



**Auditor of State  
Betty Montgomery**



VILLAGE OF VINTON  
GALLIA COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2002.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - Proprietary Fund Type - For the Year Ended December 31, 2002.....	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2001.....	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - Proprietary Fund Type - For the Year Ended December 31, 2001.....	6
Notes to the Financial Statements.....	7
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	13
Schedule of Findings.....	15
Schedule of Prior Audit Findings.....	19

**This page intentionally left blank.**



**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Village of Vinton  
Gallia County  
P.O. Box 301  
Vinton, Ohio 45686

To the Village Council:

We have audited the accompanying financial statements of the Village of Vinton, Gallia County, Ohio (the Village), as of and for the years ended December 31, 2002 and 2001. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Village prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Village of Vinton, Gallia County, as of December 31, 2002 and 2001, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2003 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Village of Vinton  
Gallia County  
Independent Accountants' Report  
Page 2

This report is intended solely for the information and use of the audit committee, management, the Village Council and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

March 20, 2003

**VILLAGE OF VINTON  
GALLIA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Governmental Fund Types</u>		<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Property Tax and Other Local Taxes	\$13,202	\$1,351	\$14,553
Intergovernmental Receipts	77,489	450,290	527,779
Special Assessments	28		28
Charges for Services	37,310		37,310
Fines, Licenses, and Permits	2,386	36	2,422
Earnings on Investments	469		469
Miscellaneous	4,794	1,831	6,625
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	135,678	453,508	589,186
	<hr/>	<hr/>	<hr/>
<b>Cash Disbursements:</b>			
Current:			
Security of Persons and Property	42,630		42,630
Public Health Services	2,271		2,271
Leisure Time Activities	27,031		27,031
Community Environment	3,025	442,466	445,491
Transportation		3,622	3,622
General Government	45,637		45,637
Capital Outlay		8,000	8,000
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	120,594	454,088	574,682
	<hr/>	<hr/>	<hr/>
Total Cash Receipts Over/(Under) Cash Disbursements	15,084	(580)	14,504
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, January 1	16,603	31,030	47,633
	<hr/>	<hr/>	<hr/>
<b>Fund Cash Balances, December 31</b>	<b>\$31,687</b>	<b>\$30,450</b>	<b>\$62,137</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

*The notes to the financial statements are an integral part of this statement.*

**VILLAGE OF VINTON  
GALLIA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
PROPRIETARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<b>Proprietary Fund Type</b>
	<b>Enterprise</b>
<b>Operating Cash Receipts:</b>	
Charges for Services	\$14,500
Total Operating Cash Receipts	14,500
<b>Operating Cash Disbursements:</b>	
Capital Outlay	6,644
Total Operating Cash Disbursements	6,644
Operating Income/(Loss)	7,856
<b>Non-Operating Cash Receipts:</b>	
Proceeds from Notes and Bonds	6,644
Total Non-Operating Cash Receipts	6,644
Net Receipts Over/(Under) Disbursements	14,500
Fund Cash Balances, January 1	0
<b>Fund Cash Balances, December 31</b>	<b>\$14,500</b>

*The notes to the financial statements are an integral part of this statement.*



**VILLAGE OF VINTON  
GALLIA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Governmental Fund Types</u>		<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Property Tax and Other Local Taxes	\$2,036	\$	\$2,036
Special Assessments	125	15,334	15,459
Intergovernmental Receipts	71,991		71,991
Charges for Services	48,611		48,611
Fines, Licenses, and Permits	447	150	597
Earnings on Investments	505		505
Miscellaneous	5,109		5,109
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	128,824	15,484	144,308
<b>Cash Disbursements:</b>			
Current:			
Security of Persons and Property	35,801	1,459	37,260
Public Health Services	1,034		1,034
Leisure Time Activities	21,104		21,104
Community Environment	17,077		17,077
Transportation		269	269
General Government	57,931		57,931
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	132,947	1,728	134,675
Total Cash Receipts Over/(Under) Cash Disbursements	<hr/>	<hr/>	<hr/>
	(4,123)	13,756	9,633
Fund Cash Balances, January 1	<hr/>	<hr/>	<hr/>
	20,726	17,274	38,000
<b>Fund Cash Balances, December 31</b>	<hr/> <b>\$16,603</b> <hr/>	<hr/> <b>\$31,030</b> <hr/>	<hr/> <b>\$47,633</b> <hr/>

*The notes to the financial statements are an integral part of this statement.*

VILLAGE OF VINTON  
GALLIA COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
PROPRIETARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2001

	<u>Proprietary Fund Types</u>
	<u>Enterprise</u>
<b>Operating Cash Disbursements:</b>	
Capital Outlay	<u>\$72,473</u>
Total Operating Cash Disbursements	<u>72,473</u>
Operating Income/(Loss)	<u>(72,473)</u>
<b>Non-Operating Cash Receipts:</b>	
Proceeds from Notes and Bonds	<u>72,473</u>
Total Non-Operating Cash Receipts	<u>72,473</u>
Net Receipts Over/(Under) Disbursements	0
Fund Cash Balances, January 1	<u>0</u>
<b>Fund Cash Balances, December 31</b>	<u><u>\$0</u></u>

*The notes to the financial statements are an integral part of this statement.*

**VILLAGE OF VINTON  
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Village of Vinton, Gallia County (the Village), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a publicly-elected six-member Council. The Village provides general governmental services, including maintenance of streets, recreation services, and security of persons and property. The Village is in the process of constructing a sewer system and has begun collecting tap fees. The Village appropriates General Fund money to support a volunteer fire department.

The Village's management believes these financial statements present all activities for which the Village is financially accountable

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash**

The Village maintains all available monies of the Village in an interest-bearing checking account. Interest earned is recognized and recorded when received.

**D. Fund Accounting**

The Village uses fund accounting to segregate cash and investments that are restricted as to use. The Village classifies its funds into the following types:

**1. General Fund**

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Funds**

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Village had the following Special Revenue Funds:

*Street Construction, Maintenance and Repair Fund* - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining and repairing Village streets.

*State Highway Fund* - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining and repairing highways.

VILLAGE OF VINTON  
GALLIA COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

*Street Lighting Fund* – This fund receives funds from the street lighting levy for the installation of street lights.

*Grant Construction Fund* – This fund receives state grant monies for park repairs.

*Fire Fund* – This fund receives grant monies for the purchase of supplies for the Fire department.

*Flood Mitigation Fund* – This fund receives state and federal grant monies for the construction of a sewer plant.

3. Enterprise Funds

These funds account for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through user charges. The Village had the following Enterprise Funds:

*Tap Fees Fund* – This fund receives monies from citizens for the installation of taps

*Sewer Fund* - This fund receives loan proceeds from the Ohio Water Development Authority to finance a sewer plant project.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Council must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must also approve estimated resources.

**VILLAGE OF VINTON  
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (Continued)**

**3. Encumbrances (Continued)**

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 2002 and 2001 budgetary activity appears in Note 3.

**F. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**2. EQUITY IN POOLED CASH AND INVESTMENTS**

The Village maintains a cash and investments pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	2002	2001
Demand deposits	\$76,637	\$47,633

**Deposits:** Deposits are either (1) insured by the Federal Depository Insurance Corporation, (2) collateralized by securities specifically pledged by the financial institution to the Village.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2002 and 2001 follows:

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$230,250	\$135,678	(\$94,572)
Special Revenue	584,974	453,508	(131,466)
Enterprise	6,644	21,144	14,500
Total	\$821,868	\$610,330	(\$211,538)

**VILLAGE OF VINTON  
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$209,461	\$120,594	\$88,867
Special Revenue	575,175	454,088	121,087
Enterprise	6,644	6,644	0
Total	<u>\$791,280</u>	<u>\$581,326</u>	<u>\$209,954</u>

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$116,151	\$128,824	\$12,673
Special Revenue	7,681	15,484	7,803
Enterprise	72,473	72,473	0
Total	<u>\$196,305</u>	<u>\$216,781</u>	<u>\$20,476</u>

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$140,711	\$132,947	\$7,764
Special Revenue	3,088	1,728	1,360
Enterprise	72,473	72,473	0
Total	<u>\$216,272</u>	<u>\$207,148</u>	<u>\$9,124</u>

Contrary to Ohio Law, the Village had the following:

- Appropriations were greater than actual resources (actual receipts plus January unencumbered cash balance) at December 31, 2002;
- Appropriation measures were amended without complying with the same provisions of the law as were used in making the original appropriation and;
- Actual disbursements exceeded appropriations at fiscal year ended December 31, 2002.

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Village Council. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

**VILLAGE OF VINTON  
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

**4. PROPERTY TAX (Continued)**

Public utilities are also taxed on personal and real property located within the Village.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Village.

**5. DEBT**

Debt outstanding at December 31, 2002 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Water Development Authority Loan	\$154,744	5.54%
Total	<u>\$154,744</u>	

The Ohio Water Development Authority (OWDA) has approved a loan totaling \$196,352. Loan proceeds are drawn down as expenditures are incurred. As of December 31, 2002, the total draw down amount was \$154,744 leaving \$41,608 to be drawn down in 2003. The loan will be repaid in semiannual installments, commencing upon project completion, usually over twenty (20) years, based on an amortization schedule to be prepared and provided by the OWDA at the completion of the project. The Village has agreed to set utility rates sufficient to cover debt service payments.

**6. RETIREMENT SYSTEMS**

Officials and employees, other than law enforcement officers, belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2002 and 2001, PERS members contributed 8.5% of their gross salaries. The Village contributed an amount equal to 13.55% of participants' gross salaries. The Village has paid all contributions required through December 31, 2002.

Law enforcement officers pay into social security.

**VILLAGE OF VINTON  
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

**7. RISK MANAGEMENT**

**Commercial Insurance**

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

**8. CONTINGENT LIABILITIES**

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.





**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL  
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Village of Vinton  
Gallia County  
P.O. Box 301  
Vinton, Ohio 45686

To the Village Council:

We have audited the accompanying financial statements of the Village of Vinton, Gallia County, Ohio (the Village), as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated March 20, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 five instances of noncompliance that are required to be reported under *Government Auditing Standards* in the accompanying Schedule of Findings as items 2002-30727-001 through 2002-1782-005. We also noted certain immaterial instances of noncompliance that we have reported to management of the Village in a separate letter dated March 20, 2003.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Village's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Village in a separate letter dated March 20, 2003.

743 E. State St. / Athens Mall Suite B / Athens, OH 45701  
Telephone: (740) 594-3300 (800) 441-1389 Fax: (740) 594-2110  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

Village of Vinton  
Gallia County  
Independent Accountants' Report on Compliance and on Internal Control  
Required by *Government Auditing Standards*  
Page 2

This report is intended solely for the information and use of the audit committee, management and the Village Council, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

March 20, 2003

**VILLAGE OF VINTON  
GALLIA COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2002 AND 2001**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

**FINDING NUMBER 2002-30727-001**

**Noncompliance Citation**

Ohio Rev. Code Section 5705.10 describes the distribution of revenue derived from tax levies, proceeds from sale of bond issue, and proceeds from sale of permanent improvement states.

- All revenue derived from the following is required to be paid into the general fund:
  - the general levy for current expense within the ten-mill limitation,
  - any general levy for current expense authorized by vote in excess of the ten-mill limitation, and from
  - sources other than the general property tax, unless its use for a particular purpose is prescribed by law
- All revenue derived from general or special levies for debt charges which is levied for the debt charges on serial bonds, notes, or certificates of indebtedness having a life less than five years, is required to be paid into the bond retirement fund. All such revenue which is levied for the debt charges on all other bonds, notes, or certificates of indebtedness is to be paid into the sinking fund.
- All revenue derived from a special levy is to be credited to a special fund for the purpose for which the levy was made.
- All revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose is to be paid into a special fund for such purpose.
- All proceeds from the sale of public obligations or fractionalized interests in public obligations as defined in Ohio Rev. Code section 133.01, except premium and accrued interest, is to be paid into a special fund for the purpose of such issue. Any interest earned on money in the special fund may be used for the purposes for which the indebtedness was authorized or may be credited and used for an authorized fund or account. The premium and accrued interest received from such sale is to be paid into the subdivision's sinking fund or the bond retirement fund.
- If a permanent improvement of the subdivision is sold, the amount received from it may be paid into the sinking fund, the bond retirement fund, or into a special fund for the construction or acquisition of permanent improvements.
- Proceeds from the sale of a public utility are to be paid into the sinking fund or bond retirement fund to the extent necessary to provide for the retirement of the outstanding indebtedness incurred in the construction or acquisition of such utility.
- Proceeds from the sale of property other than a permanent improvement are to be paid into the fund from which such property was acquired or is maintained, or if there is no such fund, into the general fund.
- Money that is paid into a fund must be used only for the purposes for which such fund has been established. As a result, a negative fund balance indicates that money from one fund was used to cover the expenses of another fund.

There were several posting errors of these receipts in the UAN system, which caused cash receipts to be overstated or understated. The correcting adjustments have been reflected in the audited financial statements and in the Village's records.

VILLAGE OF VINTON  
GALLIA COUNTY

SCHEDULE OF FINDINGS  
DECEMBER 31, 2002 AND 2001  
(Continued)

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

**FINDING NUMBER 2002-30727-001  
(Continued)**

**Noncompliance Citation (Continued)**

**Ohio Rev. Code Section 5705.10 (Continued)**

We recommend the Clerk review the receipt documents (i.e. tax settlement sheets) and utilize the Village Handbook, prior to posting receipts to the revenue ledger. Also, we recommend the Village Council establish monitoring control procedures to review the accuracy of posting such revenues.

**FINDING NUMBER 2002-30727-002**

**Noncompliance Citation**

Ohio Revised Code §5705.36 allows all subdivisions to request increased amended certificates of estimated resources and reduced amended certificates upon the determination by the fiscal officer that revenue to be collected will be greater or less than the amount in the official certificate of estimated resources. The Village must request a reduced amended certificate when actual receipts plus January 1 unencumbered cash will be less than amounts appropriated.

Appropriations were greater than actual resources (actual receipts plus January unencumbered cash balance) at December 31, 2002 in the following funds:

Fund	FY 2002 Actual Receipts	Balance plus Actual Receipts	Total Appropriations	Variance
General		\$170,321	\$209,461	(\$39,140)
Special Revenue		466,701	575,175	(108,474)

We recommend the Village monitor estimated and actual revenues for all funds on a regular basis. In the situation where budgeted revenue exceeds actual revenue and appropriations exceed actual revenue, a reduced amended certificate must be obtained and appropriations adjusted accordingly.

VILLAGE OF VINTON  
GALLIA COUNTY

SCHEDULE OF FINDINGS  
DECEMBER 31, 2002 AND 2001  
(Continued)

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

**FINDING NUMBER 2002-30727-003**

**Noncompliance Citation**

Ohio Rev. Code section 5705.40 provides that an appropriation measure may be amended or supplemented as long as the entity complies with the same provisions of the law as are used in making the original appropriation. However, no appropriation may be reduced below an amount sufficient to cover all unliquidated and outstanding contracts or obligations against them. Transfers may be made by resolution or ordinance from one appropriation item to another. Subject to certain limitations, the annual appropriation measure may contain an appropriation for contingencies.

The Village adopted their legal level of control at the fund/function/object level for 2002 and 2001. The Village's appropriation ledgers did not agree to the final appropriation measure approved by the Village Council, at the legal level of control for 2002. The 2001 appropriation measure approved by the Village Council did not reflect the same function/object information as reflected on the Village's Uniform Accounting Network (UAN) system and could not be tested at the legal level of control. However, the appropriations per the ledgers did agree with the final approved appropriation measure at the fund level. Therefore, Note 3 of the financial statements reflect the approved appropriations.

We recommend the Village establish procedures to assure the appropriation ledger reflects the same information as the official appropriation measure. We also recommend the Village Council approve all amendments to and transfers of, appropriations, at the legal of control, and such approval be documented in the minutes. When making amendment to appropriations, the Village should follow the same provisions of the law as are used in making the original appropriation.

**FINDING NUMBER 2002-30727-004**

**Noncompliance Citation**

Ohio Rev. Code Section 5705.41(B) states that no subdivision or taxing unit is to expend money unless it has been appropriated.

Actual disbursements exceeded appropriations, in the General Fund, at fiscal year ended December 31, 2002, in the following line items:

Line item	Appropriation Authority	Expenditures Plus Encumbrances	Variance
1000-110-112-0000	\$10,000	\$11,576	(\$1,576)
1000-120-112-0000	8,000	10,153	(2,153)
1000-190-190-0000	0	1,134	(1,134)

This could result in the Village overspending available fund balances.

We recommend that the Village review budgetary information on a regular basis to ensure disbursements have not exceeded appropriations and seek amendments as needed from the Council.

**VILLAGE OF VINTON  
GALLIA COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

**FINDING NUMBER 2002-30727-005**

**Finding for Recovery Repaid Under Audit**

Per Ordinance #97-7, which established the compensation rate for Council, Councilman Sam Sowards, Jr. and Councilman Marvin Sallee were overpaid.

The following represents payment made to the Council Members, the amount due to the Council Members, and the amount of the overpayment:

<b>Name</b>	<b>Amount Paid 2001</b>	<b>Amount Due 2001</b>	<b>Variance</b>	<b>Amount Paid 2002</b>	<b>Amount Due 2002</b>	<b>Variance</b>	<b>Total Overpayment</b>
Sam Sowards Jr.	\$775	\$600	\$175	\$775	\$825	(\$50)	\$125
Marvin Sallee	\$800	\$650	\$150	\$350	\$350	\$0	\$150
<b>Total</b>	<b>\$1,575</b>	<b>\$1,250</b>	<b>\$325</b>	<b>\$1,125</b>	<b>\$1,175</b>	<b>(\$50)</b>	<b>\$275</b>

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Marvin Sallee, Sam Sowards and the Scottsdale Indemnity Company, their bonding company, jointly and severally, in the amount of \$150 and \$125, respectively, in favor of the Village of Vinton.

On February 24, 2003 Marvin Sallee and Sam Sowards repaid the Village of Vinton \$150 and \$125, respectively.

**VILLAGE OF VINTON  
GALLIA COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2002 AND 2001**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain:</i></b>
2000-30727-001	§5705.10- Several posting errors relating to revenue derived from tax levies, which caused cash receipts, for various funds to be over/under stated.	No	Not Corrected. Refer to finding number 2002-30727-001 above.
2000-30727-002	§5705.36- appropriations exceeded available resources.	No	Not Corrected. Refer to finding number 2002-30727-002 above.
2000-30727-003	§5705.41 (B)- expenditures exceeded appropriations at the legal level of control.	No	Not Corrected. Refer to finding number 2002-30727-004 above.
2000-30727-004	§5705.41 (D)- 100% of transactions tested were not properly encumbered.	Yes	Corrected
2000-30727-005	§5705.40- The Village did not amend or supplement appropriations.	No	Not Corrected. Refer to finding number 2002-30727-003 above.







**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**VILLAGE OF VINTON**

**GALLIA COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JUNE 17, 2003**