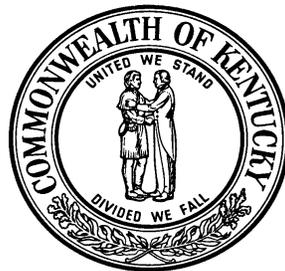


**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS  
AGREED-UPON PROCEDURES ENGAGEMENT  
OF THE  
BATH COUNTY  
PROPERTY VALUATION ADMINISTRATOR**

**For The Period  
July 01, 2014 Through June 30, 2015**



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**MIKE HARMON**  
**AUDITOR OF PUBLIC ACCOUNTS**

**Independent Accountant's Report**  
**On Applying Agreed Upon Procedures**

William M. Landrum III, Secretary, Finance and Administration Cabinet  
The Honorable Jacky Watson,  
Bath County Property Valuation Administrator  
Owingsville, Kentucky 40360

We have performed the procedures enumerated below, which were agreed to by the Finance and Administration Cabinet, Department of Revenue, and the Bath County Property Valuation Administrator (PVA) solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period July 01, 2014 through June 30, 2015. PVA's management is responsible for the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. 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, 2015), for all bank accounts, to determine if amounts are accurate.

Finding -

The PVA does not have a receipts ledger or a disbursements ledger and does not properly reconcile bank records to the books each month. The PVA creates bank reconciliations but no reconciling items are listed.

*PVA's Response: PVA will create receipts and disbursements ledger for future years.*



William M. Landrum III, Secretary, Finance and Administration Cabinet  
The Honorable Jacky Watson,  
Bath County Property Valuation Administrator  
(Continued)

2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

There were no receipts from the cities. Auditor called and confirmed that there were no payments made by the cities to the PVA office. Upon further investigation, PVA did not send out invoices to the cities to collect proper payments. The PVA should ensure that proper payments are received from the cities.

*PVA's Response: Invoices will be sent to city tax clerk by November 1, each year.*

3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by 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 have been confirmed. The budgeted statutory contribution by fiscal court compared favorably to the legally required amounts calculated by the Department of Revenue. Fiscal court payments were traced from the fiscal court statutory contribution budget to the PVA's local bank accounts and the receipts register.

4. Procedure -

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

Finding -

The selected disbursements agree to cancelled checks and paid invoices, or other supporting documentation. Disbursements were determined to be for official business. There were no credit card disbursements.

William M. Landrum III, Secretary, Finance and Administration Cabinet  
The Honorable Jacky Watson,  
Bath County Property Valuation Administrator  
(Continued)

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

Not applicable since no capital assets were purchased between July 1, 2014 through June 30, 2015.

6. 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 -

The PVA's lease agreement and contract payments agree to cost schedules, and the services received were appropriate, for official business, and properly authorized.

7. Procedure -

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

Finding -

Final budget was compared to actual disbursements and the PVA did not overspend in any account series.

8. Procedure -

Determine whether timesheets are completed, maintained, approved, and support hours worked.

Finding -

Time records are completed, maintained, approved, and support the hours worked.

9. Procedure -

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

Finding -

Not applicable as no change in the PVA.

William M. Landrum III, Secretary, Finance and Administration Cabinet  
The Honorable Jacky Watson,  
Bath County Property Valuation Administrator  
(Continued)

10. Procedure -

For newly hired employees, during July 1, 2014 through June 30, 2015, of the PVA office determine if the Ethics Certification Form has been completed and is on file.

Finding -

Not applicable since no employees were hired between during July 1, 2014 through June 30, 2015.

11. 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 -

The PVA followed the proper procedures and completed the appropriate forms for the days the office was closed other than state's approved holidays.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Finance and Administration Cabinet, Department of Revenue, and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



Mike Harmon  
Auditor of Public Accounts

April 07, 2016