



OHIO AUDITOR OF STATE
KEITH FABER



**VINTON TOWNSHIP
VINTON COUNTY**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Vinton Township
Vinton County
38000 Arbaugh Road
Wilkesville, Ohio 45695

To the Board of Trustees:

Report on the Audit of the Financial Statements

Qualified and Adverse Opinions

We have audited the financial statements of Vinton Township, Vinton County, Ohio (the Township), which comprises the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2022, 2021, 2020 and 2019, and the related notes to the financial statements.

Qualified Opinion on the Regulatory Basis of Accounting

In our opinion, except for the possible effects of the matters 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, the receipts and disbursements for the governmental fund types as of and for the years ended December 31, 2022, 2021, 2020 and 2019, and the related notes of Vinton Township, Vinton County, in accordance with the financial reporting provisions the Ohio Revised Code § 117.38 and Ohio Administrative Code 117-2-03(C) permit, described in Note 2.

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 Township, as of December 31, 2022, 2021, 2020 and 2019, or the changes in financial position thereof for the years then ended.

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 Township, 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 Additional Opinion Qualification

Disbursements reported in the General Fund and Special Revenue Funds for the year ended December 31, 2019, were \$45,953 and \$173,329, respectively. Of these amounts, we were unable to obtain sufficient appropriate audit evidence to support the occurrence of disbursements totaling \$14,063 (30.6%) in the General Fund and \$90,077 (55.4%) in the Special Revenue Funds. As a result, we were unable to determine whether any adjustments might have been necessary to those disbursement amounts. Consequently, we were also unable to determine whether any adjustments might have been necessary to the General Fund and Special Revenue Funds balances as of December 31, 2019, and January 1, 2020, which include the respective ending and beginning fund balances.

Disbursements reported in the General Fund and Special Revenue Funds for the year ended December 31, 2020, were \$55,790 and \$152,057, respectively. Of these amounts, we were unable to obtain sufficient appropriate audit evidence to support the occurrence of disbursements totaling \$21,308 (38.2%) in the General Fund and \$91,881 (60.4%) in the Special Revenue Funds. As a result, we were unable to determine whether any adjustments might have been necessary to those disbursement amounts.

In addition, due to this matter and the scope limitation described for the year ended December 31, 2019, we were unable to determine whether any adjustments might have been necessary to the General Fund and Special Revenue Funds balances as of December 31, 2020, and January 1, 2021. Because the beginning and ending fund balances for the years ended December 31, 2021 and 2022 are affected by these limitations, we were also unable to determine whether any adjustments might have been necessary to the General Fund and Special Revenue Funds balances as of those dates.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principle

As described in Note 2 of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code 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.

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 § 117.38 and Ohio Administrative Code 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 Township'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 Township'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 Township'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 June 27, 2025 on our consideration of the Township'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 Township'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 Township's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State



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

June 27, 2025

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

	General	Special Revenue	Combined Total
Cash Receipts			
Property and Other Local Taxes	\$32,998	\$41,538	\$74,536
Intergovernmental	15,825	185,073	200,898
Earnings on Investments	141	6	147
Miscellaneous	1,715	116,708	118,423
<i>Total Cash Receipts</i>	<u>50,679</u>	<u>343,325</u>	<u>394,004</u>
Cash Disbursements			
Current:			
General Government	46,656	6,029	52,685
Public Safety	0	5,432	5,432
Public Works	0	82,837	82,837
Health	0	500	500
Conservation-Recreation	0	277	277
Capital Outlay	0	2,350	2,350
<i>Total Cash Disbursements</i>	<u>46,656</u>	<u>97,425</u>	<u>144,081</u>
<i>Net Change in Fund Cash Balances</i>	4,023	245,900	249,923
<i>Fund Cash Balances, January 1</i>	<u>5,534</u>	<u>184,954</u>	<u>190,488</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$9,557</u></u>	<u><u>\$430,854</u></u>	<u><u>\$440,411</u></u>

See accompanying notes to the basic financial statements

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Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Vinton Township, Vinton County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, and fire protection services.

Public Entity Risk Pool

The Township participates in the Ohio Township Risk Management Authority (OTARMA), a public entity risk pool. Note 6 to the financial statement provides additional information for this entity.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types.

Fund Accounting

The Township 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 Township 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 Township 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 Township had the following significant Special Revenue Fund:

Gas Tax Fund The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code 117-2-03(C). This basis is similar to the cash receipts and disbursements accounting basis. The Township 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 § 117.38 and Ohio Administrative Code 117-2-03(C) permit.

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2022
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

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 Board of Trustees 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 Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The Township did not encumber all commitments required by Ohio law. Management has included audit adjustments in the accompanying budgetary presentations for material items that should have been encumbered.

A summary of 2022 budgetary activity appears in Note 3.

Deposits and Investments

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Capital Assets

The Township 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 Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The Township 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 Township and the nonspendable 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.

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2022
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

Committed Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend 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 Township 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 9.

Note 3 – 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	\$47,260	\$50,679	\$3,419
Special Revenue	219,116	343,325	124,209
Total	<u>\$266,376</u>	<u>\$394,004</u>	<u>\$127,628</u>

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$52,551	\$46,656	(\$5,895)
Special Revenue	327,238	97,425	(229,813)
Total	<u>\$379,789</u>	<u>\$144,081</u>	<u>(\$235,708)</u>

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2022
(Continued)

Note 4 – Deposits

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

	<u>2022</u>
<i>Cash Management Pool:</i>	
Demand deposits	\$440,411

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Note 5 – Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees 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 Township.

Note 6 – Risk Management

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the (local entity'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:

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2022
(Continued)

Note 6 – Risk Management (Continued)

	<u>2022</u>
Cash and investments	\$32,288,098
Actuarial liabilities	\$9,146,434

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Township 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 Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2022.

Social Security

Some Township employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2022.

Note 8 – Postemployment Benefits

OPERS offer 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. Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2022
(Continued)

Note 9 – Fund Balances

Included in fund balance are amounts the Township cannot spend, including the balance of unclaimed monies, which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. As of December 31, 2022, there were no nonspendable balances.

Note 10 – 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 Township received COVID-19 funding. The Township will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

Note 11 – Subsequent Events

The Township received a settlement payment of claims from Travelers Casualty and Surety Company related to the Findings for Recovery against former Fiscal Officer Cyril (Cy) Vierstra in the amount of \$120,023.65. This was recorded in the UAN accounting system on December 11, 2024 to the following funds:

<u>Fund</u>	<u>Amount</u>
General	51,985.00
Motor Vehicle License Tax	16,292.00
Gasoline Tax	18,768.65
Garbage	1,749.00
Fire District	6,825.00
Road District	24,404.00
	<u>120,023.65</u>

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

	General	Special Revenue	Combined Total
Cash Receipts			
Property and Other Local Taxes	\$31,002	\$34,935	\$65,937
Intergovernmental	18,307	188,531	206,838
Earnings on Investments	61	0	61
Miscellaneous	524	7,000	7,524
<i>Total Cash Receipts</i>	<u>49,894</u>	<u>230,466</u>	<u>280,360</u>
Cash Disbursements			
Current:			
General Government	36,988	2,435	39,423
Public Safety	0	2,754	2,754
Public Works	0	105,958	105,958
Health	0	571	571
Conservation-Recreation	0	276	276
Debt Service:			
Principal Retirement	0	8,120	8,120
Interest and Fiscal Charges	0	262	262
<i>Total Cash Disbursements</i>	<u>36,988</u>	<u>120,376</u>	<u>157,364</u>
<i>Net Change in Fund Cash Balances</i>	12,906	110,090	122,996
<i>Fund Cash Balances, January 1</i>	<u>(7,372)</u>	<u>74,864</u>	<u>67,492</u>
<i>Fund Cash Balances, December 31</i>	<u>\$5,534</u>	<u>\$184,954</u>	<u>\$190,488</u>

See accompanying notes to the basic financial statements

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Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Vinton Township, Vinton County (the Township), as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, and fire protection services.

Public Entity Risk Pool

The Township participates in the Ohio Township Risk Management Authority (OTARMA), a public entity risk pool. Note 6 to the financial statement provides additional information for this entity.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types.

Fund Accounting

The Township 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 Township 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 Township 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 Township had the following significant Special Revenue Fund:

Gas Tax Fund The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code 117-2-03(C). This basis is similar to the cash receipts and disbursements accounting basis. The Township 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 § 117.38 and Ohio Administrative Code 117-2-03(C) permit.

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

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 Board of Trustees must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

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

Encumbrances The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated. The Township did not encumber all commitments required by Ohio law. Management has included audit adjustments in the accompanying budgetary presentations for material items that should have been encumbered.

A summary of 2021 budgetary activity appears in Note 3.

Deposits and Investments

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Capital Assets

The Township 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 Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The Township 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 Township and the nonspendable 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.

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

Committed Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend 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 Township 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 9.

Note 3 – Budgetary Activity

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

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted	Actual	Variance
	Receipts	Receipts	
General	\$48,810	\$49,894	\$1,084
Special Revenue	165,458	230,466	65,008
Total	<u>\$214,268</u>	<u>\$280,360</u>	<u>\$66,092</u>

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation	Budgetary	Variance
	Authority	Expenditures	
General	\$38,250	\$37,038	(\$1,212)
Special Revenue	158,400	120,682	(37,718)
Total	<u>\$196,650</u>	<u>\$157,720</u>	<u>(\$38,930)</u>

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 4 – Deposits

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

	<u>2021</u>
<i>Cash Management Pool:</i>	
Demand deposits	\$190,488

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Note 5 – Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees 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 Township.

Note 6 – Risk Management

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the (local entity'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:

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 6 – Risk Management (Continued)

	<u>2021</u>
Cash and investments	\$34,880,599
Actuarial liabilities	\$10,601,444

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Township 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 Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2021.

Social Security

Some Township employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2021.

Note 8 – Postemployment Benefits

OPERS offer 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 9 – Fund Balances

Included in fund balance are amounts the Township cannot spend, including the balance of unclaimed monies, which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services.

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 9 – Fund Balances (Continued)

Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. As of December 31, 2021, there were no nonspendable balances.

Note 10 – 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 Township received COVID-19 funding. The Township will continue to spend available COVID-19 funding consistent with the applicable program guidelines

Vinton Township*Vinton County, Ohio**Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)**All Governmental Fund Types**For the Year Ended December 31, 2020*

	General	Special Revenue	Combined Total
Cash Receipts			
Property and Other Local Taxes	\$30,511	\$34,404	\$64,915
Intergovernmental	18,097	154,719	172,816
Earnings on Investments	37	0	37
Miscellaneous	743	2,196	2,939
<i>Total Cash Receipts</i>	<u>49,388</u>	<u>191,319</u>	<u>240,707</u>
Cash Disbursements			
Current:			
General Government	53,636	0	53,636
Public Safety	0	3,282	3,282
Public Works	0	148,439	148,439
Health	2,154	336	2,490
<i>Total Cash Disbursements</i>	<u>55,790</u>	<u>152,057</u>	<u>207,847</u>
<i>Net Change in Fund Cash Balances</i>	(6,402)	39,262	32,860
<i>Fund Cash Balances, January 1</i>	<u>(970)</u>	<u>35,602</u>	<u>34,632</u>
<i>Fund Cash Balances, December 31</i>	<u><u>(\$7,372)</u></u>	<u><u>\$74,864</u></u>	<u><u>\$67,492</u></u>

See accompanying notes to the basic financial statements

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Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Vinton Township, Vinton County (the Township), as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, and fire protection services.

Public Entity Risk Pool

The Township participates in the Ohio Township Risk Management Authority (OTARMA), a public entity risk pool. Note 7 to the financial statement provides additional information for this entity.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types.

Fund Accounting

The Township 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 Township 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 Township 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 Township had the following significant Special Revenue Fund:

Gas Tax Fund The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code 117-2-03(C). This basis is similar to the cash receipts and disbursements accounting basis. The Township 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 § 117.38 and Ohio Administrative Code 117-2-03(C) permit.

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

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 Board of Trustees 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 Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The Township did not encumber all commitments required by Ohio law. Management has included audit adjustments in the accompanying budgetary presentations for material items that should have been encumbered.

A summary of 2020 budgetary activity appears in Note 4.

Deposits and Investments

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Capital Assets

The Township 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 Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The Township 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 Township and the nonspendable 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.

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

Committed Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend 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 Township 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 9.

Note 3 – Compliance

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the General, Gasoline Tax, Garbage and Waste, Fire District, and Road District funds by \$55,790, \$102,393, \$21,492, \$3,282, and \$25,919, respectively for the year ended December 31, 2020. Also contrary to Ohio law, at December 31, 2020, the General Fund and Garbage and Waste Fund had cash deficit balances of \$7,372 and \$410, respectively.

Note 4 – Budgetary Activity

Budgetary activity for the year ending December 31, 2020 follows:

2020 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$41,932	\$49,388	\$7,456
Special Revenue	146,977	191,319	44,342
Total	<u>\$188,909</u>	<u>\$240,707</u>	<u>\$51,798</u>

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 4 – Budgetary Activity (Continued)

2020 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$0	\$55,790	\$55,790
Special Revenue	0	152,057	152,057
Total	\$0	\$207,847	\$207,847

Note 5 – Deposits

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

	2020
<i>Cash Management Pool:</i>	
Demand deposits	\$67,492

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Note 6 – Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees 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 Township.

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 7– Risk Management

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the (local entity'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>2020</u>
Cash and investments	\$36,348,066
Actuarial liabilities	\$ 10,894,146

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Township 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 Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2020.

Social Security

Some Township employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2022.

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 9 – Postemployment Benefits

OPERS offer 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 2020. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2020.

Note 10 – Debt

Debt outstanding at December 31, 2020, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Vinton County National Bank - Tractor Loan	\$8,120	3.25%

The Township obtained a note in 2014 in the amount of \$44,869 to finance the purchase of a tractor. The tractor collateralized the note.

Amortization

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

Year Ending December 31:	Vinton County National Bank - Tractor Loan
<u>2021</u>	<u>\$8,382</u>

Note 11 – Fund Balances

Included in fund balance are amounts the Township cannot spend, including the balance of unclaimed monies, which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. As of December 31, 2020, there were no nonspendable balances.

Vinton Township*Vinton County, Ohio**Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types**For the Year Ended December 31, 2019*

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts			
Property and Other Local Taxes	\$26,146	\$29,128	\$55,274
Licenses, Permits and Fees	0	54	54
Intergovernmental	18,516	130,079	148,595
Earnings on Investments	43	126	169
Miscellaneous	703	5,000	5,703
<i>Total Cash Receipts</i>	<u>45,408</u>	<u>164,387</u>	<u>209,795</u>
Cash Disbursements			
Current:			
General Government	37,325	3,000	40,325
Public Safety	0	3,675	3,675
Public Works	0	149,259	149,259
Health	8,628	507	9,135
Capital Outlay	0	8,509	8,509
Debt Service:			
Principal Retirement	0	7,860	7,860
Interest and Fiscal Charges	0	519	519
<i>Total Cash Disbursements</i>	<u>45,953</u>	<u>173,329</u>	<u>219,282</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(545)</u>	<u>(8,942)</u>	<u>(9,487)</u>
Other Financing Receipts (Disbursements)			
Other Financing Sources	141	0	141
<i>Total Other Financing Receipts</i>	<u>141</u>	<u>0</u>	<u>141</u>
<i>Net Change in Fund Cash Balances</i>	(404)	(8,942)	(9,346)
<i>Fund Cash Balances, January 1</i>	<u>(566)</u>	<u>44,544</u>	<u>43,978</u>
Fund Cash Balances, December 31			
Restricted	0	42,086	42,086
Assigned	3,814	0	3,814
Unassigned (Deficit)	(4,784)	(6,484)	(11,268)
<i>Fund Cash Balances, December 31</i>	<u>(\$970)</u>	<u>\$35,602</u>	<u>\$34,632</u>

See accompanying notes to the basic financial statements

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Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Vinton Township, Vinton County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, and fire protection services.

Public Entity Risk Pool

The Township participates in the Ohio Township Risk Management Authority (OTARMA), a public entity risk pool. Note 7 to the financial statement provides additional information for this entity.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types.

Fund Accounting

The Township 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 Township 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 Township 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 Township had the following significant Special Revenue Fund:

Gas Tax Fund The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code 117-2-03(C). This basis is similar to the cash receipts and disbursements accounting basis. The Township 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 § 117.38 and Ohio Administrative Code 117-2-03(C) permit.

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

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 Board of Trustees 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 Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The Township did not encumber all commitments required by Ohio law. Management has included audit adjustments in the accompanying budgetary presentations for material items that should have been encumbered.

A summary of 2019 budgetary activity appears in Note 4.

Deposits and Investments

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Capital Assets

The Township 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 Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The Township 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 Township and the nonspendable 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.

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

Committed Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend 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 Township 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.

Note 3 – Compliance

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the General, Motor Vehicle License Tax, Gasoline Tax, and Road District funds by \$9,895, \$7,388, \$11,413, and \$836, respectively for the year ended December 31, 2019. Also contrary to Ohio law, at December 31, 2019, the General, Motor Vehicle License Tax and Fire District fund had cash deficit balances of \$970, \$5,167, and \$1,317, respectively.

Note 4 – Budgetary Activity

Budgetary activity for the year ending December 31, 2019 follows:

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$32,881	\$45,549	\$12,668
Special Revenue	133,900	164,387	30,487
Total	<u>\$166,781</u>	<u>\$209,936</u>	<u>\$43,155</u>

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 4 – Budgetary Activity (Continued)

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$36,058	\$45,953	\$9,895
Special Revenue	156,542	173,329	16,787
Total	\$192,600	\$219,282	\$26,682

Note 5 – Deposits

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

	2019
<i>Cash Management Pool:</i>	
Demand deposits	\$34,632

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Note 6 – Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees 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 Township.

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 7– Risk Management

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the (local entity'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>2019</u>
Cash and investments	\$35,207,320
Actuarial liabilities	\$ 10,519,942

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Township 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 Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2019.

Social Security

Some Township employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2019.

Vinton Township
Vinton County
Notes to the Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 9 – Postemployment Benefits

OPERS offer 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 member-directed plan was 4.0 percent during calendar year 2019.

Note 10 – Debt

Debt outstanding at December 31, 2019, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Vinton County National Bank - Tractor Loan	\$8,120	3.25%

The Township obtained a note in 2014 in the amount of \$44,869 to finance the purchase of a tractor. The tractor collateralized the note.

Amortization

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

Year Ending December 31:	Vinton County National Bank - Tractor Loan
<u>2020</u>	<u>\$8,382</u>

OHIO AUDITOR OF STATE KEITH FABER



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Vinton Township
Vinton County
38000 Arbaugh Road
Wilkesville, Ohio 45695

To the Board of Trustees:

We have audited, in accordance with the 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 (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental fund type as of and for the years ended December 31, 2022, 2021, 2020 and 2019 and the related notes to the financial statements of Vinton Township, Vinton County, Ohio (the Township), and have issued our report thereon dated June 27, 2025, wherein we noted the Township followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit. We also qualified our opinion on disbursements for the years ended December 31, 2020 and 2019 wherein we noted we were unable to obtain sufficient appropriate audit evidence supporting the occurrence of disbursement amounts and we qualified on beginning and ending fund balances for the years ended December 31, 2022, 2021, 2020 and ending fund balances for the year ended December 31, 2019 wherein we noted we were unable to obtain sufficient appropriate evidence supporting the accuracy of fund balance amounts.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township'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 Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying Schedule of Findings we identified certain deficiencies in internal control that we consider to be material weaknesses and a significant deficiency

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 Township's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings as items 2022-002, 2022-003 and 2022-012 through 2022-015 to be material weaknesses.

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. We consider the deficiency described in the accompanying Schedule of Findings as item 2022-011 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township'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 as items 2022-001 through 2022-010.

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 Township'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 Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEITH FABER
Ohio Auditor of State



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

June 27, 2025

VINTON TOWNSHIP
VINTON COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019

1. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

FINDING NUMBER 2022-001

Noncompliance

Ohio Rev. Code § 145.47 requires each employer to report and pay amounts withheld from all employees for contributions to the Ohio Public Employees Retirement System (OPERS) within thirty days of the end of the reporting period in which amounts were withheld.

The Township did not remit withholdings timely for fiscal years 2019 and 2022. In 2020, we noted \$486 more remitted for retirement contributions than required for 2020, however, due to lack of supporting documentation we were unable to determine if this was late fees/penalties or a remittance for a prior period. Retirement contributions for July 2022 through October 2022, totaling \$4,097, were not remitted to OPERS as of December 31, 2022. This is a result of failure to maintain documentation of payments made in a manner available for audit and excessive turn over in the Fiscal Officer position.

Further, the Township had two employees who did not contribute to OPERS retirement for the period of 2016 through 2021. This was corrected by a former Fiscal Officer in February 2022 with a payment of \$3,861.76 for delinquent contributions, including \$609.19 in interest. This error was due to the negligence of a previous Township Fiscal Officer.

The Fiscal Officer should remit the employee withholdings and employer share to the OPERS in the time frame prescribed by law and ensure that all employees are paying into the retirement system. Further, monthly reports filed should be maintained for audit. The Township should contact OPERS to verify contributions are up to date.

This matter will be referred to the Ohio Public Employees Retirement System.

FINDING NUMBER 2022-002

Noncompliance/Material Weakness

Ohio Rev. Code § 505.24(C) sets forth the method by which township trustees' compensation should be allocated. By summary, Ohio Revised Code § 505.24(C) permits trustees to receive per diem payments or annual salaries if voted upon unanimously by the township board of trustees.

If using the annual salary compensation method, the amount of the annual salary approved by the board shall be no more than the maximum amount that could be received annually by a trustee if the trustee were paid on a per diem basis as specified in Ohio Revised Code § 505.24(C), and shall be paid from the township general fund or from other township funds in such proportions as the board may specify by resolution. Each trustee shall certify the percentage of time spent working on matters to be paid from the township general fund and from other township funds in such proportions as the kinds of services performed.

In 2019, the Trustees completed time certifications the first ten months of the year; however, approved payroll allocations did not agree to the amounts recorded for gross salary and fringe benefits. Additionally, payroll certificates for November and December did not indicate the percentage of time allocated for each fund, therefore amounts recorded for gross salary and fringe benefits were allocated towards uncertified funds.

VINTON TOWNSHIP
VINTON COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019
(Continued)

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

FINDING NUMBER 2022-002 (Continued)

Noncompliance/Material Weakness - Ohio Rev. Code § 505.24(C) (Continued)

The allocation errors resulted in disbursements posted in the amount of \$1,763 to the General Fund that should have been posted in the amounts of \$606 and \$1,157 in the Motor Vehicle License and Gasoline Tax Funds, respectively.

In 2020, the Trustees had payroll certifications on file, but they did not indicate the percentage allocation for each fund for salaries paid for January through April and June. Additionally, payroll certificates were on file and completed for all three Trustees during July through December, however the Trustees' payroll certification percentages by fund for October through December did not agree to the amounts recorded for salaries and fringe benefits. The allocation errors resulted in disbursements posted in the amount of \$388 to the Motor Vehicle License Fund, \$11,878 to the Gasoline Tax Fund, and \$778 to the Garbage and Waste Fund that should have been posted in the amounts of \$12,466 and \$578 in the General and Road District Funds, respectively.

In 2022, the Trustees completed time certifications, however one Trustee's payroll certification for the entire fiscal year did not agree to the amounts recorded for salaries and fringe benefits. The allocation errors resulted in disbursements posted in the amount of \$8,204 to the Motor Vehicle License Fund that should have been posted in the amounts of \$1,062 and \$7,142 in the Road District and Gasoline Tax funds, respectively.

The township posted the material adjustments to their financial statements and to their accounting system.

The Township should implement policies and procedures to help ensure compensation and certifications are made in accordance with Ohio Rev. Code § 505.24(C) and the allocations as certified by the monthly payroll certifications agree to the funds charged in the payroll system for salaries and fringe benefits.

FINDING NUMBER 2022-003

Noncompliance/Material Weakness

Ohio Rev. Code § 507.09(D) provides the township fiscal officer may be compensated from the township general fund or from other township funds based on the proportion of time the township fiscal officer spends providing services related to each Fund. A township fiscal officer must document the amount of time the township fiscal officer spends providing services related to each fund by certification specifying the percentage of time spent working on matters to be paid from the township general fund or from other township funds in such proportions as the kinds of services performed.

For 2019, the Fiscal Officer completed time certifications for the first ten months of the year, however, payroll allocation did not agree to the amounts recorded for gross salary and fringe benefits. Additionally, payroll certificates for November and December did not indicate the percentage of time allocation for each fund, therefore amounts recorded for gross salary and fringe benefits were allocated towards uncertified funds. The allocation errors resulted in disbursements posted in the amount of \$291 to the General Fund that should have been posted to the Gasoline Tax Fund.

**VINTON TOWNSHIP
VINTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
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FINDING NUMBER 2022-003 (Continued)

Noncompliance/Material Weakness - Ohio Rev. Code § 507.09(D) (Continued)

In 2020, the Fiscal Officer had payroll certifications that did not indicate the percentage allocation of each fund for gross salary and fringe benefits amounts during the first six months of the year, in which the amounts recorded for gross salary and fringe benefits were allocated towards uncertified funds. The allocation errors resulted in disbursements posted in the amount of \$2,400 in the Gasoline Tax Fund that should have been posted to the General Fund.

In 2022, for the months of May through December, the Fiscal Officer was paid from the General and Special Revenue Funds; however, no payroll certifications were completed to support the allocation of salaries and fringe benefits paid from the Special Revenue Funds. This resulted in disbursements posted in the amounts of \$2,316 to the Motor Vehicle License Tax Fund, \$2,534 to the Road District Fund, \$1,737 to the Gasoline Tax Fund, and \$362 to the Garbage and Waste Fund that should have been posted in the General Fund in the amount of \$6,949.

The Township posted the material adjustments to their financial statements and to their accounting system.

The Township should implement policies and procedures to help ensure compensation and certifications are made in accordance with Ohio Rev. Code § 507.09(D) and the allocations as certified by the monthly payroll certifications agree to the funds charged in the payroll system for salaries and fringe benefits.

FINDING NUMBER 2022-004

Noncompliance

Ohio Rev. Code § 5705.10(I) requires that money paid into any fund shall be used only for the purposes for which such fund is established. Therefore, a negative fund cash balance in any fund indicates that money from another fund or funds has been used to pay the obligations of the fund carrying the deficit balance.

The General Fund had a deficit fund balance of \$970, the Motor Vehicle License Fund had a deficit balance of \$5,167 and the Fire District Fund had a deficit of \$1,317 at fiscal year ended December 31, 2019. The General Fund had a deficit balance of \$7,372 and the Garbage and Waste Fund had a deficit balance of \$410 at fiscal year ended December 31, 2020. Additionally, during 2020, the Township had a total deficit fund balance due to illegal expenditures of the former fiscal officer. Negative fund balances resulted in the use of restricted receipts for unallowable purposes. A procedure, such as the Trustee's periodic review of reports that show cash fund balances, and budgeted versus actual receipts and disbursements, should be implemented to identify those funds that may potentially develop a negative balance.

Advances or transfers should be made for these funds or appropriations modified to prevent a negative cash balance. The Township should refer to Ohio Compliance Supplement (OCS) Chapter 1 and/or Auditor of State Bulletin 97-003 for information regarding the accounting treatment and approval process for advances.

VINTON TOWNSHIP
VINTON COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019
(Continued)

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

FINDING NUMBER 2022-005

Noncompliance

Ohio Rev. Code § 5705.38 provides that on or about the first day of each fiscal year, an appropriation measure is to be passed. If the taxing authority wants to postpone the passage of the annual appropriation measure until an amended certificate is received from the county budget commission based upon the actual year end balances, it may pass a temporary appropriation measure for meeting the ordinary expenses until no later than April 1.

The Township failed to approve and file appropriations with the County Auditor for 2020. This resulted in disbursements exceeding appropriations in all funds.

The Board of Trustees should approve permanent appropriations on or about the first day of each fiscal year and file their permanent appropriations with the County Auditor.

FINDING NUMBER 2022-006

Noncompliance

Ohio Rev. Code § 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.

Due to inadequate policies and procedures in approving and reviewing budget versus actual information, the Township had expenditures in excess of appropriations as follows:

	Appropriation Authority	Budgetary Expenditures	Variance
At December 31, 2020:			
General Fund	\$0	\$55,790	(\$55,790)
Gasoline Tax Fund	0	102,393	(102,393)
Garbage & Waste Fund	0	21,492	(21,492)
Fire District Fund	0	3,282	(3,282)
Road District Fund	0	25,919	(25,919)

	Appropriation Authority	Budgetary Expenditures	Variance
At December 31, 2019:			
General Fund	\$36,058	\$45,953	(\$9,895)
Motor Vehicle License Tax Fund	12,708	20,096	(7,388)
Gasoline Tax Fund	101,396	112,809	(11,413)
Road District Fund	22,640	23,476	(836)

Failure to have adequate appropriations in place at the time expenditures are made could cause expenditures to exceed available resources, further resulting in deficit spending practices.

The Board of Trustees 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.

VINTON TOWNSHIP
VINTON COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019
(Continued)

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

FINDING NUMBER 2022-007

Noncompliance

Ohio Rev. Code § 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 §§ 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Rev. Code.

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 Board of Trustees can authorize the drawing of a warrant for the payment of the amount due. The Board of Trustees 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 Township.

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 Board of Trustees 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, forty percent (40%) of the transactions tested in 2022, sixty percent (60%) of the transactions tested in 2021, eighty percent (80%) of the transactions tested in 2020, and twenty percent (20%) of transactions tested in 2019 were not certified by the Fiscal Officer at the time the commitment was incurred, and there was no evidence the Township followed the aforementioned exceptions. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances. Further, the Township has not approved a maximum amount for the use of blanket certificates.

VINTON TOWNSHIP
VINTON COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019
(Continued)

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

FINDING NUMBER 2022-007 (Continued)

Noncompliance - Ohio Rev. Code § 5705.41(D)(1) (Continued)

In addition, the Township failed to provide the January 2023 payment register detail and therefore, we were unable to test for unrecorded encumbrances for the year ended December 31, 2022.

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to help ensure purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Township's funds exceeding budgetary spending limitations, the Fiscal Officer should certify the funds are or will be available prior to obligation by the Township. When prior certification is not possible, "then and now" certification should be used. The Township should adopt and approve a maximum amount for the use of blanket certificates.

FINDING NUMBER 2022-008

Noncompliance

Ohio Rev. Code § 5747.07 requires an employing government to remit taxes which it withheld pursuant to Ohio Rev. Code § 5705.06 (including the state payroll tax) to the appropriate authority. It also requires the employing government to report compensation paid and taxes withheld to the tax commissioner and to each of its own employees by January 31 of each year.

The Township did not remit the required state payroll taxes for fiscal years 2019 for \$180.18. In 2020, the Township paid \$268.31 more in state taxes than withheld for that fiscal year indicating payment was made for prior state taxes that had not been paid dating back to 2017. Due to the lack of documentation maintained for audit and excessive turnover in officials, it is unknown the amount of late fees and penalties incurred by the Township.

In addition, the Fiscal Officer did not maintain remittance payment verification for monthly and/or quarterly payments made for the entire fiscal years of 2019, 2020, and April through December of fiscal year 2022.

The Fiscal Officer should remit payment in accordance with applicable law and/or file the required reports when completing the last payroll of the year to avoid interest and penalties. IT501 and/or payment confirmations and annual reconciliation of taxes should be maintained for audit.

This matter will be referred to the Ohio Department of Taxation.

FINDING NUMBER 2022-009

Noncompliance

Ohio Admin. Code § 117-2-02(D) states that all local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements.

**VINTON TOWNSHIP
VINTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019
(Continued)**

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

FINDING NUMBER 2022-009 (Continued)

Noncompliance - Ohio Admin. Code § 117-2-02(D) (Continued)

Accounting records that can help achieve these objectives include:

1. Cash journal, which typically includes the amount, date, receipt number, check number, account code, purchase order number, and any other information necessary to properly classify the transaction.
2. Receipts ledger, which typically assembles and classifies receipts into separate accounts for each type of receipt of each fund the public office uses. The amount, date, name of the payor, purpose, receipt number, and other information required for the transactions to be recorded on this ledger.
3. Appropriation ledger, which may assemble and classify disbursements into separate accounts for, at a minimum, each account listed in the appropriation resolution. The amount, fund, date, check number, purchase order number, encumbrance amount, unencumbered balance, amount of disbursement, and any other information required may be entered in the appropriate columns.
- 4 In addition, all local public offices should maintain or provide a report similar to the following accounting records:

(a) Payroll records including:

- (i) W-2s, W-4s, I-9s, and other withholding records and authorizations.
- (ii) Payroll journal that records, assembles and classifies by pay period the name of employee, the employee's identification number, hours worked, wage rates, pay date, withholdings by type, net pay, and other compensation paid to an employee (such as a termination payment), and the fund and account charged for the payments.
- (iii) Check register that includes, in numerical sequence, the check or electronic fund transfer number, payee, net amount, and the date.
- (iv) Information regarding nonmonetary benefits such as car usage, employer provided cell phones, life insurance, and health insurance.
- (v) Information, by employee, regarding leave balances and usage.

The Township only maintained a excel cash journal to document the activity of the Township in 2020 due to the theft by the former Fiscal Officer and activity not recorded in UAN. A receipts ledger and appropriation ledger were not maintained. The Township used UAN for 2019, 2021 and 2022 which included the required ledgers. In addition, the Fiscal Officer failed to provide W-2's and 1099's issued for 2022 for audit.

The Township Fiscal Officer should utilize the UAN accounting system to record all activity of the Township, including the receipt and appropriation ledgers. Further, the Fiscal Officer should maintain all required accounting records as required for payroll.

This matter will be referred to the Internal Revenue Service.

FINDING NUMBER 2022-010

Noncompliance

26 U.S.C. § 3402(a)(1) states in general, except as otherwise provided in this section, every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with tables or computational procedures prescribed by the Secretary.

26 U.S.C. § 3403 states that the employer shall be liable for the payment of the tax required to be deducted and withheld under this chapter and shall not be liable to any person for the amount of any such payment.

**VINTON TOWNSHIP
VINTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019
(Continued)**

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

FINDING NUMBER 2022-010 (Continued)

Noncompliance - 26 U.S.C. § 3402(a)(1) (Continued)

The Township did not remit federal income and/or Medicare taxes timely for fiscal years 2019 and 2022, where discrepancies were noted in comparing amounts withheld per the wage withholding detail report to the amounts remitted in the payment report.

In 2019, the Township had withholdings totaling \$6,623 from the wage withholding detail report, but failed to remit any of withholdings, resulting in an underpayment of \$6,623. In 2022, the Township made payments for failure to file penalties and interest totaling \$888 which were related to 2020 so although payments were made in 2020 they were likely for past due 2019 amounts. In addition, the Fiscal Officer did not maintain remittance payment verification for monthly and/or quarterly payments made for the entire fiscal year 2020, and the months of April through December of fiscal year 2022 so we could not determine what period those payments were for.

This resulted in difficulties encountered to determine if other late fees/interest were paid due to the lack of documentation and excessive turn over in the fiscal officer position.

The Township should withhold federal income tax and/or Medicare from all applicable officials and employees' compensation and remit payments to the Internal Revenue Service in a timely manner. The Fiscal Officer should also maintain supporting documentation for remittances.

This matter will be referred to the Internal Revenue Service.

FINDING NUMBER 2022-011

Significant Deficiency

When designing the public office's system of internal control and the specific control activities, management should plan for adequate segregation of duties or compensating controls.

The small size of the Township's staff did not allow for an adequate segregation of duties; the Township Fiscal Officer performed all accounting functions. It is therefore important that the Township Trustees function as a finance committee to monitor financial activity closely.

The Trustees should receive a monthly fund status report, payment listing, bank reconciliation, bank statement, and appropriation and revenue summary reports. The review and approval of these reports should be included in the minute record and maintained for audit.

The Township had excessive turnover in the fiscal officer position during our audit period of January 1, 2019 - December 31, 2022. One former fiscal officer received a conviction of theft in office for a period of January 1, 2019 - July 30, 2020.

This resulted in the Township having an additional three fiscal officers during the audit period. The Trustees did not receive financial reports, bank balances, or bank reconciliations for 2019, 2020, and 2022. For 2021, approval of the bank reconciliation, fund summary, receipt listing, payment listing, bank balance, and bills were included in the minute record.

**VINTON TOWNSHIP
VINTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019
(Continued)**

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

FINDING NUMBER 2022-011 (Continued)

Significant Deficiency (Continued)

Failure to provide financial reports for review resulted in the Township being susceptible to fraud.

The Fiscal Officer should provide the aforementioned financial reports for the Trustees at each monthly meeting. Regular review of this information is a valuable tool for management to identify and react to unexpected activity and also to identify and correct errors in a timely manner. These reviews should be evidenced by documentation in the minutes of the Township meetings and maintained for audit.

FINDING NUMBER 2022-012

Material Weakness

Sound accounting practices require that when designing the public office's system of internal control and the specific control activities, management should ensure adequate security of assets and records and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

The reconciliation of cash (bank) balances to accounting system records (book) to the accounting system is the most basic and primary control process performed. Lack of completing an accurate and timely reconciliation may allow for accounting errors, theft and fraud to occur without timely detection.

The Fiscal Officer is responsible for reconciling the book (fund) balance to the total bank balance on a monthly basis, and the Trustees are responsible for reviewing the reconciliations and related support.

The Fiscal Officer should record all transactions and prepare monthly bank to book cash reconciliations, which include all bank accounts and all fund balances. Variances should be investigated, documented and corrected. In addition, the Trustees should review the monthly cash reconciliations including the related support (such as reconciling items) and document the reviews.

Monthly bank to book reconciliations were not reviewed by the Board for 2019. Bank reconciliations for January through July 2020 were not prepared until August 2020. The reconciliations were then provided to the Board monthly from August 2020 through February 2022 and then were not provided to the Board for the remainder of 2022.

Bank reconciliations were not timely prepared to detect errors for the following:

- March 2022 was not completed until September 3, 2022
- April 2022 through September 2022 were not completed until October 25, 2022
- October 2022 reconciliation was not prepared
- November 2022 was completed on December 15, 2022; and
- December 2022 was completed on January 20, 2023

In addition, we noted the following errors on the December 2019 reconciliation:

- MVL intergovernmental receipts of \$986 were not posted to UAN; and
- General Fund general government disbursements of \$578 were not posted to UAN.

**VINTON TOWNSHIP
VINTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019
(Continued)**

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

FINDING NUMBER 2022-012 (Continued)

Material Weakness (Continued)

Further, we noted the following errors on the December 2020 reconciliation:

- General Fund interest receipts of \$3 and general government disbursements of \$46 were not posted to the manual cashbook;
- Motor Vehicle License Tax Fund intergovernmental receipts of \$1,421 were not posted to the manual cashbook;
- Gasoline Tax Fund intergovernmental receipts of \$4,587 were posted to the manual cashbook with no corresponding deposit; and
- Prior year outstanding checks were not voided but were not continued to carry on the reconciliation totaling \$3,144.

Finally, we noted the following errors on the December 2022 reconciliation:

- General Fund interest receipts of \$29 were posted twice to UAN;
- General Fund miscellaneous receipts of \$2,625 were posted twice to UAN;
- General Fund general government disbursements of \$4,700 were not posted to UAN;
- Gasoline Tax Fund intergovernmental receipts were of \$12,147 were not posted; and
- Road District Fund miscellaneous receipts of \$16,487 were posted to UAN with no corresponding bank deposit; and
- Outstanding checks totaling \$11,694 were marked cleared in UAN that had not cleared the bank as of December 31, 2022.

Failure to reconcile monthly increases the possibility that the Township will not be able to identify, assemble, analyze, classify, and record its transactions correctly or document compliance with finance related legal and contractual requirements. Further, the lack of accurate monthly reconciliations increases the risk of theft/fraud over the cash cycle and could led to inaccurate reporting in the annual financial statements.

The Fiscal Officer should record all transactions and prepare monthly bank to book cash reconciliations, which include all bank accounts and all fund balances. Variances should be investigated, documented and corrected. In addition, the Board should review the monthly cash reconciliations including the related support (such as reconciling items) and document the reviews.

FINDING NUMBER 2022-013

Material Weakness

Maintaining organized documentation and support for financial transactions is essential in assuring the Township financial statements are not materially misstated and that all expenditures are made for a proper public purpose.

The Township did not maintain underlying documentation and support for the following:

- 54% of transactions in 2020 or \$113,189 had no invoice or other supporting documentation nor were they determined to be for a proper public purpose; and
- 47% of transactions in 2019 or \$104,140 had no invoice or other supporting documentation nor were they determined to be for a proper public purpose.

**VINTON TOWNSHIP
VINTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019
(Continued)**

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

FINDING NUMBER 2022-013 (Continued)

Material Weakness (Continued)

In addition, 100% of transactions selected for testing from the December 2022 outstanding check list did not have supporting documentation attached or on file. However, these outstanding checks were related to payroll remittances and although there were no remittance forms, we were able to agree outstanding check amounts to the payroll withholding detail ledger and amounts agreed to the payroll withholdings at year end. Also, 18% of transactions tested during 2022 did not have invoice or other supporting documentation.

Failure to maintain underlying documentation for expenditures could result in a loss of accountability over the Township's finances, make it difficult to identify errors or irregularities and resulted in expenditures that were not for a proper public purpose. Failure to maintain documentation compromised the Township's ability to ensure expenditures are authorized and allowable and resulted in Findings for Recovery against the former Fiscal Officer in the Special Audit of Vinton Township for the period January 1, 2016 through July 29, 2020.

In addition, failure to retain supporting documentation has resulted in the inability to determine that all disbursements were properly accounted for on the Township's financial statements which has resulted in a qualified audit opinion regarding the Township's disbursements for 2019 and 2020.

The Township should maintain supporting documentation for all expenditures. The Trustees should not approve any expenditure without the appropriate documentation attached to each voucher package.

FINDING NUMBER 2022-014

Material Weakness

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

Sound accounting practices require accurately posting estimated receipts and appropriations to the ledgers to provide information for budget versus actual comparison and to allow the Board to make informed decisions regarding budgetary matters.

The Appropriation resolution and subsequent amendments establish the legal spending authority of the Township, and the appropriation ledger provides the process by which the Township controls spending, it is therefore necessary the amounts appropriated by the Board are precisely stated and accurately posted to the appropriation ledger.

The original certificate and amendments establish the amounts available for expenditures for the Township and the receipts ledger provides the process by which the Township controls what is available, it is therefore necessary the amounts estimated by the County Budget Commission are posted accurately to the receipts ledger.

On December 31, 2022 estimated receipts as approved by the Budget Commission did not agree to the receipts ledger for the following funds:

VINTON TOWNSHIP
VINTON COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019
(Continued)

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

FINDING NUMBER 2022-014 (Continued)

Material Weakness (Continued)

Fund	Approved	UAN System	Variance
Road District	\$23,000	\$23,700	(\$700)

On December 31, 2021 estimated receipts as approved by the Budget Commission did not agree to the receipts ledger for the following funds:

Fund	Approved	UAN System	Variance
General	\$48,810	\$45,810	\$3,000
Gasoline Tax	122,258	120,000	2,258
American Rescue Plan	0	27,916	(27,916)

On December 31, 2020 estimated receipts as approved by the Budget Commission did not agree to the receipts ledger for the following funds:

Fund	Approved	UAN System	Variance
General	\$41,932	\$49,026	(\$7,094)
Garbage and Waste Disposal	6,250	15,200	(8,950)
Road District	11,530	19,400	(7,870)

On December 31, 2022 approved appropriations did not agree to the appropriations ledger as follows:

Fund	Approved	UAN System	Variance
Garbage and Waste Disposal	\$14,400	\$14,902	(\$502)

On December 31, 2021 approved appropriations did not agree to the appropriations ledger as follows:

Fund	Approved	UAN System	Variance
General	\$38,250	\$41,250	(\$3,000)
Garbage and Waste Disposal	117,000	119,258	(2,258)

On December 31, 2020, appropriations did not agree to appropriations ledger as no appropriations were adopted but the UAN system reported appropriations of \$47,826 in the General Fund, \$2,556 in the Motor Vehicle License Tax Fund, \$133,800 in the Gasoline Tax Fund, \$15,810 in the Garbage and Waste Disposal Fund, \$2,550 in the Fire District Fund and \$17,950 in the Road District Fund.

Special Revenue Funds estimated receipts were overstated \$700 in the notes to the financial statements on December 31, 2022. General Fund estimated receipts were understated \$3,000 and Special Revenue Funds estimated receipts were overstated \$25,658 in the notes to the financial statements on December 31, 2021. General and Special Revenue Funds estimated receipts were overstated \$7,094 and \$16,820, respectively in the notes to the financial statements on December 31, 2020.

**VINTON TOWNSHIP
VINTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019
(Continued)**

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

FINDING NUMBER 2022-014 (Continued)

Material Weakness (Continued)

In addition, General and Special Revenue Funds appropriations were overstated \$3,787 and \$62,638, respectively, in the notes to the financial statements on December 31, 2022. General and Special Revenue Funds appropriations were overstated \$3,000 and \$2,268 respectively in the notes to the financial statements on December 31, 2021. General and Special Revenue Funds appropriations were overstated \$47,826 and \$172,666, respectively in the notes to the financial statements on December 31, 2020.

The Township did not have procedures in place to accurately post authorized budgetary measures to the accounting system. The appropriations (and/or amendments thereof) approved by Board were not properly posted to the accounting system. Additionally, the approved Certificate of Estimated Resources (and/or amendments thereof) was not posted to the accounting system.

Failure to accurately post the appropriations and estimated resources 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 Township should post to the ledgers, on a timely basis, estimated resources as certified by the budget commission and appropriations approved by the Board. The Township should then monitor budget versus actual reports to help ensure amended certificates of resources and appropriations have been properly posted to the ledgers.

FINDING NUMBER 2022-015

Material Weakness

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

The following errors were noted in the financial statements that required audit adjustments or reclassification:

In 2019:

- General Fund intergovernmental receipts of \$3,284 were incorrectly classified as property tax receipts;
- Statement No. 54 of the Governmental Accounting Standards Board (GASB) defines the reporting of fund balances on the financial statements and was codified as follows: GASB Cod. 1800.176 require reporting amounts as assigned when subsequent appropriations exceed estimated receipts. The Township incorrectly reported the assigned portion of the General Fund's cash fund balance as unassigned, in the amount of \$3,814;
- General Fund general government disbursements of \$578 were unrecorded;
- General Fund health disbursements of \$2,190 were incorrectly classified as general government disbursements;

**VINTON TOWNSHIP
VINTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019
(Continued)**

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

FINDING NUMBER 2022-015 (Continued)

Material Weakness (Continued)

- General Fund health disbursements of \$4,054 were incorrectly posted as public works disbursements in the Motor Vehicle License Tax Fund in the amount of \$1,590 and the Gasoline Tax Fund in the amount of \$2,464;
- Motor Vehicle License Tax Fund intergovernmental receipts of \$986 were unrecorded;
- Gasoline Tax Fund debt service principal retirement and interest and fiscal charge disbursements of \$7,860 and \$519, respectively, were incorrectly classified as capital outlay disbursements;
- Road District Fund intergovernmental receipts of \$6,000 were incorrectly classified as miscellaneous receipts;
- Road District Fund intergovernmental receipts of \$1,315 were incorrectly recorded in the General Fund as property tax receipts;
- Fire Fund intergovernmental receipts of \$315 were incorrectly recorded in the General Fund as property tax receipts; and
- Garbage and Waste Fund intergovernmental receipts of \$602 were incorrectly recorded in the General Fund as property tax receipts.

In 2020:

- General Fund general government disbursements of \$12,466 and Road District public fund disbursements were incorrectly posted as public works disbursements in the Motor Vehicle License Tax Fund in the amount of \$388, Gasoline Tax Fund in the amount of \$11,878, and Garbage and Waste Fund in the amount of \$778 due to allocation of Trustee salaries in UAN not agreeing to the payroll certifications;
- General Fund general government disbursements of \$19,821 were understated due to former Fiscal Officer making fund balance adjustments to beginning balance and flowing the change through disbursements;
- General Fund interest receipts of \$3 and general government disbursements of \$46 were unrecorded and general government disbursements of \$3,144 were overstated due to old outstanding warrants not carried on the reconciliations but not voided in the system;
- Motor Vehicle License Tax Fund intergovernmental receipts of \$454 were incorrectly recorded in the General Fund as intergovernmental receipts;
- Motor Vehicle License Tax Fund intergovernmental receipts of \$1,421 and public works disbursements of \$2,868 were unrecorded;
- Gasoline Tax Fund intergovernmental receipts of \$1,847 were incorrectly posted as intergovernmental receipts in the Motor Vehicle License Tax Fund;
- Gasoline Tax Fund public works disbursements of \$72,333 were unrecorded;
- Garbage and Waste Fund public works disbursements of \$4,566 were unrecorded;
- Gasoline Tax Fund public works disbursements of \$339 were unrecorded due to formula error in manual excel cashbook;
- Gasoline Tax Fund intergovernmental receipts of \$4,587 were overstated posted in order to reconcile but there was no corresponding deposit;
- Road District Fund public works disbursements of \$17,149 were unrecorded; and
- Fire Fund public safety disbursements of \$701 were unrecorded.

**VINTON TOWNSHIP
VINTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019
(Continued)**

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

FINDING NUMBER 2022-015 (Continued)

Material Weakness (Continued)

In 2021:

- Road District Fund intergovernmental receipts of \$6,000 were incorrectly classified as miscellaneous receipts;
- Gasoline Tax Fund debt service principal retirement and interest and fiscal charges disbursements of \$8,120 and \$262, respectively, were incorrectly classified as capital outlay disbursements; and
- Gasoline Tax Fund beginning balance was understated \$5,400 and Garbage and Waste Fund beginning balance was overstated \$5,400.

In 2022:

- General Fund intergovernmental receipts of \$2,826 were incorrectly classified as miscellaneous receipts;
- General Fund general government disbursements of \$6,949 were incorrectly posted as public works disbursements in the Motor Vehicle License Tax Fund in the amount of \$2,316, Gasoline Tax Fund in the amount of \$1,737, Road District Fund in the amount of \$2,534, and Garbage and Waste Fund in the amount of \$362 for failure to complete fiscal officer payroll certifications;
- General Fund tax receipts of \$1,552 were incorrectly classified as miscellaneous receipts;
- General Fund general governmental disbursements of \$4,700 were unrecorded, and miscellaneous receipts of \$2,625 and interest receipts of \$29 were posted twice;
- Motor Vehicle License Tax Fund intergovernmental receipts of \$1,637 were incorrectly posted to the General Fund as miscellaneous receipts;
- Road District Fund public works disbursements in the amount of \$1,062 and Gasoline Tax Fund public works disbursements in the amount of \$7,142 were incorrectly posted as Motor Vehicle License Tax Fund public works disbursements in the amount \$8,204 due to the allocation of Trustee salaries in UAN not agreeing to the payroll certifications;
- Gasoline Tax Fund intergovernmental receipts of \$9,879 were incorrectly posted to the General Fund as miscellaneous receipts;
- Gasoline Tax Fund public works disbursements of \$8,681 were incorrectly classified as capital outlay disbursements;
- Gasoline Tax Fund intergovernmental receipts of \$12,147 were unrecorded;
- Garbage and Waste Fund tax receipts of \$3,127 were incorrectly recorded as tax receipts in the Fire Fund;
- Garage and Waste Fund intergovernmental receipts of \$320 were incorrectly recorded in the General Fund as miscellaneous receipts;
- Fire Fund intergovernmental receipts of \$138 were incorrectly recorded in the General Fund as miscellaneous receipts;
- Fire Fund public safety disbursements of \$3,500 were incorrectly recorded as capital outlay disbursements in the Gasoline Tax Fund;
- Road District Fund intergovernmental receipts of \$576 were incorrectly recorded in the General Fund as miscellaneous receipts;
- Road District Fund intergovernmental receipts of \$6,000 were incorrectly posted to the General Fund as miscellaneous receipts;
- Road District Fund miscellaneous receipts of \$16,487 were overstated due to being posted in error; and
- Road District Fund miscellaneous receipts of \$4,000 were incorrectly posted to the General Fund as miscellaneous receipts.

VINTON TOWNSHIP
VINTON COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2022, 2021, 2020 AND 2019
(Continued)

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

FINDING NUMBER 2022-015 (Continued)

Material Weakness (Continued)

The audited financial statements and Township's accounting system have been adjusted for the issues noted above.

The Fiscal Officer should review the Township handbook for guidance to ensure financial statements are complete and accurate.

2. OTHER – FINDING FOR RECOVERY

In addition, we identified the following other issue related to a Finding for Recovery. This issue did not impact our GAGAS report.

FINDING NUMBER 2022-016

Finding for Recovery

Ohio Rev. Code § 117.24 requires the Auditor of State to determine whether "public money has been illegally expended, any public money collected has not been accounted for, any public money due has not been collected, or any public property has been converted or misappropriated. . . ." Those determinations in an audit report constitute "findings for recovery." Ohio Rev. Code § 9.24(H)(3).

During 2020, the Township paid \$88.13 to the State Department of Taxation for interest/penalties for not remitting state tax withholdings timely dating back to 2017. During 2022, the Township paid \$888.33 to the Internal Revenue Service for failure to file and interest charges related to tax periods March 31, 2020 and June 30, 2020, and \$609.19 to the Ohio Public Employees Retirement System for interest on employee and employer contributions not remitted from June 2018 through December 2021.

The interest, penalties, and failure to file assessments were related to the former Fiscal Officer Cy, formerly known as Cy Vierstra, not timely filing and remitting the required withholding payments for Townships officials/employees. The failure to pay State of Ohio or federal income tax withholdings and OPERS pension withholding payments timely is considered gross negligence. Late payment fees and related finance incurred through gross negligence are illegal expenditures which do not serve a proper public purpose. These charges would have been avoided had the funds been remitted by the required due dates.

Under Ohio law, public officials are strictly liable for all public money received or collected by them or their subordinates under color of law. Ohio Rev. Code § 9.39; *Cordray v. Internatl. Preparatory School*, 128 Ohio St.3d 50 (2010).

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against former Fiscal Officer, Cy, and in favor of Vinton Township's General, Motor Vehicle License Tax, and Gasoline Tax Fund in the amount of \$545.83, \$2.64, and \$1,037.18, respectively.

Officials' Response: We did not receive a response from Officials to the findings reported above.

VINTON TOWNSHIP, VINTON COUNTY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS DECEMBER 31, 2022, 2021, 2020 AND 2019

Finding Number	Finding Summary	Status	Additional Information
2018-001	Ohio Rev. Code § 505.262(A) – Township issued bank loan.	Not Corrected.	The Township will work to correct this matter.
2018-002	Material Weakness on financial statement errors..	Not Corrected.	The Township will work to correct this matter.
2018-003	Material Weakness on budgetary controls.	Not Corrected.	The Township will work to correct this matter.
2018-004	Material Weakness / Noncompliance – Township filed to file withholdings timely for federal, state, and pension.	Not Corrected.	The Township will work to correct this matter.
2018-005	Ohio Rev. Code § 5705.10 – Deficit fund balances	Not Corrected.	The Township will work to correct this matter.
2018-006	Ohio Rev. Code § 505.24(C) – Trustee payroll certifications	Not Corrected.	The Township will work to correct this matter.

OHIO AUDITOR OF STATE KEITH FABER



VINTON TOWNSHIP

VINTON 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 7/10/2025

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