE**

**LOCAL GOVERNMENT DEBT**

# Complete the Request User Credentials Form



Kentucky Department for Local Government | Kentucky DLG - Request

https://kydlgweb.ky.gov/16\_RequestLogin.cfm?cmd=RQ

Apps | DLG Pages | KOHS Pages | State Resources | Web Design | Lunch

OFFICE OF THE GOVERNOR | COMMONWEALTH OF KENTUCKY  
**DEPARTMENT FOR LOCAL GOVERNMENT**

CONTACT US | DIRECTIONS | Search DLG

## Request Login Credentials

### REQUEST USER CREDENTIALS

Courtesy: (Select One) ▼

First Name:

Last Name:

Title:

Company:

Address 1:

Address 2:

City:

State:

Zip:

Phone:

eMail:

Credentials For: (Select One) ▼

SUBMIT

COMMISSIONER'S OFFICE

STAFF DIRECTORY

FEDERAL GRANTS

STATE GRANTS

COUNTY INFORMATION

CITY INFORMATION

LOCAL OFFICIALS TRAINING PROGRAM

LEGAL

SPECIAL PURPOSE GOVERNMENTAL ENTITIES

SPGE FINANCIAL DISCLOSURE

KENTUCKY eCLEARINGHOUSE

LOCAL GOVERNMENT DEBT



## Request

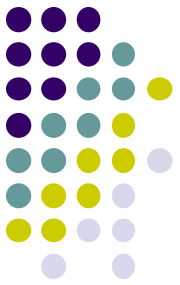
### REQUEST USER CREDENTIALS

Courtesy:	(Select One) ▼
First Name:	<input type="text"/>
Last Name:	<input type="text"/>
Title:	<input type="text"/>
Company:	<input type="text"/>
Address 1:	<input type="text"/>
Address 2:	<input type="text"/>
City:	<input type="text"/>
State:	<input type="text"/>
Zip:	<input type="text"/>
Phone:	<input type="text"/>
eMail:	<input type="text"/>
Credentials For:	(Select One) ▼
<input type="button" value="SUBMIT"/>	

## Request Credentials For:

At the bottom of the form, there is a drop down box asking what credentials you are seeking.

Make sure that you click “*Debt Reporting*” in this space.



# Once submitted, the DLG will review and approve the request and grant the proper credentials.



Kentucky Department for Local Government - Log In

https://kydlgweb.ky.gov/16\_Login.cfm?Note=37

Apps | DLG Pages | KOHS Pages | State Resources | Web Design | Lunch

OFFICE OF THE GOVERNOR COMMONWEALTH OF KENTUCKY  
DEPARTMENT FOR LOCAL GOVERNMENT

CONTACT US DIRECTIONS Search DLG

**Log In**

Your request has been forwarded to the appropriate department, thank you.

**TO LOG IN**

Username:

Password:

LOG IN

[Forgot My Username](#) [Forgot My Password](#)

[I Don't Have a Username or Password](#)

COMMISSIONER'S OFFICE  
STAFF DIRECTORY  
FEDERAL GRANTS  
STATE GRANTS  
COUNTY INFORMATION  
CITY INFORMATION  
LOCAL OFFICIALS TRAINING PROGRAM  
LEGAL  
SPECIAL PURPOSE GOVERNMENTAL  
SPGE FINANCIAL  
KENTUCKY  
LOCAL GOVERNMENT



# Login with DLG Provided User name and Password



Kentucky Department for Local Government - Log In

https://kydlgweb.ky.gov/16\_Login.cfm

Apps | DLG Pages | KOHS Pages | State Resources | Web Design | Lunch

OFFICE OF THE GOVERNOR COMMONWEALTH OF KENTUCKY  
**DEPARTMENT FOR LOCAL GOVERNMENT**

CONTACT US DIRECTIONS Search DLG

## Log In

**TO LOG IN**

Username:

Password:

[Forgot My Username](#) [Forgot My Password](#)

[I Don't Have a Username or Password](#)

**COMMISSIONER'S OFFICE**

**STAFF DIRECTORY**

**FEDERAL GRANTS**

**STATE GRANTS**

**COUNTY INFORMATION**

**CITY INFORMATION**

**LOCAL OFFICIALS TRAINING PROGRAM**

**LEGAL**

**SPECIAL PURPOSE GOVERNMENTAL ENTITIES**

**SPGE FINANCIAL DISCLOSURE**

**KENTUCKY eCLEARINGHOUSE**

**LOCAL GOVERNMENT DEBT**

# Verify that your personal information is correct



Kentucky Department for Local Government - Log In

https://kydlgweb.ky.gov/16\_Login.cfm?Note=3

Apps | DLG Pages | KOHS Pages | State Resources | Web Design | Lunch

OFFICE OF THE GOVERNOR COMMONWEALTH OF KENTUCKY  
DEPARTMENT FOR LOCAL GOVERNMENT

CONTACT US DIRECTIONS Search DLG

Log In

You have successfully logged in.

### TO LOG IN

You are currently logged in. Here is the information we have for you, does anything need to be updated?

Username: **BubbyGreen1**

Courtesy: **Mr.**

First Name: **Bubby**

Last Name: **Green**

Title: **Lawyer Guy**

Organization: **Stinky & Green**

eMail: **todd.kirby@ky.gov**

[EDIT](#)

### TO CHANGE PASSWORD

New Password:

Confirm New Password:

[CHANGE PASSWORD](#)

### MY NOTIFICATIONS OF INTENT

[ADD NEW](#)

COMMISSIONER'S OFFICE

STAFF DIRECTORY

FEDERAL GRANTS

STATE GRANTS

COUNTY INFORMATION

CITY INFORMATION

LOCAL OFFICIALS TRAINING PROGRAM

LEGAL

SPECIAL PURPOSE GOVERNMENTAL

SPGE FINANCIAL

KENTUCKY

LOCAL GOVERNMENT

# Locate and click on the small text on the right of the bar entitled 'My Notifications of Intent.'



Kentucky Department for Local Government - Log In

https://kydlgweb.ky.gov/16\_Login.cfm?Note=3

Apps | DLG Pages | KOHS Pages | State Resources | Web Design | Lunch

OFFICE OF THE GOVERNOR | COMMONWEALTH OF KENTUCKY  
**DEPARTMENT FOR LOCAL GOVERNMENT**

CONTACT US | DIRECTIONS | Search DLG

## Log In

You have successfully logged in.

### TO LOG IN

You are currently logged in. Here is the information we have for you, does anything need to be updated?

Username: [BubbyGreen1](#)  
Courtesy: [Mr.](#)  
First Name: [Bubby](#)  
Last Name: [Green](#)  
Title: [Lawyer Guy](#)  
Organization: [Stinky & Green](#)  
eMail: [todd.kirby@ky.gov](mailto:todd.kirby@ky.gov)  
[EDIT](#)

### TO CHANGE PASSWORD

New Password:   
Confirm New Password:   
[CHANGE PASSWORD](#)

**MY NOTIFICATIONS OF INTENT** [ADD NEW](#)

COMMISSIONER'S OFFICE

STAFF DIRECTORY

FEDERAL GRANTS

STATE GRANTS

COUNTY INFORMATION

CITY INFORMATION

LOCAL OFFICIALS TRAINING PROGRAM

LEGAL


SPECIAL PURPOSE GOVERNMENTAL

SPGE FINANCIAL

KENTUCKY

LOCAL GOVERNMENT







# Do Not Pass Go; Do Not Collect \$200

A screenshot of a web browser window. The address bar shows the URL [https://kydlgweb.ky.gov/LocalDebt/16\\_DebtIntent.cfm](https://kydlgweb.ky.gov/LocalDebt/16_DebtIntent.cfm). The browser has several tabs open, including 'Kentucky Department for...' and 'Kentucky DLG - Notifica...'. A red rectangular box highlights a message box that says 'kydlgweb.ky.gov says: Debt Type is required, please select one.' with an 'OK' button. The main content area shows a form titled 'Section E - Bond Information'. The form includes a text area for 'Describe the purpose of the bond:\*', a dropdown menu for 'Bond Counsel:\*' with '(Select One)' selected, a text input for 'Counsel Address:', a dropdown menu for 'Financial Advisor:\*' with '(Select One)' selected, and a text input for 'Financial Advisor Address:'. A large, faint watermark of the University of Kentucky is visible in the background.

The program requires complete information and will not let you move forward with the Notification without first completing all the sections.

# Saving and Attaching Required Documents...



## Section E - Bond Information/Documentation

Describe the purpose of the bond:\*

Buy two new fire trucks

Bond Counsel:\*

N/A

Counsel Address:

Financial Advisor:\*

N/A

Financial Advisor Address:

Bond Series:\*

2018

Call Date:

Does this bond refund a prior bond?\*



Yes



No

If yes, please state the name, date and principal amount of original issues(s) being refunded:\*

SAVE AND GO TO REQUIRED ATTACHMENTS

# Uploading Required Documentation






Kentucky Department for Local Government | Kentucky DLG - Notification

https://kydlgweb.ky.gov/LocalDebt/16\_DebtIntentView.cfm?Debt\_ID=2

Apps | DLG Pages | KOHS Pages | State Resources | Web Design | Lunch

City: [Henderson](#)  
Zip: [42419](#)  
Authorized Official: [John Doe](#)

Lender's Address: [123 National Way, Henderson KY 42419](#)  
Right of Termination:  
Termination Penalties:  
Prepayment Provisions:  
Trustee or Paying Agent: [U.S. Bank](#)  
AOC Funded Percentage:

### Section E - Bond Information/Documentation

Describe the purpose of the bond: [Buy two new fire trucks](#)  
Bond Counsel: [N/A](#)  
Counsel Address:  
Financial Advisor: [N/A](#)  
Financial Advisor Address:  
Bond Series: [2018](#)  
Call Date:  
Does this bond refund a prior bond? [No](#)  
If yes, please state the name, date and principal amount of original issues(s) being refunded:

UPLOADS	
Minutes from the local public hearing:	<a href="#">UPLOAD</a>
Executed copy of ordinance/resolution of fiscal court authorizing the bond:	<a href="#">UPLOAD</a>
Proposed plan of financing:	<a href="#">UPLOAD</a>

**Browse your computer,  
'Chose the file' and then click the  
'Upload' button.**



CONTACT US

DIRECTIONS

## Notification of Intent to Finance and Application for Debt Approval

### Upload Documents

Requirement Fulfilled:

Label:

File:

Minutes - Local Hearing B

Minutes - Local Hearing B

Choose File

No file chosen

UPLOAD



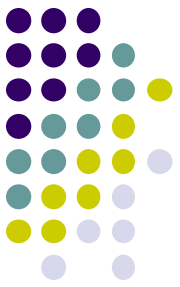
COMMISSIONER  
OFFICE



COUNTY  
INFORMATION



# If uploaded correctly, the file will appear in place of the 'Upload' button.






Kentucky Department for Local Government | Kentucky DLG - Notification

https://kydlgweb.ky.gov/LocalDebt/16\_DebtIntentView.cfm?Debt\_ID=2

Apps | DLG Pages | KOHS Pages | State Resources | Web Design | Lunch

City: Henderson  
Zip: 42419  
Authorized Official: John Doe

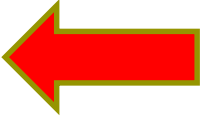
Lender's Address: 123 National Way, Henderson KY 42419  
Right of Termination:  
Termination Penalties:  
Prepayment Provisions:  
Trustee or Paying Agent: U.S. Bank  
AOC Funded Percentage:



### Section E - Bond Information/Documentation

Describe the purpose of the bond: Buy two new fire trucks  
Bond Counsel: N/A  
Counsel Address:  
Financial Advisor: N/A  
Financial Advisor Address:  
Bond Series: 2018  
Call Date:  
Does this bond refund a prior bond? No  
If yes, please state the name, date and principal amount of original issues(s) being refunded:

UPLOADS	
Minutes from the local public hearing:	<a href="#">Minutes - Local Hearing B1</a>
Executed copy of ordinance/resolution of fiscal court authorizing the bond:	<a href="#">UPLOAD</a>
Proposed plan of financing:	<a href="#">UPLOAD</a>





# Entering Payment Schedules: More Detail Benefits You!

Kentucky Department for  
Kentucky DLG - Notificati

https://kydlgweb.ky.gov/LocalDebt/16\_DebtIntentView.cfm?Debt\_ID=2

AppsDLG PagesKOHS PagesState ResourcesWeb DesignLunch

Call Date:

Does this bond refund a prior bond?\*No

If yes, please state the name, date and principal amount of original issues(s) being refunded:\*

UPLOADS

Minutes from the local public hearing:Minutes - Local Hearing B1

Executed copy of ordinance/resolution of fiscal court authorizing the bond:Ordinance or Resolution B1

Proposed plan of financing:Proposed Plan of Financing1

Payment Schedule

Principle:\$500,000.00Paid:\$0.00Balance:\$500,000.00

DATE	PRINCIPLE	INTEREST	RATE	ENTITY	
			.04	Zion Community Fire Department, Inc	ADD

Authorizing Signature

By signing below, the Authorized Official certifies that the foregoing is true and accurate to the best of his or her knowledge.

Name (please print)

Date

Title

Signature

EDIT NOTIFICATION OF INTENT





# When entered correctly, principal payments will show the balance as zero after the last entry.



Kentucky Department for x Kentucky DLG - Notificat x

https://kydlgweb.ky.gov/LocalDebt/16\_DebtIntentView.cfm?Debt\_ID=2&cmd=payment

Apps DLG Pages KOHS Pages State Resources Web Design Lunch

Does this bond refund a prior bond? \*No

If yes, please state the name, date and principal amount of original issues(s) being refunded: \*

UPLOADS

Minutes from the local public hearing: [Minutes - Local Hearing B1](#)

Executed copy of ordinance/resolution of fiscal court authorizing the bond: [Ordinance or Resolution B1](#)

Proposed plan of financing: [Proposed Plan of Financing1](#)

### Payment Schedule

Principle: \$500,000.00

Paid: \$500,000.00

Balance: \$0.00

DATE	PRINCIPLE	INTEREST	RATE	ENTITY	
			.04	Zion Community Fire Department, Inc	ADD
01/01/2021	\$100,000.00	\$100.00	0.0400	Zion Community Fire Department, Inc	DELETE
01/01/2020	\$100,000.00	\$100.00	0.0400	Zion Community Fire Department, Inc	DELETE
01/01/2019	\$100,000.00	\$100.00	0.0400	Zion Community Fire Department, Inc	DELETE
01/01/2018	\$100,000.00	\$100.00	0.0400	Zion Community Fire Department, Inc	DELETE
01/01/2017	\$100,000.00	\$100.00	0.0400	Zion Community Fire Department, Inc	DELETE

### Authorizing Signature

By signing below, the Authorized Official certifies that the foregoing is true and accurate to the best of his or her knowledge.

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Date

# Dotting the T's, Crossing the I's and reviewing for accuracy



Kentucky Department for x Kentucky DLG - Notificat x

https://kydlgweb.ky.gov/LocalDebt/16\_DebtIntentView.cfm?Debt\_ID=2&cmd=payment

Apps DLG Pages KOHS Pages State Resources Web Design Lunch

### Payment Schedule

Principle: \$500,000.00 Paid: \$500,000.00 Balance: \$0.00

DATE	PRINCIPLE	INTEREST	RATE	ENTITY	
			.04	Zion Community Fire Department, Inc	ADD
01/01/2021	\$100,000.00	\$100.00	0.0400	Zion Community Fire Department, Inc	DELETE
01/01/2020	\$100,000.00	\$100.00	0.0400	Zion Community Fire Department, Inc	DELETE
01/01/2019	\$100,000.00	\$100.00	0.0400	Zion Community Fire Department, Inc	DELETE
01/01/2018	\$100,000.00	\$100.00	0.0400	Zion Community Fire Department, Inc	DELETE
01/01/2017	\$100,000.00	\$100.00	0.0400	Zion Community Fire Department, Inc	DELETE

### Authorizing Signature

By signing below, the Authorized Official certifies that the foregoing is true and accurate to the best of his or her knowledge.

_____ Name (please print)	_____ Date
_____ Title	_____ Signature

[EDIT NOTIFICATION OF INTENT](#)  
[PRINT FOR SIGNATURE](#)  
[UPLOAD SIGNATURE PAGE](#)  
[SUBMIT NOTIFICATION OF INTENT](#)

Make any edits needed to the notification and then print the page for Authorized Signature and then scan and upload that page as previously discussed.

PRIVACY SECURITY ACCESSIBILITY LOGIN LOGOUT



# Submitting the Notification



Kentucky Department for Local Government - Kentucky DLG - Notification of Intent View

https://kydlgweb.ky.gov/LocalDebt/16\_DebtIntentView.cfm?Debt\_ID=2

Apps | DLG Pages | KOHS Pages | State Resources | Web Design | Lunch

**Principle:** \$500,000.00      **Paid:** \$500,000.00      **Balance:** \$0.00

DATE	PRINCIPLE	INTEREST	RATE	ENTITY	
			.04	Zion Community Fire Department, Inc	ADD
01/01/2021	\$100,000.00	\$100.00	0.0400	Zion Community Fire Department, Inc	DELETE
01/01/2020	\$100,000.00	\$100.00	0.0400	Zion Community Fire Department, Inc	DELETE
01/01/2019	\$100,000.00	\$100.00	0.0400	Zion Community Fire Department, Inc	DELETE
01/01/2018	\$100,000.00	\$100.00	0.0400	Zion Community Fire Department, Inc	DELETE
01/01/2017	\$100,000.00	\$100.00	0.0400	Zion Community Fire Department, Inc	DELETE

### Authorizing Signature

By signing below, the Authorized Official certifies that the foregoing is true and accurate to the best of his or her knowledge.

_____ Name (please print)	_____ Date
_____ Title	_____ Signature

[EDIT NOTIFICATION OF INTENT](#)  
[Signature Page 1](#)  
**SUBMIT NOTIFICATION OF INTENT**

PRIVACY | SECURITY | ACCESSIBILITY | LOGIN | LOGOUT

Phone: (502) 573-2382  
Toll Free: (800) 346-5606

Copyright © 2008-2017  
Department for Local Government  
1024 Capital Center Drive, Suite 340  
Frankfort, KY 40601

TDD: (800) 648-6056  
FAX: (502) 573-2939

Click on the 'Submit' button when you feel ready.

If you've completed everything to this point and still don't feel ready, click it anyway (It'll be okay, DLG can help fix anything that might still be wrong).

*“Notice of Intent has successfully  
been submitted, Thank you.”  
Means you are almost done.*



Kentucky Department for Local Government - Log In

https://kydlgweb.ky.gov/16\_Login.cfm?Note=39

Apps | DLG Pages | KOHS Pages | State Resources | Web Design | Lunch

OFFICE OF THE GOVERNOR | COMMONWEALTH OF KENTUCKY  
**DEPARTMENT FOR LOCAL GOVERNMENT**

CONTACT US | DIRECTIONS | Search DLG

**Log In**

Notice of Intent has successfully been submitted, thank you.

**TO LOG IN**

You are currently logged in. Here is the information we have for you, does anything need to be updated?

Username: **BubbyGreen1**  
Courtesy: **Mr.**  
First Name: **Bubby**  
Last Name: **Green**  
Title: **Lawyer Guy**  
Organization: **Stinky & Green**  
eMail: **todd.kirby@ky.gov**

[EDIT](#)

**TO CHANGE PASSWORD**

New Password:   
Confirm New Password:   
[CHANGE PASSWORD](#)

**MY NOTIFICATIONS OF INTENT** [ADD NEW](#)

01/01/2018	\$500,000.00	Bond	<a href="#">VIEW</a>
------------	--------------	------	----------------------

**COMMISSIONER'S OFFICE**

**STAFF DIRECTORY**

**FEDERAL GRANTS**

**STATE GRANTS**

**COUNTY INFORMATION**

**CITY INFORMATION**

**LOCAL OFFICIALS TRAINING PROGRAM**

**LEGAL**

**SPECIAL PURPOSE GOVERNMENTAL**

**SPGE FINANCIAL**

**KENTUCKY**

**LOCAL GOVERNMENT**

# Last Step: Log Out at the Bottom



Kentucky Department for Local Government x Kentucky DLG Home x

https://kydlgweb.ky.gov/16\_Index.cfm

Apps DLG Pages KOHS Pages State Resources Web Design Lunch

COUNTY INFORMATION CITY INFORMATION LOCAL OFFICIALS TRAINING PROGRAM LEGAL

SPECIAL PURPOSE GOVERNMENTAL ENTITIES SPGE Public Portal SPGE Financial Disclosure Administration KENTUCKY aCLEARINGHOUSE LOCAL GOVERNMENT DEBT

GOVERNOR'S LOCAL ISSUES CONFERENCE SPIRIT OF KENTUCKY AWARD EMPLOYEE RESOURCE CENTER

**ARC**

Marcum and Wallace Memorial Hospital Receives \$250,902 in ARC Grant Funding to Purchase 3D Mammography Equipment  
(CLICK HERE TO READ FULL ARTICLE)

Many thanks to Dr. Audria Denker, Judge/Exec Scott Alexander, @SandyDunahoo @GalenNursing @apprhs @KentuckyLiving kentuckyliving.com/news/nurse-bri...

Nurse Brings New Opportunity, Hope to Hazard - Kentuck...  
[...]  
kentuckyliving.com

20 Apr

Dept for Local Govt Retweeted

Embed /view on Twitter

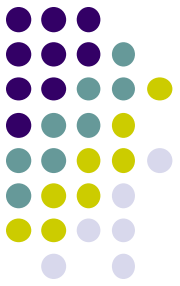
PRIVACY SECURITY ACCESSIBILITY LOGIN **LOGOUT**

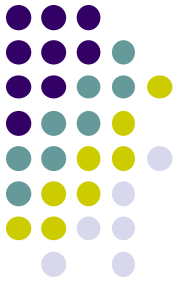
Phone (502) 573-2382 Toll Free (800) 346-5606

Copyright © 2008-2017 Department for Local Government 1024 Capital Center Drive, Suite 340 Frankfort, KY 40601

TDD (800) 648-6056 FAX (502) 573-2939

# Questions?





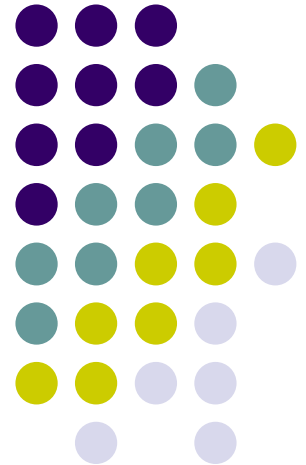
**BREAK**

# Legislative Update

---

**Rich Ornstein**

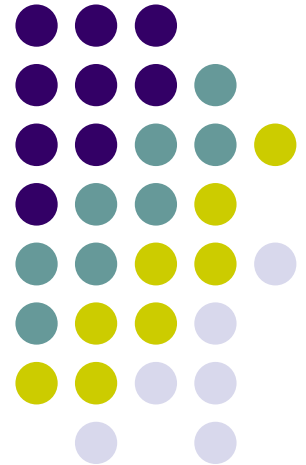
**Kentucky Association of Counties**



# Financial Services Update

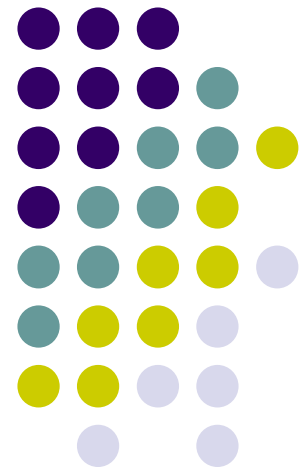
---

**Lonnie Campbell**  
Kentucky Association of Counties

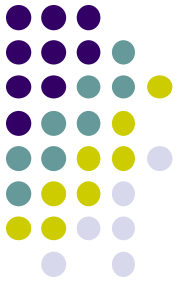


---

# KACTFO Update



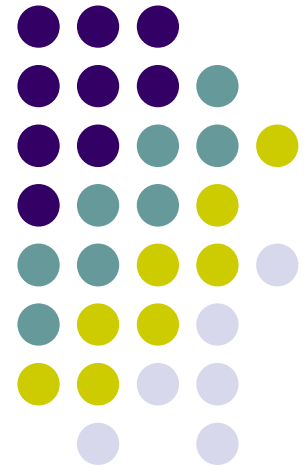




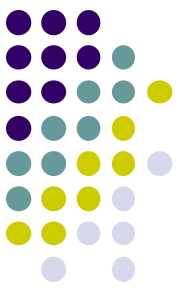
# Break

# County Elected Officials Training Incentive Program

---



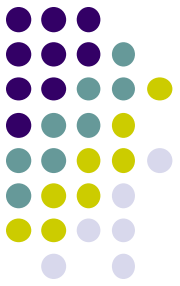
# County Elected Officials Training Incentive Program



## 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



# How Much is an Incentive?

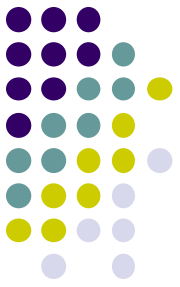
The amount of 1 incentive unit (\$100) adjust annually for changes in the Consumer Price Index (CPI).

2018 CPI: 2.1%

2018 Incentive Value: \$1,034.26



# How Much Could I Earn?



## 2018 Incentive Unit Values

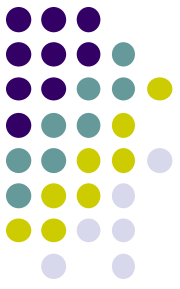
1<sup>st</sup> unit = \$1,034.26

2<sup>nd</sup> unit = \$2,068.52

3<sup>rd</sup> unit = \$3,102.78

4<sup>th</sup> unit = \$4,137.04





# 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!!!**



# 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!!!**



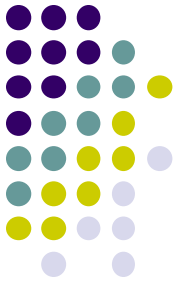


# Training Recommendations:



- 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:



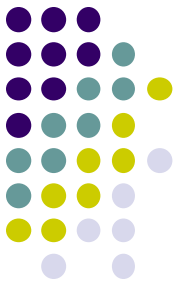
- Area Development Districts
- Association Conferences
- Government Agencies
- KACo
- Local Schools, Universities and Colleges

# How to get a Training Event Approved

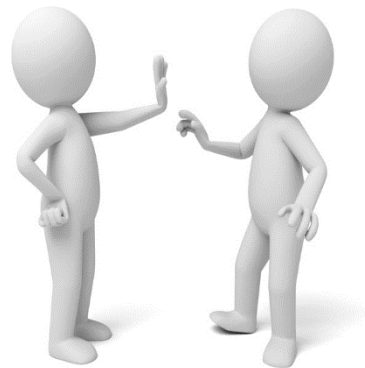


If a training event is not listed on your “**Relevant Upcoming Classes List**” it could be because DLG is not aware of the training. To get the training approved in this program we will need the “**Training Hour Approval Request Form**” filled out and submitted to our office along with the “**Detailed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

# 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.



# Common Training Questions

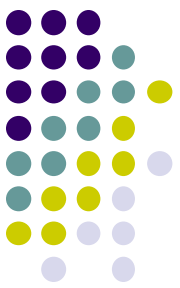


# I Have Completed My 40 Hours but Haven't Received My Incentive Letter



- 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 must calculate the new incentive amount before any incentive letters can be issued.
- 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)
- 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](mailto: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 up to three to six weeks after the training event occurred.

# 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.



# 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](mailto:scott.sharp@ky.gov)



# Department for Local Government

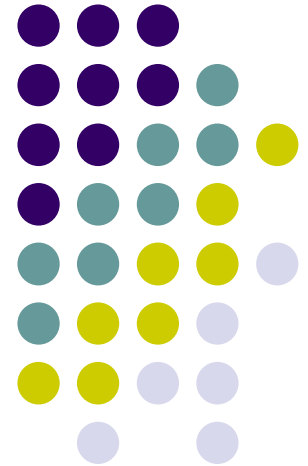
## Office of Financial Management & Administration

1024 Capitol Center Drive, Suite 340  
Frankfort, KY 40601

Phone: 800-346-5606 or 502-573-2382

Fax: 502-573-3712

<http://kydlgweb.ky.gov>



# GASB 77: TAX ABATEMENT DISCLOSURES

---

This brief presentation will cover three important areas:

- What is a Tax Abatement?
- How does it apply to my county?
- The required note disclosures of GASB 77

# WHAT IS A TAX ABATEMENT?

---

- Reduction in tax revenues
- Agreement between government(s) & individual/entity
  - Government promises to forgo tax revenues
  - Entity promises to take a specific action **after an agreement**

# WHAT IS NOT A TAX ABATEMENT?

---

- General Tax Expenditures
  - Overall tax policy vs. an individual decision to accept less revenue
  - Individual/Entities actions occur before an agreement

## TAX ABATEMENTS – EXAMPLE #1

- Mega-Low Mart wants to build a superstore on the by-pass. The county knows they'll build a huge shopping center and bring a lot of jobs. The county agrees to abate the property taxes for ten years, so that the company can free up capital for construction.

## TAX ABATEMENTS – EXAMPLE #2

- The central business district in the middle of town is blighted and sparsely populated after hours. The city and county both draw property taxes from this area, but in a effort to draw people into town and slow sprawl, they agree to abate taxes for 5 years to any new resident who fixes up certain properties and lives there for 10 years.

# WHEN DOES GASB 77 APPLY TO MY COUNTY?

If your county's tax revenue is reduced by tax abatements that are currently in effect, whether those were entered into by your county or another government.

Affects all periods beginning after December 15, 2015.

## FY 2017 and Beyond



# DLG'S INCLUSION OF GASB 77: THE COUNTY BUDGET PREPARATION MANUAL

---

DLG's County Budget Preparation Manual states:

**“In order to achieve fair presentation, the notes to the financial statement(s)... should include all informative disclosures that are appropriate”**

- The State Local Finance Officer considers these disclosures to be appropriate



# OBJECTIVE

---

- To provide financial statement users with essential information about the **nature** and **magnitude** of the reduction in tax revenues
- To help answer questions like:
  - Are current-year revenues sufficient to pay for current-year services?
  - Where do the county's financial resources come from and how does it uses them?
  - What is the county's financial and economic condition and how they have changed over time?

# REQUIRED GASB 77 NOTE DISCLOSURES

- Many governments already disclose information about tax abatements
- Make sure what you disclose meets the new standards

# REQUIRED GASB 77 NOTE DISCLOSURES

Disclose:

- The source of the abatement agreements (other governments?)
- Aggregate amounts by major program
- Individual agreements (if elected and quantitative threshold is met)

# REQUIRED GASB 77 NOTE DISCLOSURES

## Brief descriptive information:

- Name of recipient (if electing to disclose individually)
- What tax is being abated? Property, occupational, other?
- Statutory authority
- Eligibility criteria
- Mechanism by which taxes are abated
- Provisions for recapturing abated taxes, if any
- Types of commitments made by tax abatement recipients

# REQUIRED GASB 77 NOTE DISCLOSURES

## Brief descriptive information:

- The gross dollar amount of taxes abated during the period, **on an accrual basis**
  - Other commitments made by government as part of the agreement
  - Exception: Any information that is legally prohibited.
- 
- Begin in the period that the agreement is entered into and continue until agreement expires.

## Facts and Assumptions

Sample Village negotiates property tax abatement agreements on an individual basis. The Village has tax abatement agreements with five entities as of June 30, 20X7:

<b><u>Purpose</u></b>	<b><u>Percentage of Taxes Abated during the Fiscal Year</u></b>	<b><u>Amount of Taxes Abated during the Fiscal Year</u></b>
Grocery store chain purchases empty building and opens store	40%	\$ 97,500
Relocate hardware store	50	13,225
Retain health and fitness facility	30	5,100
Increase size and employment of restaurant/catering business	50	21,750
Open gas station and convenience store	40	8,905

Each agreement was negotiated under a state law (the Economic Development Opportunity Act of 20X1) allowing localities to abate property taxes for a variety of economic development purposes, including business relocation, retention, and expansion. The abatements may be granted to any business located within or promising to relocate to a local government's geographic area. Localities may grant abatements of up to 50 percent of annual property taxes through a direct reduction of the entity's property tax bill. The state law does not provide for the recapture of abated taxes in the event an abatement recipient does not fulfill the commitment it makes in return for the tax abatement.

The Village has not made any commitments as part of the agreements other than to reduce taxes. The Village is not subject to any tax abatement agreements entered into by other governmental entities. The Village has chosen to disclose information about some of its tax abatement agreements individually. It established a quantitative threshold of 10 percent of the total dollar amount of taxes abated during the year.



## **Note X. Tax Abatements**

The Village enters into property tax abatement agreements with local businesses under the state Economic Development Opportunity Act of 20X1. Under the Act, localities may grant property tax abatements of up to 50 percent of a business' property tax bill for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the Village.

For the fiscal year ended June 30, 20X7, the Village abated property taxes totaling \$146,480 under this program, including the following tax abatement agreements that each exceeded 10 percent of the total amount abated:

- A 40 percent property tax abatement to a grocery store chain for purchasing and opening a store in an empty storefront in the business district. The abatement amounted to \$97,500.
- A 50 percent property tax reduction for a local restaurant increasing the size of its restaurant and catering facility and increasing employment. The abatement amounted to \$21,750.



# WHAT DO I NEED TO DO?

---

- Prepare for 2017 audit, if not completed yet
- Identify all tax abatements that affect your ability to collect revenue
- Gather the information needed for note disclosure
- If you need more information:

[http://www.gasb.org/jsp/GASB/Document\\_C/DocumentPage?cid=1176166283745&acceptedDisclaimer=true](http://www.gasb.org/jsp/GASB/Document_C/DocumentPage?cid=1176166283745&acceptedDisclaimer=true)

---

# FIXED ASSETS

# WHAT IS A FIXED ASSET

---

- Fixed assets are those items with
  - A useful life **greater than one year**, and
  - A book value meeting or exceeding the county's **capitalization threshold**
- Examples include infrastructure (roads, streets, bridges, sewer and waterlines, sidewalks), vehicles, buildings, land, equipment, furnishings and **other items**
- May be purchased or donated

# FIXED ASSETS:

---

- The Uniform System of Accounts requires maintaining records in the following categories:
  1. Real Estate (land and buildings)
  2. Motor vehicles (including road equipment)
  3. Any other fixed assets that meet the useful life criteria
- Why?
  - Proper valuation on financial statements
  - Long range planning for property replacement
  - Internal controls

# FIXED ASSETS:

---

- The Fixed Asset Record must identify:
  - Asset
  - Cost (FMV if donated)
  - Date acquired
  - Fund charged
  - Location
  - Any other relevant information
- A Fixed Asset Record should be prepared for each acquisition

# FIXED ASSETS:

---

- Fixed Asset Listing **must be reviewed at least annually** for additions and disposals and compared to records
  - Resulting **differences must be reconciled**, explained, and documented.
  - The Listing will be used by the auditor
- Transactions must be approved by authorized personnel
- If following GAAP, each fixed asset (except land) should be depreciated annually using a consistent method
  - Useful life and salvage value must be considered when calculating depreciation

# INFRASTRUCTURE FIXED ASSET LISTING: WHAT DOES YOUR COUNTY NEED TO DO:

---

1. Review your infrastructure Fixed Asset Listing.
2. Determine if listing is accurate.
  - Could there be duplicate costs? (resurfacing expenses?)
  - Are assets accounted for appropriately and consistently?
  - Are infrastructure costs tracked to allow listing to be accurate?
3. Have procedures to track changes in fixed asset accounts.



# QUESTIONS?

---

Andrew Schachtner

Chief of Staff

Department for Local Government

1024 Capital Center Drive, Frankfort, KY 40601

502-892-3475

[Andrew.Schachtner@ky.gov](mailto:Andrew.Schachtner@ky.gov)