

**REPORT OF THE AUDIT OF THE
MARSHALL COUNTY
SHERIFF**

**For The Year Ended
December 31, 2012**



**ADAM H. EDELEN
AUDITOR OF PUBLIC ACCOUNTS
www.auditor.ky.gov**

**209 ST. CLAIR STREET
FRANKFORT, KY 40601-1817
TELEPHONE (502) 564-5841
FACSIMILE (502) 564-2912**

EXECUTIVE SUMMARY

AUDIT EXAMINATION OF THE MARSHALL COUNTY SHERIFF

**For The Year Ended
December 31, 2012**

The Auditor of Public Accounts has completed the Marshall County Sheriff's audit for the year ended December 31, 2012. Based upon the audit work performed, the financial statement presents fairly, in all material respects, the revenues, expenditures, and excess fees in conformity with the regulatory basis of accounting.

Financial Condition:

Excess fees increased by \$180,527 from the prior year, resulting in excess fees of \$180,527 as of December 31, 2012. Revenues decreased by \$29,863 from the prior year and expenditures decreased by \$210,390.

Report Comment:

2012-01 The Marshall County Sheriff's Office Overspent The Maximum Amount Of Approved Deputies' Salaries By \$62,066

Deposits:

The Sheriff's deposits were insured and collateralized by bank securities.

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ADAM H. EDELEN
AUDITOR OF PUBLIC ACCOUNTS

The Honorable Mike Miller, Marshall County Judge/Executive
The Honorable Kevin Byars, Marshall County Sheriff
Members of the Marshall County Fiscal Court

Independent Auditor's Report

Report on the Financial Statement

We have audited the accompanying statement of revenues, expenditures, and excess fees - regulatory basis of the County Sheriff of Marshall County, Kentucky, for the year ended December 31, 2012, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with accounting practices prescribed or permitted by the laws of Kentucky to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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



The Honorable Mike Miller, Marshall County Judge/Executive
The Honorable Kevin Byars, Marshall County Sheriff
Members of the Marshall County Fiscal Court

Auditor's Responsibility (Continued)

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the County Sheriff on the basis of the accounting practices prescribed or permitted by the laws of Kentucky to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the County Sheriff, as of December 31, 2012, or changes in financial position or cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the revenues, expenditures, and excess fees of the County Sheriff for the year ended December 31, 2012, in accordance with the basis of accounting practices prescribed or permitted by the Commonwealth of Kentucky as described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 8, 2013 on our consideration of the Marshall County Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Marshall County Sheriff's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control over financial reporting and compliance.

The Honorable Mike Miller, Marshall County Judge/Executive
The Honorable Kevin Byars, Marshall County Sheriff
Members of the Marshall County Fiscal Court

Other Reporting Required by Government Auditing Standards (Continued)

Based on the results of our audit, we have presented the accompanying comment and recommendation, included herein, which discusses the following report comment:

2012-01 The Marshall County Sheriff's Office Overspent The Maximum Amount Of Approved Deputies' Salaries By \$62,066

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Adam H. Edelen", with a long horizontal flourish extending to the right.

Adam H. Edelen
Auditor of Public Accounts

November 8, 2013

MARSHALL COUNTY
KEVIN BYARS, SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND EXCESS FEES - REGULATORY BASIS

For The Year Ended December 31, 2012

Revenues

Federal Grants:

Highway Safety Grant	\$ 20,377	
Drug Task Force Grant	20,000	
COPS Hire Grant	35,713	
Bryne Memorial Grant	1,366	
Congressional Selected Grant	14,849	
COPS Technology Grant	5,773	
FEMA-ARRA Port Authority	<u>66</u>	\$ 98,144

State Grants:

Law Enforcement Protection Program		27,900
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State - Kentucky Law Enforcement Foundation Program Fund (KLEFPF)		88,447
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State Fees For Services:

Finance and Administration Cabinet	25,410	
Sheriff Security Fees	25,351	
Court Security Fees	<u>88,032</u>	138,793

Circuit Court Clerk:

Fines and Fees Collected		14,041
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Fiscal Court:

Quarterly Advancements	413,900	
Payroll Supplement	<u>3,788</u>	417,688

County Clerk - Delinquent Taxes		40,756
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Commission On Taxes Collected		775,423
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Fees Collected For Services:

Auto Inspections	13,010	
Accident/Police Reports	2,605	
Serving Papers	37,720	
Fiscal Court Civil Service Fee	9,430	
CCDW	11,220	
Transporting Prisoners	<u>16,694</u>	90,679

The accompanying notes are an integral part of this financial statement.

MARSHALL COUNTY
 KEVIN BYARS, SHERIFF
 STATEMENT OF REVENUES, EXPENDITURES, AND EXCESS FEES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

Revenues (Continued)

Other:

Sheriff's Penalty Fees	\$	71,541	
Auctions		4,100	
School Officer Salary Reimbursement		43,476	
Hardin OT Reimbursement		6,080	
Insurance Reimbursement		27,979	
Restitution		1,926	
Tax Interest		981	
Miscellaneous		2,399	\$ 158,482

Interest Earned			<u>237</u>
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Total Revenues			1,850,590
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Expenditures

Operating Expenditures and Capital Outlay:

Personnel Services-		
Deputies' Salaries	1,086,363	
Other Salaries - KLEFPF	64,720	
Overtime	96,406	
Employee Benefits-		
Employer's Share Social Security	4,555	
Employer's Share Hazardous Duty Retirement	23,836	
Contracted Services-		
Advertising	1,275	
Materials and Supplies-		
Office Materials and Supplies	11,126	
Auto Expense-		
Gasoline	122,134	
Maintenance and Repairs	24,866	
Tires	7,520	
Transport Expenses	3,423	
Equipment	214	
Miscellaneous	1,277	

The accompanying notes are an integral part of this financial statement.

MARSHALL COUNTY
 KEVIN BYARS, SHERIFF
 STATEMENT OF REVENUES, EXPENDITURES, AND EXCESS FEES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

Expenditures (Continued)

Operating Expenditures and Capital Outlay: (Continued)

Grant Expenditures-	
Congressional Selected Grant	\$ 14,849
Byrne Memorial Grant	1,366
COPS Technology Grant	5,773
FEMA-ARRA Port Authority	66
Law Enforcement Protection Program	27,900
Other Charges-	
Conventions, Travel, & Training	9,202
Dues	3,085
Postage	11,356
Deputy Expenses	20,012
Bond	1,731
Court Security Expenses	842
Civil Process - Fiscal Court	9,430
Boat Expense	686
Wrecker Service - Impounded Vehicles	830
Miscellaneous	1,844
Capital Outlay-	
Office Equipment	8,826
Vehicles	9,900
	<hr/>
Total Expenditures	\$ 1,575,413
Net Revenues	275,177
Less: Statutory Maximum	<hr/> 90,862
Excess Fees	184,315
Less: Training Incentive Benefit	<hr/> 3,788
Excess Fees Due County for 2012	180,527
Payment to Fiscal Court - February 4, 2013	<hr/> 180,527
Balance Due Fiscal Court at Completion of Audit	<hr/> <hr/> \$ 0

The accompanying notes are an integral part of this financial statement.

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENT

December 31, 2012

Note 1. Summary of Significant Accounting Policies

A. Fund Accounting

A fee official uses a fund to report on the results of operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fee official uses a fund for fees to account for activities for which the government desires periodic determination of the excess of revenues over expenditures to facilitate management control, accountability, and compliance with laws.

B. Basis of Accounting

KRS 64.820 directs the fiscal court to collect any amount, including excess fees, due from the Sheriff as determined by the audit. KRS 134.192 requires the Sheriff to settle excess fees with the fiscal court at the time he files his final settlement with the fiscal court.

The financial statement has been prepared on a regulatory basis of accounting, which demonstrates compliance with the laws of Kentucky and is a special purpose framework. Under this regulatory basis of accounting revenues and expenditures are generally recognized when cash is received or disbursed with the exception of accrual of the following items (not all-inclusive) at December 31 that may be included in the excess fees calculation:

- Interest receivable
- Collection on accounts due from others for 2012 services
- Reimbursements for 2012 activities
- Tax commissions due from December tax collections
- Payments due other governmental entities for payroll
- Payments due vendors for goods or services provided in 2012

The measurement focus of a fee official is upon excess fees. Remittance of excess fees is due to the County Treasurer in the subsequent year.

C. Cash and Investments

KRS 66.480 authorizes the Sheriff's office to invest in the following, including but not limited to, obligations of the United States and of its agencies and instrumentalities, obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States, obligations of any corporation of the United States government, bonds or certificates of indebtedness of this state, and certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation (FDIC) or which are collateralized, to the extent uninsured, by any obligation permitted by KRS 41.240(4).

MARSHALL COUNTY
 NOTES TO FINANCIAL STATEMENT
 December 31, 2012
 (Continued)

Note 2. Employee Retirement System

The county official and employees have elected to participate in the County Employees Retirement System (CERS), pursuant to KRS 78.530 administered by the Board of Trustees of the Kentucky Retirement Systems. This is a cost sharing, multiple employer defined benefit pension plan, which covers all eligible full-time employees and provides for retirement, disability and death benefits to plan members. Benefit contributions and provisions are established by statute.

Nonhazardous covered employees are required to contribute 5 percent of their salary to the plan. Nonhazardous covered employees who begin participation on or after September 1, 2008 are required to contribute 6 percent of their salary to the plan. The county's contribution rate for nonhazardous employees was 18.96 percent for the first six months and 19.55 percent for the last six months.

Hazardous covered employees are required to contribute 8 percent of their salary to the plan. Hazardous covered employees who begin participation on or after September 1, 2008 are required to contribute 9 percent of their salary to be allocated as follows: 8% will go to the member's account and 1% will go to the KRS insurance fund. The county's contribution rate for hazardous employees was 35.76 percent for the first six months and 37.60 percent for the last six months.

Benefits fully vest on reaching five years of service for nonhazardous employees. Aspects of benefits for nonhazardous employees include retirement after 27 years of service or age 65. Nonhazardous employees who begin participation on or after September 1, 2008 must meet the rule of 87 (members age plus years of service credit must equal 87, and the member must be a minimum of 57 years of age) or the member is age 65, with a minimum of 60 months service credit.

Aspects of benefits for hazardous employees include retirement after 20 years of service or age 55. For hazardous employees who begin participation on or after September 1, 2008 aspects of benefits include retirement after 25 years of service or the member is age 60, with a minimum of 60 months of service credit.

CERS also provides post retirement health care coverage as follows:

For members participating prior to July 1, 2003, years of service and respective percentages of the maximum contribution are as follows:

Years of Service	% paid by Insurance Fund	% Paid by Member through Payroll Deduction
20 or more	100%	0%
15-19	75%	25%
10-14	50%	50%
4-9	25%	75%
Less than 4	0%	100%

As a result of House Bill 290 (2004 General Assembly), medical insurance benefits are calculated differently for members who began participation on or after July 1, 2003. Once members reach a minimum vesting period of ten years, non-hazardous employees whose participation began on or after July 1, 2003, earn ten dollars per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount.

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENT
December 31, 2012
(Continued)

Note 2. Employee Retirement System (Continued)

Hazardous employees whose participation began on or after July 1, 2003, earn fifteen dollars per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. Upon the death of a hazardous employee, such employee's spouse receives ten dollars per month for insurance benefits for each year of the deceased employee's hazardous service. This dollar amount is subject to adjustment annually based on the retiree cost of living adjustment, which is updated annually due to changes in the Consumer Price Index.

Historical trend information showing the CERS' progress in accumulating sufficient assets to pay benefits when due is presented in the Kentucky Retirement Systems' annual financial report. This report may be obtained by writing the Kentucky Retirement Systems, 1260 Louisville Road, Frankfort, KY 40601-6124, or by telephone at (502) 564-4646.

Note 3. Deposits

The Marshall County Sheriff maintained deposits of public funds with depository institutions insured by the Federal Deposit Insurance Corporation (FDIC) as required by KRS 66.480(1) (d). According to KRS 41.240(4), the depository institution should pledge or provide sufficient collateral which, together with FDIC insurance, equals or exceeds the amount of public funds on deposit at all times. In order to be valid against the FDIC in the event of failure or insolvency of the depository institution, this pledge or provision of collateral should be evidenced by an agreement between the Sheriff and the depository institution, signed by both parties, that is (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a depository institution failure, the Sheriff's deposits may not be returned. The Marshall County Sheriff does not have a deposit policy for custodial credit risk but rather follows the requirements of KRS 41.240(4). As of December 31, 2012, all deposits were covered by FDIC insurance or a properly executed collateral security agreement.

Note 4. Drug Forfeiture Account

The Marshall County Sheriff's office maintains a Drug Forfeiture Account. The account is funded by court-ordered forfeitures of money and/or property, and interest received on these deposits. The funds are to be used for various law enforcement operations, equipment and education to fight against drug problems in Marshall County. As of January 1, 2012, the Drug Forfeiture Account had a balance of \$9,600. During the year, funds totaling \$33,274 were received and \$32,223 was expended, leaving a balance of \$10,651 as of December 31, 2012.

MARSHALL COUNTY
 NOTES TO FINANCIAL STATEMENT
 December 31, 2012
 (Continued)

Note 5. Drug Awareness Resistance Education Account

The Marshall County Sheriff's office maintains a Drug Awareness Resistance Education (DARE) account for the promotion of drug awareness and prevention in the elementary schools. Funding for the DARE program is provided primarily by donations made to the United Fund Drive of Calvert City, and interest earned on the deposit of these funds. As of January 1, 2012, the DARE account had a balance of \$926. During the year, funds totaling \$2,162 were received and \$726 was expended, leaving a balance of \$2,362 as of December 31, 2012.

Note 6. Donation Account

In December 2007, the Marshall County Sheriff's office established a donation account as authorized by KRS 61.310(8). This account is used to account for donations from local businesses or other organizations and interest earned on the deposit of these funds. As of January 1, 2012, the Donation account had a balance of \$4,075. During the year, funds totaling \$1,806 were received and \$1,059 was expended, leaving a balance of \$4,822 as of December 31, 2012.

Note 7. DEA Asset Forfeiture Account

In August 2012, the Marshall County Sheriff's office established a DEA Asset Forfeiture account as authorized by the U.S. Department of Justice. This account is funded by DEA confiscated assets in asset sharing. The funds are to be used to support narcotics investigations. As of January 1, 2012, the Drug Forfeiture Account had a balance of \$0. During the year, fund totaling \$10,414 were received and \$6,092 was expended, leaving a balance of \$4,322 as of December 31, 2012.

Note 8. Unexpended Federal Grant Balances

The Marshall County Sheriff's office maintains separate bank accounts for selected federal grants. Certain federal grant accounts had the following activity and ending balances for calendar year 2012:

Grants	Beginning Balance 1/1/2012	Revenues	Expenditures	Ending Balance 12/31/2012
Edward Byrne Memorial Grant	\$ 1,365	\$ 1	\$ 1,366	\$
Congressionally Selected Project	14,840	9	14,849	
COPS Technology Grant	7,505	25,007	5,773	26,739
COPS Hiring Grant		35,713	35,713	
FEMA Port Authority ARRA Grant	66		66	
Highway Safety Grant		20,377	20,377	
Drug Task Force Grant		20,000	20,000	

Note 9. State Grants

The Sheriff received a Law Enforcement Protection Program Grant from the Kentucky Department Homeland Security in the amount of \$27,900. Funds totaling \$27,900 were expended during the year. The unexpended grant balance was \$0 as of December 31, 2012.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS



ADAM H. EDELEN
AUDITOR OF PUBLIC ACCOUNTS

The Honorable Mike Miller, Marshall County Judge/Executive
The Honorable Kevin Byars, Marshall County Sheriff
Members of the Marshall County Fiscal Court

**Report On Internal Control Over Financial Reporting And
On Compliance And Other Matters Based On An Audit Of The Financial
Statement Performed In Accordance With Government Auditing Standards**

Independent Auditor's Report

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the statement of revenues, expenditures, and excess fees - regulatory basis of the Marshall County Sheriff for the year ended December 31, 2012, and the related notes to the financial statement and have issued our report thereon dated November 8, 2013. The County Sheriff's financial statement is prepared on a regulatory basis of accounting, which demonstrates compliance with the laws of Kentucky and is a special purpose framework.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the Marshall County Sheriff's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Marshall County Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Marshall County Sheriff's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Report On Internal Control Over Financial Reporting And
On Compliance And Other Matters Based On An Audit Of The Financial
Statement Performed In Accordance With Government Auditing Standards
(Continued)

Internal Control Over Financial Reporting (Continued)

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, which is described in the accompanying comment and recommendation as item 2012-01 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Marshall County Sheriff's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under Government Auditing Standards and which is described in the accompanying comment and recommendation as item 2012-01.

County Sheriff's Response to Finding

The Marshall County Sheriff's response to the finding identified in our audit is included in the accompanying comment and recommendation. The Marshall County Sheriff's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Adam H. Edelen
Auditor of Public Accounts

November 8, 2013

COMMENT AND RECOMMENDATION

MARSHALL COUNTY
KEVIN BYARS, SHERIFF
COMMENT AND RECOMMENDATION

For The Year Ended December 31, 2012

FINANCIAL STATEMENT FINDING:

2012-01 The Marshall County Sheriff's Office Overspent The Maximum Amount Of Approved Deputies' Salaries By \$62,066

During our audit, we noted the Marshall County Sheriff overspent his maximum salary limitation as fixed by the Fiscal Court by \$62,066. The Marshall County Treasurer handles the payroll for the Sheriff and the Sheriff reimburses the county for payroll. The Marshall County Fiscal Court adopted the "Annual Order Setting Maximum Amount of Salaries for Deputies and Assistants" for calendar year 2012 on January 24, 2012 for the Marshall County Sheriff in the amount of \$975,000; however, the Sheriff expended \$1,037,066. This order is set in accordance with KRS 64.530. KRS 64.530(3) states, "the fiscal court shall fix annually the maximum amount, including fringe benefits, which the officer may expend for deputies and assistants, and allow the officer to determine the number to be hired and the individual compensation of each deputy and assistant."

The calendar year 2012 order states "This is for base salary only it does not include any other compensation for deputies, assistants, and employees". The Sheriff was not considering the court security personnel as paid employees; he thought the Fiscal Court was paying their salary. The Sheriff not understanding who all was included by the maximum salary authorization caused the sheriff to overspend the maximum amount approved by Fiscal Court.

We recommend the Marshall County Sheriff meet with the county treasurer and understand who all is included in the maximum salary authorization. We also recommend the Marshall County Sheriff comply with the Annual Order Setting Maximum Amount of Salaries for Deputies and Assistants by monitoring his payroll expenditures during the year and obtain any necessary amendments, before year end.

Sheriff's Response: This issue has been raised every year at the beginning of the budget year and I will raise it again in the coming year to cover the cost. Because of doing the budget on calendar year it is difficult to allow for COLA that is put into effect in the middle of my budget year.

