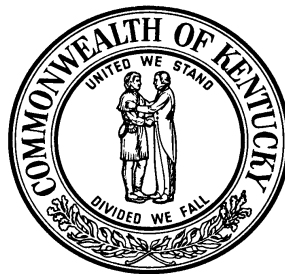


**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
EDMONSON COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period
July 1, 2022 Through June 30, 2023**



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SUMMARY OF PROCEDURES AND FINDINGS

AGREED-UPON PROCEDURES OF THE
EDMONSON COUNTY PROPERTY VALUATION ADMINISTRATOR

For The Period July 1, 2022 Through June 30, 2023

The Edmonson County Property Valuation Administrator received an Agreed-Upon Procedures (AUP) engagement for the period July 1, 2022 through June 30, 2023. AUP reports present the procedures performed and the results of those procedures, called findings. The summary below presents those findings for which an exception (an instance of noncompliance with the criteria) was identified during the AUP engagement.

During the AUP engagement of the Edmonson County Property Valuation Administrator, the following exceptions were noted:

- The PVA did not have a receipts ledger or disbursements ledger. The PVA conducts monthly bank reconciliations. The June 30, 2023 bank reconciliation was accurate.
- Payments made by the city to the PVA have been confirmed and traced to the bank statements but could not be traced to a receipts ledger. All city receipts were accounted for when compared to the DOR list of cities.
- Payments made by the fiscal court to the PVA were confirmed. The fiscal court paid the correct budgeted statutory contribution amount calculated by the Department of Revenue. The fiscal court payments were traced to the PVA's local bank account but could not be traced to a receipts ledger.
- Deposits were made weekly at a minimum. Receipts on-hand did not exceed \$250 daily. Pre-numbered receipts were not issued for the selected week. The PVA did not charge or issue receipts for all services performed. The deposits could not be traced since the PVA does not maintain a receipts ledger.
- The selected disbursements agreed to paid invoices or other supporting documentation and bank records and were traced to a check register but could not be traced to a disbursements ledger. The disbursements were for official business. All credit card disbursements were for official business.

Findings related to procedures for which there were no exceptions identified, and official responses to exceptions are not included in the summary above but can be found in the full report. A copy of this report is available on the Auditor of Public Accounts' website at auditor.ky.gov.

Respectfully submitted,

A handwritten signature in cursive script that reads "Allison Ball".

Allison Ball
Auditor of Public Accounts
Frankfort, KY

April 24, 2024



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ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report
On Applying Agreed-Upon Procedures

Holly M. Johnson, Secretary, Finance and Administration Cabinet
The Honorable Kyle White, Edmonson County Property Valuation Administrator
Brownsville, Kentucky 42210

We have performed the procedures enumerated below related to the Edmonson County Property Valuation Administrator (PVA) compliance with the *Fiscal and Personnel Administration Manual for the Office of Property Valuation Administrator* regarding the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts during the period July 1, 2022 through June 30, 2023.

An agreed-upon procedures engagement involves the APA performing specific procedures that the PVA has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed. The Edmonson County PVA is responsible for compliance with these requirements. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The Edmonson County PVA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining the PVA's compliance with the *Fiscal and Personnel Administration Manual for the Office of Property Valuation Administrator* regarding the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and findings are as follows:

1. Compliance Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (June 30, 2023), for all bank accounts, to determine if amounts are accurate.

Finding -

The PVA did not have a receipts ledger or disbursements ledger. The PVA conducts monthly bank reconciliations. The June 30, 2023 bank reconciliation was accurate.

PVA's Response: I use a ledger to track disbursements by budget category, and a monthly check ledger that includes dates, series codes, payee, and description. They need to be combined into a single report.

Auditor's Reply: The PVA did not maintain receipts or disbursements ledgers. A check register was maintained, and disbursements were later grouped together. A single report was not requested.



Holly M. Johnson, Secretary, Finance and Administration Cabinet
The Honorable Kyle White, Edmonson County Property Valuation Administrator
(Continued)

2. Compliance Procedure -

Confirm all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also compare recorded city receipts to the DOR list of cities to determine if the PVA has accounted for all city receipts.

Finding -

Payments made by the city to the PVA have been confirmed and traced to the bank statements but could not be traced to a receipts ledger. All city receipts were accounted for when compared to the DOR list of cities.

PVA's Response: I use a ledger to track disbursements by budget category, and a monthly ledger that includes city deposits. They need to be combined into a single report.

Auditor's Reply: The PVA did not maintain receipts or disbursements ledgers. A check register was maintained, and disbursements were later grouped together. A single report was not requested.

3. Compliance Procedure -

Confirm all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by the fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

Payments made by the fiscal court to the PVA were confirmed. The fiscal court paid the correct budgeted statutory contribution amount calculated by the Department of Revenue. The fiscal court payments were traced to the PVA's local bank account but could not be traced to a receipts ledger.

PVA's Response: I use a ledger to track disbursements by budget category and a monthly ledger that includes county deposits. They need to be combined into a single report.

Auditor's Reply: The PVA did not maintain receipts or disbursements ledgers. A check register was maintained, and disbursements were later grouped together. A single report was not requested.

4. Compliance Procedure -

Select one month (July 2022 – June 2023) and review bank statement to determine if deposits were made weekly at a minimum or if receipts of \$250 or more are deposited daily. Choose one week from month selected and determine if pre-numbered receipts were issued. Determine by inquiry of the PVA and scanning the receipts ledger if the PVA charges, issues receipts and deposits for all services provided.

Finding -

Deposits were made weekly at a minimum. Receipts on-hand did not exceed \$250 daily. Pre-numbered receipts were not issued for the selected week. The PVA did not charge or issue receipts for all services performed. The deposits could not be traced since the PVA does not maintain a receipts ledger.

PVA's Response: Receipts will be issued with a receipt number for all sales. Taxpayers are not charged for property cards of their own parcels.

Holly M. Johnson, Secretary, Finance and Administration Cabinet
The Honorable Kyle White, Edmonson County Property Valuation Administrator
(Continued)

5. Procedure -

Determine if the PVA has a change fund and document the amount of the PVA's change fund.

Finding -

The PVA has a change fund of \$12.

6. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to paid invoices or other supporting documentation and bank records. Determine if the disbursement is for official business. Inspect all credit card statements (if any) to determine if disbursements are for official business.

Finding -

The selected disbursements agreed to paid invoices or other supporting documentation and bank records and were traced to a check register but could not be traced to a disbursements ledger. The disbursements were for official business. All credit card disbursements were for official business.

PVA's Response: I use a ledger to track disbursements by budget category, and a monthly ledger that includes dates, series codes, payee, and description. They need to be combined into a single report.

Auditor's Reply: The PVA did not maintain receipts or disbursements ledgers. A check register was maintained, and disbursements were later grouped together. A single report was not requested.

7. Compliance Procedure -

Compare capital outlay disbursements with supporting documentation, bank records, and proper purchasing procedures. Observe newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

No exceptions were found as a result of applying the procedure.

8. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

No exceptions were found as a result of applying the procedure.

Holly M. Johnson, Secretary, Finance and Administration Cabinet
The Honorable Kyle White, Edmonson County Property Valuation Administrator
(Continued)

9. Compliance Procedure -

Compare the PVA's final budget to actual disbursements to determine if the PVA overspent in any account series.

Finding -

No exceptions were found as a result of applying the procedure.

10. Compliance Procedure -

Determine whether cash balances were properly transferred from the former PVA to the new PVA.

Finding -

Not applicable as no change in the PVA.

11. Compliance Procedure -

For PVA office employees hired between July 1, 2022 and June 30, 2023, determine if the Ethics Certification Form has been completed and is on file.

Finding -

Not applicable since no was hired between July 1, 2022 and June 30, 2023.

12. Compliance Procedure -

Determine if the PVA's office was closed any day other than the state's approved holidays. If so, determine if the proper procedures and forms were completed.

Finding -

No exceptions were found as a result of applying the procedure.

13. Compliance Procedure -

During county election years, determine if the property valuation administrator spent more than forty percent (40%) of the allowances available to the PVA's office from county funds during the first five (5) months of the fiscal year in which the general election is held. (KRS 132.590(12)).

Finding -

No exceptions were found as a result of applying the procedure.

Holly M. Johnson, Secretary, Finance and Administration Cabinet
The Honorable Kyle White, Edmonson County Property Valuation Administrator
(Continued)

We were engaged by the by the Finance and Administration Cabinet, Department of Revenue and the Edmonson County PVA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with specified requirements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Edmonson County PVA and of the Finance and Administration Cabinet, Department of Revenue and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of this report is to present the procedures performed and the results of those procedures and is not suitable for any other purpose. This report is intended solely for the information and use of the Edmonson County PVA and the Finance and Administration Cabinet, Department of Revenue and is not intended to be and should not be used by anyone other than the specified parties.

Respectfully submitted,



Allison Ball
Auditor of Public Accounts
Frankfort, KY

April 24, 2024