

City of Paintsville

February 19, 2024

Ms. Allison Ball, Auditor of Public Accounts
209 St. Claire Street
Frankfort, Kentucky 40601-1817

Via Email: alexander.magera@ky.gov

Mr. Alexander Magera, Executive Director
Office of Special Examinations

Via Email: Christy.glass@lrc.ky.gov

Kentucky Legislative Research Commission
C/O Christy Glass

**RE: City of Paintsville's Response on Implementation Status of
Recommendations set forth in December 21, 2023
correspondence
regarding the APA's limited scope of special examination of the
City of Paintsville and its golf course**

Dear Auditor Ball:

Please accept this correspondence as the City of Paintsville's response, pursuant to KRS 43.090(1), on the implementation status of the recommendations made by the Office of Mike Harmon, former Auditor of Public Accounts ("APA"), as set forth in the former Auditor's correspondence, dated 12/21/23, concerning the APA's limited-scope special examination of the City of Paintsville and its golf course. The former APA's 12/21/23 report of his Findings and Recommendations sets forth the following stated recommendations, and the implementation status as to each recommendation is also set forth below:

Recommendation No 1: "We recommend the City discuss this matter further with the City Attorney and seek an opinion from the Kentucky Attorney General on whether these awards constitute a bonus in violation of the Kentucky Constitution".

Implementation Status: On behalf of the City, the City Attorney issued a correspondence, dated 02/12/24, seeking an opinion from the Kentucky Attorney General as to whether the City's informal custom and practice of permitting City officials and employees to play golf on the City operated golf course either at a reduced fee rate or without payment of any fee constitutes

a violation of Section 3 of the Kentucky Constitution. See attached hereto said 02/12/24 correspondence from the City Attorney to the Kentucky Attorney General seeking the Attorney General's opinion on the issue described above. To date, no response has yet been received from the Office of the Kentucky Attorney General.

Recommendation No. 2: "If the City wishes to offer these perquisites to employees/officials, we recommend that the City consider enacting a special ordinance to include them as compensation to its officials/employees".

Implementation Status: Considering that the City has not yet received a response from the Kentucky Attorney General with respect to the opinion sought on the issue stated above, no additional ordinances have been implemented, as the City Council is waiting on the Kentucky Attorney General's opinion before considering any additional or amended ordinances.

Recommendation No. 3: "If the City deems bartering to be appropriate in certain circumstances as a cost saving measure, we recommend the City formally establish guidelines and criteria by ordinance or formal policy to strengthen the City's system of internal controls."

Implementation Status: The City Council has not yet considered any such formal policy. However, the attached proposed Municipal Order and related Memorandum of Understanding has been drafted, and it is my intention as Mayor to present this proposed Municipal Order to the Paintsville City Council for its consideration at the next regularly scheduled Paintsville City Council meeting to be conducted on 03/11/24.

Please contact me at your earliest convenience if you have any questions or require additional information concerning the above-related matters.

Very truly yours,



**BILL MIKE RUNYON, MAYOR
CITY OF PAINTSVILLE**

Enc. (Letter to Kentucky Attorney General, dated 02/12/24)
(Proposed Municipal Order/draft copy)
(Proposed Memorandum of Understanding/draft copy)