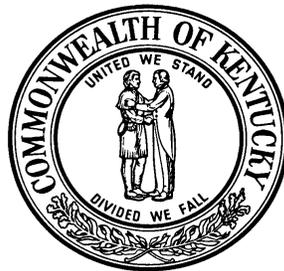


**REPORT OF THE AUDIT OF THE
FORMER GREENUP COUNTY
SHERIFF'S SETTLEMENT - 2016 TAXES**

**For The Period
April 16, 2016 Through April 17, 2017**



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MIKE HARMON
AUDITOR OF PUBLIC ACCOUNTS

To the People of Kentucky

The Honorable Andy Beshear, Governor

Holly M. Johnson, Secretary

Finance and Administration Cabinet

The Honorable Robert W. Carpenter, Greenup County Judge/Executive

The Honorable Keith Cooper, Former Greenup County Sheriff

The Honorable Matt Smith, Greenup County Sheriff

Members of the Greenup County Fiscal Court

Independent Auditor's Report

Report on the Financial Statement

We were engaged to audit the former Greenup County Sheriff's Settlement - 2016 Taxes for the period April 16, 2016 through April 17, 2017 - Regulatory Basis, 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 a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on 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 Sheriff's Tax Settlements*, issued by the Auditor of Public Accounts, Commonwealth of Kentucky. Because of the matters described in the Basis for Disclaimer of Opinion paragraph; however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

Our basis for disclaiming is that we were unable to obtain required written management representations from the former Greenup County Sheriff, which results in a management-imposed scope limitation. Management is required to provide written representations to assert that they have fulfilled their responsibility for the preparation and fair presentation of the financial statements and that the information provided to the auditor is complete. Due to the former Greenup County Sheriff not providing written representations, we were unable to place appropriate reliance on the information provided during the audit and, therefore, cannot reduce the audit risk to an acceptable level.



To the People of Kentucky
The Honorable Andy Beshear, Governor
Holly M. Johnson, Secretary
Finance and Administration Cabinet
The Honorable Robert W. Carpenter, Greenup County Judge/Executive
The Honorable Keith Cooper, Former Greenup County Sheriff
The Honorable Matt Smith, Greenup County Sheriff
Members of the Greenup County Fiscal Court

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 16, 2019, on our consideration of the former Greenup 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the former Greenup County Sheriff's internal control over financial reporting and compliance.

Based on the results of our audit, we have presented the accompanying Schedule of Findings and Responses, included herein, which discusses the following report comments:

- 2016-001 The Former Sheriff Did Not Collect Receivables Or Pay Liabilities For The 2014 Tax Year
- 2016-002 The Former Sheriff Did Not Collect Receivables Or Pay Liabilities For The 2013, 2012, 2011, And 2010 Tax Years
- 2016-003 The Former Sheriff's Office Lacked Adequate Segregation Of Duties

Respectfully submitted,



Mike Harmon
Auditor of Public Accounts

August 16, 2019

**GREENUP COUNTY
KEITH COOPER, FORMER SHERIFF
SHERIFF'S SETTLEMENT - 2016 TAXES**

For The Period April 16, 2016 Through April 17, 2017

62A385
Commonwealth of Kentucky
REVENUE CABINET
8/8/2017

Summary of Charges

County: Greenup
Sheriff: Keith Cooper
Date: 8/8/2017
Settlement made by: Robert Day

1. Charges:	Real Estate 0.122	Telecom 0.122	Tangible 0.45	Tangible 0.15	Tangible 0.05	Tangible 0.015	Tangible 0.001				Total Charges
Original Cert (62A385)	1,588,894.60		221,726.56	154,689.16	58,246.69	152.79					2,023,709.80
Exec Orders (62A372)	45.02										45.02
Mineral charges	14,807.45										14,807.45
Add/Supp/Omit Charges	1,710.52		235.79		5.91						1,952.22
Penalty & Interest	10,497.96		1,374.07	0.07	40.72						11,912.82
Total Charges	1,615,955.55		223,336.42	154,689.23	58,293.32	152.79					2,052,427.31
2. Less:											Total Credits
Delinquents (62A359)	50,135.03										50,135.03
Delinquents (62A362)			1,848.72		40.19						1,888.91
Exec Orders (62A372)	9,871.13		40.13	352.30	1.70						10,265.26
Discounts	24,197.21		3,674.33	3,046.34	1,135.61	2.12					32,055.61
Total Credits	84,203.37		5,563.18	3,398.64	1,177.50	2.12					94,344.81

Local Collections:	
County	4,655,866.00
Common School	5,976,271.65
Raceland School	1,584,619.90
Russell School	5,443,622.19
Health	931,798.64
Library	1,441,238.25
Extension	351,791.35
Ambulance	867,328.04
Local Fire Departments	726,921.30
Local Cities	289,380.74
TOTAL	22,268,838.06

Worksheet For Computing Sheriff's Commission		
	Tax Amount	Commission
Total state collections (line 5)	1,958,082.50	83,218.51
Current Yr Refunds (if in '372 totals)		
Total Commissions		83,218.51

3. Total state property tax collections (Total charges minus total credits)	1,958,082.50
4. Credit for bank and trust share tax	
5. Total	1,958,082.50
6. Total commissions (Transferred from worksheet for computing commission)	83,218.51
7. Amount of state tax due (line 5 minus line 6)	1,874,863.99
8. Amount of tax previously remitted	1,871,789.20
9. Net amount of tax due state (line 7 minus line 8)	3,074.79
10. Prior and current year refunds	2,787.10
11. Total (line 9 minus line 10)	287.69
12. Penalty (10% of line 11) (KRS 46.990)	
13. Penalty and interest on late reports (KRS 134.300(3))	
14. Amount due to complete settlement (line 11 plus lines 12 and 13)	287.69

Assessment/Tax Worksheet	Real Estate 0.122	Telecom 0.122	Tangible 0.45	Tangible 0.15	Tangible 0.05	Tangible 0.015	Tangible 0.001				Number of Exon/ Del	State Tax Collection Percentage
372 Increase Assmt	36,900										1	
372 Increase Tax	45.02											
359 Delinq Assmt	41,094,285										1648	Real Estate 96.86
359 Delinq Tax	50,135.03											Tangible 99.57
362 Delinq Assmt			410,827		80,370						24	
362 Delinq Tax			1,848.72		40.19							
372 Decrease Assmt	8,091,089		8,917	234,869	3,400						290	
372 Decrease Tax	9,871.13		40.13	352.30	1.70							

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF 2016 taxes								
	REAL ESTATE	R E LEASEHOLD	FULL TANGIBLE	AIRPLANE	FRAN TAXES	GENERAL	TIMBERLAND	
	3.02		0.43	0.09			0.02	
AMT. CHARGED TO SHERIFF(62A385)	3,925,788.67		404,167.75	906.48	689,267.43	5,028,070.33	2,845.28	
ADD: PENALTY	25,986.75		1,353.66	#REF!	1.76	27,342.17	16.14	
EXONERATIONS(62A372)	111.44					111.44		
ADDITIONAL BILLS(62A386)	40,543.80		278.45			40,732.25		
P-YR ADD	411.84					411.84		
TOTAL CHARGES	3,992,842.50		405,740.29	906.48	689,269.19	5,088,668.03	2,861.42	
DEDUCTIONS:								
REAL ESTATE(62A353)							134.84	
DELINQUENTS(62A362)	124,077.49		2,129.84		2.20	126,209.53		
EXONERATIONS(62A372)	24,435.11		53.41			24,488.52	1.86	
DISCOUNTS	59,750.04		7,243.01	12.59	31.58	67,037.22	42.82	
DELINQUENTS	25.74					25.74		
CURRENT year refunds	2,985.89					2,985.89		
prior year refunds	3,575.92					3,575.92	2.02	
TOTAL CREDITS	214,850.19		9,426.26	12.59	33.78	224,322.82	181.54	
TOTAL COLLECTIONS	3,777,992.31		396,314.03	893.89	689,235.41	4,864,345.21	2,679.89	
LESS COMMISSION						207,301.00	113.97	
AMOUNT DUE						4,657,044.21	2,565.91	
AMOUNT PAID						4,655,866.00	2,555.91	
AMOUNT DUE FROM(TO) SHERIFF						1,178.21		
					FRANCHISE REFUND	(1,178.21)		
					CREDIT FOR PRIOR TAX REFUNDS			
					DUE FROM (TO) SHERIFF	(0.00)		

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF RUSSELL SCHOOL DISTRICT						
		REGULAR	TANGIBLE	FRANCHISE		TOTAL
		0.831	0.831			
AMT. CHARGED TO SHERIFF(62A385)		5,058,765.80	366,850.67	230,599.63		5,656,216.10
ADD: PENALTY		23,280.43	493.37	0.64		23,774.44
EXONERATIONS(62A372)		306.64	-	-		306.64
ADDITIONAL BILLS(62A386)		7,480.35	533.65	-		8,014.00
TOTAL CHARGES		5,089,833.22	367,877.69	230,600.27		5,688,311.18
DEDUCTIONS:						
REAL ESTATE(62A359)		123,517.30	3,501.32	-		127,018.62
DELINQUENTS(62A362)		-	-	-		-
EXONERATIONS(62A372)		24,801.53	96.62	-		24,898.15
DISCOUNTS		80,207.74	6,614.38	32.25		86,854.37
DELINQUENTS		-	-	-		-
TOTAL CREDITS		228,526.57	10,212.32	32.25		238,771.14
TOTAL COLLECTIONS		4,861,306.65	357,665.37	230,568.02		5,449,540.04
LESS: COMMISSION						
AMOUNT DUE						5,449,540.04
AMOUNT PAID						5,443,622.19
AMOUNT DUE FROM(TO) SHERIFF						5,917.85
			ADDITIONAL BILLS(62A386) - Prior Years			886.60
			CREDIT FROM PRIOR TAX REFUNDS			(3,792.72)
			REFUNDS			(3,011.23)
			AMOUNT DUE FROM(TO) SHERIFF			
			AMOUNT DUE FROM(TO) SHERIFF			(0.50)

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF LIBRARY DISTRICT						
	REAL ESTATE	TANGIBLE	REGULAR	FRANCHISE	TOTAL	
	0.091	0.0150				
AMT. CHARGED TO SHERIFF (62A385)	1,185,170.27	140,118.96	143,104.57	237,279.03	1,705,672.83	
ADD: PENALTY	7,830.54	468.30		0.60	8,300.44	
EXONERATIONS (62A372)	33.57				33.57	
ADDITIONAL BILLS (62A386)	12,189.73	96.33			12,286.06	
P.YR ADD	133.92				133.92	
TOTAL CHARGES	1,205,358.03	140,693.59		237,279.63	1,718,126.98	
DEDUCTIONS:						
REAL ESTATE (62A359)	37,388.98	736.77	38,125.75		38,125.75	
DELINQUENTS (62A362)				0.76	0.76	
EXONERATIONS (62A372)	7,363.03	18.47			7,381.50	
DISCOUNTS	18,048.94	2,512.09	2,852.77	10.92	23,424.72	
DELINQUENTS	8.37		8.37		8.37	
TOTAL CREDITS	62,809.32	3,267.33	40,986.89	11.68	68,941.10	
TOTAL COLLECTIONS	1,142,548.71	137,416.26	1,279,964.97	237,267.95	1,649,185.88	
LESS: COMMISSION					70,443.09	
AMOUNT DUE					1,567,041.63	
AMOUNT PAID					1,584,619.90	
AMOUNT DUE FROM (TO) SHERIFF					177,571.73	
					FRANCH REFUND (389.81)	
					CURRENT YEAR REFUNDS (899.75)	
					CREDIT FROM PRIOR TAX REFUNDS (\$1,132.17)	
					AMOUNT DUE FROM (TO) SHERIFF -	

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF HEALTH DISTRICT						
	REAL ESTATE	PERSONAL	REGULAR	FRANCHISE	TOTAL	
	0.06000	0.0600	0.06			
AMT. CHARGED TO SHERIFF(62A385)	781,428.18	56,047.62	57,241.82	110,403.68	1,005,121.30	
ADD: PENALTY	5,162.95	187.32		0.24	0.24	
EXONERATIONS(62A372)	22.14			-	-	
ADDITIONAL BILLS(62A386)	8,037.17	38.53		-	8,075.70	
P/YR ADD	86.40				86.40	
TOTAL CHARGES	794,736.84	56,273.47	57,241.82	110,403.92	1,013,283.64	
DEDUCTIONS:						
REAL ESTATE(62A359)	24,946.08	-		0.30	24,946.38	
DELINQUENTS(62A362)				-	-	
EXONERATIONS(62A372)	4,854.60	7.39			4,861.99	
DISCOUNTS	11,900.34	1,013.32	1,132.61	4.37	14,050.64	
PRIOR YEAR DELINQUENTS	5.40	-			5.40	
TOTAL CREDITS	41,706.42	1,020.71	1,132.61	4.67	43,864.41	
TOTAL COLLECTIONS	753,030.42	55,252.76	56,109.21	110,399.25	969,419.23	
LESS COMMISSION					41,428.64	
AMOUNT DUE					933,363.00	
AMOUNT PAID					931,798.64	
AMOUNT DUE FROM(TO) SHERIFF						
				FRANCHISE REFUND	(240.43)	
				CURRENT YEAR REFUNDS	(593.34)	
				CREDIT FROM PRIOR TAX REFUNDS	(9790.61)	
				AMOUNT DUE FROM(TO) SHERIFF	0.02	

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF EXTENSION DISTRICT						
						-
			REAL	TANGIBLE	FRANCHISE	TOTAL
			0.0222	0.0248		
AMT. CHARGED TO SHERIFF(62A385)			288,480.45	46,867.81	43,955.47	379,303.73
ADD: PENALTY			1,906.03	77.51	0.11	1,983.65
EXONERATIONS(62A372)			8.17		-	8.17
ADDITIONAL BILLS(62A386)			2,967.09	15.94	-	2,983.03
P/YR ADD			31.68			31.68
TOTAL CHARGES			293,361.74		43,955.58	384,310.26
DEDUCTIONS:						
REAL ESTATE(62A359)			9,100.74	121.91	-	9,222.65
DELINQUENTS(62A362)					0.13	0.13
EXONERATIONS(62A372)			1,792.14	3.05	-	1,795.19
DISCOUNTS			4,393.24	887.77	1.82	5,282.83
DELINQUENTS			1.98	-		1.98
TOTAL CREDITS			15,288.10	1,012.73	1.95	16,302.78
TOTAL COLLECTIONS			278,073.64	(1,012.73)	43,953.63	368,007.48
LESS: COMMISSION						15,640.38
AMOUNT DUE						352,367.10
AMOUNT PAID						351,791.35
AMOUNT DUE FROM(TO) SHERIFF						(88.85)
						(218.98)
						(8267.98)
						(0.06)

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF						
AMBULANCE DISTRICT						
						-
			REGULAR	TANGIBLE	FRANCHISE	TOTAL
			0.10			
AMT. CHARGED TO SHERIFF(62A385)			820,430.01	70,438.99	50,531.60	941,400.60
ADD: PENALTY			4,169.90		-	4,169.90
EXONERATIONS(62A372)			36.90			36.90
ADDITIONAL BILLS(62A386)			1,077.46	64.22	-	1,141.68
P/YR ADD			110.00			110.00
TOTAL CHARGES			825,824.27		50,531.60	946,859.08
DEDUCTIONS:						
REAL ESTATE(62A359)			21,445.08	-	-	21,445.08
DELINQUENTS(62A362)						
EXONERATIONS(62A372)			4,212.05	11.63	-	4,223.68
DISCOUNTS			12,873.07	1,236.52	3.48	14,113.07
DELINQUENTS						
TOTAL CREDITS			38,530.20	1,248.15		39,781.83
TOTAL COLLECTIONS			787,294.07	(1,248.15)	50,531.60	907,077.25
						38,550.78
AMOUNT DUE						868,526.47
AMOUNT PAID						867,328.04
AMOUNT DUE FROM(TO) SHERIFF						1,198.43
			CURRENT YEAR REFUNDS			(544.62)
			CREDIT FROM PRIOR TAX REFUNDS			(653.81)
			AMOUNT DUE FROM(TO) SHERIFF			-

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF					
FIREBRICK FIRE DISTRICT					
0.000					
			REGULAR	FRANCHISE	TOTAL
			0.100		
AMT. CHARGED TO SHERIFF (62A385)			\$6,925.70	\$267.95	\$7,193.65
ADD: PENALTY			78.58		78.58
EXONERATIONS (62A372)				0.00	0.00
ADDITIONAL BILLS (62A386)			94.60	0.00	94.60
TOTAL CHARGES			7,098.88	267.95	7,366.83
DEDUCTIONS:					
REAL ESTATE (62A359)			579.98	0.00	579.98
DELINQUENTS (62A362)				0.00	0.00
EXONERATIONS (62A372)			152.03	0.00	152.03
DISCOUNTS			89.47	3.24	92.71
DELINQUENTS				0.00	0.00
TOTAL CREDITS			821.48	3.24	824.72
TOTAL COLLECTIONS			\$6,277.40	\$264.71	6,542.11
LESS: COMMISSION					278.03
AMOUNT DUE					6,264.08
AMOUNT PAID					6,197.45
AMOUNT DUE FROM (TO) SHERIFF					\$66.63
			CURRENT YEAR REFUNDS		
			CREDIT FROM PRIOR TAX REFUNDS		(66.64)
			AMOUNT DUE FROM (TO) SHERIFF		

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF					
LITTLE SANDY FIRE DISTRICT					
					-
			REGULAR	FRANCHISE	TOTAL
			0.10		
AMT. CHARGED TO SHERIFF(62A385)			232,103.75	22,604.03	254,707.78
PENALTY			2,550.05	-	2,550.05
EXONERATIONS(62A372)				-	-
ADDITIONAL BILLS(62A386)			12,167.31	-	12,167.31
TOTAL CHARGES			246,821.11	22,604.03	269,425.14
DEDUCTIONS:					
REAL ESTATE(62A359)			7,502.26	-	7,502.26
DELINQUENTS(62A362)				-	-
EXONERATIONS(62A372)			1,153.56	-	1,153.56
DISCOUNTS			3,564.07	4.47	3,568.54
DELINQUENTS				-	-
TOTAL CREDITS			12,219.89	4.47	12,224.36
TOTAL COLLECTIONS			234,601.22	22,599.56	257,200.78
LESS: COMMISSION					10,931.02
AMOUNT DUE					246,269.76
AMOUNT PAID					245,965.06
AMOUNT DUE FROM(TO) SHERIF	FRANCHISE REFUN				(30.08)
	CURRENT YEAR REFUNDS				(108.48)
	CREDIT FROM PRIOR TAX REFUNDS				(\$169.14)
	AMOUNT DUE FROM(TO) SHERIFF				(3.00)

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF				
LLOYD FIRE DISTRICT				
				-
			REGULAR	FRANCHISE
			0.10	
				TOTAL
AMT. CHARGED TO SHERIFF(62A385)			69,246.55	25,650.19
ADD: PENALTY			424.75	-
EXONERATIONS(62A372)			-	-
ADDITIONAL BILLS(62A386)			-	-
TOTAL CHARGES			69,671.30	25,650.19
DEDUCTIONS:				
REAL ESTATE(62A359)			1,810.84	-
DELINQUENTS(62A362)			-	-
EXONERATIONS(62A372)			519.71	-
DISCOUNTS			1,062.32	3.25
DELINQUENTS			-	-
TOTAL CREDITS			3,392.87	3.25
TOTAL COLLECTIONS			66,278.43	25,646.94
LESS: COMMISSION				3,906.82
AMOUNT DUE				88,018.55
AMOUNT PAID				87,832.74
AMOUNT DUE FROM(TO) SHERIFF				185.81
			CURRENT YEAR REFUNDS	(73.06)
			CREDIT FROM PRIOR TAX REFUNDS	(112.75)
			AMOUNT DUE FROM(TO) SHERIFF	-

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF LOAD FIRE DISTRICT					
			REGULAR	FRANCHISE	TOTAL
			0.10		
AMT. CHARGED TO SHERIFF (62A385)			36,353.39	12,008.26	48,361.65
ADD: PENALTY			325.62	-	325.62
EXONERATIONS (62A372)				-	-
ADDITIONAL BILLS (62A386)			7.00	-	7.00
TOTAL CHARGES			36,686.01	12,008.26	48,694.27
DEDUCTIONS:					
REAL ESTATE (62A359)			1,704.35	-	1,704.35
DELINQUENTS (62A362)				-	-
EXONERATIONS (62A372)			466.91	-	466.91
DISCOUNTS			487.18	3.25	490.43
DELINQUENTS			-	-	-
TOTAL CREDITS			2,658.44	3.25	2,661.69
TOTAL COLLECTIONS			34,027.57	12,005.01	46,032.58
LESS: COMMISSION					1,956.38
AMOUNT DUE					44,076.20
AMOUNT PAID					55,885.71
					(11,809.51)
AMOUNT DUE FROM (TO) SHERIFF					11,927.00
					CURRENT YEAR REFUNDS (42.21)
					CREDIT FROM PRIOR TAX REFUNDS (75.28)
					AMOUNT DUE FROM (TO) SHERIFF -

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF MALONETON FIRE DISTRICT				
				-
			REGULAR	FRANCHISE
			0.10	TOTAL
AMT. CHARGED TO SHERIFF(62A385)			40,988.56	2,753.47
ADD: PENALTY			364.09	-
EXONERATIONS(62A372)				-
ADDITIONAL BILLS(62A386)			17.00	-
TOTAL CHARGES			41,369.65	2,753.47
DEDUCTIONS:				
REAL ESTATE(62A359)			2,532.76	-
DELINQUENTS(62A362)				-
EXONERATIONS(62A372)			347.40	-
DISCOUNTS			563.33	4.59
DELINQUENTS				-
TOTAL CREDITS			3,443.49	4.59
TOTAL COLLECTIONS			37,926.16	2,748.88
LESS: COMMISSION				1,728.70
AMOUNT DUE				38,946.34
AMOUNT PAID				26,915.58
				12,030.76
AMOUNT DUE FROM(TO) SHERIFF				
			CURRENT YEAR REFUNDS	(72.32)
			CREDIT FROM PRIOR TAX REFUNDS	(31.44)
			per auditor 2010 refund	(11,927.00)
			AMOUNT DUE FROM(TO) SHERIFF	-

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF					
OLDTOWN FIRE DISTRICT					
-					
			REGULAR	FRANCHISE	TOTAL
			0.10		
AMT. CHARGED TO SHERIFF(62A385)			27,703.35	1,932.02	29,635.37
ADD: PENALTY			177.69	-	177.69
EXONERATIONS(62A372)				-	-
ADDITIONAL BILLS(62A386)				-	-
TOTAL CHARGES			27,881.04	1,932.02	29,813.06
DEDUCTIONS:					
REAL ESTATE(62A359)			861.99	-	861.99
DELINQUENTS(62A362)			1.57	-	1.57
EXONERATIONS(62A372)			404.20	-	404.20
DISCOUNTS			386.32	3.25	389.57
DELINQUENTS			-	-	-
TOTAL CREDITS			1,654.08	3.25	1,657.33
TOTAL COLLECTIONS			26,226.96	1,928.77	28,155.73
LESS: COMMISSION					1,196.63
AMOUNT DUE					26,959.10
AMOUNT PAID					26,850.62
AMOUNT DUE FROM(TO) SHERIFF					108.48
		CURRENT YEAR REFUNDS			(72.32)
		CREDIT FROM PRIOR TAX REFUNDS			(36.16)
		AMOUNT DUE FROM(TO) SHERIFF			(0.00)

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF				
SOUTH SHORE FIRE DISTRICT				
				-
			REGULAR	FRANCHISE
			0.10	TOTAL
AMT. CHARGED TO SHERIFF(62A385)			131,330.67	14,950.93
ADD: PENALTY			563.54	-
EXONERATIONS(62A372)				-
ADDITIONAL BILLS(62A386)			32.00	-
P/YR ADD			34.00	-
TOTAL CHARGES			131,960.21	14,950.93
DEDUCTIONS:				
REAL ESTATE(62A359)			4,250.97	-
DELINQUENTS(62A362)				0.51
EXONERATIONS(62A372)			814.38	-
DISCOUNTS			2,146.23	-
DELINQUENTS			9.00	3.93
TOTAL CREDITS			7,220.58	4.44
TOTAL COLLECTIONS			124,739.63	14,946.49
LESS: COMMISSION				5,936.69
AMOUNT DUE				133,749.43
AMOUNT PAID				133,637.62
AMOUNT DUE FROM(TO) SHERIFF				
			CURRENT YEAR REFUNDS	(75.65)
			CREDIT FROM PRIOR TAX REFUNDS	(\$36.16)
			AMOUNT DUE FROM(TO) SHERIFF	

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF WURLAND FIRE DISTRICT				
				-
			REGULAR	FRANCHISE
			0.10	TOTAL
AMT. CHARGED TO SHERIFF(62A385)		146,436.19	8,680.06	155,116.25
ADD: PENALTY		596.63	0.02	596.65
EXONERATIONS(62A372)		-	-	-
ADDITIONAL BILLS(62A386)		40.00	-	40.00
TOTAL CHARGES		147,072.82	8,680.08	155,752.90
DEDUCTIONS:				
REAL ESTATE(62A359)		2,776.35	-	2,776.35
DELINQUENTS(62A362)		-	-	-
EXONERATIONS(62A372)		333.64	-	333.64
DISCOUNTS		2,508.70	-	2,508.70
DELINQUENTS		-	3.78	3.78
TOTAL CREDITS		5,618.69	-	5,622.47
TOTAL COLLECTIONS		141,454.13	8,680.08	150,130.43
LESS: COMMISSION				6,380.53
AMOUNT DUE				143,749.90
AMOUNT PAID				143,636.52
AMOUNT DUE FROM(TO) SHERIFF				113.38
				(72.32)
				(41.06)
				-

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF CITY OF RACELAND DISTRICT					
			REGULAR	TANG	TOTAL
			0.1890		
AMT. CHARGED TO SHERIFF(62A385)			135,322.97	4,442.85	139,765.82
ADD: PENALTY			613.98	-	613.98
EXONERATIONS(62A372)				-	-
ADDITIONAL BILLS(62A386)			139.86	-	139.86
TOTAL CHARGES			136,076.81	4,442.85	140,519.66
DEDUCTIONS:					
REAL ESTATE(62A359)			5,252.50	-	5,252.50
DELINQUENTS(62A362)				-	-
EXONERATIONS(62A372)			1,309.31	-	1,309.31
DISCOUNTS			1,938.82	87.71	2,026.53
DELINQUENTS				-	-
TOTAL CREDITS			8,500.63	87.71	8,588.34
TOTAL COLLECTIONS			127,576.18	4,355.14	131,931.32
LESS COMMISSION					5,607.07
AMOUNT DUE					126,324.25
AMOUNT PAID					126,324.25
AMOUNT DUE FROM(TO) SHERIFF					125,981.11
					CURRENT YEAR REFUNDS (138.09)
					CREDIT FROM PRIOR TAX REFUNDS (205.05)
					AMOUNT DUE FROM(TO) SHERIFF -

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF				
CITY OF SOUTH SHORE DISTRICT				
			REGULAR	TOTAL
			0.273	
AMT. CHARGED TO SHERIFF(62A385)			59,467.89	59,467.89
ADD: PENALTY			385.16	385.16
EXONERATIONS(62A372)			-	-
ADDITIONAL BILLS(62A386)			-	-
TOTAL CHARGES			59,853.05	59,853.05
DEDUCTIONS:				
REAL ESTATE(62A359)			3,814.64	3,814.64
DELINQUENTS(62A362)			-	-
EXONERATIONS(62A372)			182.30	182.30
DISCOUNTS			894.08	894.08
DELINQUENTS			-	-
TOTAL CREDITS			4,891.02	4,891.02
TOTAL COLLECTIONS			54,962.03	54,962.03
LESS: COMMISSION				2,335.89
AMOUNT DUE				52,625.94
AMOUNT PAID				
				52,525.59
AMOUNT DUE FROM(TO) SHERIFF				100.55
			CURRENT YEAR REFUNDS	(100.55)
			CREDIT FROM PRIOR TAX REFUNDS	
			AMOUNT DUE FROM(TO) SHERIFF	-

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 2016 TAXES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

GREENUP COUNTY SHERIFF					
CITY OF WURLAND					
			REGULAR	TANG	TOTAL
			0.2840	0.58	
			92,808.82	27,793.74	120,602.56
AMT. CHARGED TO SHERIFF(62A385)			573.69	-	573.69
ADD: PENALTY				-	-
EXONERATIONS(62A372)				-	-
ADDITIONAL BILLS(62A386)			113.60	-	113.60
TOTAL CHARGES			93,496.11	27,793.74	121,289.85
DEDUCTIONS:					
REAL ESTATE(62A359)			3,213.92	-	3,213.92
DELINQUENTS(62A362)				-	-
EXONERATIONS(62A372)			153.26	-	153.26
DISCOUNTS			1,505.28	501.03	2,006.31
DELINQUENTS				-	-
TOTAL CREDITS			4,872.46	501.03	5,373.49
TOTAL COLLECTIONS			88,623.65	27,292.71	115,916.36
LESS: COMMISSION					4,926.44
AMOUNT DUE					110,989.92
AMOUNT PAID					110,874.04
AMOUNT DUE FROM(TO) SHERIFF					110,989.92
					CURRENT YEAR REFUNDS (102.70)
					CREDIT FROM PRIOR TAX REFUNDS (13.18)
					AMOUNT DUE FROM(TO) SHERIFF -

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*

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MIKE HARMON
AUDITOR OF PUBLIC ACCOUNTS

The Honorable Robert W. Carpenter, Greenup County Judge/Executive
The Honorable Keith Cooper, Former Greenup County Sheriff
The Honorable Matt Smith, Greenup County Sheriff
Members of the Greenup 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 were engaged to audit, 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 former Greenup County Sheriff's Settlement - 2016 Taxes for the period April 16, 2016 through April 17, 2017 - Regulatory Basis and the related notes to the financial statement and have issued our report thereon dated August 16, 2019. The former Greenup County Sheriff's financial statement is prepared on a regulatory basis of accounting, which demonstrates compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our report disclaims an opinion on such financial statements because we were unable to obtain written representations from the former Greenup County Sheriff as discussed in the Basis for Disclaimer of Opinion in the Independent Auditor's Report.

Internal Control Over Financial Reporting

In connection with our engagement of the financial statement, we considered the former Greenup County Sheriff's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the former Greenup County Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the former Greenup 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control 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 that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We identified a certain deficiency in internal control, which is described in the accompanying Schedule of Findings and Responses as item 2016-003 that we consider to be a significant deficiency.



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)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the former Greenup 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Responses as items 2016-001 and 2016-002. Additionally, if the scope of our work had been sufficient to enable us to express opinions on the basic financial statements, other instances of noncompliance or other matters may have been identified and reported herein.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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,

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

Mike Harmon
Auditor of Public Accounts

August 16, 2019

SCHEDULE OF FINDINGS AND RESPONSES

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GREENUP COUNTY
KEITH COOPER, FORMER SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES

For The Period April 16, 2016 Through April 17, 2017

STATE LAWS AND REGULATIONS:

2016-001 The Former Sheriff Did Not Collect Receivables Or Pay Liabilities For The 2014 Tax Year

This is a repeat finding that was included in the prior year audit report as finding 2015-001. The former sheriff did not collect receivables and pay liabilities as determined by the audit of the 2014 tax year. The former sheriff paid some of the liabilities with funds that were already in the account, and resolved some liabilities through the 2016 tax account. However, the payments the former sheriff made from the 2016 account do not agree with our amounts owed from our 2014 tax audit, and in fact the former sheriff now appears to have overpaid the Load VFD. As a result, the following amounts remain unresolved as of the end of the 2016 tax year.

Receivables		Liabilities	
Load VFD	\$ 852	County	\$ 62
Maloneton VFD	967	Common School	914
		Little Sandy VFD	69

Furthermore, the ending account balance of \$774 was to be escrowed upon resolution of the above items and this has not occurred.

The former sheriff has not ensured recommendations from the prior year audit were followed. Because the former sheriff did not collect the amounts due, he has not been able to pay the amounts owed to taxing districts. By not collecting these receivables and paying these liabilities timely, entities have been deprived of funds owed to them. By not following the recommended collection and payment schedule per the 2014 audit, it is more difficult to determine the amounts that need to be collected and paid. KRS 64.820 states: "The fiscal court shall collect any amount due the county from county officials as determined by the audit of the official conducted pursuant to KRS 43.070 and 64.810 if the amount can be collected without suit." KRS 393.090 and KRS 393.110 require unclaimed account balances to be escrowed for three years, after which, if unclaimed, they are considered abandoned and sent to the State Treasurer. We recommend the sheriff take the necessary action to collect the receivables that will enable him to pay the remaining liabilities of the 2014 tax account as listed above. Once this is completed, the remaining account balance should be escrowed for three years then, if unclaimed, turned over to the state as unclaimed property.

Former Sheriff's Response: The former sheriff did not provide a response.

2016-002 The Former Sheriff Did Not Collect Receivables Or Pay Liabilities For The 2013, 2012, 2011, And 2010 Tax Years

This is repeat finding that was included in the prior audit year as finding 2015-002. The former sheriff did not collect receivables and pay liabilities as determined by audits for the 2013, 2012, 2011, and 2010 tax years. The former sheriff had previously paid some of the liabilities. The former sheriff attempted to resolve some of the remaining liabilities by netting them with other years. The following cumulative amounts remain unresolved at the end of the 2016 tax year:

Receivables		Liabilities	
Common School	\$ 5,566	County	\$ 2,591
Wurtland VFD	201		
South Shore VFD	171		
Lloyd VFD	221		
Little Sandy VFD	896		
City of Wurtland	1,006		
City of Raceland	367		

GREENUP COUNTY
 KEITH COOPER, FORMER SHERIFF
 SCHEDULE OF FINDINGS AND RESPONSES
 For The Period April 16, 2016 Through April 17, 2017
 (Continued)

STATE LAWS AND REGULATIONS: (Continued)

2016-002 The Former Sheriff Did Not Collect Receivables Or Pay Liabilities For The 2013, 2012, 2011, And 2010 Tax Years (Continued)

Furthermore, the ending cumulative surplus of \$5,837 was to be escrowed upon resolution of the above items and this has not occurred.

The former sheriff did not ensure recommendations from prior years' audits were followed. Because the former sheriff did not collect the amounts due, he has not been able to pay the amounts owed to taxing districts. By not collecting these receivables and paying these liabilities timely, entities have been deprived of funds owed to them. By not following the recommended collection and payment schedules per the 2013, 2012, 2011, and 2010 audits, it is more difficult to determine the amounts that need to be collected and paid. KRS 64.820 states: "The fiscal court shall collect any amount due the county from county officials as determined by the audit of the official conducted pursuant to KRS 43.070 and 64.810 if the amount can be collected without suit." KRS 393.090 and KRS 393.110 require unclaimed account balances to be escrowed for three years, after which, if unclaimed, they are considered abandoned and sent to the State Treasurer. We recommend the former sheriff take the necessary action to collect the cumulative receivables that will enable him to pay the remaining cumulative liabilities of the 2013, 2012, 2011, and 2010 tax accounts as listed above. Once this is completed, the remaining accounts balance should be escrowed for three years then, if unclaimed, turned over to the state as unclaimed property.

Former Sheriff's Response: The former sheriff did not provide a response.

INTERNAL CONTROL - SIGNIFICANT DEFICIENCY:

2016-003 The Former Sheriff's Office Lacked Adequate Segregation Of Duties

This is a repeat finding and was included in the prior year audit report as finding 2015-003. The former sheriff's office lacked adequate segregation of duties. The former sheriff's office allowed the bookkeeper to collect taxes, prepare deposits, prepare monthly tax reports, write checks to taxing districts, and reconcile the bank account. There were some reviews of the bookkeeper's work, but not enough documentation of the reviews to determine oversight was in place. The former sheriff did not structure his office in a way that adequately segregated duties among employees, and did not provide sufficient oversight of the bookkeeper's work. Inadequate segregation of duties increases the risk of undetected misappropriation of assets or incorrect reporting. Internal controls and proper segregation of duties protect employees in the normal course of performing their daily responsibilities. Good internal controls dictate the same employee should not collect and deposit receipts and also should not process, report, and reconcile disbursements. We recommend the sheriff's office adequately segregate duties. A proper segregation of duties may not be possible with a limited number of employees, and in that case, the sheriff could take on the responsibility of reviewing the daily deposits, receipts and disbursements ledgers, monthly reports, and bank reconciliations prepared by another employee. These reviews must be documented in a way that indicates what was reviewed, by whom, and when, because signing off on inaccurate information does not provide internal control. The sheriff could also choose to prepare the bank reconciliations and other reports himself.

Former Sheriff's Response: The former sheriff did not provide a response.