

VILLAGE OF VINTON  
GALLIA COUNTY  
REGULAR AUDIT  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021



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Village Council  
Village of Vinton  
PO Box 8  
Vinton, Ohio 45686

We have reviewed the *Independent Auditor's Report* of the Village of Vinton, Gallia County, prepared by Millhuff-Stang, CPA, Inc., for the audit period January 1, 2021 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

The Auditor of State is conducting an investigation, which is on-going as of the date of this report. Dependent on the outcome of the investigation, results may be reported at a later date.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Village of Vinton is responsible for compliance with these laws and regulations.

KEITH FABER  
Ohio Auditor of State

Tiffany L. Ridenbaugh, CPA, CFE, CGFM  
Chief Deputy Auditor

**August 15, 2025**

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**Village of Vinton**  
**Gallia County**  
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**Independent Auditor's Report**

Village Council  
Village of Vinton  
Gallia County  
PO Box 8  
Vinton, Ohio 45686

***Report on the Audit of the Financial Statements***

***Adverse and Qualified Opinions***

We have audited the financial statements of the Village of Vinton, Gallia County, Ohio, (the Village), which comprises the cash balances, receipts and disbursements for each governmental and proprietary fund type as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements.

***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 accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2022 and 2021, or the changes in financial position or, where applicable, cash flows thereof for the years then ended.

***Additional Opinion Qualification***

In our opinion, except for the possible effects of the matter described in the *Basis for Additional Opinion Qualification* section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental and proprietary fund type as of and for the years ended December 31, 2022, and 2021 and related notes of the Village of Vinton, Gallia County, Ohio in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Village, 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 adverse and qualified audit opinions.

### ***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 2 of the financial statements, the financial statements are prepared by the Village on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### ***Basis for Additional Opinion Qualification***

The Village declined to post adjustments identified in the audit of the 2020 financial statements due to the impact these adjustments would have on the General Fund.

Had the posting errors noted in the preceding paragraph been properly posted to the financial statements and the accounting system, the General Fund cash fund balance would have decreased \$15,696; State Highway Fund cash fund balance would have decreased \$118; Street Construction, Maintenance, and Repair Fund cash fund balance would have decreased \$24,241; Monthly Sewer Payment Fund cash fund balance would have decreased \$495; and the Sewer Debt Service Reserve Fund cash fund balance would have increased \$40,550.

Further, charges for services receipts are reported at \$90,590 and \$92,605 for the years ended December 31, 2022 and 2021, respectively, which are 100 percent of enterprise fund operating cash receipts for the years ended December 31, 2022 and 2021. We were unable to obtain sufficient appropriate audit evidence supporting the amounts recorded as charges for services receipts for the enterprise fund for the years ended December 31, 2022 and 2021. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

### ***Emphasis of Matter***

As discussed in Note 14 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures may impact subsequent periods of the Village. We did not modify our opinion regarding this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 the financial audit standards in the Comptroller General of the United States' *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 statements.

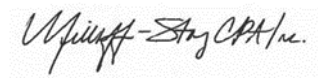
In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, 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 statements.
- 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 Village'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 statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

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 Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2025, 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 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 the Village's 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 Village's internal control over financial reporting and compliance.



Millhuff-Stang, CPA, Inc.  
Wheelersburg, Ohio

February 25, 2025



**Village of Vinton**  
**Gallia County**  
*Combined Statement of Receipts, Disbursements*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*All Governmental Fund Types*  
*For the Year Ended December 31, 2022*

	<b>General</b>	<b>Special Revenue</b>	<b>Combined Total</b>
Cash Receipts:			
Property and Other Local Taxes	\$ 15,084	\$ -	\$ 15,084
Intergovernmental	52,459	89,586	142,045
Charges for Services	28,272	-	28,272
Miscellaneous	2,161	-	2,161
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	97,976	89,586	187,562
	<hr/>	<hr/>	<hr/>
Cash Disbursements:			
Current:			
Security of Persons and Property	37,504	59,969	97,473
Public Health Services	-	1,082	1,082
Leisure Time Activities	1,283	-	1,283
Transportation	1,414	19,184	20,598
General Government	51,297	-	51,297
Capital Outlay	-	9,243	9,243
Debt Service:			
Principal Retirement	1,228	955	2,183
Interest and Fiscal Charges	440	342	782
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	93,166	90,775	183,941
	<hr/>	<hr/>	<hr/>
Net Change in Fund Cash Balances	4,810	(1,189)	3,621
Fund Cash Balances, January 1	6,747	15,555	22,302
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, December 31	\$ 11,557	\$ 14,366	\$ 25,923
	<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 Receipts, Disbursements*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*Proprietary Fund Type*  
*For the Year Ended December 31, 2022*

	<b>Proprietary Fund Type</b>
	<b>Enterprise</b>
Operating Cash Receipts:	
Charges for Services	\$ 90,590
Total Operating Cash Receipts	90,590
Operating Cash Disbursements:	
Contractual Services	27,791
Supplies and Materials	17,224
Total Operating Cash Disbursements	45,015
Operating Income (Loss)	45,575
Non-Operating Receipts (Disbursements):	
Principal Retirement	(571,793)
Interest and Other Fiscal Charges	(42,049)
Loans Issued	572,562
Total Non-Operating Receipts (Disbursements)	(41,280)
Net Change in Fund Cash Balances	4,295
Fund Cash Balances, January 1	64,304
Fund Cash Balances, December 31	\$ 68,599

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

**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 1 – Reporting Entity**

The Village of Vinton (the Village), Gallia County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides sewer utilities, park operations, and police services. The Village contracts with the Gallia County Sheriff's department to provide security of persons and property. The Village appropriates general fund money to support a volunteer fire department.

***Public Entity Risk Pool***

The Village participates in the Public Entities Pool of Ohio (PEP) public entity risk pool. Note 7 to the financial statements provide additional information for this entity.

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

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types which are all organized on a fund type basis.

***Fund Accounting***

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Village are presented below:

***General Fund*** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Special Revenue Funds*** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Funds:

***Street Construction Maintenance and Repair*** The street construction maintenance and repair fund accounts for and reports that portion of the State gasoline tax and motor vehicle license registration fees restricted for construction, maintenance, and repair of streets within the Village.

***Miscellaneous Special Revenue Fund*** The miscellaneous special revenue fund accounts for grant monies received on behalf of the volunteer fire department

**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 2 – Summary of Significant Accounting Policies (continued)**

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

***Sewer Monthly Payment Fund*** The sewer monthly payment fund receives charges for services from residents to cover sewer service costs.

***Sewer Debt Service Fund*** The sewer debt service fund receives charges for services from residents to cover the cost of the debt service on the USDA bond.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

***Budgetary Process***

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

***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 Village Council must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

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

***Encumbrances*** The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The Village did not encumber all commitments required by Ohio law.

A summary of 2022 budgetary activity appears in Note 4.

***Capital Assets***

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 2 – Summary of Significant Accounting Policies (continued)**

***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

***Nonspendable*** The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Village and the nonexpendable portion of the corpus in permanent funds.

***Restricted*** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

***Committed*** Council can *commit* amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

***Assigned*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 13.

**Note 3 – Compliance**

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the Enterprise Debt Service fund by \$567,598 for the year ended December 31, 2022.

Contrary to Ohio law, total appropriations exceeded total estimated resources in the General and Street Construction Maintenance & Repair fund by \$32,262 and \$1,674, respectively, for the year ended December 31, 2022.

Contrary to Ohio law, the Village did not properly encumber funds prior to commitment.

**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 3 – Compliance (continued)**

Contrary to Ohio law, the Village did not always maintain supporting documentation or a proper audit trail.

**Note 4 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$66,915	\$97,976	\$31,061
Special Revenue	94,960	89,586	(5,374)
Enterprise	98,723	663,152	564,429
Total	\$260,598	\$850,714	\$590,116

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$105,924	\$93,166	\$12,758
Special Revenue	112,161	90,775	21,386
Enterprise	100,122	658,857	(558,735)
Total	\$318,207	\$842,798	(\$524,591)

**Note 5 – Deposits and Investments**

To improve cash management, cash received by the Village is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. A summary of the Village's deposit and investment accounts are as follows:

	2022
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$94,522

***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation.

**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 6 – Taxes**

***Property Taxes***

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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

**Note 7 – Risk Management**

***Workers' Compensation***

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation. The intent of the GRP is to achieve the benefit of reduced premiums for the participants, foster safer working conditions and foster cost-effective claims management skills by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating entities is calculated as one experience and a common premium is applied to all entities in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for all entities in the GRP rather than its individual rate. Total savings are then calculated, and each participant's individual performance is compared to the overall savings of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Sedgwick provides administrative, cost control and actuarial services to the GRP.

***Risk Pool Membership***

The Village is a member of the Public Entities Pool of Ohio (the Pool). The Pool assumes the risk of loss up to the limits of the Village's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 7 – Risk Management (continued)**

	<u>2022</u>
Cash and investments	\$42,310,794
Actuarial liabilities	\$15,724,479

The Village financed \$9,177 of its 2022-2023 premium with Premco Financial Corporation at a 10.018% annual percentage rate (APR). The Village will make 3 quarterly payments of \$3,187, including interest. The first quarterly payment was made in December 2022.

**Note 8 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2022.

**Note 9 – Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2022.

**Note 10 – Debt**

Debt outstanding at December 31, 2022, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Water Development Authority Loan - #9764	\$388,292	3.06%
Ohio Water Development Authority Loan - #9765	\$184,270	3.06%
Ohio Water Development Authority Loan - #6365	\$10,696	1.50%
Ohio Public Works Commission Loan - CT32P	\$18,040	0.00%
Ohio Valley Bank Line of Credit	\$11,907	10.00%
Total	<u>\$613,205</u>	



**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 10 – Debt (continued)**

In fiscal year 2004, the Ohio Water Development Authority (OWDA) approved two loans totaling \$693,000 to finance additional expenditures of a sewage treatment project and to pay off the existing OWDA planning loan for the project. This loan was for interim financing of a wastewater collection system. This loan was repaid by financing approved by the USDA-Rural Development upon completion of the project in February 2006. In 2022, OWDA approved the issuance of two new loans (#9764 and #9765) totaling \$572,562, the proceeds of which were used to pay off the USDA-Rural Development bonds.

Ohio Water Development Authority (OWDA) loan #9764 was issued for \$388,292 in May 2022. The proceeds of the loan were used to pay off the portion of the USDA-Rural Development bonds noted above. The Village has agreed to set utility rates sufficient to cover debt service payments. Payment of principal will begin in 2023. The interest rate on the loan is 3.06%. The Village will make semi-annual payments of \$11,944 until the loan matures in January 2046.

Ohio Water Development Authority (OWDA) loan #9765 was issued for \$184,270 in May 2022. The proceeds of the loan were used to pay off the portion of the USDA-Rural Development bonds noted above. The Village has agreed to set utility rates sufficient to cover debt service payments. Payment of principal will begin in 2023. The interest rate on the loan is 3.06%. The Village will make semi-annual payments of \$5,668 until the loan matures in January 2046.

In 2013, the Village entered into an agreement with OWDA (#6365) for the Vinton Waste Water Treatment Plant Improvement project in the amount of \$15,558. The interest rate on the loan is 1.50% and will be repaid over 30 years. The first payment began June 2013.

The Village entered into an agreement with Ohio Public Works Commission (OPWC) on July 1, 2012 in the amount not to exceed \$140,017 for the Waste Water Treatment Plant Improvement project for which \$42,006 was approved as a loan for the Village. The Village only borrowed \$30,067 at 0% interest over 20 years to be paid semiannually each year.

The Village issued debt to finance a new roof on the Village Hall through Ohio Valley Bank on their line of credit during 2020 in the amount of \$20,000. Payments on the Village's line of credit are paid monthly.

***Amortization***

Amortization of the above debt, including interest, is scheduled as follows:

**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

**Note 10 – Debt (continued)**

Year Ending December 31:	OWDA Loans	OPWC Loan	Ohio Valley Bank Line of Credit
2023	\$18,219	\$1,503	\$3,705
2024	35,831	1,503	3,705
2025	35,831	1,503	3,705
2026	35,831	1,503	2,470
2027	35,831	1,503	0
2028-2032	179,154	7,517	0
2033-2037	179,154	3,008	0
2038-2042	179,154	0	0
2043-2046	123,586	0	0
Total	<u>\$822,591</u>	<u>\$18,040</u>	<u>\$13,585</u>

**Note 11 – Contingent Liabilities**

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Note 12 – Public Entity Risk Pool**

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation. The pool's business and affairs are conducted by a twenty-six member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance directors, and three law directors which are voted on by the members for staggered two-year terms. The Executive Director of the Ohio Municipal League serves as the coordinator of the Program. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

**Note 13 – Fund Balances**

The fund balance of special revenue funds is either restricted or committed. These restricted and committed amounts in the special revenue funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned. There were no outstanding encumbrances at year-end.

**Note 14 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency ended in April 2023. During 2022, the Village received \$11,087 in COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Village. The impact on the Village's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 15 – Subsequent Events**

In May of 2024, property located at 109 Clay Street was donated to the Village as a location for a future parking lot. The appraised value of the property donated is \$30,510.

**Village of Vinton**  
**Gallia County**  
*Combined Statement of Receipts, Disbursements*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*All Governmental Fund Types*  
*For the Year Ended December 31, 2021*

	<b>General</b>	<b>Special Revenue</b>	<b>Combined Total</b>
Cash Receipts:			
Property and Other Local Taxes	\$ 15,443	\$ -	\$ 15,443
Intergovernmental	52,486	30,218	82,704
Charges for Services	25,198	-	25,198
Licenses, Permits and Fees	50	-	50
Miscellaneous	4,161	-	4,161
Total Cash Receipts	97,338	30,218	127,556
Cash Disbursements:			
Current:			
Security of Persons and Property	35,013	-	35,013
Leisure Time Activities	1,249	-	1,249
Transportation	1,726	16,965	18,691
General Government	55,390	-	55,390
Debt Service:			
Principal Retirement	1,355	1,774	3,129
Interest and Fiscal Charges	424	336	760
Total Cash Disbursements	95,157	19,075	114,232
Excess of Receipts Over (Under) Disbursements	2,181	11,143	13,324
Other Financing Receipts (Disbursements)			
Advances Out	(4,699)	-	(4,699)
Total Other Financing Receipts (Disbursements)	(4,699)	-	(4,699)
Net Change in Fund Cash Balances	(2,518)	11,143	8,625
Fund Cash Balances, January 1	9,265	4,412	13,677
Fund Cash Balances, December 31	\$ 6,747	\$ 15,555	\$ 22,302

**Village of Vinton**  
**Gallia County**  
*Combined Statement of Receipts, Disbursements  
and Changes in Fund Balances (Regulatory Cash Basis)*  
*Proprietary Fund Type*  
*For the Year Ended December 31, 2021*

	<b>Proprietary Fund Type</b>
	<b>Enterprise</b>
Operating Cash Receipts:	
Charges for Services	\$ 92,605
Total Operating Cash Receipts	92,605
Operating Cash Disbursements:	
Contractual Services	24,103
Supplies and Materials	32,659
Total Operating Cash Disbursements	56,762
Operating Income (Loss)	35,843
Non-Operating Receipts (Disbursements):	
Principal Retirement	(14,525)
Interest and Other Fiscal Charges	(26,441)
Total Non-Operating Receipts (Disbursements)	(40,966)
Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers, and Advances	(5,123)
Advances In	4,699
Net Change in Fund Cash Balances	(424)
Fund Cash Balances, January 1	64,728
Fund Cash Balances, December 31	\$ 64,304

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

**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 1 – Reporting Entity**

The Village of Vinton (the Village), Gallia County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides sewer utilities, park operations, and police services. The Village contracts with the Gallia County Sheriff's department to provide security of persons and property. The Village appropriates general fund money to support a volunteer fire department.

***Public Entity Risk Pool***

The Village participates in the Public Entities Pool of Ohio (PEP) public entity risk pool. Note 7 to the financial statements provide additional information for this entity.

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

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types which are all organized on a fund type basis.

***Fund Accounting***

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Village are presented below:

***General Fund*** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Special Revenue Funds*** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Funds:

***Street Construction Maintenance and Repair*** The street construction maintenance and repair fund accounts for and reports that portion of the State gasoline tax and motor vehicle license registration fees restricted for construction, maintenance, and repair of streets within the Village.

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

**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 2 – Summary of Significant Accounting Policies (continued)**

***Sewer Monthly Payment Fund*** The sewer monthly payment fund receives charges for services from residents to cover sewer service costs.

***Sewer Debt Service Fund*** The sewer debt service fund receives charges for services from residents to cover the cost of the debt service on the USDA bond.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

***Budgetary Process***

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

***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 Village Council must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

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

***Encumbrances*** The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The Village did not encumber all commitments required by Ohio law.

A summary of 2021 budgetary activity appears in Note 4.

***Capital Assets***

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 2 – Summary of Significant Accounting Policies (continued)**

***Nonspendable*** The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Village and the nonexpendable portion of the corpus in permanent funds.

***Restricted*** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

***Committed*** Council can *commit* amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

***Assigned*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 13.

**Note 3 – Compliance**

Contrary to Ohio law, the Village did not properly encumber funds prior to commitment.

Contrary to Ohio law, the Village did not always maintain supporting documentation or a proper audit trail.

Contrary to Ohio law, the Village paid a council member \$20,007 as a contract employee for the year ending December 31, 2021.



**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

**Note 4 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2021 follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$125,256	\$97,338	(\$27,918)
Special Revenue	34,824	30,218	(4,606)
Enterprise	113,797	97,304	(16,493)
Total	\$273,877	\$224,860	(\$49,017)

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$128,872	\$99,856	\$29,016
Special Revenue	39,236	19,075	20,161
Enterprise	128,893	97,728	31,165
Total	\$297,001	\$216,659	\$80,342

**Note 5 – Deposits and Investments**

To improve cash management, cash received by the Village is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. A summary of the Village's deposit and investment accounts are as follows:

	2021
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$86,606

***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation.

**Note 6 – Taxes**

***Property Taxes***

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 6 – Taxes (continued)**

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

**Note 7 – Risk Management**

***Workers' Compensation***

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation. The intent of the GRP is to achieve the benefit of reduced premiums for the participants, foster safer working conditions and foster cost-effective claims management skills by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating entities is calculated as one experience and a common premium is applied to all entities in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for all entities in the GRP rather than its individual rate. Total savings are then calculated, and each participant's individual performance is compared to the overall savings of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Sedgwick provides administrative, cost control and actuarial services to the GRP.

***Risk Pool Membership***

The Village is a member of the Public Entities Pool of Ohio (the Pool). The Pool assumes the risk of loss up to the limits of the Village's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2021</u>
Cash and investments	\$41,996,850
Actuarial liabilities	\$14,974,099

The Village financed \$8,243 of its 2021-2022 premium with Premco Financial Corporation at a 8.078% annual percentage rate (APR). The Village will make 3 quarterly payments of \$2,841, including interest. The first quarterly payment was made in December 2021.

**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 8 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2021.

**Note 9 – Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2021. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2021.

**Note 10 – Debt**

Debt outstanding at December 31, 2021, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
USDA Bonds Sewer Project A	\$386,100	4.50%
USDA Bonds Sewer Project B	\$183,200	4.50%
Ohio Valley Bank Line of Credit	\$14,635	10.00%
Ohio Water Development Authority Loan #6365	\$11,131	1.50%
Ohio Public Works Commission Loan - CT32P	<u>\$19,544</u>	0.00%
Total	<u>\$614,610</u>	

In fiscal year 2004, the Ohio Water Development Authority (OWDA) approved two loans totaling \$693,000 to finance additional expenditures of a sewage treatment project and to pay off the existing OWDA planning loan for the project. This loan was for interim financing of a wastewater collection system. This loan was repaid by financing approved by the USDA-Rural Development upon completion of the project in February 2006. The Village has agreed to set utility rates sufficient to cover debt service payments. Payment of principal began in 2009. Both bonds will mature in September, 2046.

The Village issued debt to finance a new roof on the Village Hall through Ohio Valley Bank on their line of credit during 2020 in the amount of \$20,000. Payments on the Village's line of credit are paid monthly.

In 2013, the Village entered into an agreement with OWDA for the Vinton Waste Water Treatment Plant Improvement project in the amount of \$15,558. The interest rate on the loan is 1.50% and will be repaid over 30 years. The first payment began June 2013.

**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

**Note 10 – Debt (continued)**

The Village entered into an agreement with Ohio Public Works Commission (OPWC) on July 1, 2012 in the amount not to exceed \$140,017 for the Waste Water Treatment Plant Improvement project for which \$42,006 was approved as a loan for the Village. The Village only borrowed \$30,067 at 0% interest over 20 years to be paid semiannually each year.

Furthermore, in 2016, The Village issued debt to finance the building of a walking bridge through Ohio Valley Bank on March 10, 2016 in the amount of \$15,189. The interest rate on the loan is 3.75% and will be repaid over 5 years. The first payment began April, 2016. This final payment on this loan was made in 2021.

***Amortization***

Amortization of the above debt, including interest, is scheduled as follows:

Year Ending December 31:	USDA Bonds	OWDA Loan	OPWC Loan	Ohio Valley Bank Line of Credit
2022	\$38,419	\$607	\$1,503	\$3,705
2023	38,343	607	1,503	3,705
2024	38,444	607	1,503	3,705
2025	38,414	607	1,503	3,705
2026	38,357	607	1,503	2,470
2027-2031	191,968	3,037	7,517	0
2032-2036	191,935	3,037	4,512	0
2037-2041	192,014	3,037	0	0
2042-2046	191,916	911	0	0
Total	<u>\$959,810</u>	<u>\$13,057</u>	<u>\$19,544</u>	<u>\$17,290</u>

**Note 11 – Contingent Liabilities**

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Note 12 – Public Entity Risk Pool**

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation. The pool's business and affairs are conducted by a twenty-six member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance directors, and three law directors which are voted on by the members for staggered two-year terms. The Executive Director of the Ohio Municipal League serves as the coordinator of the Program. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

**Village of Vinton, Ohio**  
*Gallia County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 13 – Fund Balances**

The fund balance of special revenue funds is either restricted or committed. These restricted and committed amounts in the special revenue funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned. There were no outstanding encumbrances at year end.

**Note 14 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency ended in April 2023. During 2021, the Village received \$10,999 in COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Village. The impact on the Village's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

**Note 15 – Subsequent Events**

In May 2022, the Ohio Water Development Authority (OWDA) approved loans #9764 and #9765 for \$388,292 and \$184,270, respectively, the proceeds of which were used to pay off the USDA Rural Development bonds that were originally issued in 2006. The Village has agreed to set utility rates sufficient to cover debt service payments. Payment of principal began in 2023. Both loans will mature in January 2046.

In May of 2024, property located at 109 Clay Street was donated to the Village as a location for a future parking lot. The appraised value of the property donated is \$30,510.

**Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

Independent Auditor's Report

Village Council  
Village of Vinton  
Gallia County  
PO Box 8  
Vinton, Ohio 45686

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 financial statements of the Village of Vinton, Gallia County (the Village) as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements and have issued our report thereon dated February 25, 2025, wherein we noted the Village followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. We also qualified our opinion on the charges for services receipts in the enterprise fund for 2022 and 2021 due to lack of supporting documentation. We also qualified our opinion on the financial statements for 2022 and 2021 due to the Village not making a \$15,696, \$118, \$24,241, and \$495 adjustment against the General Fund, State Highway Fund, Street Fund, and Sewer Monthly Payments Fund, respectively, and in favor of the Sewer Reserve Fund in the amount of \$40,550. We also noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Village.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Village'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village'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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2022-001, 2022-002, and 2022-004 that we consider to be material weaknesses.

Village of Vinton

Gallia County

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Page 2

### **Report on Compliance and Other Matters**

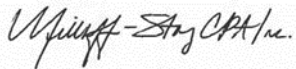
As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2022-003 through 2022-007.

### **Village's Responses to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Village's responses to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Village's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

### **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 Village'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.



Millhuff-Stang, CPA, Inc.  
Wheelersburg, Ohio

February 25, 2025

**Village of Vinton**  
**Gallia County**  
*Schedule of Findings and Responses*  
*For the Years Ended December 31, 2022 and 2021*

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<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**Finding Number 2022-001**

**Material Weakness – Financial Reporting**

A monitoring system by the Village should be in place to prevent or detect misstatements for the accurate presentation of the Village's financial statements. During the course of testing, we noted one receipt for special assessments which was improperly recorded as miscellaneous revenue in 2021. This error was deemed immaterial, therefore correction to the financial statements was waived. We also identified misclassifications in debt payments and nonpayroll expenditures in both 2021 and 2022. It was also noted that the Village did not record a debt issuance in 2022. Further, we noted errors in the posting of property tax receipts in both 2021 and 2022 as the Village recorded receipts in the net amount instead of gross. We also noted misclassifications in posting of property tax, intergovernmental, and miscellaneous revenues in 2021 and 2022. Further, we identified multiple errors in the notes to the financial statements which required correction in both 2021 and 2022. These misstatements, misclassifications, and disclosure errors and omissions were corrected in the accompanying financial statements and notes. In addition, the Village has not posted adjustments identified in the audit of the 2020 financial statements, resulting in an opinion modification.

We recommend the Village implement additional control procedures related to financial reporting that enable management to identify, prevent, detect, and correct potential errors and misclassifications in the financial statements and to ensure proper presentation of note disclosures.

**Village Response:**

Training and meetings have been scheduled to ensure proper financial reporting going forward.

**Finding Number 2022-002**

**Material Weakness – Budgetary Information Within Accounting System**

Accurate budgetary information within the Village's accounting system is pertinent to ensure that the Village has accurate and complete information for decision-making processes. In 2022, we noted material variances between beginning balances and estimated revenues entered into the accounting system and amounts per the final amended certificate of estimated resources filed with the County. Failure to accurately post budgetary information to the ledgers could result in overspending and negative cash balances. In addition, this could lead to inaccurate reporting of the budgetary information in the financial statements. To effectively control the budgetary cycle and to maintain accountability over receipts and expenditures, the Village should post to the ledgers, on a timely basis, estimated resources as certified by the budget commission and appropriations approved by the Council. The Village should then monitor budget versus actual reports to help ensure amended certificates of resources and appropriations have been properly posted to the ledgers.

**Village Response:**

Steps are being taken to compare budget vs. actual on a monthly basis.



**Village of Vinton**  
**Gallia County**  
*Schedule of Findings and Responses*  
*For the Years Ended December 31, 2022 and 2021*

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**Finding Number 2022-003**

**Noncompliance Citation – Ohio Revised Code Section 5705.39**

Ohio Revised Code Section 5705.39 states that total appropriations from each fund shall not exceed the total estimated resources. The Village had appropriations in excess of estimated resources in the General fund of \$32,262 and the Street fund of \$1,674 for the year ending December 31, 2022.

The Village should implement the appropriate procedures, such as periodic comparisons of estimated resources to appropriations and of budgetary amounts in accounting system to formally approved budgets, to ensure that appropriations are limited to estimated resources and improper spending does not occur.

**Village Response:**

Steps are being taken to compare budget vs. actual on a monthly basis.

**Finding Number 2022-004**

**Material Weakness/Noncompliance Citation – Ohio Revised Code Section 149.351(A) - Supporting Documentation**

Ohio Revised Code Section 149.351(A) states that all records are property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commissions provided for under Sections 149.38 to 149.42 of the Revised Code or under the records programs established by the boards of trustees of state-supported institutions of higher education under Section 149.33 of the Revised Code. Such records shall be delivered by outgoing officials and employees to their successors and shall not be otherwise removed, transferred, or destroyed unlawfully.

During the course of our audit, we identified the following issues:

- During testing of charges for services receipts in the enterprise fund, it was noted that sufficient supporting documentation was not maintained to test these receipts.
- The Village did not maintain support for a receipt from another Township related to a fire contract. We received outside confirmation from the Township verifying amounts received and recorded by the Village.
- During testing of elected official pay, the Village could not provide copies of ordinances or other supporting documentation to verify the approved pay rates of Council, the Mayor, or Fiscal Officer. We were able to tie amounts paid in the current audit period to pay rates tested in the prior year audit workpapers.
- The Village did not maintain support for federal forms 941. Therefore, we could not verify that these reports were completed and filed with the Treasury.
- During testing of nonpayroll disbursements, we noted one instance where we were unable to recompute a payment made from the Village to the Vinton Volunteer Fire Department. Supporting documentation was not maintained to identify the difference in our calculation.
- During testing of 2021 intergovernmental receipts, we noted one payment on the State of Ohio Transaction Detail Report for \$450 that we were unable to tie to the Village's bank statements or accounting records. The Village is not aware if this payment remains outstanding or not.

The Village should implement procedures to ensure that all supporting documentation is maintained and that a proper audit trail is kept. Further, the Village should follow up with the State to determine whether any checks issued to the Village remain outstanding.

**Village of Vinton**  
**Gallia County**  
*Schedule of Findings and Responses*  
*For the Years Ended December 31, 2022 and 2021*

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**Finding Number 2022-004 (continued)**

**Material Weakness/Noncompliance Citation – Ohio Revised Code Section 149.351(A) - Supporting Documentation (continued)**

**Village Response:**

The Village will ensure that all appropriate audit documentation is kept and available in the future.

**Finding Number 2022-005**

**Noncompliance Citation – Council Member Hired as Contract Laborer**

Ohio Revised Code Section 2921.42(A)(1) states that no public official shall knowingly authorize, or employ the authority or influence of the public official's office to secure authorization of any public contract in which the public official, a member of the public official's family, or any of the public official's business associates has an interest.

Ohio Revised Code Section 2921.42(H) provides that any public contract in which a public official, a member of the public official's family, or any of the public official's business associates has an interest in violation of this section is void and unenforceable.

Ohio Revised Code Section 731.12 provides each member of the legislative authority of a village shall have resided in the village one year immediately preceding the member's election, and shall be an elector of the village. No member of the legislative authority shall hold any other public office, be interested in any contract with the Village, or hold employment with said village, provided that such member shall not receive any compensation for his services as a volunteer fireman of the village in addition to his regular compensation as a member of the legislative authority. Any member who ceases to possess any of such qualifications or who removes from the village shall forfeit the member's office.

On June 18, 2015, Village Council approved the hiring of Councilman Denver Bates as a contract laborer cutting grass and removing snow at a rate of \$13 per hour. The Village continued to contract with Mr. Bates for various maintenance services during 2021. Mr. Bates was paid a total of \$20,007 for these services in 2021 as a contract laborer. Further, we noted multiple instances in which Mr. Bates was one of the two signatures on the checks which were made out to him. We noted that Mr. Bates did not serve on Village Council in 2022.

Ohio Revised Code Section 2921.42(A)(1) prohibits the Village from hiring any political official who currently holds a position on the Village Council as an employee of the Village. Further, Ohio Revised Code Section 731.12 prohibits any sitting Village Council Member from holding a contract or employment with the Village and by doing so shall forfeit their ability to sit on the Council.

The Village should develop a formal policy regarding related party transactions to govern transactions in which members of the Council or the Village may have a personal interest. This policy may include Council members abstaining from voting on related party items. Additionally, Council members should refrain from voting on anything that is family related. Council members should not sign a check or otherwise approve payment to themselves. Further, the Village should only hire employees which would be allowable under the Ohio Revised Code.

The Auditor of State will refer this matter to the Ohio Ethics Commission for whatever action deemed necessary.

**Village Response:**

The Village has taken steps to ensure that only authorized signees actually sign off on checks. All Council members have taken compliance courses and steps have been taken to ensure that no check is being signed by a "pay to" party.

**Village of Vinton**  
**Gallia County**  
*Schedule of Findings and Responses*  
*For the Years Ended December 31, 2022 and 2021*

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**Finding Number 2022-006**

**Noncompliance Citation – Ohio Revised Code Sections 5705.41(D)**

Ohio Revised Code Section 5705.41(D)(1) provides that no orders or contracts involving the expenditure of money are to be made unless there is attached thereto a certificate of the fiscal officer certifying that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such a certificate shall be void and no warrant shall be issued in payment of any amount due thereon.

There are several exceptions to the standard requirement stated above that treasurer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in Ohio Rev. Code §§ 5705.41(D)(1) and 5705.41(D)(3), respectively.

1. "Then and Now" certificate – If the chief fiscal officer can certify both at the time the contract or order was made ("then"), and at the time the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collections, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Village Council can authorize the drawing of a warrant for the payment of the amount due. The Village Council has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts less than \$100 in counties and less than \$3,000 in all other subdivisions may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Village.

2. Blanket Certificate – The auditor or fiscal officer may prepare "blanket" certificates for a certain sum of money, not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority, against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.
3. Super Blanket Certificate – The Village Council may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel oil, gasoline, food items, roadway materials, utilities, and any other specific recurring and reasonably predictable operating expense. This certification may, but need not, be limited to a specific vendor. This certification is not to extend beyond the current fiscal year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

Due to deficiencies in internal controls, 20 percent of the transactions tested at December 31, 2021 and 83 percent of the transactions tested at December 31, 2022 were not certified by the Fiscal Officer at the time the commitment was incurred, and there was no evidence the Village followed the aforementioned exceptions. Further, we noted expenditures totaling \$1,600 in 2021 and \$11,281 in 2022 that was not encumbered in the proper period. To improve controls over disbursements and to help reduce the possibility of the Village's funds exceeding budgetary spending limitations, the Fiscal Officer should certify the funds are or will be available prior to obligation by the Village. When prior certification is not possible, "then and now" certification should be used.

**Village of Vinton**  
**Gallia County**  
*Schedule of Findings and Responses*  
*For the Years Ended December 31, 2022 and 2021*

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**Finding Number 2022-006 (continued)**

**Noncompliance Citation – Ohio Revised Code Sections 5705.41(D) (continued)**

**Village Response:**

Training will be taken to ensure that proper procedures are followed.

**Finding Number 2022-007**

**Noncompliance Citation – Ohio Revised Code Section 5705.41(B)**

Ohio Revised Code Section 5705.41(B) prohibits a subdivision or taxing authority unit from making any expenditure of money unless it has been appropriated in accordance with the Ohio Revised Code.

In 2022, we noted expenditures in excess of appropriations in the Enterprise Debt Service fund of \$567,598. The Village Council should closely monitor expenditures and appropriations and make the necessary appropriation amendments, if possible, to reduce the likelihood of expenditures exceeding appropriations. Additionally, the Fiscal Officer should deny payment requests exceeding appropriations when appropriations are inadequate to cover the expenditures.

**Village Response:**

Ongoing training will ensure this type of error does not occur. All accounts are being monitored on a monthly basis.

**Village of Vinton**  
**Gallia County**  
*Schedule of Prior Audit Findings*  
*For the Years Ended December 31, 2022 and 2021*

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i><b>Explain</b></i>
Finding 2020-001	Noncompliance – ORC § 2921.42(A)(1) Council Member Hired as Contract Laborer	No	Reissued as Finding 2022-005
Finding 2020-002	Noncompliance – ORC § 5705.41(D) Proper Encumbrance of Funds	No	Reissued as Finding 2022-006
Finding 2020-003	Noncompliance Citation/Material Weakness – Village Ordinance 2006-01 Expenditures From the Sewer Reserve Fund	No	Reissued in Management Letter
Finding 2020-004	Material Weakness – Financial Reporting	No	Reissued as Finding 2022-001
Finding 2020-005	Material Weakness and Finding for Adjustment – Unposted Prior Period Adjustments	No	Reissued as Finding 2022-001

# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF VINTON**

**GALLIA COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 8/28/2025**

65 East State Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)