



**bhm cpa group, inc.**  
CERTIFIED PUBLIC ACCOUNTANTS

---

VILLAGE OF PROCTORVILLE  
LAWRENCE COUNTY

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

---

One East Campus View Blvd. Suite 300 • Columbus, OH 43235 • (614) 389-5775 • FAX (614) 467-3920  
PO Box 875 • 129 Pinckney Street • Circleville, OH 43113 • (740) 474-5210 • FAX (740) 474-7319  
PO Box 687 • 528 S. West Street • Piketon, OH 45661 • (740) 289-4131 • FAX (740) 289-3639

[www.bhmcgroup.com](http://www.bhmcgroup.com)



OHIO AUDITOR OF STATE  
KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
IPARreport@ohioauditor.gov  
(800) 282-0370

Village Council  
Village of Proctorville  
409 Elizabeth St/PO Box 406  
Proctorville, OH 45669

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

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

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

**July 10, 2023**

**This page intentionally left blank.**

**VILLAGE OF PROCTORVILLE**  
**LAWRENCE COUNTY**

*For the Years Ended December 31, 2022 and 2021*  
*Table of Contents*

<u>TITLE</u>	<u>PAGE</u>
Independent Auditor’s Report.....	1
Basic Financial Statements:	
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types For the Year Ended December 31, 2022.....	4
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – Proprietary Fund Type For the Year Ended December 31, 2022.....	5
Combined Statement of Additions, Deductions, and Changes in Fund Balances (Regulatory Cash Basis) – Fiduciary Fund Type For the Year Ended December 31, 2022.....	6
Notes to the Basic Financial Statements For the Year Ended December 31, 2022.....	7
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types For the Year Ended December 31, 2021.....	14
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – Proprietary Fund Type For the Year Ended December 31, 2021.....	15
Combined Statement of Additions, Deductions, and Changes in Fund Balances (Regulatory Cash Basis) – Fiduciary Fund Type For the Year Ended December 31, 2021.....	16
Notes to the Basic Financial Statements For the Year Ended December 31, 2021.....	17
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	25
Schedule of Findings.....	27
Schedule of Prior Audit Findings.....	28

**This page intentionally left blank.**



**INDEPENDENT AUDITOR'S REPORT**

Village of Proctorville  
Lawrence County  
P.O. Box 406  
409 Elizabeth Street  
Proctorville, Ohio 45669

To the Village Council:

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

***Unmodified and Adverse Opinions***

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

***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2022, and 2021, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 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 Village, as of December 31, 2022, and 2021, or the changes in financial position or, where applicable, cash flows thereof for the years then ended.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

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

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

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

***Emphasis of Matter***

As discussed in Note 10 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Village. We did not modify our opinion regarding this matter.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.



- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2023, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Village's internal control over financial reporting and compliance.

*BHM CPA Group*

BHM CPA Group  
Piketon, OH  
June 21, 2023

**VILLAGE OF PROCTORVILLE  
LAWRENCE COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
<b>Cash Receipts:</b>				
Property Taxes	\$ 69,866	\$ 7,174	\$ -	\$ 77,040
Intergovernmental	25,422	76,080	1,973	103,475
Charges for Services	-	-	7,562	7,562
Fines, Licenses, and Permits	116,711	4,491	904	122,106
Miscellaneous	9,683	-	-	9,683
	<u>221,682</u>	<u>87,745</u>	<u>10,439</u>	<u>319,866</u>
<b>Total Cash Receipts</b>				
<b>Cash Disbursements:</b>				
Current:				
Security of Persons and Property	123,915	7,426	-	131,341
Public Health Services	-	292	-	292
Transportation	-	41,416	-	41,416
General Government	65,431	-	-	65,431
Debt Service:				
Redemption of Principal	14,055	-	10,822	24,877
Interest and Fiscal Charges	1,191	-	752	1,943
	<u>204,592</u>	<u>49,134</u>	<u>11,574</u>	<u>265,300</u>
<b>Total Cash Disbursements</b>				
Excess of Receipts Over/(Under) Disbursements	17,090	38,611	(1,135)	54,566
<b>Other Financing Receipts (Disbursements):</b>				
Other Financing Uses	(1,880)	-	-	(1,880)
<b>Total Other Financing Receipts (Disbursements)</b>	<u>(1,880)</u>	<u>-</u>	<u>-</u>	<u>(1,880)</u>
Net Change in Fund Cash Balances	15,210	38,611	(1,135)	52,686
Fund Cash Balances, January 1	91,351	42,790	1,135	135,276
Fund Cash Balances, December 31	<u>\$ 106,561</u>	<u>\$ 81,401</u>	<u>\$ -</u>	<u>\$ 187,962</u>

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

**VILLAGE OF PROCTORVILLE  
LAWRENCE COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Proprietary Fund Type</u>
	<u>Enterprise</u>
<b>Operating Cash Receipts:</b>	
Charges for Services	\$ 157,807
Total Operating Cash Receipts	157,807
<b>Operating Cash Disbursements</b>	
Personal services	94,640
Supplies and Materials	51,943
Other	2,375
Total Operating Cash Disbursements	148,958
<i>Operating Income (Loss)</i>	8,849
<b>Non-Operating Receipts (Disbursements)</b>	
Capital Outlay	(12,400)
Other Financing Uses	(2,130)
Total Non-Operating Receipts (Disbursements)	(14,530)
<i>Net Change in Fund Cash Balances</i>	(5,681)
Fund Cash Balances, January 1	72,312
<b>Fund Cash Balances, December 31</b>	<u>\$ 66,631</u>

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

**VILLAGE OF PROCTORVILLE  
LAWRENCE COUNTY**

**COMBINED STATEMENT OF ADDITIONS, DEDUCTIONS, AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Fiduciary Fund Type</b>
	<b>Custodial</b>
<b>Additions:</b>	
Fines, Licenses and Permits for Distribution	\$ 118,962
Total Operating Cash Receipts	118,962
<b>Deductions:</b>	
Distributions to Other Funds (Primary Gov't)	102,777
Other Distributions	15,048
Total Operating Cash Disbursements	117,825
<i>Net Change in Fund Cash Balances</i>	1,137
Fund Cash Balances, January 1	1,295
<b>Fund Cash Balances, December 31</b>	<b>\$ 2,432</b>

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

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

---

**Note 1 – Reporting Entity**

The Village of Proctorville (the Village), Lawrence County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides water and sewer utilities, park operations, and police services.

***Joint Ventures, Jointly Governed Organizations, Public Entity Risk Pools and Related Organizations***

The Village participates in a public entity risk pool. Note 6 to the financial statements provides additional information for this entity. The Village's management believes these financial statements present all activities for which the Village is financially accountable.

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

***Basis of Presentation***

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

***Fund Accounting***

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

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

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

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

***Fire Fighting Fund*** -This fund receives tax money for providing fire protection to the Village.

***Police Vehicle Fund*** – This fund receives a fixed amount per citation to provide for the future purchase of police vehicles.

***Mayor's Court Computer Fund*** – This fund receives a fixed amount per citation for the operation of software & hardware for Mayor's Court and recordkeeping

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

---

***Corona Virus Relief Fund*** – This fund receives revenue from the federal government through allocations apportioned through the State of Ohio & the Lawrence County Auditor’s Office based on formulas derived based on Local Government funds

***American Recovery Act Fund*** – This fund receives revenue from the federal government through allocations apportioned through the State of Ohio & the Lawrence County Auditor’s Office based on formulas derived based on Local Government funds.

***Debt Service Funds*** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Village had the following significant Debt Service Funds:

***Special Assessment Debt Service Fund*** This fund receives a fixed amount from each water bill, each citation issued, and from Local Government Assistance receipts for the purpose of satisfying the line of credit and mortgage debt of the Village of Proctorville.

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

***Water Fund*** The water fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the Village.

***Water Emergency Fund*** This fund receives a fixed amount from each water bill, and is used for emergency contingencies within the water distribution system.

***Fiduciary Funds*** Fiduciary funds include private purpose trust funds, investment trust funds, and custodial funds. Trust funds account for assets held under a trust agreement meeting certain criteria.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Village’s custodial fund accounts for the Village’s Mayor’s Court.

For regulatory purposes, certain own source revenues are permitted to flow through clearing funds presented as custodial funds. The amounts distributed to the other funds of the entity are identified on the combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types. Also, for regulatory purposes, certain deposits and clearing funds are permitted to be presented as custodial funds.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

---

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

***Budgetary Process***

The Ohio Revised Code requires that each fund (except certain custodial funds) be budgeted annually.

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

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

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

A summary of 2022 budgetary activity appears in Note 3.

***Deposits and Investments***

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

***Accumulated Leave***

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave

***Fund Balance***

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

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

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

---

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 9.

**Note 3 – Budgetary Activity**

Budgetary activity for the year ending follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$230,125	\$221,682	(\$8,443)
Special Revenue	81,510	87,745	6,235
Debt Service	12,050	10,439	(1,611)
Enterprise	154,875	157,807	2,932
Total	\$478,560	\$477,673	(\$887)



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

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$307,650	\$206,472	\$101,178
Special Revenue	116,180	49,134	67,046
Debt Service	13,000	11,574	1,426
Enterprise	207,600	163,488	44,112
Total	\$644,430	\$430,668	\$213,762

**Note 4 – Deposits and Investments**

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

	2022
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$257,025
Total deposits	257,025
Total carrying amount of deposits and investments held in the Pool (ties to FS)	257,025

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2022, the village did not have any unremitted employee payroll withholdings.

***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation.

**Note 5 – Taxes**

***Property Taxes***

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

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

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

---

**Note 6 – Risk Management**

The (local entity) is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the (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, 2021:

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

***Workers' Compensation***

Workers' Compensation coverage is provided by the State of Ohio. The Village pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

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

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

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

---

**Note 8 – Postemployment Benefits**

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

**Note 9 – Fund Balances**

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. At year end there were no encumbrances at year end

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds are restricted committed or assigned. These restricted, committed and assigned amounts in the special revenue and debt service would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**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 continues. During 2022, the Village received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Village. The impact on the Village's future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.

THIS PAGE IS INTENTIONALLY LEFT BLANK

**VILLAGE OF PROCTORVILLE  
LAWRENCE COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
<b>Cash Receipts:</b>				
Property Taxes	\$ 65,892	\$ 6,121	\$ -	\$ 72,013
Intergovernmental	20,981	75,254	2,323	98,558
Charges for Services	-	-	9,065	9,065
Fines, Licenses, and Permits	123,142	3,062	642	126,846
Miscellaneous	36,774	-	-	36,774
	<u>246,789</u>	<u>84,437</u>	<u>12,030</u>	<u>343,256</u>
<b>Cash Disbursements:</b>				
Current:				
Security of Persons and Property	164,832	32,681	-	197,513
Public Health Services	-	4,558	-	4,558
Transportation	-	52,498	-	52,498
General Government	74,710	21,635	-	96,345
Debt Service:				
Redemption of Principal	-	-	9,960	9,960
Interest and Fiscal Charges	-	-	1,572	1,572
	<u>239,542</u>	<u>111,372</u>	<u>11,532</u>	<u>362,446</u>
Excess of Receipts Over/(Under) Disbursements	7,247	(26,935)	498	(19,190)
<b>Other Financing Receipts (Disbursements):</b>				
Other Financing Uses	(27)	-	-	(27)
Total Other Financing Receipts (Disbursements)	(27)	-	-	(27)
Net Change in Fund Cash Balances	7,220	(26,935)	498	(19,217)
Fund Cash Balances, January 1, As Restated in Note 12	<u>84,131</u>	<u>69,725</u>	<u>637</u>	<u>154,493</u>
<b>Fund Cash Balances, December 31</b>	<u>\$ 91,351</u>	<u>\$ 42,790</u>	<u>\$ 1,135</u>	<u>\$ 135,276</u>

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

**VILLAGE OF PROCTORVILLE  
LAWRENCE COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Proprietary Fund Type</u>
	<u>Enterprise</u>
<b>Operating Cash Receipts:</b>	
Charges for Services	\$ 155,546
Total Operating Cash Receipts	155,546
<b>Operating Cash Disbursements</b>	
Personal services	77,583
Contractual services	3,000
Supplies and Materials	43,534
Other	1,958
Total Operating Cash Disbursements	126,075
<i>Operating Income (Loss)</i>	29,471
<b>Non-Operating Receipts (Disbursements)</b>	
Capital Outlay	(10,033)
Principal	(10,900)
Interest	(199)
Total Non-Operating Receipts (Disbursements)	(21,132)
 <i>Net Change in Fund Cash Balances</i>	 8,339
Fund Cash Balances, January 1, As Restated in Note 12	63,973
<b>Fund Cash Balances, December 31</b>	<b>\$ 72,312</b>

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

**VILLAGE OF PROCTORVILLE  
LAWRENCE COUNTY**

**COMBINED STATEMENT OF ADDITIONS, DEDUCTIONS, AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
FIDUCIARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<b>Fiduciary Fund Type</b>
	<b>Custodial</b>
<b>Non-Operating Receipts (Disbursements)</b>	
Other Non-operating Receipts	126,845
Other Non-operating Disbursements	(126,319)
Total Non-Operating Receipts (Disbursements)	526
<i>Net Change in Fund Cash Balances</i>	526
Fund Cash Balances, January 1	769
<b>Fund Cash Balances, December 31</b>	<b>\$ 1,295</b>

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

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

---

**Note 1 – Reporting Entity**

The Village of Proctorville (the Village), Lawrence County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides water and sewer utilities, park operations, and police services.

***Joint Ventures, Jointly Governed Organizations, Public Entity Risk Pools and Related Organizations***

The Village participates in a public entity risk pool. Note 6 to the financial statements provides additional information for this entity. The Village's management believes these financial statements present all activities for which the Village is financially accountable.

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

***Basis of Presentation***

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

***Fund Accounting***

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

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

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

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

***Fire Fighting Fund*** -This fund receives tax money for providing fire protection to the Village.

***Police Vehicle Fund*** – This fund receives a fixed amount per citation to provide for the future purchase of police vehicles.

***Mayor's Court Computer Fund*** – This fund receives a fixed amount per citation for the operation of software & hardware for Mayor's Court and recordkeeping



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

---

***Corona Virus Relief Fund*** – This fund receives revenue from the federal government through allocations apportioned through the State of Ohio & the Lawrence County Auditor’s Office based on formulas derived based on Local Government funds.

***Debt Service Funds*** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Village had the following significant Debt Service Funds:

***Special Assessment Debt Service Fund*** This fund receives a fixed amount from each water bill, each citation issued, and from Local Government Assistance receipts for the purpose of satisfying the line of credit and mortgage debt of the Village of Proctorville.

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

***Water Fund*** The water fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the Village.

***Water Emergency Fund*** This fund receives a fixed amount from each water bill, and is used for emergency contingencies within the water distribution system.

***Fiduciary Funds*** Fiduciary funds include private purpose trust funds, investment trust funds, and custodial funds. Trust funds account for assets held under a trust agreement meeting certain criteria.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Village’s custodial fund accounts for the Village’s Mayor’s Court.

For regulatory purposes, certain own source revenues are permitted to flow through clearing funds presented as custodial funds. The amounts distributed to the other funds of the entity are identified on the combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types. Also, for regulatory purposes, certain deposits and clearing funds are permitted to be presented as custodial funds.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

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

---

***Budgetary Process***

The Ohio Revised Code requires that each fund (except certain custodial funds) be budgeted annually.

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

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

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

A summary of 2021 budgetary activity appears in Note 3.

***Deposits and Investments***

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

***Accumulated Leave***

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

***Fund Balance***

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

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

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

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 10.

**Note 3 – Budgetary Activity**

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

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$231,900	\$246,789	\$14,889
Special Revenue	87,779	84,437	(3,342)
Debt Service	12,000	12,030	30
Enterprise	159,300	155,546	(3,754)
Total	\$490,979	\$498,802	\$7,823

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$314,000	\$239,569	\$74,431
Special Revenue	149,387	111,372	38,015
Debt Service	13,500	11,532	1,968
Enterprise	205,200	147,207	57,993
Total	\$682,087	\$509,680	\$172,407

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

---

**Note 4 – Deposits and Investments**

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

	<u>2021</u>
<b><i>Cash Management Pool:</i></b>	
Demand deposits	<u>\$208,883</u>
Total deposits	<u>208,883</u>
Total carrying amount of deposits and investments held in the Pool (ties to FS)	<u><u>208,883</u></u>

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2021, the village did not have any unremitted employee payroll withholdings.

***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation.

At December 31, 2021, \$0 of deposits were not insured or collateralized.

**Note 5 – Taxes**

***Property Taxes***

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

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

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

---

**Note 6 – Risk Management**

The (local entity) is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the (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>2021</u>
Cash and investments	\$ 41,996,850
Actuarial liabilities	\$14,974,099

***Workers' Compensation***

Workers' Compensation coverage is provided by the State of Ohio. The Village pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

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

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

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

---

**Note 8 – Postemployment Benefits**

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

**Note 9 – Debt**

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

	Principal	Interest Rate
General Obligation Notes	\$13,345	5%
Line of Credit	\$11,532	7%
Total	\$24,877	

**Leases**

The Village has entered into lease purchases agreements for two lots where ownership of the underlying asset transfers to the Village by the end of the contract. The Village disbursed \$10,094 to pay these costs for the fiscal year ended December 31, 2021.

**Amortization**

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

	General Obligation	Line of Credit
Year Ending December 31:	Notes	
2022	\$5,922	\$6,360
2023	7,007	5,569
2024	1,084	0
Total	\$14,012	\$11,929

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

---

**Note 10 – Fund Balances**

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. At year end there were no outstanding encumbrances.

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds are restricted committed or assigned. These restricted, committed and assigned amounts in the special revenue and debt service funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**Note 11 – 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 continues. During 2021, the Village received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Village. The impact on the Village’s future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.

The beginning fund balances for the General Fund were restated as follows:

**Note 12– Restatement of Beginning Balances**

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Enterprise</u>
<b>2021 Beginning Fund Balance</b>	\$ 84,624	\$ 69,356	\$ 1,637	\$ 62,230
2020 Audit Adjustments	\$ (369)	\$ 369	\$ (1,000)	\$ 1,000
2020 Voided Disbursements	334	-	-	743
Prior Period Accounting Errors	(458)	-	-	-
<b>2021 Restated Beginning Fund Balance</b>	<u>\$ 84,131</u>	<u>\$ 69,725</u>	<u>\$ 637</u>	<u>\$ 63,973</u>



---

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

Village of Proctorville  
Lawrence County  
P.O. Box 406  
409 Elizabeth Street  
Proctorville, Ohio 45669

To the Village Council:

We have audited, in accordance the with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2022 and 2021 and the related notes to the financial statements of the Village of Proctorville, Lawrence County, (the Village) and have issued our report thereon dated June 21, 2023, wherein we noted the Village followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit. We also noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2022-001 that we consider to be a material weakness.

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

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



BHM CPA Group, Inc.  
Piketon, Ohio

June 21, 2023

**Village of Proctorville  
Lawrence County  
Schedule of Findings  
December 31, 2022 and 2021**

---

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTING IN  
ACCORDANCE WITH GAGAS**

**FINDING NUMBER 2022-001**

**MATERIAL WEAKNESS – FINANCIAL REPORTING**

Sound financial reporting is the responsibility of the fiscal officer and Village Council and is essential to ensure information provided to the readers of the financial statements is complete and accurate.

Material and immaterial misstatements were identified during the course of the audit which have not been prevented or detected by the Village's internal controls over financial reporting. Misstatements were identified in the following areas:

- General Government
- Interest
- Principal
- Fines, Licenses and Permits for Distribution
- Distributions to Other Funds (Primary Gov't)
- Other Distributions

To ensure the Village's financial statements and notes to the financial statements are complete and accurate, we recommend the Fiscal Officer review the Ohio Village Officer's Handbook for guidance on the correct line item to post various receipts and expenditures of the Village.

**Client Response:** We did not receive a response from Officials to this finding.

**Village of Proctorville  
Lawrence County  
Summary Schedule of Prior Audit Findings  
December 31, 2022 and 2021**

---

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Status?</b>	<b>Additional Information</b>
2020-001	Material Weakness – Financial Reporting	Not Corrected	Reissued as finding 2022-001

**This page intentionally left blank.**

# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF PROCTORVILLE**

**LAWRENCE 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 7/20/2023**

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

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