

NEW ISSUE
BOOK-ENTRY-ONLY-SYSTEM

NON-BANK ELIGIBLE
RATINGS: Moody's "Aa1"



In the opinion of Bond Counsel, based upon present laws, regulations, rulings and decisions in effect on the date of delivery of the Bonds, and assuming continuing compliance with certain covenants made by the County, interest on the Bonds [including any original issue discount properly allocable to an owner thereof] is excludable from gross income for federal income tax purposes upon the conditions and subject to the limitations set forth herein under "Tax Exemption." Interest on the Bonds is not a specific item of tax preference for the federal alternative minimum tax; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. Receipt of interest on the Bonds may result in other federal income tax consequences to certain holders of the Bonds. Interest on the Bonds is exempt from income taxation and the Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions.

\$17,965,000*
WARREN COUNTY, KENTUCKY
GENERAL OBLIGATION BONDS,
SERIES 2026

Dated: Date of Delivery

Due: As shown within

Interest on the County of Warren, Kentucky General Obligation Bonds, Series 2026 (the "Bonds") will be payable, from the date of delivery, on June 1 and December 1 commencing December 1, 2026. The Bonds are issuable in book entry form only, registered initially in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Investors will not receive certificates representing their interest in the Bonds purchased. Individual purchase will be made in book-entry form only, in denominations of \$5,000 or any integral multiple thereof. Principal and premium, if any, for the Bonds will be payable at the principal corporate trust office Regions Bank, Nashville, Tennessee, Paying Agent and Registrar (the "Paying Agent").

The Bonds are subject to redemption prior to maturity as described herein.

The Bonds constitute general obligation of the County of Warren, Kentucky, the issuer (the "County" or "Issuer") secured by an irrevocable pledge of the full faith, credit, and taxing power of the County.

FOR MATURITIES, INTEREST RATES AND PRICES OR YIELDS, SEE THE INSIDE COVER

The Purchaser of the Bonds may specify to the County that any of the Bonds may be combined with immediately succeeding sequential maturities into a Term Bond or Term Bonds, bearing a single rate of interest, with the maturities set forth on the inside cover (or as may be adjusted as provided herein) comprising mandatory sinking fund redemption amounts for such Term Bond(s).

The Bonds are being issued by the County for the purpose of financing (i) the acquisition of equipment for the County fire department including, but not being limited to, tankers, pumps, and other related equipment, including the reimbursement of expenditures relating thereto pursuant to the Reimbursement Resolution, hereinafter defined; (ii) the acquisition, development, construction, and operation of facilities or buildings for the County Sheriff's Department, including the reimbursement of expenditures relating thereto pursuant to the Reimbursement Resolution, hereinafter defined; (iii) acquisition, development, construction, and operation, of other County land, facilities, or buildings, as approved by the County Fiscal Court, located within the boundaries of the County, to be owned and operated by the County and which have a useful or economic life greater than one (1) year, including the reimbursement of expenditures relating thereto pursuant to the Reimbursement Resolution, hereinafter defined; (iv) the renovation and improvement to the County's parks and recreation facilities and land; (v) the payment of capitalized and/or accrued interest, if any; and (vi) the payment of the Cost of Issuance.

The County deems this Preliminary Official Statement to be final for purposes of Security and Exchange Commission Rule 15c2-12, except for the cover and certain pages herein which will be completed upon the sale of the Bonds in accordance with such rule. The Bonds are offered when, as, and if issued, subject to the approval of legality and tax exemption by English, Lucas, Priest & Owsley, LLP Nicholasville, Kentucky, Bond Counsel. Bids are to be submitted electronically via **PARITY**® by 1:00 PM (EDT) on June 1, 2026. Delivery of the Bonds is expected on or about June 22, 2026.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

* Preliminary, subject to adjustment



This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sales of these Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the laws of any such jurisdiction.

MATURITY SCHEDULE

\$17,965,000*
WARREN COUNTY, KENTUCKY
GENERAL OBLIGATION BONDS,
SERIES 2026

<u>Maturing</u> <u>June 1</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP</u> <u>934850</u>	<u>Maturing</u> <u>June 1</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP</u> <u>934850</u>
2027	\$235,000			2037	\$ 880,000		
2028	365,000			2038	900,000		
2029	500,000			2039	940,000		
2030	415,000			2040	975,000		
2031	505,000			2041	1,280,000		
2032	530,000			2042	1,330,000		
2033	790,000			2043	1,385,000		
2034	770,000			2044	1,445,000		
2035	805,000			2045	1,505,000		
2036	840,000			2046	1,570,000		

** Preliminary, subject to adjustment*

WARREN COUNTY, KENTUCKY

Doug Gorman, Judge/Executive
Scott Lasley, Magistrate
Tom Lawrence, Magistrate
Rick Williams, Magistrate
Rex McWhorter, Magistrate
Eric Aldridge, Magistrate
Ron Cummings, Magistrate

Amy Hale Chandler, County Attorney
Stephen Kenworthy, County Treasurer
Crystal Cummings, Fiscal Court Clerk

BOND COUNSEL

English, Lucas, Priest & Owsley, LLP
Nicholasville, Kentucky

FINANCIAL ADVISOR

Compass Municipal Advisors, LLC
Lexington, Kentucky

BOND REGISTRAR/PAYING AGENT

Regions Bank
Nashville, Tennessee

REGARDING THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offering of any security other than the original offering of the Bonds of the County. No dealer, broker, salesman or other person has been authorized by the County to give any information or to make any representation, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the County. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

The information and expressions of opinion herein are subject to change without notice. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date hereof.

Upon issuance, the Bonds will not be registered by the County under any federal or state securities law and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state, municipal, or other governmental entity or agency except the County will have passed upon the accuracy or adequacy of this Official Statement or approved the Bonds for sale.

All financial and other information presented in this Official Statement has been provided by the County from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the County. No representation is made that past experience, as is shown by that financial and other information, will necessarily continue or be repeated in the future.

Insofar as the statements contained in this Official Statement involve matters of opinion or estimates, even if not expressly stated as such, such statements are made as such and not as representations of fact or certainty, no representation is made that any of the statements have been or will be realized, and such statements should be regarded as suggesting independent investigation or consultation of other sources prior to the making of investment decisions. Certain information may not be current; however, attempts were made to date and document sources of information. Neither this Official Statement nor any oral or written representations by or on behalf of the County, preliminary to sale of the Bonds, should be regarded as part of the County's contract with the successful bidder or the holders from time to time of the Bonds.

References herein to provisions of Kentucky law, whether codified in the Kentucky Revised Statutes ("KRS") or uncodified, or to the provisions of the Kentucky Constitution or the County's ordinances or resolutions, are references to such provisions as they presently exist. Any of these provisions may from time to time be amended, repealed or supplemented.

As used in this Official Statement, "debt service" means principal of interest and any premium on, the obligations referred to; "County" means Warren County, Kentucky and "State" or "Kentucky" means the Commonwealth of Kentucky.

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OFFICIAL STATEMENT

Relating to the Issuance of

\$17,965,000*

**WARREN COUNTY, KENTUCKY
GENERAL OBLIGATION BONDS,
SERIES 2026**

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and appendices hereto, is to provide certain information with respect to the issuance of \$17,965,000* aggregate principal amount of General Obligation Bond, Series 2026, of Warren County, Kentucky (the “County” or “Issuer”) as specified on the cover hereof.

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to the Official Statement and is qualified by more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

The County

The Bonds are being issued by the County, a duly organized political subdivision of the Commonwealth of Kentucky (the “State”).

Security

The Bonds are a general obligation debt of the County. The basic security for the Bonds is the County’s ability to levy an annual tax to pay the interest on and principal of the Bonds as and when the same become due and payable. (See “THE BONDS - Security,” herein.)

Purpose

The Bonds are being issued by the County for the purpose of financing (i) the acquisition of equipment for the County fire department including, but not being limited to, tankers, pumps, and other related equipment, including the reimbursement of expenditures relating thereto pursuant to the Reimbursement Resolution, hereinafter defined; (ii) the acquisition, development, construction, and operation of facilities or buildings for the County Sheriff’s Department, including the reimbursement of expenditures relating thereto pursuant to the Reimbursement Resolution, hereinafter defined; (iii) acquisition, development, construction, and operation, of other County land, facilities, or buildings, as approved by the County Fiscal Court, located within the boundaries of the County, to be owned and operated by the County and which have a useful or economic life greater than one (1) year, including the reimbursement of expenditures relating thereto pursuant to the Reimbursement Resolution, hereinafter defined; (iv) the renovation and improvement to the County’s parks and recreation facilities and land; (v)

the payment of capitalized and/or accrued interest, if any; and (vi) the payment of the Cost of Issuance.

The County adopted Resolution 25-03, on March 25, 2025, as its Declaration of Official Intent pursuant to Treasury Regulation §1.150-2 (the “Reimbursement Resolution”) to reimburse itself for certain expenditures made by the County for projects to be financed with proceeds from the sale of the Bonds. The County may, but is not required to, reimburse itself for some of these expenditures.

Description of the Bonds

The Bonds mature as indicated on the inside cover page hereof. The Bonds are being offered in the denominations of \$5,000 or any integral multiple thereof.

Redemption

The Bonds are subject to redemption prior to maturity as further described herein. See “THE BONDS – Redemption Provisions”

Book Entry

The Bonds are issuable only as fully registered Bonds, without coupons. The Bonds, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository for the Bonds. Purchasers will not receive certificates representing their ownership interest in the Bonds purchased. So, long as DTC or its nominee is the registered owner of the Bonds, payments of the principal of and interest due on the Bonds will be made directly to DTC. Principal of, redemption premium, if any, and interest on the Bonds will be paid directly to DTC by Regions Bank, Nashville, Tennessee, as Bond Registrar and Paying Agent (the “Registrar and Paying Agent”). See “The BONDS Book-Entry-Only System” herein.

Interest

The Bonds shall be dated their date of delivery and bear interest from their dated date at the rates set forth on the cover hereof, payable semi-annually on June 1 and December 1, beginning December 1 2026, calculated on the basis of a 360-day year with 30-day months.

Tax Exemption

Under the laws, regulations, rulings and judicial decisions in effect as of the date hereof, interest including original issue discount properly allocable to an owner thereof, on the Bonds is excludable from gross income for Federal income tax purposes, pursuant to the Internal Revenue Code of 1986, as amended (the “Code”). Furthermore, interest on the Bonds will not be treated as a specific item of tax preference in computing the alternative minimum tax for individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. In rendering the opinions in this paragraph, Bond Counsel has assumed continuing compliance with certain covenants designed to meet the requirements of Section 103 of the Code. Bond Counsel expresses no other opinion as to the federal tax consequences of purchasing, holding or disposing of the Bonds. Interest on the Bonds is also exempt from income taxation and the bonds

are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions.

The Bonds have not been designated as “qualified tax-exempt obligations” with respect to certain financial institutions under Section 265(b)(3) of the Code.

See Appendix C hereto for the form of the opinion Bond Counsel proposes to deliver in connection with the Bonds.

Parties to the Issuance of the Bonds

The Registrar and Paying Agent is Regions Bank, Nashville, Tennessee. Legal matters incident to the issuance of the Bonds and with regard to the tax-exempt status of the interest thereon are subject to the approving legal opinion of English, Lucas, Priest & Owsley, LLP, Nicholasville, Kentucky, Bond Counsel. The Financial Advisor to the County is Compass Municipal Advisors, LLC, Lexington, Kentucky.

Authority for Issuance

Authority for the issuance of the Bonds is provided by Sections 66.011 through 66.171 of the Kentucky Revised Statutes (the “Act”) and Ordinance No. 26-05WC (the “Ordinance”) adopted by the Fiscal Court of the County on March 12, 2026.

Offering and Delivery of the Bonds

The Bonds are offered when, as and if issued by the County. The Bonds will be delivered on or about June 22, 2026, in New York, New York through the Depository Trust Company (DTC).

Disclosure Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change. This Official Statement and continuing disclosure documents of the County are intended to be made available to the Municipal Securities Rulemaking Board (“MSRB”) through its Electronic Municipal Market Access (“EMMA”) system through Digital Assurance Certification, L.L.C (“DAC”). Copies of the basic documentation relating to the Bonds, including the authorizing ordinance are available from the County.

Additional Information

Additional information concerning this Official Statement, as well as copies of the basic documentation relating to the Bonds, are available from Compass Municipal Advisors, LLC, financial advisor to Warren County, Kentucky, 110 West Vine Street, Suite 240, Lexington, Kentucky 40507, 859.368.8052.

THE COUNTY

The County is a political subdivision of the Commonwealth of Kentucky.

The County is governed by a Fiscal Court consisting of an elected County Judge/Executive and six (6) Magistrates who are all elected to four-year terms. These seven members comprise the Fiscal Court. There is no limitation for succession by any member of the Fiscal Court. see “COUNTY GOVERNMENT” herein for additional information regarding the operations and management of the County.

Demographic, economic and financial information with respect to the County and the surrounding area is set forth in Appendix A and B hereto.

THE BONDS

Description

The Bonds will be general obligation bonds of the County, will be issuable in fully registered form in denominations of \$5,000 each or any whole multiple thereof and, when issued, will be registered to Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”); will be dated the date of their delivery; will bear interest payable on December 1, 2026 and semiannually on June 1 and December 1 of each year thereafter; and will mature on June 1 of each year, in the years and in the principal amounts as set forth on the inside cover page of this Official Statement.

Book-Entry-Only System

Beneficial ownership interests in the Bonds will be available only in book-entry form. Beneficial owners of the Bonds (“Beneficial Owners”) will not receive physical Bonds certificates representing their interests in the Bonds purchased. So long as DTC or its nominee is the registered owner of the Bonds, references in this Official Statement to the Holders of the Bonds shall mean DTC or its nominee and shall not mean the Beneficial Owners. Unless and until the book-entry only system has been discontinued, the Bonds will be available only in book-entry form in principal amounts of \$5,000 or any integral multiple thereof.

THE FOLLOWING DESCRIPTION OF DTC, ITS PROCEDURES AND RECORD KEEPING ON BENEFICIAL OWNERSHIP INTERESTS IN THE BONDS, PAYMENT OF INTEREST AND OTHER PAYMENTS ON THE NOTES TO DTC PARTICIPANTS (AS DEFINED HEREIN) OR TO BENEFICIAL OWNERS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE BONDS AND OF OTHER TRANSACTIONS BY AND BETWEEN DTC, DTC PARTICIPANTS AND BENEFICIAL OWNERS IS BASED ON INFORMATION FURNISHED BY DTC.

Depository Trust Company. DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of the Bonds, and will be deposited with DTC.

DTC Participants and Indirect Participants. DTC, the world’s largest depository, is a limited purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered

pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of certificated Bonds. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). DTC has Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Beneficial Owners. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchases. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that the use of the book-entry only system for the Bonds is discontinued.

Transfers and Exchanges. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co., or such other nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants; by Direct Participants to Indirect Participants; and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Resolution. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to

them.

Notices; Redemption. Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in the Bonds to be redeemed.

Consents and Voting. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Registrar, as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and Interest Payments. Payment of principal, redemption premium, if any, and interest will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Registrar and Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar and Paying Agent or the County subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption premium, if any, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Paying Agent, and disbursement of such payments to the Direct Participants will be the responsibility of DTC, and disbursements of such payments to Beneficial Owners will be the responsibility of the Direct and Indirect Participants. THE COUNTY CAN GIVE NO ASSURANCE THAT DIRECT AND INDIRECT PARTICIPANTS WILL PROMPTLY TRANSFER PAYMENTS TO BENEFICIAL OWNERS.

DTC may discontinue providing its service as depository for the Bonds at any time by giving reasonable notice to the Registrar or the County. Under such circumstances, in the event that a successor depository is not obtained, Bonds are required to be printed and delivered. The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bonds will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE SOLE HOLDER OF THE BONDS, THE COUNTY SHALL TREAT CEDE & CO. AS THE ONLY HOLDER OF THE BONDS FOR ALL PURPOSES, INCLUDING RECEIPT OF ALL PRINCIPAL AND PREMIUM OF AND INTEREST ON THE BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE COUNTY. THE COUNTY, THE REGISTRAR AND THE PAYING AGENT HAVE NO RESPONSIBILITY OR OBLIGATION TO THE PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT, OR THE MAINTENANCE OF ANY RECORDS; (2) THE PAYMENT BY DTC OR

ANY PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE BONDS, OR THE SENDING OF ANY TRANSACTION STATEMENTS; (3) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE RESOLUTION TO BE GIVEN TO BENEFICIAL OWNERS; (4) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENTS UPON ANY PARTIAL REDEMPTION OF THE BONDS; OR (5) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR ITS NOMINEE AS THE REGISTERED OWNER OF THE BONDS, INCLUDING ANY ACTION TAKEN PURSUANT TO AN OMNIBUS PROXY.

Discontinuance of Book-Entry-Only System. In the event that the Bonds are no longer in book-entry-only form, the certificates held by DTC or a successor securities depository will be cancelled and the County will execute and deliver the Bonds in fully registered form to the Beneficial Owners of the Bonds as shown on the records of the DTC Participants or the nominee of a successor securities depository. If no other securities depository is named, interest on the Bonds shall be payable to the Registered Owners on each interest payment date and principal of the Bonds at maturity upon presentation and surrender thereof to the Paying Agent at its corporate trust office. The Bonds would be transferable on the registration books of the County maintained by the Registrar by the registered owner in person or by his duly authorized attorney upon surrender of the Bond to be transferred together with a written instrument of transfer duly executed by the registered owner or his duly authorized attorney. The Registrar will, upon receipt thereof, authenticate and deliver a new Bond or Bonds in like principal amounts as the Bond so presented. The County and the Paying Agent will deem and treat the person in whose name each Bond is registered as the absolute owner thereof for all purposes.

Redemption Provisions

(a) *Optional Redemption.* The Bonds maturing on or after June 1, 2036 will be subject to redemption prior to maturity, in whole or in part, at the option of the County, on any date on or after June 1, 2035 from any moneys available therefore, at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest to the redemption date.

(b) *Mandatory Sinking Fund Redemption.* [Purchaser’s option] The Bonds maturing on the dates set forth below are subject to mandatory sinking fund redemption prior to maturity at the redemption price of 100% of the principal amount of to be redeemed, plus accrued interest to the redemption date, on the dates, in the years and in the principal amounts as follows:

_____	<u>Principal Amount</u>
20__	\$

(c) *Notice of Redemption.* If less than all Bonds which are payable by their terms on the same date are to be called, the particular Bonds, or portions of Bonds payable on such same date and to be redeemed from such series, shall be selected by lot by the Registrar and Paying Agent, in such manner as the Registrar and Paying Agent in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof, and that, in selecting Bonds

for redemption, the Registrar and Paying Agent shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

At least thirty (30) days before the Redemption Date of any Bonds, the Registrar and Paying Agent shall cause a notice of such redemption to be mailed, postage prepaid, to all Registered Owners of the Bonds to be redeemed at their addresses as they appear on the registration books kept by the Registrar and Paying Agent, but failure to mail any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Bonds being payable by their terms on a single date then outstanding shall be called for redemption, the distinctive numbers or letters, if any, of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall state also that on or after the Redemption Date upon surrender of such Bonds, a new Bond in principal amount equal to the unredeemed portion of such Bonds will be issued.

On the date so designated for redemption, notice having been sent in the manner and under the conditions hereinabove provided and moneys for payment of the redemption price being held in separate accounts by the Bond Registrar/Paying Agent for the Bond owners or portions thereof to be redeemed, the Bonds or portions of Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds or portions of Bonds on such date, interest on the Bonds or portions of the Bonds so called for redemption shall cease to accrue, and the Bond owners or Registered Owners of such Bonds or portions of Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and to receive Bonds for any unredeemed portions of Bonds.

In case part, but not all of, an outstanding Bond shall be selected for redemption, the Registered Owner thereof or his attorney or legal representative shall present and surrender such Bond to the Bond Registrar/Paying Agent for payment of the principal amount hereof so called for redemption, and the County shall execute and the Bond Registrar/Paying Agent shall authenticate and deliver to or upon the order of such Registered Owner or his legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered a Bond of the same series and maturity and bearing interest at the same rate.

With respect to any notice of any optional redemption of the Bonds, unless at the time such notice is given the Bonds to be redeemed shall be deemed to have been paid, such notice shall state that such redemption is conditional upon receipt by the Bond Registrar/Paying Agent, on or prior to the date fixed for such redemption, of moneys that, together with other available mounts held by the Bond Registrar/Paying Agent, are sufficient to the redemption price of, and accrued interest on, the Bonds to be redeemed, and that if such moneys shall not have been so received said notice shall be of no force and effect and the County shall not be required to redeem such Bonds. In the event a notice of redemption of the Bonds contains such a conditions and such moneys are not so received, the redemption of the Bonds as described in the conditional notice of redemption shall not be made and the Bond Registrar/Paying Agent shall, within a reasonable time after the date on which such redemption was to occur, give notice to the respective Owners of the Bonds designated for redemption in the manner in which the notice of redemption was given, that such moneys were not so received and that there shall be no redemption of the Bonds pursuant to such notice of redemption.

Authorization

The Bonds are being issued by the County under the authority of the Constitution of the Commonwealth of Kentucky, particularly Sections 158 and 159 thereof, and Sections 66.011 through 66.171 of the Kentucky Revised Statutes, as amended, (the “Act”) and are further being issued pursuant to the Ordinance No. 26-05WC (the “Ordinance”) adopted by the Fiscal Court of the County on March 12, 2026.

Purpose

The Bonds are being issued by the County for the purpose of (i) the acquisition of equipment for the County fire department including, but not being limited to, tankers, pumps, and other related equipment, including the reimbursement of expenditures relating thereto pursuant to the Reimbursement Resolution, hereinafter defined; (ii) the acquisition, development, construction, and operation of facilities or buildings for the County Sheriff’s Department, including the reimbursement of expenditures relating thereto pursuant to the Reimbursement Resolution, hereinafter defined; (iii) acquisition, development, construction, and operation, of other County land, facilities, or buildings, as approved by the County Fiscal Court, located within the boundaries of the County, to be owned and operated by the County and which have a useful or economic life greater than one (1) year, including the reimbursement of expenditures relating thereto pursuant to the Reimbursement Resolution, hereinafter defined; (iv) the renovation and improvement to the County’s parks and recreation facilities and land; (v) the payment of capitalized and/or accrued interest, if any; and (vi) the payment of the Cost of Issuance.

Under the terms of the Ordinance, the Bonds constitute a general obligation of the County, and the full faith, credit and taxing power of the County is irrevocably pledged to the prompt payment of principal of and interest on the Bonds when due.

The County adopted Resolution 25-03, on March 25, 2025, as it Declaration of Official Intent pursuant Treasury Regulation §1.150-2 (the “Reimbursement Resolution”) to reimburse itself for certain expenditures made by the County for projects to be financed with proceeds from the sale of the Bonds. The County may, but is not required to, reimburse itself for some of these expenditures.

In compliance with Section 159 of the Constitution of Kentucky and the Act, and for the purpose of providing funds required to pay the interest on the Bonds when due and in order to create a sinking fund to pay the principal of the Bonds (and premium, if any) when due, the Ordinance authorizes the levy upon all of the taxable property in the County, each year as long as any of the Bonds are outstanding, a direct annual tax sufficient, to the extent other lawfully available moneys of the County are not provided for that purpose. The proceeds derived from said tax levied from time to time, together with other lawfully available moneys of the County provide for the payment of the Bonds, shall be deposited and carried in a special account of the County and shall be applied only for the purpose of paying the principal of and interest (and premium, if any) on the Bonds, which shall be designated the County’s “General Obligation Bonds, Series 2026 Sinking Fund” (the “Sinking Fund”). The proceeds of said tax and the balances accumulated from time to time in the Sinking Fund are irrevocably pledged for the purpose of paying the interest on (and premium, if any) and principal of the Bonds and shall never be used for any other purpose.

Under the Ordinance, The County covenants with Owners of the Bonds that it shall levy each year a Tax in a sufficient amount and appropriate in its annual budget, together with other moneys available to it,

to the extent Facility or Facilities Revenues are not sufficient, an amount of funds sufficient to pay the “debt charges” on the Bonds as defined in Section 66.011(4) of the Kentucky Revised Statutes.

Pursuant to the Constitution of Kentucky and the Act, the County has adopted the Ordinance and has covenanted to levy and collect each year that the Bonds remain outstanding a tax in an amount sufficient to provide for the full payment of the principal and interest requirements of said Bonds; provided, however, that said tax will be levied only to the extent that other County revenues or other receipts from taxes are not sufficient to provide for the full payment of the accruing interest and maturing principal on the Bonds.

Defeasance

The County reserves the right at all times to make provision for discharge of all Bonds by depositing into the Sinking Fund moneys sufficient to pay all principal and interest requirements on the Bonds to and on the first or next date of redemption, or to the date of maturity, together with sufficient additional moneys to redeem and discharge all outstanding Bonds on such redemption date, or to deposit into the Sinking Fund such principal amount of Permissible Investment Obligations as shall, with earnings thereon, produce an identical result.

“Permissible Investment Obligations” means any of the following:

- (a) direct obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which, in the opinion of the Attorney General of the United States, is fully and unconditionally guaranteed by the United States of America;
- (b) obligations of the Federal Home Loan Bank (“FHLB”); and
- (c) non-callable, U. S. Treasury Securities - State and Local Government Series (“SLGS”).

THE PROJECT

Proceeds from the Sale of the Bonds will be used to acquire (i) equipment for the County fire department including, but not limited to, tankers, pumps, and other related equipment, including the reimbursement of expenditures relating thereto pursuant to the Reimbursement Resolution; (ii) to acquire, develop, construct, and operate the County Sheriff's Department building and facilities, including the reimbursement of expenditures relating thereto pursuant to the Reimbursement Resolution; (iii) to acquire, develop, construct, and operate other County land, facilities, or buildings, as approved by the County Fiscal Court, located within the boundaries of the County, to be owned and operated by the County and which have a useful or economic life greater than one (1) year, including the reimbursement of expenditures relating thereto pursuant to the Reimbursement Resolution; (iv) the renovate and improve the County's parks and recreation facilities and land; (v) to pay capitalized and/or accrued interest, if any; and (vi) to pay the Cost of Issuance.

"Cost of Issuance" shall mean and refer to fees, costs and expenses incurred by the County in connection with the issuance of the Bonds including, but not limited to, Bond Counsel fees and expenses, Financial Advisor fees and expenses, Paying Agent fees and expenses, DTC fees and expenses, DAC fees and expenses, and such other fees, cost, and expenses incurred by the County in connection with the issuance of the Bonds.

ESTIMATED SOURCES AND USES OF FUNDS

Sources of Funds

Par Amount Bonds \$17,965,000*

Total Sources \$ _____

Uses of Funds:

Underwriter's Discount (____%)

Deposit to Costs of Issuance

Deposit to Project Construction Fund

Total Uses \$ _____

ESTIMATED NET DEBT SERVICE

The following table sets forth the estimated net debt service requirement for the Bonds:

Date	Principal	Interest	Total Principal and Interest
12/01/2026	-	-	-
06/01/2027	235,000.00		
12/01/2027	-		
06/01/2028	365,000.00		
12/01/2028	-		
06/01/2029	500,000.00		
12/01/2029	-		
06/01/2030	415,000.00		
12/01/2030	-		
06/01/2031	505,000.00		
12/01/2031	-		
06/01/2032	530,000.00		
12/01/2032	-		
06/01/2033	790,000.00		
12/01/2033	-		
06/01/2034	770,000.00		
12/01/2034	-		
06/01/2035	805,000.00		
12/01/2035	-		
06/01/2036	840,000.00		
12/01/2036	-		
06/01/2037	880,000.00		
12/01/2037	-		
06/01/2038	900,000.00		
12/01/2038	-		
06/01/2039	940,000.00		
12/01/2039	-		
06/01/2040	975,000.00		
12/01/2040	-		
06/01/2041	1,280,000.00		
12/01/2041	-		
06/01/2042	1,330,000.00		
12/01/2042	-		
06/01/2043	1,385,000.00		
12/01/2043	-		
06/01/2044	1,445,000.00		
12/01/2044	-		
06/01/2045	1,505,000.00		
12/01/2045	-		
06/01/2046	1,570,000.00		
Total			

THE ORDINANCE

The following is a summary of certain of the terms and provisions of the Ordinance enacted by the County authorizing the Bonds. Terms not otherwise defined herein shall have the meanings given in the Ordinance.

Funds and Accounts

Upon delivery of the Bonds to the purchaser or purchasers thereof and receipt of the purchase price, the same shall forthwith in each case be deposited with the Depository or such other bank as the County shall designate, as trust funds, and the Depository shall hold, treat and disburse the same, as follows:

(A) The Sinking Fund (or Bond Fund), which shall receive the receipts of the Tax and Revenues herein authorized, to the extent required for the Bonds and Pledged Receipts. Said Sinking Fund moneys shall be used only for the payment of the principal and interest requirements of the Bonds. Upon the delivery of the Bonds, the accrued interest, if any, shall be deposited into said fund.

(B) Cost of Issuance Fund, which shall receive from the proceeds of the Bonds, the amounts necessary to pay the Costs of Issuance of the Bonds upon the delivery of said Bonds. The Depository shall remit the required payments in the amounts and to the parties specified in writing by the County Judge/Executive or County Treasurer, or such other County official as may be designated by the County, upon the delivery of the Bonds. Any amounts remaining in the Costs of Issuance Fund following the payment of all such Costs of Issuance shall be transferred to the Sinking Fund.

(C) Project Fund or Construction Fund, which shall receive a portion of the proceeds from the issuance of the Bonds, which shall be used to pay the costs and expenses associated with the acquisition, development, and construction of the Facility, as specified in writing by the County Judge/Executive, or such other County official as may be designated by the County.

(D) Any other fund authorized by the Ordinance, required by law, or deemed necessary and appropriate by the Financial Advisor.

(E) Moneys on deposit in the funds enumerated in subsections (A) through (D) of this Section shall be invested in the Investments permitted and any earnings carried to the credit of the fund from which the investment was made.

Moneys held in any of the aforementioned funds may be invested until required for the purposes intended in one or more permissible Investment Obligations.

Investment of Funds

Moneys held in any of the aforementioned funds may be invested upon the written direction of the County until required for the purposes intended in accordance with Section 66.480 of the Kentucky Revised Statutes, as amended from time to time, including one or more of the following "Investment Obligations" as permitted by Section 66.480 of Kentucky Revised Statutes, as amended:

(a) obligations of the United States and of its agencies and instrumentalities, including obligations subject to repurchase agreements, provided that delivery of these obligations subject to repurchase agreements is taken either directly or through an authorized custodian and may be accomplished through repurchase agreements reached with sources including, but not limited to, national or state banks chartered in Kentucky;

(b) obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States or a United States government agency, including but not limited to:

- (i) United States Treasury;
- (ii) Export-Import Bank of the United States;
- (iii) Farmers Home Administration
- (iv) Government National Mortgage Corporation; and
- (v) Merchant Marine bonds

(c) obligations of any corporation of the United States government, including but not limited to:

- (i) Federal Home Loan Mortgage Corporation;
- (ii) Federal Farm Credit Banks;
- (iii) Bank for Cooperatives;
- (iv) Federal Intermediate Credit Banks;
- (v) Federal Land Banks;
- (vi) Federal Home Loan Banks;
- (vii) Federal National Mortgage Association; and
- (viii) Tennessee Valley Authority;

(d) 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 or similar entity or which are collateralized, to the extent uninsured, by any obligations, including surety bonds, permitted by KRS 41.240(4), as follows:

(i) bonds, notes, letters of credit, or other obligations of or issued or guaranteed by the United States, or those for which the credit of the United States is pledged for the payment of the principal and interest thereof, and any bonds, notes, debentures, letters of credit, or any other obligations issued or guaranteed by any federal governmental agency or instrumentality, presently or in the future established by an Act of Congress, as amended or supplemented from time to time, including, without limitation, the United States government corporations listed in KRS 66.480(1)(c);

(ii) obligations of the Commonwealth of Kentucky including revenue bonds issued by its statutory authorities, commissions or agencies;

(iii) revenue bonds issued by educational institutions of the Commonwealth of Kentucky as authorized by KRS 162.340 to 162.380;

(iv) obligations of any County of the first, second, and third classes of the Commonwealth of Kentucky, or any county for the payment of principal and interest on which the full faith and credit of the issuing body is pledged;

(v) school improvement bonds issued in accordance with the authority granted under KRS 162.080 to 162.100;

(vi) school building revenue bonds issued in accordance with the authority granted under KRS 162.120 to 162.300, provided that the issuance of such bonds is approved by the Kentucky Board of Education; and

(vii) surety bonds issued by sureties rated in one (1) of the three (3) highest categories by a nationally recognized rating agency.

(e) Uncollateralized certificates of deposit issued by any bank or savings and loan institution rated in one (1) of the three (3) highest categories by a nationally recognized rating agency;

(f) Bankers' acceptances for banks rated in one (1) of the three (3) highest categories by a nationally recognized rating agency;

(g) Commercial paper rated in the highest category by a nationally recognized rating agency;

(h) Bonds or certificates of indebtedness of this state and of its agencies and instrumentalities;

(i) Securities issued by a state or local government, or any instrumentality of agency thereof, in the United States, and rated in one (1) of the three (3) highest categories by a nationally recognized rating agency; and

(j) Shares of mutual funds, each of which shall have the following characteristics:

(i) the mutual fund shall be an open-end diversified investment company registered under the Federal Investment Company Act of 1940, as amended;

(ii) the management company of the investment company shall have been in operation for at least five (5) years; and

(iii) all of the securities in the mutual fund shall be eligible investments pursuant to Section 66.480 of the Kentucky Revised Statutes.

The amount of money invested at any time by the County in one or more of the categories of investments authorized by subsections (e), (f), (g) and (i) above shall not exceed twenty percent (20%) of the total amount of money invested by the County and the County shall not purchase any investment authorized by subsection (1) on a margin basis or through the use of any similar leveraging technique.

Additional Covenants

In the Ordinance, the County, among other covenants, has covenanted as follows:

The County covenants with Owners of the Bonds that it shall levy each year a Tax in a sufficient amount and appropriate in its annual budget, together with other moneys available to it, to the extent Revenues are not sufficient, an amount of funds sufficient to pay the “debt charges” on the Bonds as defined in Section 66.011(4) of the Kentucky Revised Statutes.

The County shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the County on the Bonds shall be excludable from the gross income of the recipients thereof for Federal income tax purposes under any valid provision of the Code.

The County shall not permit at any time or times any of the proceeds of the Bonds to be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause such Bonds to be “arbitrage bonds” as defined in Section 148 of the Code, as then in effect.

The County further covenants that prior to the issuance of said Bonds and as a condition precedent to such issuance, the County shall certify by issuance of a certificate of the County Judge/Executive, or County Treasurer, or such other County official as may be designated by the County, supplemental to this Ordinance, that on the basis of the facts, estimates and circumstances in existence on the date of issue of said Bonds, it is not expected that the proceeds of said Bonds will be used in a manner which would cause such obligations to be “arbitrage bonds” under the Code.

The County shall execute a Federal Tax Certificate or similar document relating to the use of the proceeds of the Bonds, and compliance with certain requirements of the Code, to be dated the date of delivery of the Bonds. The County further covenants to comply with all representations, covenants and assurances contained in the Federal Tax Certificate, which Federal Tax Certificate shall constitute a part of the contract between the County and the Registered Owners of the Bonds.

INVESTMENT CONSIDERATIONS

The Bonds, like all obligations of state and local government, are subject to changes in value due to changes in the condition of the tax-exempt bond market and/or changes in the financial condition of the County.

Prospective purchasers of the Bonds may need to consult their own tax advisors prior to any purchase of the Bonds as to the impact of the Internal Revenue Code of 1986, as amended, upon their acquisition, holding or disposition of the Bonds.

If the interest component of the Bonds were to become includable in gross income for federal income tax purposes, the after-tax yield to investors could be materially decreased.

With regard to the risk involved in a lowering of the County’s bond ratings, see “RATINGS” herein.

COUNTY GOVERNMENT

Organization and Major Offices

The County operates pursuant to the general statutes of the Commonwealth of Kentucky governing counties.

Elected and Appointed Officials

Warren County is governed by a Fiscal Court, comprised of a Judge/Executive and six (6) Magistrates who are all elected to four-year terms. There are no term limitations on any member of the Fiscal Court. The members of the Fiscal Court are as follows:

Doug Gorman, Judge/Executive
Scott Lasley, Magistrate
Tom Lawrence, Magistrate
Rick Williams, Magistrate
Rex McWhorter, Magistrate
Eric Aldridge, Magistrate
Ron Cummings, Magistrate

The County Treasurer and the County Fiscal Court Clerk are appointed by the Fiscal Court.

Financial Matters

The County Treasurer is the fiscal officer of the County. The County Treasurer is responsible for the accounting, custody, and disbursement of the funds of the County. The County Treasurer serves the Fiscal Court and the Judge/Executive as financial advisor in connection with County affairs and performs such other duties as the Fiscal Court or Judge/Executive request.

The County's fiscal year commences July 1 and ends the following June 30.

The administrative functions of the County are performed by or under the supervision of the following:

1. Establishment of overall financial policy, the Fiscal Court.
2. Planning and development, the Fiscal Court, Judge/Executive and County Treasurer.
3. Assessment of real and personal property, the Warren County Property Valuation Administrator.
4. Financial control functions, the County Treasurer.
5. Inspection and supervision of the accounts and reports of the County as required by law, by the Auditor of Public Accounts.

Financial Management

The Fiscal Court is responsible for appropriating the funds used to support various County activities. The Fiscal Court exercises its legislative powers by budgeting, appropriating, levying taxes, issuing bonds, and notes, and letting contracts for public works and services to provide this financial management.

Financial Reports and Examinations of Accounts

Each County in the State is required to keep its accounting records and render financial reports in such a way as to: (a) determine compliance with statutory provisions; (b) determine fairly and with full disclosure the financial operations of consistent funds and account groups of the County in conformity with generally accepted governmental accounting principles; and (c) readily provide such financial data as may be required by the federal revenue sharing program. The County's accounting systems are required to be organized and operated on a fund basis. The County maintains its accounts and other fiscal records on an appropriation and modified accrual basis in accordance with the procedures established and prescribed by the Kentucky Department for Local Government. As required by law, financial reports are prepared annually by the County and filed with the Kentucky Department for Local Government. The accounting procedures prescribed by the Kentucky Department for Local Government are generally applicable to all counties in Kentucky and may be different from generally accepted government accounting principles as presented and recommended in the National Council on Governmental Accounting publication "Governmental Accounting Auditing and Financial Reporting," and the Industry Audit Guide of the American Institute of Certified Public Accountants, entitled "Audits of State and Local Governmental Units." Those publications, among other things, provide for a modified accrual basis of accounting for the general fund, all special revenue funds and the debt service fund, and for a full accrual basis of accounting for all other funds, and further provide for the preparation for each fund of balance sheets, statements of revenues and expenditures, and statements showing changes in fund balances.

Budgeting and Appropriations Procedures

Detailed provisions for County budgeting, tax levies, and appropriations are made in the Kentucky Revised Statutes. Counties are required to operate under an annual budget ordinance and no County may expend any moneys from a governmental or proprietary fund except in accordance with such budget. A budget proposal must be submitted to the fiscal court of the county no later than 30 days prior to the beginning of the fiscal year covered by the budget. Upon approval of the proposed budget, counties are required to submit the proposed budget to the State Local Finance Officer of the Commonwealth of Kentucky for approval. A proposed budget that has been approved by the State Local Finance Officer is required to be adopted by the fiscal court of the county no later than July 1 of each year or within ten days after receipt of the certified assessment from the Commonwealth of Kentucky, whichever is later. No budget ordinance may be adopted which provides for appropriations to exceed revenues in a fiscal year. The full amount estimated to be required for debt service during the budget year must be appropriated. The State Local Finance Officer is authorized to initiate proceedings to compel compliance by the county officials with the requirements imposed by Kentucky law on counties for the administration of their financial affairs.

Debt Limitation

Kentucky Constitution Section 158 provides that Counties shall not incur indebtedness in an amount exceeding 2% of the value of the taxable property therein, to be estimated by the last assessment previous to the incurring of the indebtedness.

Nothing shall prevent the issue of renewal bonds, or bonds to fund the floating indebtedness of any city, county, or taxing district. Subject to the limits and conditions set forth in that section and elsewhere in the Constitution, the General Assembly has the power to establish additional limits on indebtedness and conditions under which debt may be incurred by counties.

KRS 66.041 provides the same limitations as are set forth in Section 158 of the Constitution except that the limitations apply to “net indebtedness.” In calculating “net indebtedness,” KRS 66.031 provides that certain obligations of a County are not to be considered in the calculation, including self-supporting obligations, revenue bonds, and special assessment debt. Appendix D of this Official Statement is a “Statement of Indebtedness, Kentucky Constitution §§ 157 and 158 and KRS 66.041” certified by the County Judge/Executive or County Treasurer, calculating the amount of the outstanding obligations of the County (including the Bonds) that are subject to the total direct debt limit (2% limit). The total principal amount of General Obligation debt that could be issued by the County, subject to the 2% total direct debt limitation is \$348,425,920 and the County’s net debt subject to such limitation presently outstanding (including the Bonds in the amount of \$17,965,000*) is \$72,333,397* leaving a balance of approximately \$276,092,523* borrowing capacity issuable within such limitation.

However, as described below, the County’s ability to incur debt in these amounts is restricted by tax limitations. In the case of general obligation debt, both the debt limitation and tax limitations must be met.

Tax Limitation

The Kentucky Constitution Section 157 also indirectly imposes a tax limitation on general obligation indebtedness of counties by limiting the tax rates counties may impose upon the value of taxable property to fifty cents (\$.50) on each hundred dollars (\$100) of assessed valuation.

Section 159 of the Kentucky Constitution requires the collection of an annual tax sufficient to pay the interest on contracted indebtedness and to retire indebtedness over a period not exceeding forty years. The two constitutional provisions operate as a limit on general obligation debt. Because the indirect debt limit results from tax limitations and the requirement to levy taxes to pay debt charges, it has application only to debts which are payable from taxes either initially or in the event other pledged non-tax revenues prove to be insufficient. It does not have any application where the type of debt being issued does not pledge the credit of the county or when the debt is payable solely out of the revenues of non-tax sources, such as utility income.

Appendix “D” of this Official Statement contains a Statement of Indebtedness, certified by the County, setting forth the property tax rate currently levied by the County of \$0.14cents per \$100 of assessed value for real property and \$0.1686 cents per \$100 of assessed value for personal property and certifying that the issuance of the Bonds will not cause such rates to increase to an amount which would exceed the maximum permissible rate.

TAX EXEMPTION

Under the laws, regulations, rulings, and judicial decisions in effect as of the dated date, interest, including any original issue discount properly allocable to an owner thereof on the Bonds, is excludable from gross income for Federal income tax purposes, pursuant to the Code. Furthermore, interest on the Bonds will not be treated as a specific item of tax preference in computing the alternative minimum tax for individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. In rendering the opinions described in this paragraph, Bond Counsel has assumed continuing compliance with certain covenants designed to meet the requirements of Section 103 of the Code. Bond Counsel expresses no other opinion as to the federal tax consequences of purchasing, holding, or disposing of the Bonds. Interest on the Bonds is also exempt from income taxation and the Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions.

The Bonds have not been designated as “qualified tax-exempt obligations” with respect to certain financial institutions under Section 265(b) (3) of the Code.

See Appendix C hereto for the form of the opinion Bond Counsel proposes to deliver in connection with the Bonds.

Original Issue Premium

“Acquisition Premium” is the excess of the cost of a bond over the stated redemption price of such bond at maturity or, for bonds that have one or more earlier call dates, the amount payable at the next earliest call date. The Bonds that bear an interest rate that is higher than the yield (as shown on the cover page hereof) (collectively, the “Premium Bonds”) are being initially offered and sold to the public at an Acquisition Premium. For federal income tax purposes, the amount of Acquisition Premium on each bond, the interest on which is excludable from gross income for federal income tax purposes (“tax-exempt bonds”), must be amortized and will reduce the bondholder’s adjusted basis in that bond. However, no amount of amortized Acquisition Premium on tax-exempt bonds may be deducted in determining bondholder’s taxable income for federal income tax purposes. The amount of any Acquisition Premium paid on the Premium Bonds, or on any of the Bonds, that must be amortized during any period will be based on the “constant yield” method, using the original bondholder’s basis in such bonds and compounding semiannually. This amount is amortized ratably over that semiannual period on a daily basis.

Holders of any Bonds, including any Premium Bonds, purchased at an Acquisition Premium should consult their own tax advisors as to the actual effect of such Acquisition Premium with respect to their own tax situation and as to the treatment of Acquisition Premium for Kentucky tax purposes.

Original Issue Discount

The Bonds having a yield that is higher than the interest rate (as shown on the cover page hereof) are being offered and sold to the public at an original issue discount (“OID”) from the amounts payable at maturity thereon (the “Discount Bonds”). OID is the excess of the stated redemption price of a bond at maturity (the face amount) over the “issue price” of such bond. The issue price is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or

wholesalers) at which a substantial amount of bonds of the same maturity are sold pursuant to that initial offering. For federal income tax purposes, OID on each bond will accrue over the term of the bond, and for the Discount Bonds, the amount of accretion will be based on a single rate of interest, compounded semiannually (the “yield to maturity”). The amount of OID that accrues during each semi-annual period will do so ratably over that period on a daily basis. With respect to an initial purchaser of a Discount Bond at its issue price, the portion of OID that accrues during the period that such purchaser owns the Discount Bond is added to such purchaser’s tax basis for purposes of determining gain or loss at the maturity, redemption, sale or other disposition of that Discount Bond and thus, in practical effect, is treated as stated interest, which is excludable from gross income for federal income tax purposes.

Holders of Discount Bonds should consult their own tax advisors as to the treatment of OID and the tax consequences of the purchase of such Discount Bonds other than at the issue price during the initial public offering and as to the treatment of OID for Kentucky tax purposes.

LEGAL MATTERS

General Information

Legal matters incident to the issuance of the Bonds and with regard to the tax-exempt status thereof are subject to the approving legal opinion of English, Lucas, Priest & Owsley, LLP, Bond Counsel. Upon delivery of the Bonds by the County to the successful bidder therefore, the Bonds will be accompanied by an approving opinion dated the date of such delivery, rendered by English, Lucas, Priest & Owsley, LLP. The legal opinion for the Bonds is attached as Appendix C.

Litigation

There is no controversy or litigation of any nature now pending or, to the knowledge of the County, threatened to restrain or enjoin the issuance, sale, execution or delivery of the Bonds or the levy and collection of taxes to pay the Bonds; or questioning the proceedings or authority pursuant to which the Bonds are issued and taxes levied; or questioning or relating to the validity of the Bonds, or contesting the existence of the County or the titles to their respective offices.

The absence of such litigation will be confirmed at the time of delivery of the Bonds.

CONTINUING DISCLOSURE

Pursuant to a Disclosure Dissemination Agent Agreement, to be dated as of the date of issuance and delivery of the Bonds, (the “Disclosure Agreement”) by and between the County (also referred to herein as the “Obligated Person”) and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent” or “DAC”), for the benefit of the holders of the Bonds, and in order to provide certain continuing disclosure with respect to the Bonds, in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”), agree to provide the following:

(i) to the Municipal Securities Rulemaking Board (“MSRB”), or any successor thereto for purposes of the Rule, through the continuing disclosure service portal provided by the MSRB’s Electronic Municipal

Market Access (“EMMA”) system as described in 1934 Act Release No. 59062, or any similar system that is acceptable to the Securities and Exchange Commission, certain annual financial information and operating data, including audited financial statements generally consistent with the information contained in Appendix “A” of the Official Statement under the headings: “Assessed Property Values”, “Top Taxpayers”, “Property Tax Rates”, and Tax Collection History” and Appendix B of the Official Statement (“Financial Data”). The annual financial information shall be provided within 210 days after the end of each fiscal year ending June 30; provided that the audited financial statements may not be available by such date, but will be made available immediately upon delivery thereof by the auditors for the Obligated Person; and;

(ii) to the MSRB, through EMMA, in a timely manner, not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of the following events with respect to the Bonds:

- (a) Principal and interest payment delinquencies;
- (b) Non-payment related defaults, if material;
- (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) Substitution of credit or liquidity providers, or their failure to perform;

(f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax-exempt status of the security;

(g) Modifications to rights of security holders, if material;

(h) Bond calls, if material, and tender offers (except for mandatory scheduled redemptions not otherwise contingent upon the occurrence of an event);

(i) Defeasances;

(j) Release, substitution or sale of property securing repayment of the securities, if material;

(k) Rating changes;

(l) Bankruptcy, insolvency, receivership or similar event of the Obligated Person (Note: For the purposes of this event, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in

possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person);

(m) The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(n) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(o) Incurrence of a financial obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or similar terms of a financial obligation, if material; and

(p) Default, event of acceleration, termination event, modification of terms, or similar events under the terms of a financial obligation any of which reflect financial difficulties.

(iii) in a timely manner, to the MSRB through EMMA, notice of a failure (of which the Obligated Person has knowledge) of the Obligated Person to provide the required annual financial information on or before the date specified in its written Disclosure Agreement.

In the event of a failure of the County or the Disclosure Dissemination Agent to comply with any provision of the Disclosure Agreement, the Bond holder's rights to enforce the provisions of the Disclosure Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

For purposes of this transaction with respect to events as set forth in the Rule:

- (a) there are no debt service reserve funds applicable to the Bonds;
- (b) there are no liquidity providers applicable to the Bonds; and
- (c) there is no property securing the repayment of the Bonds.

The specific nature of the information to be contained in the annual financial information or notices of Material Events (as defined in the Disclosure Agreement) is set forth in Appendix "E" – "FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT." Reference should be made to the Disclosure Dissemination Agent Agreement, Appendix "E", for more complete information regarding the terms, provisions, and covenants.

The County previously entered into Continuing Disclosure Agreements or Disclosure Disseminating Agent Agreements pursuant to the Rule. Pursuant to outstanding Continuing Disclosure Agreements and/or Disclosure Dissemination Agent Agreements, the County is required to file certain annual audited financial statements and operating data with MSRB. The County's annual audited financial statements and operating data have been filed but were not filed timely based on the requirements of the outstanding agreements.

The County previously entered into certain continuing disclosure undertakings in accordance with the Rule (the “Prior Disclosure Undertakings”). During the past five years, the County has complied with all of its continuing disclosure obligations under the Rule, except that the County’s audited financial statements for the fiscal year ended June 30, 2021, 2023 & 2024 and operating data for fiscal year ended June 30, 2021 were unavailable by the filing deadline established under the Prior Disclosure Undertakings. The County posted unaudited financial statements for each fiscal year before the filing deadline and posted the final audited financial statements as soon as available in accordance with the Prior Disclosure Undertakings, except for the Fiscal year ended June 30, 2021. The County intends to file all future Annual Financial Information within the time requirements specified in the Rule, the Prior Disclosure Undertakings, and the Disclosure Undertaking with respect to the Bonds, and the County has adopted policies and procedures to ensure the timely filing thereof, which policies and procedures are available to the public upon request.

In the Ordinance certain procedures to ensure compliance with certain continuing disclosure undertakings (the “Disclosure Undertakings”) to be undertaken by the County in connection with the issuance of Bonds and submission of certain financial and operating data and disclosure of Material Events under the Rule were adopted.

The County intends to meet its continuing disclosure obligations with respect to the Annual Financial Information for all future periods, to the extent the County can control the preparation process and subject to required State approval of the County’s Annual Financial Information. The County, in the Ordinance approving and authorizing the issuance of the Bonds provided, that in the event audited financial statements are not received on or before the 195th day following conclusion of a fiscal year, the Treasurer shall submit a notice for filing with EMMA.

RATINGS

Moody’s Investors Service, Inc. (“Moody’s”) has given the Bonds an underlying rating of “Aa1.” Such rating reflects only the view of Moody’s. An explanation of the significance of the rating given by Moody’s may be obtained from Moody’s Investors Service, 7 World Trade Center at 250 Greenwich Street, Public Finance Group - 23rd Floor, New York, New York 10007. There is no assurance that the rating will continue for any given period of time or that the rating will not be revised downward or withdrawn entirely if, in the judgment of the applicable rating agency, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

UNDERWRITING

The Bonds are being purchased for reoffering by _____. The Underwriter has agreed to purchase the Bonds at an aggregate purchase price of \$_____ (reflecting the par amount of the Bonds, plus Reoffering Premium of \$_____, less underwriter's discount of \$_____). The initial public offering prices which produce the yields set forth on the cover page of this Official Statement may be changed by the Underwriter and the Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the offering prices which produce the yields set forth on the cover page.

FINANCIAL ADVISOR

Compass Municipal Advisors, LLC (“Compass”), Lexington, Kentucky has acted as Financial Advisor to the Issuer in connection with the issuance of the Bonds and will receive a fee, payable from bond proceeds, for their services as Financial Advisor, contingent upon the issuance and sale of the Bonds. In this capacity, Compass has compiled certain data relating to the Bonds that is contained in this Official Statement. Compass is not obligated to undertake, and has not undertaken, either to make an independent verification of, or to assume responsibility for, the accuracy, completeness, or the fairness of the information contained in this Official Statement. Compass is an independent financial advisory firm and is not engaged in the business of underwriting, trading, or distributing securities. Compass is currently contracted with the Kentucky Association of Counties, Inc. (“KACo”), a Kentucky non-profit corporation, to provide joint municipal advisory services for which KACo will be compensated.

OFFICIAL STATEMENT

This Official Statement speaks only as of its date, and the information contained herein is subject to change. This Official Statement and continuing disclosure documents of the County are intended to be made available through MSRB through the EMMA system. Copies of the basic documentation relating to the Bonds, including the authorizing Ordinance and the Bond Certificate forms, are available from the County. Additional information concerning this Official Statement, as well as copies of the basic documentation relating to the Bonds, is available from the Financial Advisor to the County: Compass Municipal Advisors, LLC, 110 West Vine Street, Suite 240, Lexington, Kentucky 40507 (telephone: 859.368.8052) (website: www.compassmuni.com).

MISCELLANEOUS

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, such statements are made as such and not as representations of fact or certainty, and no representation is made that any of such statements will be realized. Information herein has been derived by the County from official and other sources and is believed by the County to be reliable, but such information other than that obtained from official records of the County has not been independently confirmed or verified by the County and its accuracy is not guaranteed. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the holders of the Bonds.

This Official Statement does not, as of its delivery date, contain any untrue statement of a material fact or omit to state a material fact which should be included herein for the purpose for which the Official Statement is to be used or which is necessary in order to make the statements contained herein, in the light of the circumstances under which they were made, not misleading in any material respect.

This Official Statement has been duly executed and delivered for and on behalf of the County by the County Judge/Executive.

WARREN COUNTY, KENTUCKY

By: /s/ Doug Gorman
County Judge/Executive

APPENDIX A

**\$17,965,000
WARREN COUNTY, KENTUCKY
GENERAL OBLIGATION BONDS,
SERIES 2026**

DEMOGRAPHIC AND ECONOMIC DATA

WARREN COUNTY, KENTUCKY

Warren County, the 23rd county in Kentucky, was approved by the state legislature in 1796. The County is located along the banks of the Barren River. The Barren River cuts across Warren County from East to West. Entering Warren County on the eastern edge, the Barren River travels in a northwestern direction across the County and ends as it joins the Green River in the northwestern corner of the County.

In 1797, seven years after the Commonwealth of Kentucky became the 15th state of the U.S., Warren County was formed from the eastern portion of Logan County. The name Warren was chosen to honor General Joseph Warren, a fallen soldier/physician from Massachusetts. General Warren lost his life at the Battle of Bunker Hill during the Revolutionary War.

General Motors has an assembly plant in Bowling Green, the County Seat, in which all Chevrolet Corvettes have been built since 1981. Other significant businesses in Bowling Green include Fruit of the Loom, Houchens Industries, Holley Performance Products, and Camping World.

Located in Bowling Green, Western Kentucky University was established by the Kentucky Legislature in 1906 when two schools for the training of teachers were authorized in the State. On January 1, 1907, the Southern Normal School was transferred to the State of Kentucky and the President of that Institution became President of the Western Kentucky State Normal School. The Kentucky Legislature of 1922 changed the name of the institution to the Western Kentucky State Normal School and Teachers College, and passed an enabling act permitting the institution to confer degrees. In 1930 the name was changed to the Western Kentucky State Teachers College and in 1948 to the Western Kentucky State College. Pursuant to a 1966 Act of the General Assembly of Kentucky, the name of Western Kentucky State College was officially changed to Western Kentucky University.

Bowling Green, the County Seat, is located 62 miles northeast of Nashville, Tennessee; 117 miles southwest of Louisville, Kentucky; and 274 miles southeast of St. Louis, Missouri and 321 miles southwest of Columbus, Ohio.

Form of Government

The Kentucky Constitution of 1891 gave the name “Fiscal Court” to the governing body in each county. The Warren County Fiscal Court is composed of a County Judge/Executive and six Magistrates. Each member of the Fiscal Court serves a four-year term. The title “County Judge/Executive” is a blending of the past and the present, going back to the time when the person elected to this position also presided over judicial proceedings. Although those responsibilities were transferred to Kentucky’s court system in 1978, the title remained. As chief executive officer for the County, the Judge/Executive presides over both the legislative and executive branches of County government. The Magistrates of the Fiscal Court each represent one of six districts in the County.

In addition to the Fiscal Court, a number of other officials are elected and have very important roles in the functioning of County Government. These include the County Attorney, the Sheriff, the Jailer, the County Clerk and the Property Valuation Administrator.

The current members of the Fiscal Court are:

Doug Gorman	Judge/Executive
Scott Lasley	Magistrate – District 1
Tom Lawrence	Magistrate – District 2
Rick Williams	Magistrate – District 3
Rex McWhorter	Magistrate – District 4
Eric Aldridge	Magistrate – District 5
Ron Cummings	Magistrate - District 6

Government Services

The fiscal court directs the operation of county government through its power to provide and finance government services. All counties must adopt administrative codes detailing procedures for the administration of county government (KRS 68.005). The jobs of drafting and periodically reviewing and recommending revisions to the administrative code have been given to the judge/executive (KRS 67.710). The fiscal court holds the power of final approval of the code and any amendments (KRS 68.005).

State law does not limit the areas that the county administrative code may cover, but KRS 68.005 does list several subjects that the code must include. It must include procedures and designate responsibility for

- General administration of county government
- Administration of fiscal affairs
- Personnel administration
- Purchasing and the awarding of contracts
- Delivery of county services

The discretion of county officials in setting administrative procedures is limited; several of the areas covered in the administrative code are subject to some degree of direction or restraint imposed by state law.

Financial Matters

The County Treasurer is the fiscal officer of the County. The County Treasurer is responsible for the accounting, custody and disbursement of the funds of the County. The County Treasurer serves the Fiscal Court as financial advisor in connection with County affairs and performs such other duties as the Fiscal Court requests.

The County's fiscal year commences July 1 and ends the following June 30.

The administrative functions of the County are performed by or under the supervision of the following:

- Establishment of overall financial policy – Fiscal Court
- Planning and development – Fiscal Court
- Assessment of real and personal property – Property Valuation Administrator
- Financial control functions – Finance Director
- Inspection and supervision of the accounts and reports – Auditor of Public Accounts/Independent CPA

Financial Management

The Fiscal Court is responsible for appropriating the funds used to support the various County activities. The Fiscal Court exercises its legislative powers by budgeting, appropriating, levying taxes issuing bonds and notes, and letting contracts for public works and services to provide this financial management.

Financial Reports and Examinations of Accounts

Each County in the State is required to keep its accounting records and render financial reports in such a way as to: (a) determine compliance with statutory provisions; (b) determine fairly and with full disclosure the financial operations of consistent funds and account groups of the County in conformity with generally accepted governmental accounting principles; and (c) readily provide such financial data as may be required by the federal revenue sharing program.

The County's accounting systems are required to be organized and operated on a fund basis. The County maintains its accounts and other fiscal records on an appropriation and modified accrual basis in accordance with the procedures established and prescribed by the Kentucky Department for Local Government.

As required by law, financial reports are prepared annually by the County and filed with the Kentucky Department for Local Government.

The accounting procedures prescribed by the Kentucky Department for Local Government are generally applicable to all counties in Kentucky and may be different from generally accepted government accounting principles as presented and recommended in the National Council on Governmental Accounting publication “Governmental Accounting Auditing and Financial Reporting,” and the Industry Audit Guide of the American Institute of Certified Public Accountants, entitled “Audits of State and Local Governmental Units.” Those publications, among other things, provide for a modified accrual basis of accounting for the general fund, all special revenue funds and the debt service fund, and for a full accrual basis of accounting for all other funds, and further provide for the preparation for each fund of balance sheets, statements of revenues and expenditures, and statements showing changes in fund balances.

Budgeting and Appropriations Procedures

Detailed provisions for County budgeting, tax levies and appropriations are made in the Kentucky Revised Statutes. Counties are required to operate under an annual budget ordinance and no County may expend any moneys from a governmental or proprietary fund except in accordance with such budget. A budget proposal must be submitted to the fiscal court of the county no later than 30 days prior to the beginning of the fiscal year covered by the budget. Upon approval of the proposed budget, counties are required to submit the proposed budget to the State Local Finance Officer of the Commonwealth of Kentucky for approval. A proposed budget that has been approved by the State Local Finance Officer is required to be adopted by the fiscal court of the county no later than July 1 of each year or within ten days after receipt of the certified assessment from the Commonwealth of Kentucky, whichever is later. No budget ordinance may be adopted which provides for appropriations to exceed revenues in a fiscal year.

The full amount estimated to be required for debt service during the budget year must be appropriated. The State Local Finance Officer is authorized to initiate proceedings to compel compliance by the county officials with the requirements imposed by Kentucky law on counties for the administration of their financial affairs.

Debt Limitation

Kentucky Constitution Section 158 provides that counties shall not incur indebtedness to an amount exceeding two percent (2%) of the value of the taxable property therein, to be estimated by the last assessment previous to the incurring of the indebtedness.

Nothing shall prevent the issue of renewal bonds, or bonds to fund the floating indebtedness of any city, county, or taxing district. Subject to the limits and conditions set forth in that section and elsewhere in the Constitution, the General Assembly has the power to establish additional limits on indebtedness and conditions under which debt may be incurred by counties.

KRS 66.041 provides the same limitations as are set forth in the Constitution except that the limitations apply to “net indebtedness.” In calculating “net indebtedness,” KRS 66.031 provides that certain obligations of a municipality are not to be considered in the calculation, including self-supporting obligations, revenue bonds, and special assessment debt.

Other infrequently-issued types of obligations are also excluded from the calculation of net indebtedness. Notes issued in anticipation of bonds excluded from the calculation of net indebtedness are also excluded from such calculation.

The County’s debt limitation is computed below.

2025 Assessed Valuation	\$17,421,296,010
Statutory Debt Limit	2.00%
Maximum Debt Capacity	348,425,920
Debt Subject to Legal Capacity	<u>54,368,397</u>
Total Legal Bonding Capacity	\$ 294,057,523

County's Outstanding Long-Term Debt

Series	Original Par Amount	As of 6/1/26		Final Maturity
		Current Amount Outstanding	Interest Rate Range	
2013A REF	\$5,960,000	\$640,000	3.000% - 3.125%	2028
2013B	\$7,960,000	\$3,260,000	3.125% - 4.000%	2033
2015 REF*	\$17,550,000	\$6,650,000	3.000% - 5.000%	2030
2016A	\$3,000,000	\$1,325,334	2.300%	2032
2017	\$8,295,000	\$5,185,000	3.000% - 5.000%	2037
2017B REF	\$8,660,000	\$7,090,000	3.000% - 4.000%	2039
2018	\$5,715,000	\$3,810,000	3.000% - 3.500%	2037
2019 REF	\$5,892,847	\$2,628,063	2.370%	2030
2020 TAX REF	\$26,680,000	\$20,485,000	1.500% - 2.730%	2038
2020	\$12,200,000	\$9,945,000	1.125% - 5.000%	2041
2022*	\$457,849	\$96,572	3.710%	2027
2023*	\$398,080	\$169,331	5.510%	2028
Totals:	\$102,768,776	\$61,284,299	---	---

* Not subject to debt limitation

Overlapping Indebtedness

Issuer	Amount Outstanding
County of Warren	\$61,284,299
WCDEDC	\$18,719,666
Warren County Library District	\$2,715,000
Warren County Extension District	\$340,000
City of Bowling Green	\$181,282,668
Bowling Green Ind. Schools	\$75,465,250
Warren County Schools	<u>\$524,600,463</u>
Totals:	\$864,407,346

Source: Department for Local Government, Warren County

Tax Limitation

The Kentucky Constitution Section 157 also indirectly imposes a debt limitation on general obligation indebtedness of counties by limiting the tax rates counties may impose upon the value of taxable property to fifty cents (\$0.50) on each hundred dollars of assessed valuation.

Section 159 of the Kentucky Constitution requires the collection of an annual tax sufficient to pay the interest on contracted indebtedness and to retire indebtedness over a period not exceeding forty years. The two constitutional provisions operate as a limit on general obligation debt. Because the indirect debt limit results

from tax limitations and the requirement to levy taxes to pay debt charges, it has application only to debts which are payable from taxes either initially or in the event other pledged non-tax revenues prove to be insufficient. It does not have any application where the type of debt being issued does not ledge the credit of the county or when the debt is payable solely out of the revenues of non-tax sources, such as utility income.

State and Local Property Taxes

The Kentucky Constitution requires the state to tax all classes of taxable property, and state statutes allow local jurisdictions to tax only a few classes. All locally taxed property is subject to county taxes and school district taxes (either a county school district or an independent school district). Property located inside the city limits may also be subject to city property taxes. Property assessments in Kentucky are at 100% fair cash value. Accounts receivable are taxed at 85% of face value. Special local taxing jurisdictions (fire protection districts, watershed districts and sanitation districts) levy taxes within their operating areas (usually a small portion of community or county).

State Property Tax Rates Per \$100 Valuation, 2025

<u>Selected Class of Property</u>	<u>State Rate</u>	<u>Local Taxation Permitted</u>
Real Estate	\$0.1060	Yes
Manufacturing Machinery	\$0.1500	No
Pollution Control Equipment	\$0.1500	No
Inventories:		
Raw Materials	\$0.0500	No
Goods in Process	\$0.0500	No
Finished Goods	\$0.0500	Yes
Goods-In-Transit	Exempt	Limited
Motor Vehicles	\$0.4500	Yes
Other Tangible Personal Property	\$0.4500	Yes

Setting Real Property Tax Rates

Pursuant to KRS 132.027, the County is subject to restrictions in setting its ad valorem tax rate on real property. The County may impose the “compensating tax rate” which is defined as the rate which, rounded to the next higher one tenth of one cent per one hundred dollars of assessed value and applied to the current year’s assessment of the property subject to taxation by a taxing district, excluding new property and personal property, produces an amount of revenue approximately equal to that produced in the preceding year from real property. The “new property” to be excluded from the calculation is defined by statute as the net difference in taxable value between real property additions and deletions to the property tax roll for the current year. Real property additions consist of the following:

1. Property annexed or incorporated by the County;
2. Property, the ownership of which has been transferred from a tax-exempt entity to a nontax-exempt entity;
3. The value of improvements to existing nonresidential property;
4. The value of new residential improvements to property;
5. The value of improvements to existing residential property when the improvement increases the assessed value of the property by fifty percent or more;
6. Property created by the subdivision of unimproved property, provided, that when such property is reclassified from farm to subdivision by the property valuation administrator, the value of such property as a farm shall be a deletion from that category;
7. Property exempt from taxation, as an inducement for industrial or business use, at the expiration of its tax-exempt status;
8. Property, the tax rate of which will change, according to the provisions of KRS 82.085, to reflect additional urban services to be provided by the County, provided, however, that such property shall be considered “real property additions” only in proportion to the additional urban services to be provided to the property over the urban services previously provided; and

9. The value of improvements to real property previously under assessment moratorium. “Real property deletions” is defined as the value of real property removed from, or reduced over the preceding year on, the property tax roll for the current year.

If the County attempts to levy a tax rate which exceeds the compensating tax rate, it must hold a public hearing to hear comments from the public regarding the proposed tax rate. That portion of the tax rate levied which will produce revenue from real property, exclusive of revenue from new property, more than four percent over the amount of revenue produced by the compensating tax rate is subject to a recall vote or reconsideration by the County. Although excluded from the rate calculations, new property is subject to the newly enacted rate generating additional revenue for the County in that tax year.

Setting Tangible Personal Property Tax Rates

The County is not subject to the same restrictions in setting the tangible personal property tax rate as for real property tax rates. The County is, however, subject to the limitations imposed by KRS 132.029. As when setting real property tax rates, the County must perform a series of calculations to determine its personal property tax rates, exclusive of motor vehicles and watercraft. Those calculations can be summarized in four steps:

1. Determine the real property tax rate to be adopted (whether the compensating rate, the 4.0% rate, or a rate in excess of the 4.0% rate);
2. Apply the real property tax rate to the personal property tax roll;
3. Determine whether the revenue generated from applying the new real property tax rate to the new personal property tax roll exceeds the revenue from personal property obtained in the prior year. If so, determine the theoretical percentage increase in personal property tax revenue.
4. If the theoretical percentage increase in personal property tax revenue is less than the actual percentage increase in real property tax revenue to be obtained from the new real property tax rate, the County may increase the personal property tax rate to allow the same percentage increase in personal property tax revenue as the percentage increase in real property tax revenue. If the real property rate is reduced as a result of a voter recall or by act of the County before a vote on the tax rate, the personal property rate must be reduced such that the increase in revenue produced by the personal property tax rate does not exceed the increase in revenue for that year produced by the real property tax rate.

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Property Tax Rates

The following table lists the tax rates for the last five (5) available years as reported by the Department of Revenue, Frankfort, Kentucky:

Taxing Jurisdiction	-----2021-----				-----2022-----				-----2023-----				-----2024-----				-----2025-----			
	Real Estate	Tangible	Documented Watercraft	Motor Vehicle	Real Estate	Tangible	Documented Watercraft	Motor Vehicle	Real Estate	Tangible	Documented Watercraft	Motor Vehicle	Real Estate	Tangible	Documented Watercraft	Motor Vehicle	Real Estate	Tangible	Documented Watercraft	Motor Vehicle
County																				
Extension Services	0.6000	0.8100	0.8100	0.6000	0.6000	0.8000	0.8000	0.6000	0.6000	0.7400	0.7400	0.6000	0.6000	0.7300	0.7300	0.6000	0.6000	0.8100	0.8100	0.6000
General	14.5000	18.8000	0.0000	16.2000	14.5000	18.6200	0.0000	16.2000	14.5000	17.2700	0.0000	16.2000	14.4000	16.8600	0.0000	16.2000	14.0000	16.8600	0.0000	16.2000
Health	2.5000	2.5000	2.5000	2.5000	2.9000	2.9000	2.9000	2.5000	2.9000	2.9000	2.9000	2.9000	2.9000	2.9000	2.9000	2.9000	2.9000	2.9000	2.9000	2.9000
Library	3.9000	4.7600	4.7600	4.3000	3.9000	4.7200	4.7200	4.3000	3.9000	4.3800	0.0000	4.3000	3.8000	4.2000	4.2000	4.3000	3.7000	4.5200	4.5200	4.3000
Soil Conservation	0.2500	0.0000	0.0000	0.0000	0.2500	0.0000	0.0000	0.0000	0.2500	0.0000	0.0000	0.0000	0.2500	0.0000	0.0000	0.0000	0.2500	0.0000	0.0000	0.0000
Total	21.7500	26.8700	8.0700	23.6000	22.1500	27.0400	8.4200	23.6000	22.1500	25.2900	3.6400	24.0000	21.9500	24.6900	7.8300	24.0000	21.4500	25.0900	8.2300	24.0000
Schools																				
Bowling Green Ind	84.2000	84.5000	0.0000	60.2000	84.2000	84.5000	0.0000	60.2000	84.8000	84.8000	0.0000	60.2000	84.8000	84.8000	0.0000	60.2000	84.8000	84.8000	0.0000	60.2000
Warren County	46.1000	46.1000	0.0000	54.5000	46.4000	46.4000	0.0000	54.5000	52.2000	52.2000	0.0000	54.5000	52.2000	52.2000	0.0000	54.5000	52.2000	52.2000	0.0000	54.5000
City																				
Bowling Green	20.5000	26.0000	0.0000	26.0000	20.5000	26.0000	0.0000	26.0000	20.5000	26.0000	0.0000	26.0000	20.4000	26.0000	0.0000	16.2000	20.3000	26.0000	0.0000	16.2000
Oakland*	7.6000	0.0000	0.0000	0.0000	7.6000	0.0000	0.0000	0.0000	7.6000	0.0000	0.0000	0.0000	7.6000	0.0000	0.0000	0.0000	7.6000	0.0000	0.0000	0.0000
Plum Springs	15.0000	0.0000	0.0000	0.0000	15.0000	0.0000	0.0000	0.0000	15.0000	0.0000	0.0000	0.0000	15.0000	0.0000	0.0000	0.0000	15.0000	0.0000	0.0000	0.0000
Smith's Grove	11.4000	13.1300	0.0000	20.0000	1.4000	13.1300	0.0000	20.0000	11.4000	13.1300	0.0000	20.0000	11.4000	13.1300	0.0000	20.0000	11.4000	13.1300	0.0000	20.0000
Woodburn	30.0000	30.0000	0.0000	0.0000	30.0000	30.0000	0.0000	0.0000	30.0000	30.0000	0.0000	0.0000	30.0000	30.0000	0.0000	0.0000	30.0000	30.0000	0.0000	0.0000

TIMBERLAND FIRE PROTECTION 2.0 CENTS PER ACRE
 FIRE FEE \$50 DOLLARS PER REAL ESTATE PARCEL WITH A STRUCTURE
 FIRE FEE \$70 DOLLARS PER COMMERCIAL PROPERTY
 MOBILE HOME FIRE DUES/FEES \$40
 LAND ONLY FIRE DUES/FEES \$10
 APARTMENT COMPLEX FIRE DUES/FEES \$60 PER COMPLEX, PLUS \$10 PER APT CONTAINED THEREIN
 MOBILE HOME PARK DUES/FEES \$60 PER PARK, PLUS \$5 PER MOBILE HOME CONTAINED THEREIN
 *CITY OF OAKLAND - RATES NOT RECEIVED FOR TAX YEARS 2023, 2024 OR 2025. TAX YEAR 2022 RATES ARE DEPICTED FOR THOSE YEARS.

Note: All tax rates are expressed in terms of cents per \$100 of the taxable value of properties subject to taxation.

The table below lists the assessed property valuation of the County as reported by the Department of Revenue, Frankfort, Kentucky:

Assessed Property Valuations

Description	2021	2022	2023	2024	2025
Real Estate	\$10,765,326,733	\$11,424,914,371	\$12,135,375,483	\$13,144,253,279	\$14,452,225,154
Tangible Property	\$1,131,449,903	\$1,209,362,806	\$1,386,944,530	\$1,536,871,398	\$1,522,719,125
Distilled Spirits	\$6,661,043	\$9,699,455	\$8,890,833	\$608,189	\$5,934,183
Motor Vehicle	\$912,485,832	\$1,052,705,106	\$1,355,006,640	\$1,351,262,859	\$1,402,699,516
Watercraft	<u>\$23,438,102</u>	<u>\$25,692,670</u>	<u>\$36,086,007</u>	<u>\$36,934,401</u>	<u>\$37,718,032</u>
Totals:	\$12,839,361,613	\$13,722,374,408	\$14,922,303,493	\$16,069,930,126	\$17,421,296,010

Source: Department of Revenue, Frankfort, Kentucky

Top Real Property Taxpayers

Taxpayer	Real Estate Assessed Value	Percentage of Total Real Property Assessed Values
HUB MULTIFAMILY LLC	\$76,506,827	0.5294%
DRAKE APARTMENTS PARTNERS LLC	\$41,796,425	0.2892%
CHANDLER DRIVE PARTNERS LLC	\$38,291,642	0.2650%
GREENWOOD MALL REALTY HOLDING LLC	\$38,075,010	0.2635%
FAIRWAYS AT HARTLAND XV LLC & FAIRWA	\$36,495,415	0.2525%
BG FEE OWNER (KY) LLC	\$31,784,152	0.2199%
HENKEL US OPERATIONS CORPORATION	\$31,593,612	0.2186%
HUB EAST LLC	\$28,324,724	0.1960%
HUB HOSPITALITY GROUP LLC	\$26,494,856	0.1833%
GENERAL MOTORS LLC % RYAN TAX COMP	\$24,466,200	0.1693%
UNION UNDERWEAR CO	\$23,764,836	0.1644%
KOBE ALUMINUM AUTOMOTIVE PRODUCTS	\$23,039,005	0.1594%
HUB 130 LLC	\$21,005,253	0.1453%
PONTUS IMB PORTFOLIO LLC	\$20,388,500	0.1411%
CUMBERLAND TRACE VILLAGE APARTMENT	\$19,877,769	0.1375%

Source: Warren County PVA

Tax Collection

The County mails real and tangible property tax bills to taxpayers each October. Tax bills are due by December 31st of that year. Taxpayers receive a 2.0% discount on their tax bill if they pay their entire balance on or before November 1st. Taxpayers who pay from November 2nd through December 31st will receive no discount on their

tax bill. Taxpayers who pay between January 1st through January 31st must pay a 5% penalty. Taxpayers who pay after January 31st and before April 15th will pay a 10% penalty as well as a 10% sheriff's fee. If the taxes due are not paid by April 15th, the tax bills are transferred to the County Clerk's office and additional interest and fees will incur until the tax bill is paid.

The County Clerk collects the County's ad valorem tax on motor vehicles pursuant to state statute. Such taxes are due and payable on or before the last day of the month in which a vehicle's registration is renewed.

Ad valorem tax receipts are deposited by the County in its General Fund.

Tax Collection History

	----- Tax Year -----				
	2019	2020	2021	2022 9/1/22 - 8/31/23	2023
Real Estate	\$13,747,203	\$14,655,182	\$15,476,682	\$16,378,375	\$17,444,658
Other	\$1,704,208	\$1,827,096	\$1,791,281	\$2,480,739	\$2,028,842
Gross Chargeable	\$15,451,411	\$16,482,278	\$17,267,963	\$18,859,114	\$19,473,500
Less Credits & Commissions	\$1,126,786	\$1,137,162	\$1,242,575	\$1,325,992	\$1,495,414
Taxes Due	\$14,834,895	\$15,844,942	\$16,779,234	\$17,533,122	\$18,830,118
Taxes Paid	\$14,807,844	\$15,821,805	\$16,692,273	\$17,452,367	\$18,771,836
Collection %	99.82%	99.85%	99.48%	99.54%	99.69%
Refunds	\$27,051	\$23,137	\$87,000	\$83,796	\$1,350
Refunds Due	\$0	\$2	(\$39)	(\$3,041)	\$793

Source: Sheriff's Tax Settlement Reports

Local Occupational Tax

Cities, counties and school districts may levy an occupational license tax on the net profits of businesses and/or on the salaries and wages of employees earned in the jurisdiction. Rates can vary between the two types of occupational license taxes. Occupational license taxes may be levied on businesses as either a flat rate schedule or as a percentage of apportioned net profits or gross receipts. Where both the city and county levy an occupational license tax, a credit may be given, at the option of the local governments, for the amount paid to the city against the occupational license tax of the county.

Taxing Jurisdiction	Tax Rate Salaries/Wages	Tax Rate Net Profits/Receipts
Warren County	1.00%	1.00%
City of Bowling Green	2.00% (school .50%)	2.00% (net profits)
City of Oakland	No tax	No tax
City of Smiths Grove	No tax	No tax
City of Woodburn	No tax	No tax
Bowling Green Independent Schools	No tax	No tax
Warren County School District	0.50% (net profits)	0.50% (net profits)

Source: Kentucky Society of Certified Public Accountants/City of Bowling Green

Employers must withhold and remit fees due on employee compensation to the County quarterly. Quarterly remittances are due on April 30, July 31, October 31, and January 31. Employers who fail to withhold or withhold but fail to remit occupational license fees on employee compensation remain liable to the County for the unpaid amounts.

Top Occupational Taxpayers

Taxpayer	Tax Collected	Percentage of Total Tax Collected
Warren County Board of Education	\$588,712	8.8%
Scotty's Holding	\$282,020	4.2%
Stewart Richey Construction Inc.	\$178,219	2.7%
Brad Kelly	\$168,110	2.5%
Scott & Murphy Inc.	\$156,114	2.3%
M&L Electrical Inc.	\$149,405	2.2%
Commonwealth of Kentucky	\$124,480	1.9%
Clark Beverage Group	\$105,589	1.6%
Warren County Fiscal Court	\$62,606	0.9%
Martin Mareitta Materials	\$51,379	0.8%
District 4 Consumer Directed Options	\$48,291	0.7%

Source: Warren County, 2025

LABOR MARKET STATISTICS

The Labor Market Area includes Allen, Barren, Butler, Edmonson, Hart, Logan, Ohio, Simpson and Todd counties in Kentucky and Sumner County, Tennessee.

Population

Description	2021	2022	2023	2024	2025
Warren County	136,471	138,111	140,121	142,636	148,998
Bowling Green	73,879	74,188	74,926	74,926	80,737
Area Development District/Labor Market	313,912	320,109	319,542	324,761	332,240

Source: Kentucky Center for Economic Statistics

Population Projections

Description	2030	2035	2040	2050
Warren County	156,715	168,303	181,295	209,297

Source: Kentucky State Data Center, University of Louisville

Unemployment Statistics

Description	2020	2021	2022	2023	2024
County of Warren					
Civilian Labor Force	66,633	67,796	69,455	71,203	72,921
Employment	62,586	65,176	66,990	68,404	69,560
Unemployment	4,047	2,620	2,465	2,799	3,361
Unemployment Rate	6.10%	3.90%	3.50%	3.90%	4.60%
State of Kentucky:					
Civilian Labor Force	2,010,262	2,022,997	2,047,025	2,057,308	2,095,496
Employment	1,879,778	1,933,112	1,964,419	1,969,940	1,994,539
Unemployment	130,484	89,885	82,606	87,368	100,957
Unemployment Rate	6.50%	4.40%	4.00%	4.20%	4.80%
US Comparable Rate:					
Unemployment Rate	8.10%	5.30%	3.60%	3.60%	4.00%

Source: The Kentucky Department for Employment Services

APPENDIX B

**\$17,965,000
WARRENCOUNTY, KENTUCKY
GENERAL OBLIGATION BONDS,
SERIES 2026**

FY 2025 AUDITED FINANCIAL STATEMENT

**REPORT OF THE AUDIT OF THE
WARREN COUNTY
FISCAL COURT**

**For The Year Ended
June 30, 2025**

**Roy W Hunter, CPA, PLLC
1890 Star Shoot Parkway
Suite 170-147
Lexington, KY 40509**

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Independent Auditor's Report

To the People of Kentucky
The Honorable Andy Beshear, Governor
Holly M. Johnson, Secretary
Finance and Administration Cabinet
The Honorable Doug Gorman, Warren County Judge/Executive
Members of the Warren County Fiscal Court

Report on the Audit of the Financial Statement***Opinions***

We have audited the accompanying Statement of Receipts, Disbursements, and Changes in Fund Balances – Regulatory Basis of the Warren County Fiscal Court, for the year ended June 30, 2025, and the related notes to the financial statement, which collectively comprise the Warren County Fiscal Court's financial statement as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompany financial statement referred to above presents fairly, in all material respects, the receipts, disbursements, and changes in fund balances – regulatory basis of the Warren County Fiscal Court, for the year ended June 30, 2025, in accordance with accounting practices prescribed or permitted by the Commonwealth of Kentucky as described in Note 1.

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 section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Warren County Fiscal Court, for the year ended June 30, 2025, or the changes in financial position and cash flows thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Fiscal Court Audit Guide* issued by the Auditor of Public Accounts, Commonwealth of Kentucky. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of Warren County Fiscal Court and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

To the People of Kentucky
The Honorable Andy Beshear, Governor
Holly M. Johnson, Secretary
Finance and Administration Cabinet
The Honorable Doug Gorman, Warren County Judge/Executive
Members of the Warren County Fiscal Court

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 Warren County Fiscal Court on the basis of the accounting practices prescribed or permitted by the Department for Local Government to demonstrate 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. 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 and pervasive.

Responsibilities of Management for the Financial Statement

Warren County Fiscal Court's management is responsible for the preparation and fair presentation of the financial statement in accordance with accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws. This includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. 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 Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit 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 Warren County Fiscal Court's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Warren County Fiscal Court's ability to continue as a going concern for a reasonable period of time.

To the People of Kentucky
The Honorable Andy Beshear, Governor
Holly M. Johnson, Secretary
Finance and Administration Cabinet
The Honorable Doug Gorman, Warren County Judge/Executive
Members of the Warren County Fiscal Court

Auditor's Responsibilities for the Audit of the Financial Statement (Continued)

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement taken as a whole of the Warren County Fiscal Court. The Budgetary Comparison Schedules and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the financial statement; however, they are required to be presented in accordance with accounting practices prescribed or permitted by the Department for Local Government to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws.

The accompanying Budgetary Comparison Schedules and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Schedules and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statement as a whole.

Other Information

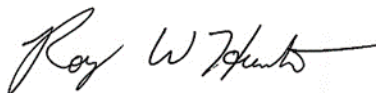
Management is responsible for the other information included in this report. The other information is comprised of the schedule of capital assets but does not include the financial statement and our auditor's report thereon. Our opinions on the financial statement do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statement, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statement, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

To the People of Kentucky
The Honorable Andy Beshear, Governor
Holly M. Johnson, Secretary
Finance and Administration Cabinet
The Honorable Doug Gorman, Warren County Judge/Executive
Members of the Warren County Fiscal Court

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2025, on our consideration of the Warren County Fiscal Court’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 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 Warren County Fiscal Court’s internal control over financial reporting and compliance.

Respectfully submitted,



Roy Hunter, CPA PLLC
Lexington, KY

December 10, 2025

WARREN COUNTY OFFICIALS**For The Year Ended June 30, 2025****Fiscal Court Members:**

Doug Gorman	County Judge/Executive
Scott Lasley	Magistrate
Tom Lawrence	Magistrate
Rick Williams	Magistrate
Rex McWhorter	Magistrate
Eric Aldridge	Magistrate
Ron Cummings	Magistrate

Other Elected Officials:

Amy Hale Milliken	County Attorney
Stephen Harmon	Jailer
Lynette Yates	County Clerk
Brandi Duvall	Circuit Court Clerk
Brett Hightower	Sheriff
Joshua Hardy	Property Valuation Administrator
Kevin Kirby	Coroner

Appointed Personnel:

Greg Burrell	County Treasurer
Joy Guess	Executive Assistant
Crystal Cummings	Fiscal Court Clerk
Billy Joe Simmons	Road Supervisor

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**WARREN COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES - REGULATORY BASIS**

For The Year Ended June 30, 2025

WARREN COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES - REGULATORY BASIS

For The Year Ended June 30, 2025

	<u>Budgeted Funds</u>		
	<u>General Fund</u>	<u>Road Fund</u>	<u>Jail Fund</u>
RECEIPTS			
Taxes	\$ 31,203,734	\$	\$
In Lieu Tax Payments	234,295		
Excess Fees	1,876,882		
Licenses and Permits	3,789,398		
Intergovernmental	4,699,780	3,115,766	6,985,337
Charges for Services	399,932		544,675
Miscellaneous	806,867	3,947	918,939
Interest	3,133,685		30,912
Total Receipts	<u>46,144,573</u>	<u>3,119,713</u>	<u>8,479,863</u>
DISBURSEMENTS			
General Government	13,054,843		
Protection to Persons and Property	5,326,558		9,750,489
General Health and Sanitation	558,417		
Social Services	211,700		
Recreation and Culture	8,131,232		
Roads		2,252,979	
Airports	148,700		
Debt Service	4,156,285		
Capital Projects	2,936,720	3,686,833	
Administration	2,790,523	456,967	2,163,896
Total Disbursements	<u>37,314,978</u>	<u>6,398,951</u>	<u>11,914,385</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>8,829,595</u>	<u>(3,279,238)</u>	<u>(3,434,522)</u>
Other Adjustments to Cash (Uses)			
Borrowed Monies			
Transfers From Other Funds		3,000,000	3,100,000
Transfers To Other Funds	(6,100,000)		
Total Other Adjustments to Cash (Uses)	<u>(6,100,000)</u>	<u>3,000,000</u>	<u>3,100,000</u>
Net Change in Fund Balance	2,729,595	(279,238)	(334,522)
Fund Balance - Beginning (Restated)	<u>87,008,620</u>	<u>728,946</u>	<u>681,330</u>
Fund Balance - Ending	<u>\$ 89,738,215</u>	<u>\$ 449,708</u>	<u>\$ 346,808</u>
Composition of Fund Balance			
Bank Balance	\$ 55,352,125	\$ 1,152,549	\$ 523,082
Plus: Deposits In Transit			75,781
Less: Outstanding Checks	(1,995,166)	(702,841)	(252,055)
Certificates of Deposit	3,010,033		
Investments	33,371,223		
Fund Balance - Ending	<u>\$ 89,738,215</u>	<u>\$ 449,708</u>	<u>\$ 346,808</u>

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

WARREN COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES - REGULATORY BASIS
For The Year Ended June 30, 2025
(Continued)

Budgeted Funds						
Local Government Economic Assistance Fund	Grants Fund	Emergency 911 Fund	Federal Drug Forfeiture Fund	County Clerk Document Storage Fund	Storm Water Fund	Transient Room Tax Fund
\$	\$	\$ 157,703	\$	\$	\$	\$ 1,482,619
344,869	818,626				60,000	
			10,789	226,950	1,948,827	
55,601	164,114		3,811		2,198	245,606
<u>400,470</u>	<u>982,740</u>	<u>157,703</u>	<u>14,600</u>	<u>226,950</u>	<u>2,075,993</u>	<u>1,728,225</u>
295,000				5,585		
34,443		158,129	30,641		1,394,854	
66,250						
						559,137
	1,019,122				545,224	
	10					
<u>395,693</u>	<u>1,019,132</u>	<u>158,129</u>	<u>30,641</u>	<u>5,585</u>	<u>1,940,078</u>	<u>559,137</u>
4,777	(36,392)	(426)	(16,041)	221,365	135,915	1,169,088
4,777	(36,392)	(426)	(16,041)	221,365	135,915	1,169,088
1,373,039	4,885,202	43,683	264,637	385,024	3,719,445	5,208,710
<u>\$ 1,377,816</u>	<u>\$ 4,848,810</u>	<u>\$ 43,257</u>	<u>\$ 248,596</u>	<u>\$ 606,389</u>	<u>\$ 3,855,360</u>	<u>\$ 6,377,798</u>
\$ 1,377,816	\$ 4,986,349	\$ 57,359	\$ 251,505	\$ 606,389	\$ 625,396	\$ 6,377,798
	(137,539)	(14,102)	(2,909)		(56,590)	
					3,286,554	
<u>\$ 1,377,816</u>	<u>\$ 4,848,810</u>	<u>\$ 43,257</u>	<u>\$ 248,596</u>	<u>\$ 606,389</u>	<u>\$ 3,855,360</u>	<u>\$ 6,377,798</u>

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

WARREN COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES - REGULATORY BASIS
For The Year Ended June 30, 2025
(Continued)

	<u>Budgeted Funds</u>		<u>Unbudgeted Funds</u>		
	<u>Tax Incremental Fund</u>	<u>Opioid Settlement Fund</u>	<u>Justice Center Expansion Corporation Fund</u>	<u>Jail Commissary Fund</u>	<u>Total Funds</u>
RECEIPTS					
Taxes	\$ 1,899,172	\$	\$	\$	\$ 34,743,228
In Lieu Tax Payments					234,295
Excess Fees					1,876,882
Licenses and Permits					3,789,398
Intergovernmental			1,789,825		17,814,203
Charges for Services					2,893,434
Miscellaneous		284,640		702,710	2,957,040
Interest	47,707	40,287		27,053	3,813,744
Total Receipts	<u>1,946,879</u>	<u>324,927</u>	<u>1,789,825</u>	<u>729,763</u>	<u>68,122,224</u>
DISBURSEMENTS					
General Government					13,355,428
Protection to Persons and Property					15,300,260
General Health and Sanitation					1,953,271
Social Services					277,950
Recreation and Culture				782,676	8,913,908
Roads					2,252,979
Airports					148,700
Debt Service	1,668,566		1,788,625		8,172,613
Capital Projects					8,187,899
Administration	5,000	61,000	1,200		5,478,596
Total Disbursements	<u>1,673,566</u>	<u>61,000</u>	<u>1,789,825</u>	<u>782,676</u>	<u>64,043,776</u>
iciency) of Receipts Over nts Before Other s to Cash (Uses)	<u>273,313</u>	<u>263,927</u>		<u>(52,913)</u>	<u>4,078,448</u>
Other Adjustments to Cash (Uses)					
Borrowed Monies					
Transfers From Other Funds					6,100,000
Transfers To Other Funds					(6,100,000)
Total Other Adjustments to Cash (Uses)					
Net Change in Fund Balance	273,313	263,927		(52,913)	4,078,448
Fund Balance - Beginning (Restated)	<u>677,648</u>	<u>962,308</u>	<u>5,988</u>	<u>1,095,026</u>	<u>107,039,606</u>
Fund Balance - Ending	<u>\$ 950,961</u>	<u>\$ 1,226,235</u>	<u>\$ 5,988</u>	<u>\$ 1,042,113</u>	<u>\$ 111,118,054</u>
Composition of Fund Balance					
Bank Balance	\$ 950,961	\$ 1,226,235	\$ 5,988	\$ 1,005,557	\$ 74,499,109
Plus: Deposits In Transit					75,781
Less: Outstanding Checks				(43,939)	(3,205,141)
Certificates of Deposit				80,495	3,090,528
Investments					36,657,777
Fund Balance - Ending	<u>\$ 950,961</u>	<u>\$ 1,226,235</u>	<u>\$ 5,988</u>	<u>\$ 1,042,113</u>	<u>111,118,054</u>

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

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**WARREN COUNTY
NOTES TO FINANCIAL STATEMENT**

June 30, 2025

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The financial statement of Warren County includes all budgeted and unbudgeted funds under the control of the Warren County Fiscal Court. Budgeted funds included within the reporting entity are those funds presented in the county's approved annual budget and reported on the quarterly reports submitted to the Department for Local Government. Unbudgeted funds may include non-fiduciary financial activities, private purpose trust funds, and internal service funds that are within the county's control. Unbudgeted funds may also include any corporation to act for and on behalf of, and as the agency and instrumentality of the fiscal court in the acquisition and financing of any public project which may be undertaken by the fiscal court pursuant to the provisions of Kentucky law and thus accomplish a public purpose of the fiscal court. The unbudgeted funds are not presented in the annual approved budget or in the quarterly reports submitted to the Department for Local Government.

The following entities: Bowling Green SPE II and Warren County Downtown Economic Development Authority, Inc. (DEDA) would have been included in the reporting entity under accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. However, under the regulatory basis, they no longer are required components of the reporting entity. Audits of the aforementioned entities can be obtained from the Warren County Fiscal Court.

B. Basis of Accounting

The financial statement is presented on a regulatory basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. This basis of accounting involves the reporting of fund balances and the changes therein resulting from cash inflows (cash receipts) and cash outflows (cash disbursements) to meet the financial reporting requirements of the Department for Local Government and the laws of the Commonwealth of Kentucky.

This regulatory basis of accounting differs from GAAP primarily because the financial statement format does not include the GAAP presentations of government-wide and fund financial statements, cash receipts are recognized when received in cash rather than when earned and susceptible to accrual, and cash disbursements are recognized when paid rather than when incurred or subject to accrual.

Generally, except as otherwise provided by law, property taxes are assessed as of January 1, levied (mailed) November 1, due at discount November 30, due at face value December 31, delinquent January 1 following the assessment, and subject to sale ninety days following April 15.

C. Basis of Presentation

Budgeted Funds

The fiscal court reports the following budgeted funds:

General Fund - This is the primary operating fund of the fiscal court. It accounts for all financial resources of the general government, except where the Department for Local Government requires a separate fund or where management requires that a separate fund be used for some function.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

C. Basis of Presentation (Continued)

Budgeted Funds (Continued)

Road Fund - This fund is for road and bridge construction and repair. The primary sources of receipts for this fund are state payments for truck license distribution, municipal road aid, and transportation grants. The Department for Local Government requires the fiscal court to maintain these receipts and disbursements separately from the general fund.

Jail Fund - The primary purpose of this fund is to account for the jail expenses of the county. The primary sources of receipts for this fund are reimbursements from the state and federal governments, payments from other counties for housing prisoners, and transfers from the general fund. The Department for Local Government requires the fiscal court to maintain these receipts and disbursements separately from the general fund.

Local Government Economic Assistance Fund - The primary purpose of this fund is to account for grants and related disbursements. The primary sources of receipts for this fund are grants from the state and federal governments.

Grants Fund - The primary purpose of this fund is to account for grants and related disbursements. The primary sources of receipts for this fund are grants from the state and federal governments.

Emergency 911 Fund - The primary purpose of this fund is to account for the operation of the 911 system. The primary source of receipts for this fund is the 911 telephone surcharge.

Federal Drug Forfeiture Fund - The primary purpose of this fund is to account for additional law enforcement expenses of the Warren County Drug Task Force. The primary sources of receipts for this fund are federal grants, forfeited cash, and the sale of forfeited property.

County Clerk Document Storage Fund - The primary purpose of this fund is for collection of fees from customers, which is the primary revenue source. These funds are used to support the cost associated with permanent storage of records.

Storm Water Fund - The primary purpose of this fund is to account for storm water retentions and repairs. The primary source of receipts for this fund is fees assessed on water meters.

Transient Room Tax Fund - The primary purpose of this fund is to account for transient room tax receipts. The primary source of receipts for this fund is the taxes collected which are to be used solely for the debt service requirements of the 2017B series bonds which were issued by the fiscal court to advance refund the hotel tax revenue 2010 bonds.

Tax Incremental Fund - The primary purpose of this fund is to account for disbursement of tax incremental financing. The primary source of receipts for this fund is revenue-sharing agreements received from tax incremental financing districts. Funds are used for debt service requirements of the 2020 series bonds which were issued by the fiscal court to advance refund the SKyPAC 2011 series bonds issued by the fiscal court and the parking garage 2011 series bonds issued by the Warren County Downtown Economic Development Authority, Inc.

Opioid Settlement Fund - The primary purpose of this fund is to account for opioid settlements funds received and expended.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

C. Basis of Presentation (Continued)

Unbudgeted Funds

The fiscal court reports the following unbudgeted funds:

Justice Center Expansion Corporation Fund - The primary purpose of this fund is to account for the proceeds and debt service of the First Mortgage Refunding Revenue Bonds, Series 2015. The primary source of receipts for this fund is rental from the Administrative Office of the Courts, Commonwealth of Kentucky.

Jail Commissary Fund - The canteen operations are authorized pursuant to KRS 441.135. The profits generated from the sale of items are to be used for the benefit and to enhance the well-being of the inmates, or to enhance safety and security within the jail. The jailer is required to maintain accounting records and report annually to the county treasurer the receipts and disbursements of the jail commissary fund.

D. Budgetary Information

Annual budgets are adopted on a regulatory basis of accounting according to the laws of Kentucky as required by the state local finance officer, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board.

The county judge/executive is required to submit estimated receipts and proposed disbursements to the fiscal court by May 1 of each year. The budget is prepared by fund, function, and activity and is required to be adopted by the fiscal court by July 1.

The fiscal court may change the original budget by transferring appropriations at the activity level; however, the fiscal court may not increase the total budget without approval by the state local finance officer. Disbursements may not exceed budgeted appropriations at the activity level.

The state local finance officer does not require the jail commissary fund to be budgeted because the fiscal court does not approve the expenses of this fund.

The state local finance officer does not require the justice center expansion corporation fund to be budgeted. Bond indentures and other relevant contractual provisions require specific payments to and from this fund annually.

E. Warren County Elected Officials

Kentucky law provides for election of the officials listed below from the geographic area constituting Warren County. Pursuant to state statute, these officials perform various services for the Commonwealth of Kentucky, its judicial courts, the fiscal court, various cities and special districts within the county, and the board of education. In exercising these responsibilities, however, they are required to comply with state laws. Audits of their financial statements are issued separately and individually and can be obtained from their respective administrative offices. These financial statements are not required to be included in the financial statement of the Warren County Fiscal Court.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

E. Warren County Elected Officials (Continued)

- Circuit Court Clerk
- County Attorney
- Property Valuation Administrator
- County Clerk
- County Sheriff

F. Deposits and Investments

The government's fund balance is considered to be cash on hand, demand deposits, certificates of deposit, and short-term investments with original maturities of three months or less from the date of acquisition. The government's fund balance includes cash and cash equivalents and investments.

KRS 66.480 authorizes the county to invest in 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).

G. Long-term Obligations

The fund financial statement recognizes bond interest, as well as bond issuance costs when received or when paid, during the current period. The principal amount of the debt and interest are reported as disbursements. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as disbursements. Debt proceeds are reported as other adjustments to cash.

H. Related Obligations, Jointly Governed Organizations, and Joint Ventures

A related organization is an entity for which a primary government is not financially accountable. It does not impose will or have a financial benefit or burden relationship, even if the primary government appoints a voting majority of the related organization's governing board. Based on this criteria, the following are considered related organizations of the Warren County Fiscal Court:

Warren County Industrial Development Authority
 South Central Kentucky Regional Development Authority (RDA)
 Southern Kentucky Marketplace, Inc.
 Warren County Cemetery Board
 Warren County Water District

A legal entity or other organization that results from a contractual agreement and that is owned, operated, or governed by two or more participants as a separate activity subject to joint control, in which the participants do not retain (a) an ongoing financial interest or (b) an ongoing financial responsibility is a jointly governed organization. Based on this criteria, the following are considered jointly governed organizations of the Warren County Fiscal Court:

Bowling Green/Warren County Regional Airport Board
 Bowling Green Area Convention and Visitors Bureau

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

H. Related Obligations, Jointly Governed Organizations, and Joint Ventures (Continued)

A legal entity or other organization that results from a contractual agreement and that is owned, operated, or governed by two or more participants as a separate activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility is a joint venture. Based on this criteria, the following are considered joint ventures of the Warren County Fiscal Court:

Bowling Green/Warren County Planning Commission
 Inter-Model Transportation Authority, Inc.

Note 2. Deposits and Investments

A. Deposits

The fiscal court-maintained deposits of public funds with federally insured banking institutions as required by the Department for Local Government's (DLG) *County Budget Preparation and State Local Finance Officer Policy Manual*. The DLG Manual strongly recommends perfected pledges of securities covering all public funds except direct federal obligations and funds protected by federal insurance. In order to be perfected 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 fiscal court 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. These requirements were met.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a depository institution failure, the government's deposits may not be returned. The government does not have a deposit policy for custodial credit risk, but rather follows the requirements of KRS 66.480(1)(d) and KRS 41.240. As of June 30, 2025, all deposits were covered by FDIC insurance or a properly executed collateral security agreement.

B. Investments

As of June 30, 2025, the fiscal court had the following investments and maturities:

I. Cash and Cash Equivalents:

	<u>Cost</u>
Cash	\$ 71,369,749
Certificates of Deposit	3,090,528
Total Cash/Cash Equivalents:	<u>\$ 74,460,277</u>

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 2. Deposits and Investments (Continued)

B. Investments (Continued)

II. Investments:

Type	Cost Basis	Less than 1	1-5	6-10	More than 10
U.S. Government and Agency Bonds	\$10,514,984	\$ -	\$ 5,432,069	\$ 4,462,018	\$ 620,897
U.S. Agencies CMOs	23,976				23,976
Municipal Bonds (Kentucky)	26,118,817	6,715,642	15,540,375	3,267,653	595,147
Total Investments	<u>\$36,657,777</u>	<u>\$ 6,715,642</u>	<u>\$20,972,444</u>	<u>\$ 7,729,671</u>	<u>\$ 1,240,020</u>

Custodial Credit Risk is the risk that, in the event of failure of the counterparty, the fiscal court will not be able to recover the value of its certificates of deposit, investments, or collateral securities that are in the possession of an outside party. The fiscal court's investment policy requires counterparties to provide sufficient collateral or other insurance if any investments or deposits exceed the insurance provided by Federal Deposit Insurance Corporation (FDIC) or the Securities Investor Protection Corporation (SIPC). All certificates of deposit and investments must be held by the counterparty in the fiscal court's name. The fiscal court has \$3,090,528 of certificates of deposit and \$36,657,777 of investments in securities held by the counterparties' trust departments in the fiscal court's name. The counterparty maintains certificates of deposit at depository institutions insured by the FDIC and limits certificates of deposit at each depository institution to the \$250,000 FDIC coverage limit. In addition, the SIPC provides up to \$500,000 coverage for securities and cash (limit of \$250,000 for cash) per client and the counterparties maintain additional insurance coverage for loss of securities and cash above the coverage provided by FDIC and SIPC.

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The fiscal court is statutorily limited as to credit ratings, at the time of purchase. KRS 66.480 and the fiscal court's investment policy define the following items as permissible investments:

- 1) Obligations of the United States and of its agencies and instrumentalities, including obligations subject to repurchase agreements, if delivery of these obligations subject to repurchase agreements is taken either directly or through an authorized custodian. These investments may be accomplished through repurchase agreements reached with sources including but not limited to national or state banks chartered in Kentucky.
- 2) Obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States or a United States government agency, including but not limited to:
 - a. United States Treasury;
 - b. Export-Import Bank of the United States;
 - c. Farmers Home Administration;
 - d. Government National Mortgage Corporation; and
 - e. Merchant Marine bonds.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 2. Deposits and Investments (Continued)

B. Investments (Continued)

- 3) Obligations of any corporation of the United States government, including but not limited to:
 - a. Federal Home Loan Mortgage Corporation;
 - b. Federal Farm Credit Banks;
 - c. Bank for Cooperatives;
 - d. Federal Intermediate Credit Banks;
 - e. Federal Land Banks;
 - f. Federal Home Loan Banks;
 - g. Federal National Mortgage Association; and
 - h. Tennessee Valley Authority.
- 4) Certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution having a physical presence in Kentucky which are insured by the Federal Deposit Insurance Corporation or similar entity or which are collateralized, to the extent uninsured, by any obligations, including surety bonds, permitted by KRS 41.240(4);
- 5) Uncollateralized certificates of deposit issued by any bank or savings and loan institution having a physical presence in Kentucky rated in one of the three highest categories by a competent rating agency;
- 6) Bankers' acceptances for banks rated in one of the three highest categories by a competent rating agency;
- 7) Commercial paper rated in the highest category by a competent rating agency;
- 8) Bonds or certificates of indebtedness of this state and of its agencies and instrumentalities;
- 9) Securities issued by a state or local government, or any instrumentality of agency thereof, in the United States, and rated in one of the three highest categories by a competent rating agency;
- 10) Shares of mutual funds and exchange traded funds, each of which shall have the following characteristics:
 - a. The mutual funds shall be an open-end diversified investment company registered under the Federal Investment Company Act of 1940, as amended.
 - b. The management company of the investment company shall have been in operation for at least five years; and
 - c. All of the securities in the mutual fund shall be eligible investments pursuant to this section.
- 11) Individual equity securities if the funds being invested are managed by a professional investment manager regulated by a federal regulatory agency. The individual equity securities shall be included within the Standard and Poor's 500 Index, and a single sector shall not exceed twenty-five percent (25%) of the equity allocation; and
- 12) Individual high-quality corporate bonds that are managed by a professional investment manager that:
 - a. Are issued, assumed, or guaranteed by a solvent institution created and existing under the laws of the United States;
 - b. Have a standard maturity of no more than ten years; and
 - c. Are rated in the three highest rating categories by at least two competent credit rating agencies.

According to KRS 66.480, the fiscal court is limited to investing no more than 20 percent in categories 5, 6, 7, 9, and 10 above per state statute and the fiscal court's investment policy. As of June 30, 2025, the fiscal court does not have any investments in these categories.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 2. Deposits and Investments (Continued)

B. Investments (Continued)

The fiscal court's rated investments, as of June 30, 2025, and the ratings are presented in the table below. All issuers of the municipal bonds are located in the Commonwealth of Kentucky.

Type	Standard & Poor's/Moody's Credit Ratings				Cost Basis
	AAA/Aaa	AA/Aa	A	Unrated/NA	
U.S. Government and Agency Bonds	\$ 8,899,825	\$ 528,143	\$ 249,941	\$ 837,075	\$ 10,514,984
U.S. Agencies CMOs		23,644		332	23,976
Municipal Bonds	1,851,287	3,812,536	11,678,178	8,776,816	26,118,817
Total Investments	<u>\$ 10,751,112</u>	<u>\$ 4,364,323</u>	<u>\$ 11,928,119</u>	<u>\$ 9,614,223</u>	<u>\$ 36,657,777</u>

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the fiscal court's investment in a single issuer. U.S. Government securities and investments in mutual funds are excluded from this risk. More than 5 percent of the fiscal court's investments are in three securities. KY St PPTY & Bldgs, KY Association of Counties, and Nuveen KY Mun Bond CL A. These investments are 19 percent of the fiscal court's total investments.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The fiscal court's policy provides that, to the extent practicable, investments are matched with anticipated cash flows. Investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period, a single issuer, or an individual class of securities. See table above for investments listed by type and duration.

Note 3. Transfers

The table below shows the interfund operating transfers for fiscal year 2025.

	General Fund	Total Transfers In
Road Fund	\$ 3,000,000	\$ 3,000,000
Jail Fund	3,100,000	3,100,000
Total Transfers Out	<u>\$ 6,100,000</u>	<u>\$ 6,100,000</u>

Reason for transfers:

To move resources from and to the general fund and other funds, for budgetary purposes, to the funds that will expend them.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 4. Custodial Funds

Custodial funds report only those resources held in a trust or custodial capacity for individuals, private organizations, other governments. In accordance with the regulatory basis of accounting, custodial funds are not presented on the financial statement.

The fiscal court has the following custodial funds:

Jail Inmate Fund - This fund accounts for funds received from the inmates. The balance in the jail inmate fund as of June 30, 2025, was \$778,368.

Drug Task Force HIDTA Seized Fund - This fund accounts for funds seized by the Warren County Drug Task Force and held until the court system issues orders on what to do with the funds. The balance in the seized fund as of June 30, 2025, was \$124,876.

Note 5. Leases

A. Lessor

1. Lifeskills, Inc.

On June 26, 2008, the Warren County Fiscal Court began leasing a building to Lifeskills, Inc. The lease is for five years, and it was renewed on June 26, 2023. The Warren County Fiscal Court will receive annual payments of \$1. The Warren County Fiscal Court recognized \$1 in lease revenue during the current fiscal year related to this lease. As of June 30, 2025, the Warren County Fiscal Court's receivable for lease payments was \$1.

2. The Kidz Club – Bowling Green, LLC

In November 2021, the Warren County Fiscal Court purchased Sugar Maple Square and acquired all existing leases of Sugar Maple Square. The Warren County Fiscal Court began leasing retail space in Sugar Maple Square to The Kidz Club – Bowling Green, LLC. The lease is for ten years, and the Warren County Fiscal Court will receive monthly payments of \$7,493 (Payment was \$6,571 for part of the year). The Warren County Fiscal Court recognized \$90,029 in lease revenue during the current fiscal year related to this lease. As of June 30, 2025, the Warren County Fiscal Court's receivable for lease payments was \$44,958.

3. People Ready, Inc.

In November 2021, the Warren County Fiscal Court purchased Sugar Maple Square and acquired all existing leases of Sugar Maple Square. The Warren County Fiscal Court began leasing retail space in Sugar Maple Square to People Ready, Inc. The lease is for five years, and the Warren County Fiscal Court will receive monthly payments of \$1,958. The Warren County Fiscal Court recognized \$23,496 in lease revenue during the current fiscal year related to this lease. As of June 30, 2025, the Warren County Fiscal Court's receivable for lease payments was \$17,622.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 5. Leases (Continued)

A. Lessor (Continued)

4. HC Matthews, Inc.

In November 2021, the Warren County Fiscal Court purchased Sugar Maple Square and acquired all existing leases of Sugar Maple Square. The Warren County Fiscal Court began leasing retail space in Sugar Maple Square to HC Matthews, Inc. (The Laundry). The lease is for six years, and the Warren County Fiscal Court will receive monthly payments of \$2,000. The Warren County Fiscal Court recognized \$24,000 in lease revenue during the current fiscal year related to this lease. As of June 30, 2025, the Warren County Fiscal Court's receivable for lease payments was \$6,000.

5. Grace and Peace Presbyterian Church

In November 2021, the Warren County Fiscal Court purchased Sugar Maple Square and acquired all existing leases of Sugar Maple Square. The Warren County Fiscal Court began leasing retail space in Sugar Maple Square to Grace and Peace Presbyterian Church. The lease is for five years, and the Warren County Fiscal Court will receive monthly payments of \$3,000. The Warren County Fiscal Court recognized \$36,000 in lease revenue during the current fiscal year related to this lease. As of June 30, 2025, the Warren County Fiscal Court does not have a receivable for lease payments since this lease has expired.

6. Major Style

In November 2021, the Warren County Fiscal Court purchased Sugar Maple Square and acquired all existing leases of Sugar Maple Square. The Warren County Fiscal Court began leasing retail space in Sugar Maple Square to Major Style. The lease is month to month, and the Warren County Fiscal Court will receive monthly payments of \$600. The Warren County Fiscal Court recognized \$4,800 in lease revenue during the current fiscal year related to this lease. The lease was terminated in April 2025 and was not renewed.

7. Gentle Pet Care

In November 2021, the Warren County Fiscal Court purchased Sugar Maple Square and acquired all existing leases of Sugar Maple Square. The Warren County Fiscal Court began leasing retail space in Sugar Maple Square to Gentle Pet Care. The lease is month to month, and the Warren County Fiscal Court will receive monthly payments of \$500. The Warren County Fiscal Court recognized \$4,000 in lease revenue during the current fiscal year related to this lease. The lease was terminated in April 2025 and was not renewed.

8. Unified Prosecutorial System

On July 1, 2020, the Warren County Fiscal Court began leasing office space in the Warren County Justice Center to the Unified Prosecutorial System. This lease is a yearly and the Warren County Fiscal Court will receive annual payments of \$68,847. The Warren County Fiscal Court recognized \$68,847 in lease revenue during the current fiscal year related to this lease. As of June 30, 2025, the Warren County Fiscal Court does not have a lease payments receivable since the lease is for month-to-month.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 5. Leases (Continued)

A. Lessor (Continued)

9. Department of Public Advocacy

On July 1, 2020, the Warren County Fiscal Court began leasing office space in the Warren County Justice Center to the Department of Public Advocacy. This is a yearly lease, and the Warren County Fiscal Court will receive annual payments of \$82,551. The Warren County Fiscal Court recognized \$82,551 in lease revenue during the current fiscal year related to this lease.

10. Administrative Office of the Courts

On December 1, 2005, the Warren County Fiscal Court began leasing office space in the Warren County Justice Center to the Administrative Office of the Courts. This lease is for 25 years, and the Warren County Fiscal Court will receive bi-annual payments of \$896,738. The Warren County Fiscal Court recognized \$1,789,825 in lease revenue during the current fiscal year related to this lease.

11. SoKY Marketplace, Inc.

On September 25, 2007, the Warren County Fiscal Court began leasing a renovated church and pavilion to the SoKY Marketplace, Inc. This lease is for five years and the Warren County Fiscal Court will receive annual payments of \$1. The Warren County Fiscal Court recognized \$1 in lease revenue during the current fiscal year related to this lease. As of June 30, 2025, the Warren County Fiscal Court's receivable for lease payments was \$3.

12. Warren County Public Library

On January 1, 2025, the Warren County Fiscal Court began leasing a renovated church and pavilion to the Warren County Public Library. This lease is for five years and the Warren County Fiscal Court will receive annual payments of \$1. The Warren County Fiscal Court recognized \$1 in lease revenue during the current fiscal year related to this lease. As of June 30, 2025, the Warren County Fiscal Court's receivable for lease payments was \$4.

13. Contractor's Licensing Board

In July 1, 2020, the Warren County Fiscal Court began leasing office space. The lease is for five year, and the Warren County Fiscal Court will receive a yearly payment of \$7,490. The Warren County Fiscal Court recognized \$0 in lease revenue during the current fiscal year related to this lease. The rental income for fiscal year 2025 was received and recorded in June 30, 2024. As of June 30, 2025, the Warren County Fiscal Court's receivable for lease payments was \$0.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 5. Leases (Continued)

B. Lessee

1. Enterprise FM Trust

On July 15, 2016, the county entered into a lease agreement with Enterprise FM Trust to lease several vehicles for use by the Warren County Fiscal Court. Enterprise FM Trust will, on or about the date of delivery of each vehicle to the county, include a schedule covering the vehicle, which will include a description of the vehicle, the lease term, and the monthly rental and other payments due with respect to the vehicle. The agreement is a lease only and the county will not have right, title, or interest in or to the vehicles except for the use of the vehicles as described in the agreement. The lease term commences on the delivery date of the vehicle and ends either 72, 60 or 48 months after the first full month rental payment date with an option to continue month-to-month for an unlimited period of time. During fiscal year 2025, the county leased between 106-131 vehicles with total lease payments including other fees and charges of \$1,040,110. The lease payments required under the leasing agreement for the fiscal years ending June 30, 2025, and thereafter are as follows:

Fiscal Year Ended June 30	Amount
2026	\$ 972,019
2027	773,444
2028	585,896
2029	390,741
2030	196,820
2031	<u>72,863</u>
Total Lease Payments	<u>\$ 2,991,783</u>

2. Warren County Downtown Economic Development Authority, Inc.

The county entered into a Local Participation Agreement dated May 1, 2012, with the City of Bowling Green (the city), Kentucky and the Warren County Downtown Economic Development Authority (DEDA). The agreement required DEDA to undertake the acquisition, construction, and operation of the baseball park and parking garage. In return, the city and county pledged 80 percent of identified tax receipts to support the payment of debt service related to the project for a period of up to 30 years.

On August 1, 2012, the City of Bowling Green entered into a sublease agreement to provide a backstop revenue pledge for a mixed-use development. The pledge was designed to cover debt service shortfalls on \$20,500,000 in variable rate taxable industrial building revenue bonds (IRB) (Series 2012) issued by Warren County Fiscal Court for the benefit of a local sub-developer.

The project supported by the pledged revenue is located in downtown Bowling Green and consists of over 100,000 square feet of mixed-use development that connects to a parking structure, on College and 8th Streets, adjacent to the Bowling Green Ballpark. In August 2013, the City of Bowling Green's Board of Commissioners approved an amendment to the city's parking sublease to cover an additional borrowing of \$5,000,000 in variable rate debt in order to complete construction of the development.

The City of Bowling Green agreed to sublease parking facilities in the structure connected to the above-referenced project from the sub-developer, who in-turn subleases the parking garage from Warren County Fiscal Court. In May 2012, an Agreement on Sharing of Revenues was executed between the city, county, and the Warren County Downtown Economic Development Authority that outlined the revenue streams from the TIF district pledged to cover the IRB debt. The City of Bowling Green's parking sublease agreement is the final line of revenue pledged, following: (1) lease revenues from the building, (2) 80% of State TIF revenues from Blocks 4A, 5, 8, and 10 in the TIF District, (3) 80% of TIF revenues generated by the key tenant of the building, and (4) any debt service reserve funds available from the permanent financing issue scheduled each December.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 5. Leases (Continued)

B. Lessee (Continued)

2. Warren County Downtown Economic Development Authority, Inc. (Continued)

In March 2015, the City of Bowling Green agreed to assign all State TIF revenues to Warren County Fiscal Court and to adjust city base revenues in specific blocks within the TIF District. In exchange for the adjusted base revenues, the County will provide an annual, renewable lease to fund city debt service shortfalls. The city also agreed to convert the annual, renewable parking sublease General Obligation sublease as part of the permanent bond issue that closed in January 2016. The City of Bowling Green considers the previous risk of funding debt shortfalls eliminated with the reassignment of the city's share of State TIF revenues to Warren County Fiscal Court, and the County's pledge to reimburse the city for any shortfalls on debt service of the IRB financing. At the end of the bond term (30 years), the County will receive title to the ballpark. In FY 2025, Warren County Fiscal Court was required to fund an additional \$623,159 related to the required debt service shortfalls.

3. Postage Machine – County Treasurer

On January 8, 2020 (Renewed on February 13, 2025), the Warren County Fiscal Court entered into a five-year lease agreement as lessee for the use of a postage machine. An initial lease liability was recorded in the amount of \$23,216 during the current fiscal year. As of June 30, 2025, the value of the lease liability was \$22,055. The Warren County Fiscal Court is required to make quarterly payments of \$1,161.

The remaining lease payments as of June 30, 2025 were as follows:

Fiscal Year Ended June 30	Amount
2026	\$ 4,643
2027	4,643
2028	4,643
2029	4,643
2030	<u>3,483</u>
Total Lease Payments	<u>\$ 22,055</u>

4. Copier – Public Works

On July 1, 2022, the Warren County Fiscal Court entered into a five-year lease agreement as lessee for the use of a copier. An initial lease liability was recorded in the amount of \$9,278 during fiscal year 2023. As of June 30, 2025, the value of the lease liability was \$3,711. The Warren County Fiscal Court was required to make monthly payments of \$155. The remaining lease payments as of June 30, 2025 were as follows:

Fiscal Year Ended June 30	Amount
2026	\$ 1,856
2027	<u>1,855</u>
Total Lease Payments	<u>\$ 3,711</u>

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 5. Leases (Continued)

B. Lessee (Continued)

5. Copier - Parks

On January 6, 2021, the Warren County Fiscal Court entered into a five-year lease agreement as lessee for the use of copiers. An initial lease liability was recorded in the amount of \$241,817 during fiscal year 2022. As of June 30, 2025, the value of the lease liability was \$24,182. The Warren County Fiscal Court is required to make monthly payments of \$4,030. The remaining lease payments as of June 30, 2025 were as follows:

Fiscal Year Ended June 30	Amount
2026	\$ 24,182
Total Lease Payments	\$ 24,182

6. Fitness Equipment – Senior Center

On December 17, 2024 (Renewed the original lease date - December 17, 2019), the Warren County Fiscal Court entered into a four-year lease agreement as lessee for the use of fitness equipment. An initial lease liability was recorded in the amount of \$82,201 during fiscal year 2024. As of June 30, 2025, the value of the lease liability was \$51,376. The Warren County Fiscal Court is required to make monthly payments of \$1,713. The remaining lease payments as of June 30, 2025 were as follows:

Fiscal Year Ended June 30	Amount
2026	\$ 20,550
2027	20,550
2028	10,276
Total Lease Payments	\$ 51,376

7. Copier – Detention Center

On March 20, 2024 (Renewed original lease dated March 20, 2021), the Warren County Fiscal Court entered into a 29-month lease agreement as lessee for the use of a copier. An initial lease liability was recorded in the amount of \$47,378 during fiscal year 2024. As of June 30, 2025, the value of the lease liability was \$27,773. The Warren County Fiscal Court is required to make monthly payments of \$1,634. The remaining lease payments as of June 30, 2025 were as follows:

Fiscal Year Ended June 30	Amount
2026	\$ 19,605
2027	8,168
Total Lease Payments	\$ 27,773

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 5. Leases (Continued)

B. Lessee (Continued)

8. 2023 Freightliner Grapple Truck

On March 23, 2023, the Warren County Fiscal Court entered into a two-year lease agreement as lessee for the use of a 2023 Freightliner Grapple Truck. An initial lease liability was recorded in the amount of \$132,000 during the fiscal year 2023. As of June 30, 2025, the value of the lease liability was \$0

9. Software – Stormwater

On August 1, 2023, the Warren County Fiscal Court entered into a five-year lease agreement as lessee for the use of Work Order Software for Stormwater Department. An initial lease liability was recorded in the amount of \$145,085 during fiscal year 2024. As of June 30, 2025, the value of the lease liability was \$87,051. The Warren County Fiscal Court is required to make annual payment of \$29,017. The remaining lease payments as of June 30, 2025 were as follows:

Fiscal Year Ended June 30	Amount
2026	\$ 29,017
2027	29,017
2028	<u>29,017</u>
Total Lease Payments	<u>\$ 87,051</u>

10. Copier

On August 30, 2023, the Warren County Fiscal Court entered into a five-year lease agreement as lessee for the use of a copier. An initial lease liability was recorded in the amount of \$8,173 during fiscal year 2024. As of June 30, 2025, the value of the lease liability was \$5,312. The Warren County Fiscal Court is required to make monthly payments of \$136. The remaining lease payments as of June 30, 2025 were as follows:

Fiscal Year Ended June 30	Amount
2026	\$ 1,635
2027	1,635
2028	1,635
2029	<u>407</u>
Total Lease Payments	<u>\$ 5,312</u>

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 5. Leases (Continued)

B. Lessee (Continued)

11. Copier – Fiscal Court

On August 10, 2023, the Warren County Fiscal Court entered into a five-year lease agreement as lessee for the use of a copier. An initial lease liability was recorded in the amount of \$17,079 during fiscal year 2024. As of June 30, 2025, the value of the lease liability was \$10,817. The Warren County Fiscal Court is required to make monthly payments of \$285. The remaining lease payments as of June 30, 2025 were as follows:

Fiscal Year Ended June 30	Amount
2026	\$ 3,415
2027	3,415
2028	3,415
2029	<u>572</u>
Total Lease Payments	<u>\$ 10,817</u>

12. Copier – Treasurer’s Office

On August 30, 2023, the Warren County Fiscal Court entered into a five-year lease agreement as lessee for the use of a copier. An initial lease liability was recorded in the amount of \$14,816 during the current fiscal year. As of June 30, 2025, the value of the lease liability was \$13,405. The Warren County Fiscal Court is required to make monthly payments of \$235. The remaining lease payments as of June 30, 2025 were as follows:

Fiscal Year Ended June 30	Amount
2026	\$ 2,822
2027	2,822
2028	2,822
2029	2,822
2030	<u>2,117</u>
Total Lease Payments	<u>\$ 13,405</u>

Note 6. Long-term Debt

A. Direct Borrowings and Direct Placements

1. General Obligation Lease (Farmer’s Market), Series 2016

On December 23, 2016, the Warren County Fiscal Court entered into a lease agreement with JP Morgan Chase Bank in the amount of \$3,000,000 for the financing, acquisition, development, construction, and operation of a Farmer’s Market Kitchen to be owned and operated by the county as a public project as well as for the acquisition of a fire truck and equipment. Interest payments are due June 1 and December 1 beginning June 1, 2017. Principal payments are due every December 1 beginning December 1, 2018. The final installment is due on December 1, 2031. The effective interest rate is 2.3%.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 6. Long-term Debt (Continued)

A. Direct Borrowings and Direct Placements (Continued)

1. General Obligation Lease (Farmer's Market), Series 2016 (Continued)

Whenever any event of default has occurred and is continuing the lessor may, without further demand or notice, take one or any combination of the following remedial steps:

- a. by appropriate court action, enforce the pledge set forth in section 4 of the ordinance and section 10 of this lease so that during the remaining lease term there is levied on all the taxable property within the county, in addition to all other taxes, without limitations as to the rate or amount, a direct tax annually in an amount sufficient to pay the lease rental payments when and as due;
- b. take whatever action at law or in equity may appear necessary or desirable to enforce its rights in and to the facility under this lease (including, without limitation, the right to possession of the facility and the right to sell or re-lease or otherwise dispose of the facility in accordance with applicable law), and/or take whatever action at law or in equity may appear necessary or desirable to enforce performance by the lessee of the applicable covenants and agreements of the lessee under this lease (subject, however, to the limitations thereon contained in this lease) and to recover damages for the breach thereof.

As of June 30, 2025, the principal balance was \$1,528,980. Future principal and interest requirements are:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 203,646	\$ 32,825
2027	208,385	28,086
2028	213,233	23,238
2029	218,195	18,276
2030	223,272	13,199
2031-2032	462,249	10,693
Totals	<u>\$ 1,528,980</u>	<u>\$ 126,317</u>

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 6. Long-term Debt (Continued)

A. Direct Borrowings and Direct Placements (Continued)

2. General Obligation Refunding Bonds, Series 2019

On June 4, 2019, the Warren County Fiscal Court issued obligations of \$5,892,847 for the purpose of refunding the Warren County, Kentucky General Obligation Refunding Bonds, Series 2009B, dated December 1, 2009, in the principal amount of \$9,490,000. Principal is paid annually on September 1. The interest rate is 2.370% with semi-annual interest payments due on the first of March and September. The final maturity date of these bonds is March 1, 2030.

In the event of payment default, the bank may seek all remedies available to it under law in the Commonwealth of Kentucky or equity, including foreclosure of the mortgage.

As of June 30, 2025, the principal balance was \$3,209,804. Future principal and interest requirements are:

Fiscal Year Ended June 30	Amount	Scheduled Interest
2026	\$ 581,741	\$ 69,179
2027	602,171	55,149
2028	621,876	40,644
2029	640,839	25,681
2030	763,177	9,044
Totals	<u>\$ 3,209,804</u>	<u>\$ 199,697</u>

3. Financing Obligation – Sheriff Vehicles 2022

On July 14, 2022, the Warren County Fiscal Court entered into a lease agreement with the Kentucky Association of Counties Leasing Trust for the purchase of eleven sheriff vehicles for the sheriff department. The principal amount of the lease was \$457,849. The agreement requires semi-annual principal and interest payments due March and September. The interest rate is 3.71%. The maturity date is March 20, 2027.

Upon the occurrence of an event of default, and as long as the event of default is continuing, the lessor may, at its option, exercise any one or more of the following remedies as to the project, to whichever the event of default pertains:

- a. Terminate the lease term and give notice to the lessee to vacate or surrender the project within 60 days from the date of such notice;
- b. By written notice to the lessee, enter and take immediate possession of the project;
- c. Recover from the lessee:
 - i. the lease payments which would otherwise have been payable hereunder during any period in which the lessee continues to use, occupy, or retain possession of the project; and
 - ii. Lease payments which would otherwise have been payable hereunder after the lessee vacates or surrenders the project during the remainder of the fiscal year in which such event of default occurs;

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 6. Long-term Debt (Continued)

A. Direct Borrowings and Direct Placements (Continued)

4. Financing Obligation – Sheriff Vehicles 2022 (Continued)

- d. Sell or lease the project or sublease it for the account of the lessee, holding the lessee liable for all lease payments and other payments due during the remaining lease term to the extent that such selling, leasing or subleasing fails to provide amounts which are sufficient to pay the remaining lease payments when due, with any proceeds of the sale of the project being applied first to all past due lease payments and then to the portion of the lease payments applicable to the principal component in inverse order of their due date; and
- e. Exercise any other right, remedy or privilege which may be available to it under the applicable laws of the Commonwealth or any other applicable law, subject to the limitations contained in this lease with respect to the lessees obligations upon the occurrence of an event of nonappropriation; or proceed by appropriate court action to enforce the terms of this lease or to recover damages for the breach of this lease or to rescind this lease as to any or all of the project, including, but not limited to, any one or more remedial steps available to secured parties under Article 9 of the UCC and which are otherwise accorded to the lessor by applicable law.

As of June 30, 2025, the principal balance was \$190,137. Future principal and interest requirements are:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 93,566	\$ 6,228
2027	96,571	2,710
Totals	<u>\$ 190,137</u>	<u>\$ 8,938</u>

5. Financing Obligation – Sheriff Vehicles 2023

On August 23, 2023, the Warren County Fiscal Court entered into a lease agreement with the Kentucky Association of Counties Leasing Trust for the purchase of ten sheriff vehicles for the sheriff department. The principal amount of the lease was \$398,080. The agreement requires semi-annual principal and interest payments due May and November. The interest rate is 5.510%. The maturity date is May 20, 2028.

Upon the occurrence of an event of default, and as long as the event of default is continuing, the lessor may, at its option, exercise any one or more of the following remedies as to the project, to whichever the event of default pertains:

- a. Terminate the lease term and give notice to the lessee to vacate or surrender the project within 60 days from the date of such notice;
- b. By written notice to the lessee, enter and take immediate possession of the project;
- c. Recover from the lessee:
 - iii.the lease payments which would otherwise have been payable hereunder during any period in which the lessee continues to use, occupy, or retain possession of the project; and
 - iv.Lease payments which would otherwise have been payable hereunder after the lessee vacates or surrenders the project during the remainder of the fiscal year in which such event of default occurs;

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 6. Long-term Debt (Continued)

A. Direct Borrowings and Direct Placements (Continued)

5. Financing Obligation – Sheriff Vehicles 2023 (Continued)

- d. Sell or lease the project or sublease it for the account of the lessee, holding the lessee liable for all lease payments and other payments due during the remaining lease term to the extent that such selling, leasing or subleasing fails to provide amounts which are sufficient to pay the remaining lease payments when due, with any proceeds of the sale of the project being applied first to all past due lease payments and then to the portion of the lease payments applicable to the principal component in inverse order of their due date; and
- e. Exercise any other right, remedy or privilege which may be available to it under the applicable laws of the Commonwealth or any other applicable law, subject to the limitations contained in this lease with respect to the lessees obligations upon the occurrence of an event of nonappropriation; or proceed by appropriate court action to enforce the terms of this lease or to recover damages for the breach of this lease or to rescind this lease as to any or all of the project, including, but not limited to, any one or more remedial steps available to secured parties under Article 9 of the UCC and which are otherwise accorded to the lessor by applicable law.

As of June 30, 2025, the principal balance was \$247,847. Future principal and interest requirements are:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 78,516	\$ 12,709
2027	82,547	8,286
2028	86,784	3,636
Totals	<u>\$ 247,847</u>	<u>\$ 24,631</u>

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 6. Long-term Debt (Continued)

B. Other Debt

1. General Obligation Refunding Bonds, Series 2013A

On July 17, 2013, the Warren County Fiscal Court issued obligations of \$5,960,000 to pay the bond issuance costs and to advance refund the following debt of the fiscal court: General Obligation Improvement Bonds, Series 2002; General Obligation Improvement Bonds, Series 2004; General Obligation Refunding Bonds, Series 2004B; and KPAD issue (Kentucky Public Agency Development Lease Certificates of Participation). Principal is payable annually on February 1. The interest rate varies from 2% to 3.125% with semi-annual interest payments on the first of February and August. The final maturity date of these bonds is February 1, 2028. As of June 30, 2025, the principal balance was \$945,000. Future principal and interest requirements are:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 305,000	\$ 29,071
2027	315,000	19,921
2028	325,000	10,156
Totals	<u>\$ 945,000</u>	<u>\$ 59,148</u>

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 6. Long-term Debt (Continued)

A. Other Debt (Continued)

2. General Obligation Improvement Bonds, Series 2013B

On August 15, 2013, the Warren County Fiscal Court issued obligations of \$7,960,000 to pay the bond issuance costs and to finance upgrading the county 911 system, acquiring radios for use by the county, and the Smallhouse Roadway Realignment Project. Principal is payable annually on June 1. The interest rate varies from 1% to 4% with semi-annual interest payments on the first of December and June. The final maturity date of these bonds is June 1, 2033. As of June 30, 2025, the principal balance was \$3,665,000. Future principal and interest requirements are:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 405,000	\$ 131,619
2027	420,000	119,469
2028	430,000	106,344
2029	445,000	92,368
2030	465,000	76,238
2031-2033	<u>1,500,000</u>	<u>120,400</u>
Totals	<u>\$ 3,665,000</u>	<u>\$ 646,438</u>

3. First Mortgage Refunding Revenue Bonds (AOC Judicial Facility), Series 2015

On September 24, 2015, the Warren County Justice Center Expansion Corporation (the "Corporation") issued revenue bonds of \$17,550,000 to pay the bond issuance costs and fully refund the First Mortgage Revenue Bonds, Series 2005. The 2015 series bonds were issued at various rates from 3.00% to 5.00%. Principal is payable annually on September 1 and interest is payable semiannually on September 1 and March 1. The final maturity date of these bonds is September 1, 2029.

Upon the happening and continuance of any event of default to protect and enforce its rights and the rights of the owners of the bonds by such of the following remedies, as the trustee, being advised by counsel, will deem most effectual to protect and enforce such rights:

- (a) by enforcement of the foreclosable mortgage lien on the project site and improvements granted by the mortgage, and in such event the trustee will take over possession, custody and control of the project and will operate or carry out decretal sale of same with due regard to state and federal law and the covenants contained in the lease for the benefit of the owners of the bonds. Provided, however, that no such foreclosure sale will result in a deficiency judgment of any type or in any amount against AOC, the county or the corporation, and until such sale the county may at any time by the discharge of the bonds and interest and any premium thereon receive an unencumbered fee simple title to the mortgaged facilities; provided that in the event of any such enforcement of said lien by the trustee, there will first be paid all expenses incident to said document, and thereafter the bonds then outstanding will be paid and retired;

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 6. Long-term Debt (Continued)

B. Other Debt (Continued)

3. First Mortgage Refunding Revenue Bonds (AOC Judicial Facility), Series 2015 (Continued)

- (b) by mandamus or other suit, action or proceeding at law or in equity, to enforce all rights of the owners of the bonds, including the right to require the corporation to enforce fully the lease and to charge, collect and fully account for the pledged receipts, and to require the corporation to carry out any and all other covenants or agreements with the bondholders and to perform its duties under the act;
- (c) by bringing suit upon the bonds;
- (d) by action or suit in equity, require the corporation to account as if it were the trustee of an express trust for the owners of the bonds;
- (e) by action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the owners of the bonds;
- (f) by declaring all bonds due and payable, and if all defaults will be made good, then, with the written consent of the owners of not less than 25% in a principal amount of the outstanding bonds, by annulling such declaration and its consequences; and
- (g) in the event that all bonds are declared due and payable, by selling investment obligations of the corporation (to the extent not theretofore set aside for redemption of the bonds for which call has been made) and enforcing all chooses in action of the corporation to the fullest legal extent in the name of the corporation for the use and benefit of the owners of the bonds.

As of June 30, 2025, the principal balance was 8,170,000. The Administrative Office of the Courts, Commonwealth of Kentucky, has agreed to make the payments due below on behalf of the fiscal court. Future principal and interest requirements are:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 1,520,000	\$ 269,500
2027	1,600,000	191,500
2028	1,660,000	126,600
2029	1,715,000	75,975
2030	1,675,000	25,125
Totals	<u>\$ 8,170,000</u>	<u>\$ 688,700</u>

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 6. Long-term Debt (Continued)

B. Other Debt (Continued)

4. General Obligation Bonds, Series 2017

On August 16, 2017, the Warren County Fiscal Court issued obligations of \$8,295,000 for the purpose of financing (i) the cost of the acquisition, development, and construction of gymnasium and fitness center buildings, and other capital improvements and buildings owned and operated by the county to be used for a public purpose, (facilities), including reimbursement of cost incurred and/or paid by the county for the acquisition, development, and construction of the facilities, (ii) the payment of capitalized and/or accrued interest, if any; and (iii) the payment of the cost of issuance. Principal is paid annually on June 1. The interest rate varies from 2% to 5% with semi-annual interest payments due on the first of June and December. The final maturity date of these bonds is June 1, 2037. As of June 30, 2025, the principal balance was \$5,570,000. Future principal and interest requirements are:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 385,000	\$ 175,681
2027	395,000	164,131
2028	415,000	144,382
2029	430,000	131,932
2030	445,000	119,032
2031-2035	2,425,000	387,410
2036-2037	1,075,000	49,958
Totals	<u>\$ 5,570,000</u>	<u>\$ 1,172,526</u>

5. General Obligations Bonds, Series 2017B

On December 13, 2017, the Warren County Fiscal Court issued obligations of \$8,660,000 for the purpose of financing (i) the refunding of the Warren County, Kentucky Hotel Tax Revenue Bonds, Series 2010 (Build America Bonds-Direct Payment, dated February 1, 2010 ("Prior Bonds"), pursuant to the Refunding Plan, (ii) the payment of accrued interest, if any and (iii) the payment of the cost of issuance. Principal is paid annually on June 1 starting fiscal year 2021. The interest rate varies from 3% to 4% with semi-annual interest payments due on the first of June and December. The final maturity date of these bonds is June 1, 2039. As of June 30, 2025, the principal balance was \$7,415,000. Future principal and interest requirements are:

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 6. Long-term Debt (Continued)

B. Other Debt (Continued)

5. General Obligations Bonds, Series 2017B (Continued)

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 325,000	\$ 252,337
2027	350,000	239,337
2028	375,000	225,338
2029	410,000	210,338
2030	445,000	193,938
2031-2035	2,680,000	746,640
2036-2039	<u>2,830,000</u>	<u>227,182</u>
Totals	<u>\$ 7,415,000</u>	<u>\$ 2,095,110</u>

6. General Obligation Bonds (Energy Savings Project), Series 2018

On December 7, 2018, the Warren County Fiscal Court issued obligations of \$5,715,000 for the purpose of financing (i) the acquisition and installation of energy efficient and saving improvements for county buildings and facilities, and other capital improvements and buildings owned and operated by the county to be used for a public purpose; (ii) the payment of capitalized and/or accrued interest, if any; and (iii) the payment of the cost of issuance. Principal is paid annually on June 1. The interest rate varies from 3% to 4% with semi-annual interest payments due on the first of June and December. The final maturity date of these bonds is December 1, 2036. As of June 30, 2025, the principal balance was \$4,135,000. Future principal and interest requirements are:

Fiscal Year Ended June 30	Amount	Scheduled Interest
2026	\$ 325,000	\$ 132,794
2027	345,000	120,256
2028	285,000	109,231
2029	300,000	98,994
2030	310,000	88,319
2031-2035	1,755,000	283,088
2036-2037	<u>815,000</u>	<u>27,759</u>
Totals	<u>\$ 4,135,000</u>	<u>\$ 860,441</u>

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 6. Long-term Debt (Continued)

B. Other Debt (Continued)

7. General Obligation Lease Agreement Certificates, Taxable Series 2020

On October 6, 2020, the Warren County Fiscal Court issued obligations of \$26,680,000 to pay the bond issuance costs and to advance refund the following debt of the fiscal court: General Obligation Bonds, Series 2011 – SKyPAC Project (C above, and Warren County Downtown Economic Development Authority, Inc. First Mortgage Revenue Bonds (Downtown Parking Project), Series 2011 (Note 6B). Principal is payable annually on June 1. The interest rate varies from .59% to 2.73% with semi-annual interest payments on the first of June and December. The final maturity date of these bonds is June 1, 2038. As of June 30, 2025, the principal balance was \$21,700,000. Future principal and interest requirements are:

Fiscal Year Ending June 30	Principal	Scheduled Interest
2026	\$ 1,215,000	\$ 470,176
2027	1,300,000	453,773
2028	1,395,000	434,273
2029	1,455,000	410,837
2030	1,505,000	384,938
2031-2035	8,625,000	1,435,586
2036-2038	<u>6,205,000</u>	<u>334,611</u>
Totals	<u>\$ 21,700,000</u>	<u>\$ 3,924,194</u>

8. General Obligation Bonds, Series 2020

On December 14, 2020, the Warren County Fiscal Court issued obligations of \$12,200,000 for the purpose of financing (i) the cost of the acquisition, development, and construction of the sports complex, (ii) the acquisition, installation, and operation of voting machines to be owned and operated by the county and (iii) the acquisition and operation of fire trucks and equipment to be owned and operated by the county. Principal is paid annually on December 1. The interest rate varies from 1.125% to 5% with semi-annual interest payments due on the first of June and December. The final maturity date of these bonds is December 1, 2040.

Whenever any event of default has occurred and is continuing, the trustee may, without any further demand or notice, take one or any combination of the following remedial steps:

- (a) by appropriate court action, enforce the general obligation pledge set forth in section 5 of the ordinance and section 11 of the lease so that during the remaining lease term there is levied on all the taxable property within the county, in addition to all other taxes, without limitation as to the rate or amount, a direct tax annually in an amount sufficient to pay the lease rental payments when and as due; and

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 6. Long-term Debt (Continued)

B. Other Debt (Continued)

8. General Obligation Bonds, Series 2020 (Continued)

- (b) take whatever action at law or in equity may appear necessary or desirable to enforce its rights in and to the facilities, or any portion thereof, under the lease (including, without limitation, the right to possession of the facilities, or any portion thereof, and the right to sell or re-lease or otherwise dispose of the facilities, or any portion thereof, in accordance with applicable law), and/or take whatever action at law or in equity may appear necessary or desirable to enforce performance by the lessee of the applicable covenants and agreements of the lessee under the lease (subject, however, to the limitations thereon contained in the lease) and to recover damages for the breach thereof.

As of June 30, 2025, the principal balance was \$10,440,000. Future principal and interest requirements are:

Fiscal Year Ended June 30	Principal	Scheduled Interest
2026	\$ 495,000	\$ 275,912
2027	520,000	250,538
2028	550,000	223,788
2029	575,000	195,663
2030	605,000	166,163
2031-2035	3,320,000	541,783
2036-2040	3,610,000	248,453
2041	765,000	7,650
Totals	<u>\$ 10,440,000</u>	<u>\$ 1,909,950</u>

C. Changes In Long-term Debt

Long-term Debt activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Direct Borrowings and Direct Placements	\$ 6,096,686	\$	\$ 919,918	\$ 5,176,768	\$ 957,469
Other Debt	66,810,000		4,770,000	62,040,000	4,975,000
Total Long-term Debt	<u>\$ 72,906,686</u>	<u>\$ 0</u>	<u>\$ 5,689,918</u>	<u>\$ 67,216,768</u>	<u>\$ 5,932,469</u>

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 6. Long-term Debt (Continued)

D. Aggregate Debt Schedule

The amount of required principal and interest payments on long-term obligations at June 30, 2025, were as follows:

Fiscal Year Ending June 30	Other Debt		Direct Borrowings and Direct Placements	
	Principal	Scheduled Interest	Principal	Scheduled Interest
2026	\$ 4,975,000	\$ 1,737,090	\$ 957,469	\$ 120,941
2027	5,245,000	1,558,925	989,674	94,231
2028	5,435,000	1,380,112	921,893	67,518
2029	5,330,000	1,216,107	859,034	43,957
2030	5,450,000	1,053,753	986,449	22,243
2031-2035	20,305,000	3,514,907	462,249	10,693
2036-2040	14,535,000	887,963		
2041	765,000	7,650		
	<u>\$ 62,040,000</u>	<u>\$ 11,356,507</u>	<u>\$ 5,176,768</u>	<u>\$ 359,583</u>

Note 7. Contingencies

The county is involved in multiple lawsuits. While individually they may not be significant, in the aggregate they could negatively impact the county's financial position. Due to the uncertainty of the litigation, a reasonable estimate of the financial impact on the county cannot be made at this time.

Note 8. Commitment Debt

A. Inter-Modal Transportation Authority

The City of Bowling Green (city) approved the issuance of General Obligation bonds (Series 2007 B & C) in the amount of \$27,415,000 during fiscal year ending June 30, 2008, to refinance the Inter-Modal Transportation Authority's (ITA) mortgage-backed bonds that were outstanding. As a result of the city issuing the General Obligation bonds, the city and the ITA entered into a Ground Lease Agreement which grants the city a leasehold interest in the land held in the Kentucky Transpark. In addition, a contract, lease, and option agreement was entered into between Warren County, the city and the ITA, whereas the city agreed to lease the land in the Kentucky Transpark to Warren County and the ITA for lease payments to be utilized by the city in support of the payment of principal and interest on the General Obligation bonds. Warren County and the city have each pledged to evenly share any shortfalls toward payment of debt service on outstanding bonds. In FY 2025, Warren County was required to fund an additional \$171,762 related to the required debt service payments.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 8. Commitment Debt (Continued)

A. Inter-Model Transportation Authority (Continued)

Additionally, a portion of the Series 2007B General Obligation Bonds were refinanced during FY 2018 through issuance of the Series 2016A General Obligation bonds. As of June 30, 2025, the outstanding balance of the Series 2016A General Obligation bonds was \$0. All of the Series 2007C General Obligation bonds were refinanced during FY 2016 through issuance of the 2016B General Obligation bonds. All of the Series 2007B General Obligation bonds were refinanced during FY 2018 through issuance of the 2016B General Obligation bonds. As of June 30, 2025, the outstanding balance of the Series 2016B General Obligation bonds was \$0. In fiscal year, 2021, the city issued an additional \$43,835,000 in General Obligations Bonds, Series 2021 A and 2021B, for an expansion of the existing Kentucky Transpark. For the first five years, the city was responsible for 100% of the principal and interest payments. For fiscal year 2025, the Warren County Fiscal Court paid \$597,525 (50% of debt obligation for the year) related to this debt. Going forward, the city of the fiscal court will split the debt obligations 50/50 percent. The outstanding principal balance for Series 2021A and 2021B was \$42,605,000.

The contract, lease, and option agreement is automatically renewed each year unless the county's written election not to exercise the option for the succeeding year is provided to the ITA, the city, and State Local Debt Officer of the Commonwealth of Kentucky at least 90 days prior to the July 1 renewal date.

B. Public Safety Mobile Radio Communication System

On June 7, 2013, the Warren County Fiscal Court passed an ordinance authorizing the purchase of a new public safety mobile radio communications system, jointly with the City of Bowling Green, Kentucky. The contracted price of the radio system is \$7,000,000; and Warren County's share of the project is \$3,640,000 (52%). The contractor bills costs as certain contractual milestones are met, with the final payment being due upon completion of the project. As of June 30, 2025, the fiscal court has paid \$4,518,343 (\$297,144 in fiscal year 2018, \$3,287 in fiscal year 2017, \$52,188 in fiscal year 2016, \$2,572.771 in fiscal year 2015 and \$1,592,953 in fiscal year 2014) on this project.

Note 9. Employee Retirement System

The fiscal court has elected to participate, pursuant to KRS 78.530, in the County Employees Retirement System (CERS), which is administered by the Board of Trustees of the Kentucky Retirement Systems (Ky. Ret. Sys.). 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. Effective April 1, 2021, the Kentucky Public Pension Authority (KPPA) was created by KRS 61.505 to provide staffing and daily administrative needs for CERS and Ky. Ret. Sys. The CERS nine (9) member board of trustees is responsible for the governance of the CERS pension and insurance plans.

The county's contribution for FY 2023 was \$2,942,697, FY 2024 was \$2,702,634 and FY 2025 was \$2,430,865.

Nonhazardous

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 be allocated as follows: 5 percent will go to the member's account and 1 percent will go to the Ky. Ret. Sys. insurance fund.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 9. Employee Retirement System (Continued)

Nonhazardous (Continued)

In accordance with Senate Bill 2, signed by the Governor on April 4, 2013, plan members who began participating on or after January 1, 2014, were required to contribute to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan. Members in the plan contribute a set percentage of their salary each month to their own accounts. Nonhazardous covered employees contribute 5 percent of their annual creditable compensation. Nonhazardous members also contribute 1 percent to the health insurance fund which is not credited to the member's account and is not refundable. The employer contribution rate is set annually by the Ky. Ret. Sys. Board of Directors based on an actuarial valuation. The employer contributes a set percentage of the member's salary. Each month, when employer contributions are received, an employer pay credit is deposited to the member's account. A member's account is credited with a 4 percent employer pay credit. The employer pay credit represents a portion of the employer contribution.

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 (member's 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.

The county's contribution rate for nonhazardous employees was 19.71 percent.

Hazardous

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 percent will go to the member's account and 1 percent will go to the Ky. Ret. Sys. insurance fund.

In accordance with Senate Bill 2, signed by the Governor on April 4, 2013, plan members who began participating on or after January 1, 2014, were required to contribute to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan.

Members in the plan contribute a set percentage of their salary each month to their own accounts. Hazardous members contribute 8 percent of their annual creditable compensation and also contribute 1 percent to the health insurance fund which is not credited to the member's account and is not refundable. The employer contribution rate is set annually by the Board of Directors based on an actuarial valuation. The employer contributes a set percentage of the member's salary. Each month, when employer contributions are received, an employer pay credit is deposited to the member's account. A hazardous member's account is credited with a 7.5 percent employer pay credit. The employer pay credit represents a portion of the employer contribution.

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.

The county's contribution rate for hazardous employees was 38.61 percent.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 9. Employee Retirement System (Continued)

Other Post-Employment Benefits (OPEB)

A. Health Insurance Coverage - Tier 1

CERS 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. 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.

Hazardous employees whose participation began on or after July 1, 2003, earn 15 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, the 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.

Benefits are covered under KRS 78.5536.

B. Health Insurance Coverage - Tier 2 and Tier 3 - Nonhazardous

Once members reach a minimum vesting period of 15 years, they earn ten dollars per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. This dollar amount is subject to adjustment annually by 1.5 percent. This was established for Tier 2 members during the 2008 Special Legislative Session by House Bill 1. During the 2013 Legislative Session, Senate Bill 2 was enacted, creating Tier 3 benefits for members.

The monthly insurance benefit has been increased annually as a 1.5 percent cost of living adjustment (COLA) since July 2003 when the law changed. The annual increase is cumulative and continues to accrue after the member's retirement.

Tier 2 member benefits are covered by KRS 78.5536. Tier 3 members are not covered by the same provisions.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 9. Employee Retirement System (Continued)

Other Post-Employment Benefits (OPEB) (Continued)

C. Health Insurance Coverage - Tier 2 and Tier 3 - Hazardous

Once members reach a minimum vesting period of 15 years, they earn fifteen dollars per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. This dollar amount is subject to adjustment annually by 1.5 percent. Upon the death of a hazardous employee, the employee's spouse receives ten dollars per month for insurance benefits for each year of the deceased employee's hazardous service. This was established for Tier 2 members during the 2008 Special Legislative Session by House Bill 1. During the 2013 Legislative Session, Senate Bill 2 was enacted, creating Tier 3 benefits for members.

The monthly insurance benefit has been increased annually as a 1.5 percent COLA since July 2003 when the law changed. The annual increase is cumulative and continues to accrue after the member's retirement.

D. Cost of Living Adjustments - Tier 1

The 1996 General Assembly enacted an automatic cost of living adjustment (COLA) provision for all recipients of Ky. Ret. Sys. benefits. During the 2008 Special Session, the General Assembly determined that each July beginning in 2009, retirees who have been receiving a retirement allowance for at least 12 months will receive an automatic COLA of 1.5 percent. The COLA is not a guaranteed benefit. If a retiree has been receiving a benefit for less than 12 months, and a COLA is provided, it will be prorated based on the number of months the recipient has been receiving a benefit.

E. Cost of Living Adjustments - Tier 2 and Tier 3

No COLA is given unless authorized by the legislature with specific criteria. To this point, no COLA has been authorized by the legislature for Tier 2 or Tier 3 members.

F. Death Benefit

If a retired member is receiving a monthly benefit based on at least 48 months of service credit, KPPA will pay a \$5,000 death benefit payment to the beneficiary designated by the member specifically for this benefit. Members with multiple accounts are entitled to only one death benefit.

Ky. Ret. Sys. Annual Financial Report and Proportionate Share Audit Report

Ky. Ret. Sys. issues a publicly available annual financial report that includes financial statements and required supplementary information on CERS. This report may be obtained by writing the Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, KY 40601-6124, or by telephone at (502) 564-4646.

KPPA also issues proportionate share audit reports for both total pension liability and other post-employment benefits for CERS determined by actuarial valuation as well as each participating county's proportionate share. Both the Schedules of Employer Allocations and Pension Amounts by Employer and the Schedules of Employer Allocations and OPEB Amounts by Employer reports and the related actuarial tables are available online at <https://kyret.ky.gov>. The complete actuarial valuation report, including all actuarial assumptions and methods, is also available on the website or can be obtained as described in the paragraph above.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 10. Deferred Compensation

The Warren County Fiscal Court voted to allow all eligible employees to participate in deferred compensation plans administered by the Kentucky Public Employees' Deferred Compensation Authority. The Kentucky Public Employees' Deferred Compensation Authority is authorized under KRS 18A.230 to 18A.275 to provide administration of tax-sheltered supplemental retirement plans for all state, public school and university employees, and employees of local political subdivisions that have elected to participate.

These deferred compensation plans permit all full-time employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Participation by eligible employees in the deferred compensation plans is voluntary.

Historical trend information showing the Kentucky Public Employees' Deferred Compensation Authority's progress in accumulating sufficient assets to pay benefits when due is presented in the Kentucky Public Employees' Deferred Compensation Authority's annual financial report. This report may be obtained by writing the Kentucky Public Employees' Deferred Compensation Authority at 501 High Street, 2nd Floor, Frankfort, KY 40601, or by telephone at (502) 573-7925.

Note 11. Health Reimbursement Account/Flexible Spending Account

On May 7, 2021, the fiscal court approved to contract with a third-party administrator of a flexible benefits program which includes HRA, FSA, HSA, and dependent care FSA programs to provide employees an additional health benefit.

Effective January 1, 2023, the fiscal court authorized a \$600 monthly contribution for full time employee health insurance for those employees participating in the county sponsored wellness plan, \$550 monthly contribution for full time employee health insurance for those employees that do not participate in the county sponsored wellness plan and authorized a \$400 monthly HRA benefit for employees who waive county health insurance coverage. Health reimbursement account funds remaining at the end of each fiscal year roll forward to the next year. If employees are no longer employed by the fiscal court or decide to no longer participate in the health reimbursement account, the funds revert to the fiscal court. The balance of the plan as of June 30, 2025, was \$370,955. These funds will roll over to fiscal year 2025. The fiscal court also allows employees to contribute to flexible spending accounts through payroll deductions. These plans are also administered by the same third-party administrator. The fiscal court does not contribute to these accounts. These accounts are in the name of the employee.

Note 12. Insurance

For the fiscal year ended June 30, 2025, the Warren County Fiscal Court was a member of the Kentucky Association of Counties' All Lines Fund (KALF). KALF is a self-insurance fund and was organized to obtain lower cost coverage for general liability, property damage, public officials' errors and omissions, public liability, and other damages. The basic nature of a self-insurance program is that of collectively shared risk by its members. If losses incurred for covered claims exceed the resources contributed by the members, the members are responsible for payment of the excess losses.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 13. Conduit Debt

From time to time, the county has issued (bonds, notes, etc.) to provide financial assistance to third parties that are not part of the issuer's financial reporting entity for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest, in accordance with KRS 103.210. This debt may take the form of certain types of limited-obligation revenue bonds, certificates of participation, or similar debt instruments. Although conduit debt obligations bear the Warren County Fiscal Court's name as issuer, the fiscal court has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf it is issued. Neither the fiscal court nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statement.

Note 14. Tax Abatements

A. Quiver Ventures, LLC

The ad valorem tax was abated under authority of KRS 103.285 and Resolution No. 14-19, adopted by the county on October 1, 2014. Quiver Ventures LLC, (the company) is eligible to receive this tax abatement pursuant to a Payment in Lieu of Taxes (PILOT) Agreement dated as of May 16, 2014, which was authorized by Resolution No. 14-09. The ad valorem taxes are abated by a percentage reduction of the amount of the ad valorem tax levied by the county and the City of Bowling Green, Kentucky (the city), which percentages are set forth in the PILOT Agreement. A decrease of the ad valorem tax abatement can occur in the event the company does not achieve 90 percent of its job creation and capital expenditure estimates. The company estimated 80 new full-time jobs, over a three-year period, and projected investment of approximately \$155,000,000. The PILOT Agreement terminates on the day immediately following the date no bonds issued by the county pursuant to Resolution No. 14-19 remain issued and outstanding. Pursuant to KRS 103.230(2), the bonds do not represent an obligation of the county. For fiscal year ended June 30, 2025, the county abated ad valorem tax of \$20,491. As part of the PILOT Agreement, the county committed to abate only the ad valorem tax. No other county tax is abated. The city also entered into the PILOT Agreement.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 14. Tax Abatements (Continued)

B. Bowling Green Metalforming, LLC

The ad valorem tax was abated under authority of KRS 103.285 and pursuant to an Amended and Restated Payment in Lieu of Taxes (AMENDED PILOT) Agreement, dated December 28, 2015. Bowling Green Metalforming, LLC (the company) is eligible to receive this tax abatement pursuant to the AMENDED PILOT Agreement. The property to which the AMENDED PILOT Agreement is applicable is owned by the South Central Kentucky Regional Development Authority (RDA), which issued its Taxable Industrial Building Revenue Bonds, Series 2015 (Series 2015 Bonds) for the purpose of financing the operational expansion of the manufacturing facility operated by the company. The ad valorem taxes are abated by a percentage reduction of the amount of the ad valorem tax levied by the county and the City of Bowling Green, Kentucky (the city), which percentages are set forth in the AMENDED PILOT Agreement. A decrease of the ad valorem tax abatement can occur in the event the company does not achieve 80 percent of its job creation and capital expenditure estimates. The company estimated 450 new full-time jobs, over a five-year period, and projected investment of approximately \$210,000,000. The tax abatement percentage decrease is evaluated as of January 1, 2020. The AMENDED PILOT Agreement terminates on the day immediately following the date no Series 2015 Bonds remain issued and outstanding. Pursuant to KRS 103.230(2), the Series 2015 Bonds do not represent an obligation of the RDA or the county. For fiscal year ended June 30, 2025, the county abated ad valorem tax of \$71,728. As part of the AMENDED PILOT Agreement, the county committed to abate only the ad valorem tax. No other county tax is abated. The city also entered into the PILOT Agreement.

C. Bilstein Cold Rolled Steel LP

The ad valorem tax was abated under authority of KRS 103.285 and an Ordinance No. 17-27WC adopted by the county on June 30, 2017. Bilstein Cold Rolled Steel LP (the company) is eligible to receive this tax abatement pursuant to a Payment in Lieu of Taxes (PILOT) Agreement dated as of September 15, 2017, which was authorized the Ordinance No. 17-27WC. The ad valorem taxes are abated by a percentage reduction of the amount of the ad valorem tax levied by the county and the City of Bowling Green, Kentucky (the city), which percentages are set forth in the PILOT Agreement. The PILOT Agreement terminates on the day immediately following the date no bonds issued by the county pursuant to Ordinance No. 17-27WC remain issued and outstanding. Pursuant to KRS 103.230(2), the bonds do not represent an obligation of the county. For fiscal year ended June 30, 2025, the county abated ad valorem tax of \$9,777. As part of the PILOT Agreement, the county committed to abate only the ad valorem tax. No other county tax is abated. The city also entered into the PILOT Agreement.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 14. Tax Abatements (Continued)

D. Georgia Pacific Consumer Operations, LLC

The ad valorem tax was abated under authority of KRS 103.285 and Resolution No. 19-19 adopted by the county on September 23, 2019. Georgia Pacific Consumer Operations, LLC, (the company) is eligible to receive this tax abatement pursuant to a Payment in Lieu of Taxes (PILOT) Agreement dated as of October 25, 2019, which was authorized by Resolution No. 19-19. The ad valorem taxes are abated by a percentage reduction of the amount of the ad valorem tax levied by the county and the City of Bowling Green, Kentucky (the city), which percentages are set forth in the PILOT Agreement. A decrease of the ad valorem tax abatement can occur in the event the company does not achieve 90 percent of its job creation and capital expenditure estimates. The company estimated 50 new full-time jobs, over a three-year period, and projected investment of approximately \$110,000,000. The PILOT Agreement terminates on the day immediately following the date no bonds issued by the county pursuant to Resolution No. 19-19 remain issued and outstanding. Pursuant to KRS 103.230(2), the bonds do not represent an obligation of the county. For fiscal year ended June 30, 2025, the county abated ad valorem tax of \$9,936. As part of the PILOT Agreement, the county committed to abate only the ad valorem tax. No other county tax is abated. The city also entered into the PILOT Agreement.

E. NP Bowling Green Building 1, LLC

The ad valorem tax was abated under authority of KRS 103.285 and Resolution No. 17-02, adopted by the county on January 20, 2017, which authorized the issuance of industrial building revenue bonds pursuant to KRS 103.200 to 103.285. NP Bowling Green Building 1, LLC, as successor in interest to NP Bowling Green, LLC pursuant to an Assignment of Lease Agreement dated September 6, 2017 (the company) is eligible to receive this tax abatement pursuant to a Payment in Lieu of Taxes (PILOT) Agreement dated as of March 17, 2017. The ad valorem taxes are abated by a percentage reduction of the amount of the ad valorem tax levied by the county and the City of Bowling Green, Kentucky (the city), which percentages are set forth in the PILOT Agreement. The PILOT Agreement terminates on the day immediately following the date no bonds issued by the county pursuant to Resolution No. 17-02 remain issued and outstanding or on the date fee simple title to the land described in the PILOT Agreement is transferred to the company or its assigns. Pursuant to KRS 103.230(2), the bonds do not represent an obligation of the county. For fiscal year ended June 30, 2025, the county abated ad valorem tax of \$34,560. As part of the PILOT Agreement, the county committed to abate only the ad valorem tax. No other county tax is abated. The city also entered into the PILOT agreement.

F. Crown Cork & Seal, USA, Inc.

The ad valorem tax was abated under authority of KRS 103.285 and Resolution No. 20-11, adopted by the county on March 25, 2020, which authorized the issuance of industrial building revenue bonds pursuant to KRS 103.200 to 103.285. Crown Cork & Seal USA, Inc. (the company) is eligible to receive this tax abatement pursuant to a Payment in Lieu of Taxes (PILOT) Agreement dated as of June 1, 2020. The ad valorem taxes are abated by a percentage reduction of the amount of the ad valorem tax levied by the county and the City of Bowling Green, Kentucky (the city), which percentages are set forth in the PILOT Agreement. The PILOT Agreement terminates on the day immediately following the date no bonds issued by the county pursuant to Resolution No. 20-11 remain issued and outstanding or on the date fee simple title to the land described in the PILOT Agreement is transferred to the company or its assigns. Pursuant to KRS 103.230(2), the bonds do not represent an obligation of the county. For fiscal year ended June 30, 2025, the county abated ad valorem tax of \$22,320. As part of the PILOT Agreement, the county committed to abate only the ad valorem tax. No other county tax is abated. The city also entered into the PILOT agreement.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 14. Tax Abatements (Continued)

G. DG Fresh Distribution TX, LLC

The ad valorem tax was abated under authority of KRS 103.285 and Resolution No. 20-15, adopted by the county on July 24, 2020, which authorized the issuance of industrial building revenue bonds pursuant to KRS 103.200 to 103.285. DG Fresh Distribution TX, LLC. (the company) is eligible to receive this tax abatement pursuant to a Payment in Lieu of Taxes (PILOT) Agreement dated as of November 17, 2020. The ad valorem taxes are abated by a percentage reduction of the amount of the ad valorem tax levied by the county and the City of Bowling Green, Kentucky (the city), which percentages are set forth in the PILOT Agreement. The PILOT Agreement terminates on the day immediately following the date no bonds issued by the county pursuant to Resolution No. 20-15 remain issued and outstanding or on the date fee simple title to the land described in the PILOT Agreement is transferred to the company or its assigns. Pursuant to KRS 103.230(2), the bonds do not represent an obligation of the county. For fiscal year ended June 30, 2025, the county abated ad valorem tax of \$12,096. As part of the PILOT Agreement, the county committed to abate only the ad valorem tax. No other county tax is abated. The city also entered into the PILOT agreement.

H. Nova Steel USA, Inc.

The ad valorem tax was abated under authority of KRS 103.285 and Resolution No. 21-1, adopted by the county on January 8, 2021, which authorized the issuance of industrial building revenue bonds pursuant to KRS 103.200 to 103.285. Nova Steel USA, Inc. (the company) is eligible to receive this tax abatement pursuant to a Payment in Lieu of Taxes (PILOT) Agreement dated as of February 1, 2021. The ad valorem taxes are abated by a percentage reduction of the amount of the ad valorem tax levied by the county and the City of Bowling Green, Kentucky (the city), which percentages are set forth in the PILOT Agreement. The PILOT Agreement terminates on the day immediately following the date no bonds issued by the county pursuant to Resolution No. 21-1 remain issued and outstanding or on the date fee simple title to the land described in the PILOT Agreement is transferred to the company or its assigns. Pursuant to KRS 103.230(2), the bonds do not represent an obligation of the county. For fiscal year ended June 30, 2025, the county abated ad valorem tax of \$8,668. As part of the PILOT Agreement, the county committed to abate only the ad valorem tax. No other county tax is abated. The city also entered into the PILOT agreement.

I. Ball Metal Beverage Container Corp.

The ad valorem tax was abated under authority of KRS 103.285 and Resolution No. 21-05, adopted by the county on March 19, 2021, which authorized the issuance of industrial building revenue bonds pursuant to KRS 103.200 to 103.285. Ball Metal Beverage Container Corp. (the company) is eligible to receive this tax abatement pursuant to a Payment in Lieu of Taxes (PILOT) Agreement dated as of June 1, 2021. The ad valorem taxes are abated by a percentage reduction of the amount of the ad valorem tax levied by the county and the City of Bowling Green, Kentucky (the city), which percentages are set forth in the PILOT Agreement. The PILOT Agreement terminates on the day immediately following the date no bonds issued by the county pursuant to Resolution No. 21-05 remain issued and outstanding or on the date fee simple title to the land described in the PILOT Agreement is transferred to the company or its assigns. Pursuant to KRS 103.230(2), the bonds do not represent an obligation of the county. For fiscal year ended June 30, 2025, the county abated ad valorem tax of \$35,838. As part of the PILOT Agreement, the county committed to abate only the ad valorem tax. No other county tax is abated. The city also entered into the PILOT agreement.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 14. Tax Abatements (Continued)

J. Fruehauf Inc.

The ad valorem tax was abated under authority of KRS 103.285 and Resolution No. 21-35, adopted by the county on December 6, 2021, which authorized the issuance of industrial building revenue bonds pursuant to KRS 103.200 to 103.285. Fruehauf, Inc. (the company) is eligible to receive this tax abatement pursuant to a Payment in Lieu of Taxes (PILOT) Agreement dated as of January 14, 2022. The ad valorem taxes are abated by a percentage reduction of the amount of the ad valorem tax levied by the county and the City of Bowling Green, Kentucky (the city), which percentages are set forth in the PILOT Agreement. The PILOT Agreement terminates on the day immediately following the date no bonds issued by the county pursuant to Resolution No. 21-35 remain issued and outstanding or on the date fee simple title to the land described in the PILOT Agreement is transferred to the company or its assigns. Pursuant to KRS 103.230(2), the bonds do not represent an obligation of the county. For fiscal year ended June 30, 2025, the county abated ad valorem tax of \$11,498. As part of the PILOT Agreement, the county committed to abate only the ad valorem tax. No other county tax is abated. The city also entered into the PILOT agreement.

K. Tyson Processing Services, Inc.

The ad valorem tax was abated under authority of KRS 103.285 and Resolution No. 22-03, adopted by the county on February 11, 2022, which authorized the issuance of industrial building revenue bonds pursuant to KRS 103.200 to 103.285. Tyson Processing Services Inc. (the company) is eligible to receive this tax abatement pursuant to a Payment in Lieu of Taxes (PILOT) Agreement dated as of February 11, 2022. The ad valorem taxes are abated by a percentage reduction of the amount of the ad valorem tax levied by the county and the City of Bowling Green, Kentucky (the city), which percentages are set forth in the PILOT Agreement. The PILOT Agreement terminates on the day immediately following the date no bonds issued by the county pursuant to Resolution No. 22-03 remain issued and outstanding or on the date fee simple title to the land described in the PILOT Agreement is transferred to the company or its assigns. Pursuant to KRS 103.230(2), the bonds do not represent an obligation of the county. For fiscal year ended June 30, 2025, the county abated ad valorem tax of \$145,122. As part of the PILOT Agreement, the county committed to abate only the ad valorem tax. No other county tax is abated. The city also entered into the PILOT agreement.

L. Envision.

The ad valorem tax was abated under authority of KRS 103.285 and Ordinance No. 22-22WC, adopted by the County on May 6, 2022, which authorized the issuance of industrial building revenue bonds pursuant to KRS 103.200 to 103.285. Envision AESC Bowling Green, LLC (the Company) is eligible to receive this tax abatement pursuant to a Payment in Lieu of Taxes (PILOT) Agreement dated as of February 14, 2023. The ad valorem taxes are abated by a percentage reduction of the amount of the ad valorem tax levied by the County and the City of Bowling Green, Kentucky (the City), which percentages are set forth in the PILOT Agreement. The PILOT Agreement terminates on the day immediately following the date no bonds issued by the County pursuant to Ordinance 22-22WC remain issued and outstanding or on the date fee simple title to the land described in the PILOT Agreement is transferred to the Company or its assigns. Pursuant to KRS 103.230(2), the bonds do not represent an obligation of the County. For fiscal year ended June 30, 2025, the County abated ad valorem tax of \$32,162. As part of the PILOT Agreement, the County committed to abate only the ad valorem tax. No other County tax is abated. The City also entered into the PILOT Agreement.

WARREN COUNTY
NOTES TO FINANCIAL STATEMENT
June 30, 2025
(Continued)

Note 14. Tax Abatements (Continued)

M. Owens-Brockway Glass Container, Inc.

The ad valorem tax was abated under authority of KRS 103.285 and Resolution No. 23-01, adopted by the County on January 6, 2023, which authorized the issuance of industrial building revenue bonds pursuant to KRS 103.200 to 103.285. Owens-Brockway Glass Container, Inc. (the Company) is eligible to receive this tax abatement pursuant to a Payment in Lieu of Taxes (PILOT) Agreement dated as of July 25, 2023. The ad valorem taxes are abated by a percentage reduction of the amount of the ad valorem tax levied by the County and the City of Bowling Green, Kentucky (the City), which percentages are set forth in the PILOT Agreement. The PILOT Agreement terminates on the day immediately following the date no bonds issued by the County pursuant to Resolution 23-01 remain issued and outstanding or on the date the Lease Agreement is terminated. Pursuant to KRS 103.230(2), the bonds do not represent an obligation of the County. For fiscal year ended June 30, 2025, the County abated ad valorem tax of \$26,838. As part of the PILOT Agreement, the County committed to abate only the ad valorem tax. No other County tax is abated. The City also entered into the PILOT Agreement.

Note 15. Jail Food Service Maintenance Escrow Account

On December 1, 2017, the Warren County Fiscal Court approved a food service contract which included “The vendor will establish and fund an escrow account at a rate of \$.04 per meal set aside for repair maintenance for the life of the contract.” Upon termination of contract, the balance of the account will be turned over to the Warren County Regional Jail. As of June 30, 2025, the balance was \$978.

Note 16. Prior Period Adjustment

The following adjustment was made to prior year beginning balance:

	<u>Jail Commissary</u>	<u>Total Fund Balance</u>
Fund Balance - Beginning	\$ 1,091,639	\$ 107,036,219
To adjust for outstanding checks in prior year	<u>3,387</u>	<u>3,387</u>
Fund Balance - Beginning (Restated)	<u>\$ 1,095,026</u>	<u>\$ 107,039,606</u>

**WARREN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis**

For The Year Ended June 30, 2025

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WARREN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis

For The Year Ended June 30, 2025

	GENERAL FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Taxes	\$ 28,380,000	\$ 28,380,000	\$ 31,203,734	\$ 2,823,734
In Lieu Tax Payments	350,000	350,000	234,295	(115,705)
Excess Fees	1,415,000	1,415,000	1,876,882	461,882
Licenses and Permits	2,525,000	2,525,000	3,789,398	1,264,398
Intergovernmental	3,960,200	3,960,200	4,699,780	739,580
Charges for Services	640,500	640,500	399,932	(240,568)
Miscellaneous	568,500	568,500	806,867	238,367
Interest	2,950,000	2,950,000	3,133,685	183,685
Total Receipts	<u>40,789,200</u>	<u>40,789,200</u>	<u>46,144,573</u>	<u>5,355,373</u>
DISBURSEMENTS				
General Government	14,516,354	14,558,404	13,054,843	1,503,561
Protection to Persons and Property	3,449,701	6,278,611	5,326,558	952,053
General Health and Sanitation	718,176	718,176	558,417	159,759
Social Services	272,600	272,600	211,700	60,900
Recreation and Culture	7,446,328	8,466,328	8,131,232	335,096
Airports	211,741	211,741	148,700	63,041
Debt Service	4,775,007	4,775,007	4,156,285	618,722
Capital Projects	2,850,000	4,300,000	2,936,720	1,363,280
Administration	5,131,586	3,790,626	2,790,523	1,000,103
Total Disbursements	<u>39,371,493</u>	<u>43,371,493</u>	<u>37,314,978</u>	<u>6,056,515</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>1,417,707</u>	<u>(2,582,293)</u>	<u>8,829,595</u>	<u>11,411,888</u>
Other Adjustments to Cash (Uses)				
Borrowed Monies			-	
Transfers From Other Funds				
Transfers To Other Funds	<u>(7,517,707)</u>	<u>(7,517,707)</u>	<u>(6,100,000)</u>	<u>1,417,707</u>
Total Other Adjustments to Cash (Uses)	<u>(7,517,707)</u>	<u>(7,517,707)</u>	<u>(6,100,000)</u>	<u>1,417,707</u>
Net Change in Fund Balance	(6,100,000)	(10,100,000)	2,729,595	12,829,595
Fund Balance - Beginning	<u>6,100,000</u>	<u>10,100,000</u>	<u>87,008,620</u>	<u>76,908,620</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 89,738,215</u>	<u>\$ 89,738,215</u>

WARREN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

	ROAD FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	\$ 2,875,789	\$ 2,875,789	\$ 3,115,766	\$ 239,977
Miscellaneous	24,800	24,800	3,947	(20,853)
Total Receipts	<u>2,900,589</u>	<u>2,900,589</u>	<u>3,119,713</u>	<u>219,124</u>
DISBURSEMENTS				
Roads	2,604,182	2,569,182	2,252,979	316,203
Road Facilities	100,000	81,000	2,172	78,828
Capital Projects	3,950,000	4,187,500	3,686,833	500,667
Administration	664,114	480,614	456,967	23,647
Total Disbursements	<u>7,318,296</u>	<u>7,318,296</u>	<u>6,398,951</u>	<u>919,345</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(4,417,707)</u>	<u>(4,417,707)</u>	<u>(3,279,238)</u>	<u>1,138,469</u>
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	4,417,707	4,417,707	3,000,000	(1,417,707)
Total Other Adjustments to Cash (Uses)	<u>4,417,707</u>	<u>4,417,707</u>	<u>3,000,000</u>	<u>(1,417,707)</u>
Net Change in Fund Balance			(279,238)	(279,238)
Fund Balance - Beginning			<u>728,946</u>	<u>728,946</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 449,708</u>	<u>\$ 449,708</u>

WARREN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

	JAIL FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	\$ 7,081,000	\$ 7,081,000	\$ 6,985,337	\$ (95,663)
Charges for Services	349,500	349,500	544,675	195,175
Miscellaneous	1,515,650	1,515,650	918,939	(596,711)
Interest	20,000	20,000	30,912	10,912
Total Receipts	<u>8,966,150</u>	<u>8,966,150</u>	<u>8,479,863</u>	<u>(486,287)</u>
DISBURSEMENTS				
Protection to Persons and Property	9,254,400	10,180,966	9,750,489	430,477
Administration	2,811,750	2,285,184	2,163,896	121,288
Total Disbursements	<u>12,066,150</u>	<u>12,466,150</u>	<u>11,914,385</u>	<u>551,765</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(3,100,000)</u>	<u>(3,500,000)</u>	<u>(3,434,522)</u>	<u>65,478</u>
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	<u>3,100,000</u>	<u>3,100,000</u>	<u>3,100,000</u>	
Total Other Adjustments to Cash (Uses)	<u>3,100,000</u>	<u>3,100,000</u>	<u>3,100,000</u>	
Net Change in Fund Balance		(400,000)	(334,522)	65,478
Fund Balance - Beginning		<u>400,000</u>	<u>681,330</u>	<u>281,330</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 346,808</u>	<u>\$ 346,808</u>

WARREN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND

	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	\$ 533,625	\$ 533,625	\$ 344,869	\$ (188,756)
Interest	45,000	45,000	55,601	10,601
Total Receipts	<u>578,625</u>	<u>578,625</u>	<u>400,470</u>	<u>(178,155)</u>
DISBURSEMENTS				
General Government	271,213	317,213	295,000	22,213
Protection to Persons and Property	45,000	47,000	34,443	12,557
Social Services	63,250	71,250	66,250	5,000
Roads	20,000	20,000		20,000
Administration	179,162	123,162		123,162
Total Disbursements	<u>578,625</u>	<u>578,625</u>	<u>395,693</u>	<u>182,932</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)			<u>4,777</u>	<u>4,777</u>
Net Change in Fund Balance			4,777	4,777
Fund Balance - Beginning			<u>1,373,039</u>	<u>1,373,039</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,377,816</u>	<u>\$ 1,377,816</u>

WARREN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

	GRANTS FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	\$ 200,000	\$ 200,000	\$ 818,626	\$ 618,626
Interest			164,114	164,114
Total Receipts	<u>200,000</u>	<u>200,000</u>	<u>982,740</u>	<u>782,740</u>
DISBURSEMENTS				
Capital Projects	3,627,126	3,627,076	1,019,122	2,607,954
Administration		50	10	40
Total Disbursements	<u>3,627,126</u>	<u>3,627,126</u>	<u>1,019,132</u>	<u>2,607,994</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(3,427,126)</u>	<u>(3,427,126)</u>	<u>(36,392)</u>	<u>3,390,734</u>
Net Change in Fund Balance	(3,427,126)	(3,427,126)	(36,392)	3,390,734
Fund Balance - Beginning	<u>3,427,126</u>	<u>3,427,126</u>	<u>4,885,202</u>	<u>1,458,076</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,848,810</u>	<u>\$ 4,848,810</u>

WARREN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

	EMERGENCY 911 FUND			
	<u>Budgeted Amounts</u>		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
RECEIPTS				
Taxes	\$ 170,000	\$ 170,000	\$ 157,703	\$ (12,297)
Total Receipts	<u>170,000</u>	<u>170,000</u>	<u>157,703</u>	<u>(12,297)</u>
DISBURSEMENTS				
Protection to Persons and Property	170,000	170,000	158,129	11,871
Total Disbursements	<u>170,000</u>	<u>170,000</u>	<u>158,129</u>	<u>11,871</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)			<u>(426)</u>	<u>(426)</u>
Net Change in Fund Balance			(426)	(426)
Fund Balance - Beginning			<u>43,683</u>	<u>43,683</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 43,257</u>	<u>\$ 43,257</u>

WARREN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

FEDERAL DRUG FORFEITURE FUND

	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Miscellaneous	\$ 60,000	\$ 60,000	\$ 10,789	\$ (49,211)
Interest			3,811	3,811
Total Receipts	<u>60,000</u>	<u>60,000</u>	<u>14,600</u>	<u>(45,400)</u>
DISBURSEMENTS				
Protection to Persons and Property	60,000	60,000	30,641	29,359
Total Disbursements	<u>60,000</u>	<u>60,000</u>	<u>30,641</u>	<u>29,359</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)			<u>(16,041)</u>	<u>(16,041)</u>
Net Change in Fund Balance			(16,041)	(16,041)
Fund Balance - Beginning			<u>264,637</u>	<u>264,637</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 248,596</u>	<u>\$ 248,596</u>

WARREN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

COUNTY CLERK DOCUMENT STORAGE FUND

	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Miscellaneous	\$ 205,000	\$ 205,000	\$ 226,950	\$ 21,950
Total Receipts	<u>205,000</u>	<u>205,000</u>	<u>226,950</u>	<u>21,950</u>
DISBURSEMENTS				
General Government	205,000	10,000	5,585	4,415
Administration		195,000		195,000
Total Disbursements	<u>205,000</u>	<u>205,000</u>	<u>5,585</u>	<u>199,415</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)			<u>221,365</u>	<u>221,365</u>
Net Change in Fund Balance			<u>221,365</u>	<u>221,365</u>
Fund Balance - Beginning			<u>385,024</u>	<u>385,024</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 606,389</u>	<u>\$ 606,389</u>

WARREN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

	STORM WATER FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Intergovernmental	\$ 0	\$ 0	\$ 60,000	\$ 60,000
Charges for Services	1,653,082	1,653,082	1,948,827	295,745
Miscellaneous	2,000	2,000	2,198	198
Interest	108,000	108,000	64,968	(43,032)
Total Receipts	<u>1,763,082</u>	<u>1,763,082</u>	<u>2,075,993</u>	<u>312,911</u>
DISBURSEMENTS				
General Health and Sanitation	1,982,759	1,437,059	1,394,854	42,205
Capital Projects		545,700	545,224	476
Total Disbursements	<u>1,982,759</u>	<u>1,982,759</u>	<u>1,940,078</u>	<u>42,681</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(219,677)</u>	<u>(219,677)</u>	<u>135,915</u>	<u>355,592</u>
Other Adjustments to Cash (Uses)				
Transfers To Other Funds				
Total Other Adjustments to Cash (Uses)				
Net Change in Fund Balance	(219,677)	(219,677)	135,915	355,592
Fund Balance - Beginning	<u>219,677</u>	<u>219,677</u>	<u>3,719,445</u>	<u>3,499,768</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,855,360</u>	<u>\$ 3,855,360</u>

WARREN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

	TRANSIENT ROOM TAX FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Taxes	\$ 1,520,000	\$ 1,520,000	\$ 1,482,619	\$ (37,381)
Interest	165,000	165,000	245,606	80,606
Total Receipts	<u>1,685,000</u>	<u>1,685,000</u>	<u>1,728,225</u>	<u>43,225</u>
DISBURSEMENTS				
Recreation and Culture	1,500	1,500		1,500
Debt Service	559,138	559,138	559,137	1
Administration	624,362	624,362		624,362
Total Disbursements	<u>1,185,000</u>	<u>1,185,000</u>	<u>559,137</u>	<u>625,863</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>500,000</u>	<u>500,000</u>	<u>1,169,088</u>	<u>669,088</u>
Other Adjustments to Cash (Uses)				
Transfers From Other Funds	<u>(500,000)</u>	<u>(500,000)</u>		<u>500,000</u>
Total Other Adjustments to Cash (Uses)	<u>(500,000)</u>	<u>(500,000)</u>		<u>500,000</u>
Net Change in Fund Balance			1,169,088	1,169,088
Fund Balance - Beginning			<u>5,208,710</u>	<u>5,208,710</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,377,798</u>	<u>\$ 6,377,798</u>

WARREN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

	TAX INCREMENTAL FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Taxes	\$ 1,500,000	\$ 1,500,000	\$ 1,899,172	\$ 399,172
Interest	45,000	45,000	47,707	2,707
Total Receipts	<u>1,545,000</u>	<u>1,545,000</u>	<u>1,946,879</u>	<u>401,879</u>
DISBURSEMENTS				
Debt Service	1,668,566	1,668,566	1,668,566	
Administration	376,434	376,434	5,000	371,434
Total Disbursements	<u>2,045,000</u>	<u>2,045,000</u>	<u>1,673,566</u>	<u>371,434</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)	<u>(500,000)</u>	<u>(500,000)</u>	<u>273,313</u>	<u>773,313</u>
Other Adjustments to Cash (Uses)				
Transfer In	500,000	500,000		(500,000)
Total Other Adjustments to Cash (Uses)	<u>500,000</u>	<u>500,000</u>		<u>(500,000)</u>
Net Change in Fund Balance			273,313	273,313
Fund Balance - Beginning			<u>677,648</u>	<u>677,648</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 950,961</u>	<u>\$ 950,961</u>

WARREN COUNTY
BUDGETARY COMPARISON SCHEDULES
Supplementary Information - Regulatory Basis
For The Year Ended June 30, 2025
(Continued)

	OPIOID SETTLEMENT FUND			
	Budgeted Amounts		Actual Amounts, (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Miscellaneous	\$		\$ 284,640	\$ 284,640
Interest		25,000	40,287	15,287
Total Receipts		<u>25,000</u>	<u>324,927</u>	<u>299,927</u>
DISBURSEMENTS				
Protection to Persons and Property Administration		980,000	61,000	919,000
Total Disbursements		<u>980,000</u>	<u>61,000</u>	<u>919,000</u>
Excess (Deficiency) of Receipts Over Disbursements Before Other Adjustments to Cash (Uses)		<u>(955,000)</u>	<u>263,927</u>	<u>1,218,927</u>
Net Change in Fund Balance		<u>(955,000)</u>	<u>263,927</u>	<u>1,218,927</u>
Fund Balance - Beginning		<u>955,000</u>	<u>962,308</u>	<u>7,308</u>
Fund Balance - Ending	\$	<u>0</u>	\$ 1,226,235	\$ 1,226,235

WARREN COUNTY
NOTES TO REGULATORY SUPPLEMENTARY
INFORMATION - BUDGETARY COMPARISON SCHEDULES

June 30, 2025

Note 1. Budgetary Information

Annual budgets are adopted on a regulatory basis of accounting according to the laws of Kentucky as required by the state local finance officer, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board.

The county judge/executive is required to submit estimated receipts and proposed disbursements to the fiscal court by May 1 of each year. The budget is prepared by fund, function, and activity and is required to be adopted by the fiscal court by July 1.

The fiscal court may change the original budget by transferring appropriations at the activity level; however, the fiscal court may not increase the total budget without approval by the state local finance officer. Disbursements may not exceed budgeted appropriations at the activity level.

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**WARREN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For The Year Ended June 30, 2025

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**WARREN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For The Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity's Identifying Number	Provided to Subrecipient	Total Federal Expenditures
<u>U. S. Department of Housing and Urban Development</u>				
<i>Passed-Through Kentucky Department for Local Government:</i>				
Community Development Block Grants/State's Program: and Non-Entitlement Grants in Hawaii	14.228	24-029	\$	\$ 200,000
Total U.S. Department of Housing and Urban Development			<u>\$</u>	<u>\$ 200,000</u>
<u>U.S. Department of Justice</u>				
<i>Passed-Through Kentucky Justice and Public Safety Cabinet:</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	JAG-2023-Warren C 00112	\$	\$ 17,415
Edward Byrne Memorial Justice Assistance Grant Program	16.738	JAG-2024-Warren C 00145	<u>\$</u>	<u>125,845</u>
Total U.S. Department of Justice			<u>\$</u>	<u>\$ 143,260</u>
<u>U. S. Department of Transportation</u>				
<i>Passed-Through Kentucky Transportation Cabinet</i>				
State and Community Highway Safety	20.600	KY0024392	\$	6,238
Total U.S. Department of Transportation			<u>\$</u>	<u>0</u> <u>\$ 6,238</u>
<u>Executive Office of the President</u>				
<i>Passed-Through Financial Commission for Appalachia HIDTA:</i>				
High Intensity Drug Trafficking Areas Program	95.001	G20AP0001A	\$	\$ 22,725
High Intensity Drug Trafficking Areas Program	95.001	G24AP0001A	<u>\$</u>	<u>29,314</u>
High Intensity Drug Trafficking Areas Program	95.001	G25AP0001A	<u>\$</u>	<u>27,616</u>
Total Executive Office of the President			<u>\$</u>	<u>\$ 79,655</u>

The accompanying notes are an integral part of this schedule.

WARREN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2025 (Continued)

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity's Identifying Number	Provided to Subrecipient	Total Federal Expenditures
<u>U. S. Department of Homeland Security</u>				
<i>Passed-Through Kentucky Division of Emergency Management</i>				
Hazard Mitigation Grant	97.039	DR4361-00089-R	\$	45,000
Hazard Mitigation Grant	97.039	DR4630-0008-F		471,694
Hazard Mitigation Grant	97.039	DR4630-0028-F	_____	222,612
Total U.S. Department of Homeland Security			\$	\$ 739,306
			_____	_____
Total Expenditures of Federal Awards			\$ 0	\$ 1,168,459
			_____	_____

The accompanying notes are an integral part of this schedule.

WARREN COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2025

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Warren County, Kentucky under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Warren County, Kentucky, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Warren County, Kentucky.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the basis of the accounting practices prescribed or permitted by the Department for Local Government to demonstrate 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. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Indirect Cost Rate

Warren County has not adopted an indirect cost rate and has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

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WARREN COUNTY
SCHEDULE OF CAPITAL ASSETS
Other Information - Regulatory Basis

For The Year Ended June 30, 2025

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WARREN COUNTY
SCHEDULE OF CAPITAL ASSETS
Other Information - Regulatory Basis

For The Year Ended June 30, 2025

The fiscal court reports the following Schedule of Capital Assets:

	Beginning Balance	Additions	Deletions	Ending Balance
Land	\$ 8,665,491	\$ 1,440,000	\$	\$ 10,105,491
Land Improvements	6,686,218	95,750		6,781,968
Construction In Progress	-	2,289,051		2,289,051
Building and Building Improvements	84,170,763	337,000		84,507,763
Vehicles	11,962,938	2,270,130	521,209	13,711,859
Machinery and Equipment	12,294,131	1,135,009	105,205	13,323,935
Infrastructure	134,007,879	191,100		134,198,979
 Total Capital Assets	 <u>\$ 257,787,420</u>	 <u>\$ 7,758,040</u>	 <u>\$ 626,414</u>	 <u>\$ 264,919,046</u>

WARREN COUNTY
NOTES TO OTHER INFORMATION - REGULATORY BASIS
SCHEDULE OF CAPITAL ASSETS

June 30, 2025

Note 1. Capital Assets

Capital assets, which include land, land improvements, buildings, furniture, and office equipment, building improvements, machinery, equipment, and infrastructure assets (roads and bridges) that have a useful life of more than one reporting period based on the government's capitalization policy, are reported as other information. Such assets are recorded at historical cost or estimated historical cost when purchased or constructed.

	<u>Capitalization Threshold</u>	<u>Useful Life (Years)</u>
Land Improvements	\$ 25,000	10-60
Buildings and Building Improvements	\$ 50,000	10-75
Machinery and Equipment	\$ 5,000	3-25
Vehicles	\$ 5,000	3-25
Infrastructure	\$ 25,000	10-50

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

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Roy W. Hunter, CPA, PLLC

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

The Honorable Doug Gorman, Warren County Judge/Executive
Members of the Warren County Fiscal Court

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 Receipts, Disbursements, and Changes in Fund Balances - Regulatory Basis of the Warren County Fiscal Court for the fiscal year ended June 30, 2025, and the related notes to the financial statement which collectively comprise the Warren County Fiscal Court's financial statement and have issued our report thereon dated December 10, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the Warren County Fiscal Court's internal control over financial reporting (internal control) as a basis for designing 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 Warren County Fiscal Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Warren County Fiscal Court'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 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 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. 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.

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Roy.Hunter@CPA.com*

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)

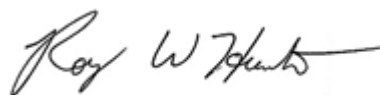
Report Compliance And Other Matters

As part of obtaining reasonable assurance about whether the Warren County Fiscal Court'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 that reads "Roy W. Hunter". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Roy W. Hunter, CPA, PLLC
Lexington, Kentucky

December 10, 2025

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

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Roy W. Hunter, CPA, PLLC

Report On Compliance For Each Major Federal Program
And Report On Internal Control Over Compliance
In Accordance With The Uniform Guidance

Independent Auditor's Report

The Honorable Doug Gorman, Warren County Judge/Executive
Members of the Warren County Fiscal Court

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Warren County Fiscal Court's compliance with the types of compliance requirements identified as subject to audit in the *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Warren County Fiscal Court's major federal programs for the year ended June 30, 2025. The Warren County Fiscal Court's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Warren County Fiscal Court complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Warren County Fiscal Court and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Warren County Fiscal Court's compliance with the compliance requirements referred to above.

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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)

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Warren County Fiscal Court's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Warren County Fiscal Court's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Warren County Fiscal Court's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Warren County Fiscal Court's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Warren County Fiscal Court's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Warren County Fiscal Court's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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)

Report on Internal Control over Compliance

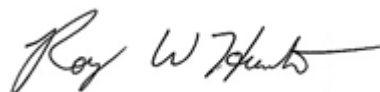
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



Roy W. Hunter, CPA, PLLC
Lexington, Kentucky

December 10, 2025

**WARREN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For The Year Ended June 30, 2025

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**WARREN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For The Year Ended June 30, 2025

Section I: Summary of Auditor's Results

Financial Statement

Type of report the auditor issued on whether the financial statement audited was prepared in accordance with GAAP:
Adverse on GAAP and Unmodified on Regulatory Basis

Internal control over financial reporting:

Are any material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are any significant deficiencies identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None noted
Are any noncompliances material to financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Federal Awards

Internal control over major programs:

Are any material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are any significant deficiencies identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None Reported
Type of auditor's report issued on compliance for major federal program: <i>Unmodified</i>		
Are any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Identification of major programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
97.039	Hazard Mitigation Grant

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as a low-risk auditee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**WARREN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2025
(Continued)**

Section II: Financial Statement Finding -None.

Section III: Federal Award Findings and Questionable Costs – None.

Section IV: Summary Schedule of Prior Audit Findings



DOUGLAS J. GORMAN

TEL: (270) 843-4146

WARREN COUNTY JUDGE EXECUTIVE

FAX: (270) 781-2777

Finding Number	Prior Year Finding Title	Status	Corrective Action
2024-001	The Warren County Fiscal Court’s Deposits Were Not Adequately Collateralized At A Financial Institution	Resolved	The finding was corrected.

**CERTIFICATION OF COMPLIANCE -
LOCAL GOVERNMENT ECONOMIC ASSISTANCE PROGRAM**

WARREN COUNTY FISCAL COURT

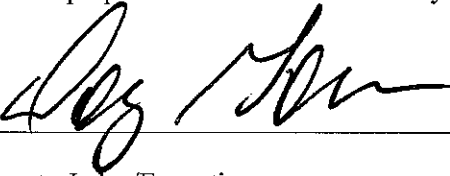
For The Year Ended June 30, 2025

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CERTIFICATION OF COMPLIANCE
LOCAL GOVERNMENT ECONOMIC ASSISTANCE
WARREN COUNTY FISCAL COURT

For The Year Ended June 30, 2025

The Warren County Fiscal Court hereby certifies that assistance received from the Local Government Economic Assistance Program was expended for the purpose intended as dictated by the applicable Kentucky Revised Statutes.



County Judge/Executive



County Treasurer

APPENDIX C

**\$17,965,000
WARREN COUNTY, KENTUCKY
GENERAL OBLIGATION BONDS,
SERIES 2026**

FORM OF LEGAL OPINION OF BOND COUNSEL



English Lucas Priest & Owsley, LLP | *Strength. Knowledge. Experience.*

Gillard B. Johnson, III
P.O. Box 1024
302 Crestridge Trail
Nicholasville, KY 40356
gjohnson@gbjlegal.com

June 22, 2026

Doug Gorman, Judge Executive
Warren County, Kentucky
429 E. 10th Avenue
Bowling Green, Kentucky 42101

Regions Bank
1600 Division Street, 9th Floor
Nashville, Tennessee 37203

RE: \$17,965,000 Warren County, Kentucky General Obligation Bonds, Series 2026

Ladies and Gentlemen:

We have examined the transcript of proceedings relating to the issue of \$17,965,000 Warren County, Kentucky (the “County” or “Issuer”) General Obligation Bonds, Series 2026, dated June 22, 2026 (the “Bonds”) and of the denomination of \$5,000 and any integral multiple thereof. The Bonds mature, bear interest, and are subject to mandatory and optional redemption upon the terms set forth therein. We have also examined a specimen of the Bonds.

Regarding questions of fact material to our opinion, we have relied on the representations of the Issuer contained in the Ordinance pursuant to which the Bonds are issued (the “Bond Ordinance”) and in the certified proceedings and other certifications, including the Federal Tax Certificate, of public officials and others furnished to us, including the opinion of the County Attorney, without undertaking to verify the same by independent investigation. We have assumed that all signatures on documents, certificates, and instruments examined by us are genuine, all documents, certificates, and instruments submitted to us as originals are authentic, and all documents, certificates, and instruments relating to the issuance of the Bonds have been duly authorized, executed, and delivered by all parties thereto, other than the Issuer, and we have further assumed the due organization, existence, and powers of such other parties, other than the Issuer.

As bond counsel, we have been retained solely for the purpose of examining the validity and legality of the Bonds and of rendering the specific opinions herein stated and for no other purpose. We have not verified the accuracy, completeness, or fairness of any representation or information concerning the business or financial condition of the Issuer in connection with the sale of the Bonds. Accordingly, we express no opinion on the completeness, fairness, or adequacy of any such representation or information.

Based on this examination, we are of the opinion, based upon laws, regulations, rulings, and decisions in effect on the date hereof, that:

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1. The Bonds constitute valid obligations of the Issuer in accordance with their terms, which unless paid from other sources, are payable from taxes to be levied by the Issuer without limitation as to rate and amount.

2. Under the laws, regulations, rulings and judicial decisions in effect as of the date hereof, interest on the Bonds is excludable from gross income for Federal income tax purposes, pursuant to the Internal Revenue Code of 1986, as amended (the "Code"). Furthermore, interest on the Bonds will not be treated as a specific item of tax preference in computing the alternative minimum tax for individuals and corporations. In rendering the opinions in this paragraph, we have assumed continuing compliance with certain covenants designed to meet the requirements of Section 103 of the Code. We express no other opinion as to the federal tax consequences of purchasing, holding or disposing of the Bonds.

3. The interest on the Bonds is not subject to taxation by the Commonwealth of Kentucky, and the Bonds are not subject to ad valorem taxation by the Commonwealth of Kentucky or by any political subdivision thereof.

The Bonds have not been designated as "qualified tax-exempt obligations" with respect to investments by certain financial institutions under Section 265 of the Code.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Bond Ordinance are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered as law or in equity.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Official Statement relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, may hereinafter arise as a result of the County's on-going obligation to comply with provisions of the Code as set forth in the Federal Tax Certificate, or any changes in law that may hereafter occur.

Sincerely,
English, Lucas, Priest & Owsley, LLP

By: _____
Gillard B. Johnson, III

APPENDIX D

**\$17,965,000
WARREN COUNTY, KENTUCKY
GENERAL OBLIGATION BONDS,
SERIES 2026**

**STATEMENT OF INDEBTEDNESS,
KENTUCKY CONSTITUTION §§ 157 AND 158 AND KRS 66.041**

- | | |
|--|-------------|
| (e) Obligations issued to pay costs of public projects to the extent they are issued in anticipation of the receipt of, and are payable as to principal from, federal or state grants within that fiscal year..... | \$0 |
| (f) Leases entered into under KRS 65.940 to 65.956 after July 15, 1996 which are not tax-supported leases..... | \$265,902 |
| (g) Bonds issued in the case of an emergency, when the public health or safety should so require..... | \$0 |
| (h) Bonds issued to fund a floating indebtedness..... | \$0 |
| TOTAL EXEMPT OBLIGATIONS..... | \$6,915,902 |
5. The total of bonds, notes and other obligations subject to the debt limitation set forth in KRS 66.041 (3 minus 4) is..... \$72,333,397*
 6. The total of bonds, notes and other obligations subject to the debt limitation set forth in KRS 66.041 as computed in 5 above, does not exceed 2.0% of the assessed valuation of all the taxable property in the County.
 7. The current tax rate of the County, for other than school purposes, upon the value of the taxable property therein is \$0.14 cents per \$100 on real estate and \$0.1686 cents per \$100 of assessed value on tangible personal property, which does not exceed the maximum permissible tax rate for the County as set forth in Section 157 of the Kentucky Constitution.
 8. The issuance of the bonds, notes or other obligations set forth in 3 hereof will not cause the tax rate set forth in 7 hereof to increase in an amount which would exceed the maximum permissible tax rate for the County as set forth in Section 157 of the Kentucky Constitution.

IN WITNESS WHEREOF, I have hereunto set my hand this 22nd day of June 2026.

County Treasurer

APPENDIX E

**\$17,965,000
WARREN COUNTY, KENTUCKY
GENERAL OBLIGATION BONDS,
SERIES 2026**

DISCLOSURE DISSEMINATION AGENT AGREEMENT

**DISCLOSURE DISSEMINATION AGENT AGREEMENT
FOR THE PURPOSE OF PROVIDING
CONTINUING DISCLOSURE INFORMATION
UNDER SECTION (B)(5) OF SEC RULE 15c2-12, AS AMENDED**

This Disclosure Dissemination Agent Agreement (the “Disclosure Agreement”), dated as of June 22, 2026, is executed and delivered by Warren County, Kentucky (the “Issuer”) and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent” or “DAC”) for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to assist the Issuer in processing certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute “advice” within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer’s behalf regarding the “issuance of municipal securities” or any “municipal financial product” as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary. DAC is not a “Municipal Advisor” as such term is defined in Section 15B of the Securities Exchange Act of 1934, as amended, and related rules.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

“Annual Filing Date” means the date, set in Sections 2(a) and 2(f) hereof, by which the Annual Report is to be filed with the MSRB.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Annual Report” means an Annual Report containing Annual Financial Information described in and consistent with Section 3 of this Disclosure Agreement.

“Audited Financial Statements” means the annual financial statements of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i)(B) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

“Bonds” means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

“Certification” means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice

Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

“Disclosure Dissemination Agent” means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

“Disclosure Representative” means Judge/Executive, County Treasurer, his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

“Failure to File Event” means the Issuer’s failure to file an Annual Report on or before the Annual Filing Date.

“Financial Obligation” as used in this Disclosure Agreement is defined in the Rule, as may be amended, as (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Force Majeure Event” means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent’s reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

“Holder” means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

“Information” means, collectively, the Annual Reports, the Audited Financial Statements, the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

“MSRB” means the Municipal Securities Rulemaking Board, or any successor thereto, established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Notice Event” means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

“Obligated Person” means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

“Official Statement” means that Official Statement prepared by the Issuer in connection with the respective issue of Bonds, as listed in Exhibit A.

“Trustee” means the institution, if any, identified as such in the document under which the respective issue of Bonds were issued or in the Official Statement, and includes any paying agent or registrar, so identified.

“Voluntary Event Disclosure” means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(10) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

“Voluntary Financial Disclosure” means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than the 210 days following the end of each fiscal year of the Issuer, commencing with the fiscal year ending June 30, 2026. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the

Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 10:00 a.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide at such time an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy for the Trustee, if any, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

- (i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;
- (ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) hereof with the MSRB;
- (iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) hereof with the MSRB;
- (iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) hereof with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) hereof (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:
 1. “Principal and interest payment delinquencies;”
 2. “Non-Payment related defaults, if material;”
 3. “Unscheduled draws on debt service reserves reflecting financial difficulties;”
 4. “Unscheduled draws on credit enhancements reflecting financial difficulties;”
 5. “Substitution of credit or liquidity providers, or their failure to perform;”

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
 7. “Modifications to rights of securities holders, if material;”
 8. Bond calls, if material, and tender offers;
 9. “Defeasances;”
 10. “Release, substitution, or sale of property securing repayment of the securities, if material;”
 11. “Rating changes;”
 12. “Bankruptcy, insolvency, receivership or similar event of the obligated person;”
 13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 14. “Appointment of a successor or additional trustee, or the change of name of a trustee, if material;”
 15. “Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material;” and
 16. “Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.
- (v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as “Failure to provide annual financial information as required”

when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;

(vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) hereof with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Issuer pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. “amendment to continuing disclosure undertaking;”
2. “change in obligated person;”
3. “notice to investors pursuant to bond documents;”
4. “certain communications from the Internal Revenue Service;” other than those communications included in the Rule;
5. “secondary market purchases;”
6. “bid for auction rate or other securities;”
7. “capital or other financing plan;”
8. “litigation/enforcement action;”
9. “change of tender agent, remarketing agent, or other on-going party;” and
10. “other event-based disclosures.”

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) hereof with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Issuer pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. “quarterly/monthly financial information;”
2. “change in fiscal year/timing of annual disclosure;”
3. “change in accounting standard;”
4. “interim/additional financial information/operating data;”
5. “budget;”
6. “investment/debt/financial policy;”
7. “information provided to rating agency, credit/liquidity provider or other third party;”

8. “consultant reports;” and
9. “other financial/operating data.”

(viii) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, Trustee (if any) and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Anything in this Disclosure Agreement to the contrary notwithstanding, any Information received by the Disclosure Dissemination Agent before 10:00 a.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including the financial and statistical information provided in Appendix “A” of the Official Statement under the headings: “Assessed Property Values”, “Top Taxpayers”, “Property Tax Rates”, and Tax Collection History”.

(b) Audited Financial Statements as described in the Official Statement will be included in the Annual Report. If audited financial statements are not available, then unaudited financial statements, prepared in accordance with **Generally Accepted Accounting Principles** as described in the Official Statement will be included in the Annual Report. In such event, Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Issuer is an “obligated person” (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available on the MSRB Internet Website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

The Issuer will reserve the right to modify from time to time the specific type of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Issuer; provided that the Issuer will agree that any such modification will be done in a manner consistent with the Rule.

SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of Bond holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the

entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of an Obligated Person, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an Obligated Person, any of which reflect financial difficulties.

The Issuer shall, in a timely manner not later than nine (9) business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the Issuer determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that either (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to

disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with MSRB in accordance with Section 2 (e)(iv) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers. The Issuer will provide the Dissemination Agent with the CUSIP numbers for (i) new bonds at such time as they are issued or become subject to the Rule and (ii) any Bonds to which new CUSIP numbers are assigned in substitution for the CUSIP numbers previously assigned to such Bonds.

SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing.

(a) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(b) hereof to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in

accordance with Section 2(e)(vii) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-3.

(c) The parties hereto acknowledge that the Issuer is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Termination of Reporting Obligation. The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of counsel expert in federal securities laws to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty days' written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable to the Disclosure Dissemination Agent until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon Certifications of the Issuer at all times.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the Issuer. No such

amendment shall become effective if the Issuer shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Trustee, if any, for the Bonds, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida (other than with respect to conflicts of laws).

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of page intentionally left blank.]

The Disclosure Dissemination Agent and the Issuer have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Disclosure Dissemination Agent

By: _____
Name: _____
Title: Client Service Manager

WARREN COUNTY, KENTUCKY
as Issuer

By: _____
Name: Doug Gorman
Title: Judge/Executive

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Issuer: Warren County, Kentucky
Obligated Person: Judge/Executive or Treasurer
Name(s) of Bond Issue(s): \$17,965,000 Warren County, Kentucky General Obligation Bonds, Series 2026
Date(s) of Issuance: June 22, 2026
Date(s) of Disclosure Agreement: _____, 2026

CUSIP Number:

<u>Maturing June 1</u>	<u>Principal Amount*</u>	<u>CUSIP 934850</u>	<u>Maturing June 1</u>	<u>Principal Amount*</u>	<u>CUSIP 934850</u>
2027	\$235,000.00		2037	\$880,000.00	
2028	365,000.00		2038	900,000.00	
2029	500,000.00		2039	940,000.00	
2030	415,000.00		2040	975,000.00	
2031	505,000.00		2041	1,280,000.00	
2032	530,000.00		2042	1,330,000.00	
2033	790,000.00		2043	1,385,000.00	
2034	770,000.00		2044	1,445,000.00	
2035	805,000.00		2045	1,505,000.00	
2036	840,000.00		2046	1,570,000.00	

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Agreement between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by _____.

Dated: June 22, 2026

Digital Assurance Certification, L.L.C., as
Disclosure Dissemination Agent, on behalf of the
Issuer

cc:

**EXHIBIT C-1
EVENT NOTICE COVER SHEET**

This cover sheet and accompanying "event notice" may be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name:

Issuer's Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates:

Number of pages attached: _____

____ Description of Notice Events (Check One):

1. _____ "Principal and interest payment delinquencies;"
2. _____ "Non-Payment related defaults, if material;"
3. _____ "Unscheduled draws on debt service reserves reflecting financial difficulties;"
4. _____ "Unscheduled draws on credit enhancements reflecting financial difficulties;"
5. _____ "Substitution of credit or liquidity providers, or their failure to perform;"
6. _____ "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
7. _____ "Modifications to rights of securities holders, if material;"
8. _____ "Bond calls, if material;" Tender offers;
9. _____ "Defeasances;"
10. _____ "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. _____ "Rating changes;"
12. _____ "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
13. _____ "Merger, consolidation, or acquisition of the obligated person, if material;"
14. _____ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
15. _____ "Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material;" and
16. _____ "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties."

____ Failure to provide annual financial information as required.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street, Suite 300
Orlando, FL 32801
407-515-1100

Date: June 22, 2026

**EXHIBIT C-2
VOLUNTARY EVENT DISCLOSURE COVER SHEET**

This cover sheet and accompanying "voluntary event disclosure" may be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of _____, 2026 between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name:

Issuer's Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

Number of pages attached: _____

_____ Description of Voluntary Event Disclosure (Check One):

1. _____ "amendment to continuing disclosure undertaking;"
2. _____ "change in obligated person;"
3. _____ "notice to investors pursuant to bond documents;"
4. _____ "certain communications from the Internal Revenue Service;"
5. _____ "secondary market purchases;"
6. _____ "bid for auction rate or other securities;"
7. _____ "capital or other financing plan;"
8. _____ "litigation/enforcement action;"
9. _____ "change of tender agent, remarketing agent, or other on-going party; and"
10. _____ "other event-based disclosures."

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date: June 22, 2026

EXHIBIT C-3
VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET

This cover sheet and accompanying “voluntary financial disclosure” may be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of June 22, 2026, between the Issuer and DAC.

Issuer’s and/or Other Obligated Person’s Name:

Issuer’s Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

Number of pages attached: _____

_____ Description of Voluntary Financial Disclosure (Check One):

1. _____ “quarterly/monthly financial information;”
2. _____ “change in fiscal year/timing of annual disclosure;”
3. _____ “change in accounting standard;”
4. _____ “interim/additional financial information/operating data;”
5. _____ “budget;”
6. _____ “investment/debt/financial policy;”
7. _____ “information provided to rating agency, credit/liquidity provider or other third party;”
8. _____ “consultant reports;” and
9. _____ “other financial/operating data.”

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date: June 22, 2026

APPENDIX F

**\$17,965,000
WARRENCOUNTY, KENTUCKY
GENERAL OBLIGATION BONDS,
SERIES 2026**

FORM OF OPINION OF COUNTY ATTORNEY

[COUNTY ATTORNEY LETTERHEAD]

June 22, 2026

Warren County, Kentucky
429 E. 10th Avenue
Bowling Green, Kentucky 42101

Regions Bank
1600 Division Street, 9th Floor
Nashville, Tennessee 37203

English, Lucas, Priest & Owsley, LLP
Po Box 1024
302 Crestridge Trail
Nicholasville, Kentucky 40356

RE: \$17,965,000 Warren County, Kentucky, General Obligation Bonds, Series 2026

Ladies and Gentlemen:

I am an attorney at law duly admitted to practice law in the Commonwealth of Kentucky and I am the County Attorney for the County of Warren, Kentucky (the "County"). I am familiar with the organization and existence of the County and the laws of the Commonwealth applicable thereto. Additionally, I am familiar with the Bonds, the Ordinance of the County adopted on March 12, 2026, authorizing the Bonds (the "Ordinance").

I have reviewed the Ordinance authorizing the execution and delivery of the Bonds, and the proceedings of the County with respect to the Bonds.

Based upon my review I am of the opinion that:

- (1) The County is a duly organized and existing political subdivision of the Commonwealth of Kentucky validly existing under the Constitution and statutes of the Commonwealth of Kentucky.
- (2) The Ordinance has been duly and properly adopted by the County, and the Bonds have been duly authorized, executed and delivered by the County. The Bonds are a full faith and credit obligation of the County, the payment for which the County is obligated to exercise its taxing power, without limit as to rate or amount, upon all taxable property within the County.
- (3) The County has all of the necessary power and authority to adopt the Ordinance and to perform and consummate all transactions contemplated thereby, and to execute and deliver the documents and instruments to be executed and delivered by them in connection with the issuance of the Bonds.
- (4) The issuance of the Bonds does not and will not conflict with, violate or constitute a default under any court or administrative order, decree or ruling, or any law, statute, ordinance or regulation, or any agreement, indenture, mortgage, lease, Bond or other obligation or instrument, binding upon the County, or any of its properties or assets, and the County has obtained each and every authorization, consent, permit, approval or license of, or filing or registration with (other than filings related to securities laws, if any), any

court or government department, commission, board, bureau, agency or instrumentality, or any specifically granted exemption from any of the foregoing, that is necessary to the valid execution and delivery of the Bonds.

(5) To the best of my knowledge after due inquiry there is no action, suit, proceedings or investigation at law or in equity before any court, public board or body pending or threatened against, affecting or questioning (i) the valid existence of the County, (ii) the right or title of the members and officers of the County to their respective positions, (iii) the authorization, execution, delivery or enforceability of the Bonds or the application of any monies or security therefore, or (iv) that would have a material adverse impact on the ability of the County to perform its obligations under the Bonds or Ordinance.

(6) None of the proceedings or authority theretofore had or taken by the County for the authorization, execution or delivery of the Bonds has or have been repealed, rescinded, or revoked.

(7) All proceedings and actions of the County with respect to which the Bonds are to be issued and delivered and other instruments were authorized, were has or taken at meetings properly convened and held in substantial compliance with the applicable provisions of the Kentucky Revised Statutes.

Very truly yours,

Amy Hale Chandler, County Attorney

APPENDIX G

**\$17,965,000
WARREN COUNTY, KENTUCKY
GENERAL OBLIGATION BONDS,
SERIES 2026**

OFFICIAL TERMS AND CONDITIONS

OFFICIAL TERMS AND CONDITIONS OF BOND SALE

**\$17,965,000
WARREN COUNTY, KENTUCKY
GENERAL OBLIGATION BONDS, SERIES 2026**

DATED June 1, 2026

Sealed proposals, addressed to the undersigned, will be received by the County of Warren, Kentucky (the "County") until 12:00 PM (EDT) on the 3rd day of June 2026 for the purchase of \$17,965,000 Warren County, Kentucky General Obligation Bonds, Series 2026 (the "Bonds").

The Bonds will be issued initially under the DTC Book-Entry Only System registered in the name of CEDE & Co., as the registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. The Bonds will bear interest from the date of delivery, at a rate or rates to be named by the bidder, payable on June 1 and December 1 of each year commencing December 1, 2026. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Bonds will be dated as of the date of delivery and will mature on June 1, 2027, and each June 1 thereafter through and including June 1, 2046.

Bidders may combine two or more consecutive maturities of Bonds to create term maturities, each of which will be subject to annual mandatory sinking fund redemption at par plus accrued interest to the redemption date (to the extent not previously redeemed) in the principal amounts for the years shown above (or as may be adjusted as provided herein) on June 1 of such year. Regions Bank, Nashville, Tennessee, will serve as Registrar and Paying Agent. All payments of principal and interest with respect to the Bonds shall be through the facilities of DTC.

The Bonds maturing on or after June 1, 2036 will be subject to redemption prior to maturity, in whole or in part, at the option of the County, on any date on or after June 1, 2035 from any moneys available therefore, at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest to the redemption date.

Both principal and interest will be payable in any coin or currency of the United States of America, which at the time of payment, is legal tender for the payment of public and private debts at the Corporate Trust Office of the Paying Agent.

After final computation of the proposals, the County reserves the right to decrease the principal amount of the Bonds of any maturity (all calculations to be rounded to the nearest \$5,000). In any event, the principal amount of the Bonds shall not exceed \$17,965,000. Such adjustment(s), if any, shall be made within 24 hours of the award of the Bonds.

In the event of any adjustment of the maturity schedule for the Bonds as described herein, no rebidding or recalculation of the proposals submitted will be required or permitted. The total purchase price of the Bonds will be increased or decreased in the direct proportion that the adjustment bears to the aggregate principal amount of the Bonds specified herein; and the Bonds of each maturity, as adjusted, will bear interest at the same rate and must have the same reoffering yield as are specified by the successful bidder for the Bonds of that maturity. Nevertheless, the award of the Bonds will be made to the bidder whose proposal produces the lowest true interest cost solely on the basis of the Bonds offered, without taking into account any adjustment in the amount of the Bonds pursuant to this paragraph.

Bids will be accepted or rejected by 12:00 PM EDT on the day of the sale. No proposal for the purchase of less than all of the Bonds, or at a price less than 98% of par will be considered. Bidders are invited to name the rate or rates of interest which the Bonds are to bear and, unless all bids are rejected, they will be awarded to the bidder offering to purchase them at the lowest true interest cost to the County. Bidders may name any number of rates of interest, in any variations selected by the bidder except that:

- (a) all Bonds of the same maturity shall bear the same rate of interest;
- (b) no rate may exceed five percent (5%);
- (c) each interest rate named shall be a multiple of 1/100th or 1/8th of 1%; and
- (d) any sum named by way of premium shall be paid in cash as a part of the purchase price.

For the purpose of determining the best bid, the lowest true interest cost will be calculated based on the amount of Bonds being offered as set forth herein. The County reserves the right to reject any and all bids or to waive irregularities in any bid. In the event of more than one proposal specifying the lowest such rate, the Bonds will be awarded to the bidder whose proposal is selected by lot or by such other method as those submitting such tie bids and the County shall agree upon.

Electronic proposals may be submitted electronically via PARITY® pursuant to this Notice until __:00AM (EDT) on June 1, 2026, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY® conflict with this this Official Terms and Conditions of Bond of Sale, the terms of this this Official Terms and Conditions of Bond of Sale shall control. For further information about PARITY®, potential bidders may contact Compass Municipal Advisors, LLC at 859.368.8052 or PARITY® at 212.849.5021.

The successful bidder will be required to furnish to the Paying Agent, an amount equal to two percent (2%) of the principal amount of Bonds awarded by the close of business on the first business day following the award. Said good faith deposit amount will be applied (without interest) to the purchase price on delivery.

The authority, purpose, security and source of payment of the Bonds, and the application of the proceeds thereof, are described in the Official Statement of the County, reference to which is hereby made.

The Preliminary Official Statement has been deemed final by the County for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”) but is subject to revision, amendment and completion in a final Official Statement as provided in the Rule. The Preliminary Official Statement is available at www.compassmuni.com. The County will furnish the successful bidder with the final Official Statement in electronic form in order to allow the bidder to comply with the Rule, without charge. The successful bidder will be required to bear the expense of the printing the Final Official Statement.

In order to assist bidders in complying with SEC Rule 15c2-12, the County will undertake, pursuant to the Ordinance authorizing the issuance of the Bonds, to provide notice of certain material events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

If the successful bidder for the Bonds desires to purchase a municipal bond insurance policy insuring payment of all or a portion of the debt service payable on the Bonds, the successful bidder does so at its on risk and expense and the obligation of the successful bidder to pay for the Bonds shall not be conditioned on the

issuance of a municipal bond insurance policy. The County will cooperate with the successful bidder in obtaining such insurance, but the County will not enter into any additional agreements with a bond insurer. Without limiting the generality of the foregoing, the successful bidder will be responsible for all costs, expenses and charges associated with the issuance of such insurance, including but not limited to the premium for the insurance policy and any taxes related thereto, and excluding only the fees of Moody's Investors Service, Inc.

The County shall furnish upon delivery of the Bonds the final approving opinion of English, Lucas, Priest & Owsley, LLP, Bond Counsel, Nicholasville, Kentucky, which opinion shall be attached to each Bond, together with the usual closing documents, including a certificate that no litigation is pending affecting the Bonds.

The successful bidder shall assist the County in establishing the issue price of the Bonds by delivering to the Issuer an "issue price" certificate (the "Certificate") dated the delivery date, using (depending on whether at least three bids are received) the applicable form attached hereto. If less than three bids are received for the Bonds, the successful bidder will be required, unless waived by the County, to certify that it "held-the-price" for the bonds during the Holding Period (as defined in the Certificate) at the prices identified on the Sale Date (as defined in the Certificate). In its sole discretion, the County may permit the winning bidder to certify that it will, immediately upon the sale of any bonds, notify the Issuer (and financial advisor) of each subsequent offering price until the end of the Holding Period, all as set forth in the Certificate. . All actions to be taken by the County under these Official Terms to establish the issue price of the Bonds may be taken on behalf of the County by the Financial Advisor and any notice or report to be provided to the County shall be provided to the Financial Advisor.

The County intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of each of the Bonds (the "competitive sale requirements") because:

- (a) the County will disseminate these Official Terms to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (b) all bidders will have an equal opportunity to bid;
- (c) the County may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (d) the County anticipates awarding the Bonds to the bidder who submits a firm offer to purchase the Bonds at the lowest true interest cost, as set forth in these Official Terms.

Any bid submitted pursuant to this these Official Terms shall be considered a firm offer for the purchase of the Bonds, as specified in the bid."

The Bonds will be delivered on or about June 22, 2026, through the facilities of DTC at the expense of the County, or at such other place as may be agreed upon with the purchaser at the expense of the purchaser. The purchase price then due must be paid in Federal funds or other immediately available funds. The cost of preparing the Bonds will be borne by the County.

It is anticipated that CUSIP identification numbers will be printed on the Bonds but neither the failure to print such numbers on any Bonds nor any error with respect thereto shall constitute cause for failure or

refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of its proposal. All expenses in relation to the printing of CUSIP identification numbers on the Bonds shall be paid for by the County; provided, however, that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the successful bidder.

WARREN COUNTY, KENTUCKY

By: /s/ Doug Gorman
Doug Gorman, Judge/Executive

[three or more bids]

ISSUE PRICE CERTIFICATE

**\$17,965,000 WARREN COUNTY, KENTUCKY
GENERAL OBLIGATION BONDS, SERIES 2026**

The undersigned, on behalf of _____ (“Underwriter”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. Reasonably Expected Initial Offering Price

- (a) As of June 1, 2026 (the “Sale Date”), the reasonably expected initial offering price of the Bonds to the Public by _____ is the price listed in Schedule A (the “Expected Offering Price”). The Expected Offering Price is the price for the Bonds used by _____ in formulating its bid to purchase the Bonds. Attached is a true and correct copy of the bid provided by _____ to purchase the Bonds.
- (b) _____ was not given the opportunity to review other bids prior to submitting its bid.
- (c) The bid submitted by _____ constituted a firm offer to purchase the Bonds.

2. Defined Terms

- (a) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
- (b) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents _____’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by English, Lucas, Priest & Owsley, LLP, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER]

By: _____

Name: _____

Dated: June 3, 2026

SCHEDULE A
EXPECTED OFFERING PRICES
(Attached)

[less than three bids]

ISSUE PRICE CERTIFICATE

**\$15,000,000 WARREN COUNTY, KENTUCKY
GENERAL OBLIGATION BONDS, SERIES 2026**

The undersigned, on behalf of [NAME OF SUCCESSFUL BIDDER] (the “Successful Bidder”), hereby certifies as set forth below with respect to the sale of \$17,965,000 Warren County, Kentucky General Obligation Bonds, Series 2026 (the “Bonds”).

1. Sale of Bonds.

As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of each Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A [and to the extent 10% of the Bonds of any maturity have not been sold as of the date hereof, the Winning Bidder will notify the County and its financial advisor of the sale price, immediately upon any such sale until at least 10% of each Maturity has been sold to the Public] [and that it neither offered nor sold any of the Bonds of any Maturity to any person at a price that is higher than the initial offering price for such Maturity during the Holding Period for such Maturity].

2. Defined Terms.

- a. “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
- b. “Holding Period” means, with respect to a Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the successful purchaser has sold at least 10% of such Maturity to the Public at prices that are no higher than the Initial Offering Price for such Maturity.
- c. “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
- d. “Sale Date” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is June 1, 2026.
- e. “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Winning Bidder’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the foregoing tax certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by English, Lucas, Priest & Owsley, LLP, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[WINNING BIDDER]

By: _____

Name: _____

Dated: June 1, 2026

SCHEDULE A

SALE PRICES

(Attached)

APPENDIX H

**\$17,965,000
WARREN COUNTY, KENTUCKY
GENERAL OBLIGATION BONDS,
SERIES 2026**

OFFICIAL BID FORM

OFFICIAL BID FORM

Warren County, Kentucky
 Warren County Courthouse
 Bowling Green, Kentucky 42101

June 1, 2026

_____, 2026

Subject to the Official Terms and Conditions of Bond Sale in respect to the \$17,965,000 “County of Warren, Kentucky General Obligation Bonds, Series 2026” dated June 22, 2026, with delivery, to all of which the undersigned agrees, the undersigned hereby submits the following offer to purchase said Bonds.

We hereby bid for said \$17,965,000 principal amount of Bonds the total sum of \$_____ (not less than \$_____) at the following interest rates:

<u>Maturing</u> <u>June 1</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP</u> <u>934850</u>	<u>Maturing</u> <u>June 1</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP</u> <u>934850</u>
2027	\$235,000			2037	\$ 880,000		
2028	365,000			2038	900,000		
2029	500,000			2039	940,000		
2030	415,000			2040	975,000		
2031	505,000			2041	1,280,000		
2032	530,000			2042	1,330,000		
2033	790,000			2043	1,385,000		
2034	770,000			2044	1,445,000		
2035	805,000			2045	1,505,000		
2036	840,000			2046	1,570,000		

We understand this bid may be accepted for as much as \$_____ of Bonds or as little as deemed by the County to be in County’s best interest, with the variation in such amount occurring in any maturity or all maturities, which will be determined by the County at the time of acceptance of the best bid.

It is understood that the County will furnish the final, approving Legal Opinion of English, Lucas, Priest & Owsley, LLP, Lexington, Kentucky.

The Purchaser of the Bonds may specify to the County that any of the Bonds may be combined with immediately succeeding sequential maturities into a Term Bond or Term Bonds, bearing a single rate of interest, with the maturities set forth above (or as may be adjusted as provided herein) comprising mandatory sinking fund redemption amounts for such Term Bond(s).

Notice is hereby given that electronic proposals will be received via PARITY®, in the manner described below, until 1:00 PM (EDT), on June 1, 2026. Bids will be submitted electronically via PARITY® pursuant to this Notice until 1:00 PM (EDT), but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY® conflict with this Notice, the terms of this Notice shall control. For further information about PARITY®, potential bidders may contact Compass Municipal Advisors LLC at 859.368.8052 or PARITY® at 212.807.3800.

Neither the County nor the Financial Advisor assumes any responsibility whatsoever with regard to the receipt of bids. Bidders have the sole responsibility of assuring that their bids have been received or delivered by an employee or agent for the Bidder before the appointed date and hour of sale.

The successful bidder will be required to furnish to the Paying Agent bank an amount equal to two percent (2%) of the principal amount of Bonds awarded by the close of business on the first business day following the award. Said good faith deposit amount will be applied (without interest) to the purchase price on delivery. Procedures for deposit of the good faith deposit should be arranged through Compass Municipal Advisors, LLC at 859.368.8052.

Respectfully submitted,

Bidder: _____

E-mail Address _____

By _____
Signature

The foregoing is our purchase offer, and we submit our own computations thereof only for your information and convenience:

- (a) Total interest from dated date to final maturity: \$ _____
- (b) Plus, a discount, if any: \$ _____
- (c) Net interest cost (total interest cost plus discount): \$ _____
- (d) True Interest Cost (i.e. T.I.C.) _____%

Accepted on behalf of the County.

WARREN COUNTY, KENTUCKY

By: _____
Doug Gorman, Judge/Executive
June 1, 2026

**Preliminary, subject to change*