



VINTON COUNTY, OHIO

SINGLE AUDIT

For the Year Ended December 31, 2015

J.L. UHRIG
AND ASSOCIATES INC.

CERTIFIED PUBLIC ACCOUNTANT AND MANAGEMENT CONSULTANTS





Dave Yost • Auditor of State

Board of Commissioners
Vinton County
100 East Main Street
McArthur, Ohio 45651

We have reviewed the *Independent Auditor's Report* of Vinton County prepared by J.L. Uhrig and Associates, Inc., for the audit period January 1, 2015 through December 31, 2015. 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. Vinton County is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

August 22, 2016

This Page Left Intentionally Blank

VINTON COUNTY, OHIO
Table of Contents
For the Year Ended December 31, 2015

Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	4
Basic Financial Statements:	
<i>Government-Wide Financial Statements:</i>	
Statement of Net Position – Cash Basis	11
Statement of Activities – Cash Basis	12
<i>Fund Financial Statements:</i>	
Statement of Assets and Fund Balances and Receipts, Disbursements and Changes in Fund Balances - Governmental Funds - Cash Basis.....	13
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – General Fund	14
Motor Vehicle Gasoline Tax Fund	15
Statement of Fiduciary Net Position – Fiduciary Funds - Cash Basis.....	16
Statement of Changes in Fiduciary Net Position – Private Purpose Trust Fund - Cash Basis	17
Notes to the Basic Financial Statements	18
Supplemental Information:	
Schedule of Federal Awards Expenditures	39
Notes to the Schedule of Federal Awards Expenditures	41
Audit Reports:	
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	42
Independent Auditor’s Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance Required by the Uniform Guidance	44
Schedule of Findings.....	46
Schedule of Prior Audit Findings.....	48

This page intentionally left blank.

Independent Auditor's Report

County Commissioners
Vinton County, Ohio
100 East Main Street
McArthur, Ohio 45651

Report on the Financial Statements

We have audited the accompanying cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Vinton County, Ohio, (the County) as of and for the year ended December 31, 2015, and related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting as described in Note 2; this includes determining that the cash basis of accounting is acceptable for the circumstances. 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Vinton County, Ohio
Independent Auditor's Report

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2015, and the respective changes in cash financial position and the respective budgetary comparisons for the General Fund and Motor Vehicle Gasoline Tax Fund thereof for the year then ended in conformity with the accounting basis Note 2 describes.

Accounting Basis

Ohio Administrative Code Section 117-2-03(B) requires the County to prepare its annual financial report in accordance with accounting principles generally accepted in the United States of America. We draw attention to Note 2 of the financial statements, which describes the basis applied to these statements. The financial statements are prepared on the cash basis of accounting, which is a basis other than generally accepted accounting principles. We did not modify our opinion regarding this matter.

Other Matters

Supplemental Information

We conducted our audit to opine on the County's financial statements taken as a whole. The Schedule of Federal Awards Expenditures presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the financial statements.

The schedule is the management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

We applied no procedures to the Management's Discussion and Analysis as listed in the table of contents. Accordingly, we express no opinion or any other assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 20, 2016 on our consideration of the Vinton County, Ohio'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not provide an opinion on internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Vinton County, Ohio's internal control over financial reporting and compliance.

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.
Chillicothe, Ohio

June 20, 2016

Vinton County
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

As management of Vinton County (the County), we offer readers this narrative overview and analysis of the financial activities of the County as a whole for the year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with the basic financial statements and the notes to the basic financial statements to enhance their understanding of the County's financial performance.

Financial Highlights

Key financial highlights for 2015 are as follows:

- Net position of governmental activities increased \$1,020,034.
- General cash receipts accounted for \$4,654,237 in receipts or 36 percent of all cash receipts. Program specific cash receipts in the form of charges for services, grants and contributions accounted for \$8,239,176 or 64 percent of total cash receipts of \$12,893,413.
- The County had \$11,873,379 in cash disbursements related to governmental activities; \$8,239,176 of these cash disbursements were offset by program specific charges for services, grants and contributions. General cash receipts (primarily grants, entitlements, sales taxes, and property taxes) of \$4,654,237 were adequate to provide for these programs.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34, as applicable to the County's cash basis of accounting.

Report Components

The *Statement of Net Position-Cash Basis* and *Statement of Activities-Cash Basis* provide information about the activities of the whole County, presenting an aggregate view of the County's cash basis finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed and what remains for future spending on a cash basis. The fund financial statements also look at the County's most significant funds with all other non-major funds presented in total in one column. In the case of Vinton County, the General Fund and the Motor Vehicle Gasoline Tax Fund are the most significant funds and have been presented as major funds.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the County as a way to segregate money whose use is restricted to a particular specific purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the basic financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the basic financial statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The County has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America. Under the County's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

Vinton County
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the County as a Whole

Statement of Net Position – Cash Basis and Statement of Activities – Cash Basis

The statement of net position-cash basis and the statement of activities-cash basis reflect how the County did financially during 2015, within the limitations of the cash basis of accounting. The statement of net position – cash basis presents the cash balances and investments of the governmental activities of the County at year end. The statement of activities-cash basis compares cash disbursements with program cash receipts for each governmental program. Program cash receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General cash receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the County's general receipts.

These statements report the County's cash position and the changes in cash position. Keeping in mind the limitations of cash basis accounting, you can think of these changes as one way to measure the County's financial health. Over time, increases or decreases in the County's cash position is one indicator of whether the County's financial health is improving or deteriorating. When evaluating the County's financial condition, you should also consider other non-financial factors as well as such as the County's property tax base, the condition of the County's capital assets and infrastructure, the extent of the County's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property taxes and sales taxes.

In the statement of net position-cash basis and the statement of activities-cash basis, the County has one type of activity; governmental.

Reporting the County's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the County's major funds – not the County as a whole. The County uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the County's most significant funds. The County's major governmental funds are the General Fund and the Motor Vehicle Gasoline Tax Fund.

Governmental Funds: Most of the County's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end available for spending in future periods. These funds are reported using the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The governmental fund statements provide a detailed short-term view of the County's general governmental operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer cash basis financial resources that can be spent in the near future to finance various County programs. Since the County is reporting on the cash basis of accounting, there are no differences in the net position and fund cash balances or changes in net position and changes in fund cash balances. Therefore, no reconciliation is necessary between such financial statements. However, differences will be apparent when comparing gross cash receipts and cash disbursements on the fund financial statements to the statement of activities due to transfers and advances netted on the statement of activities. See Note 2 to the basic financial statements.

Vinton County
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

Fiduciary Funds: Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. The County's only fiduciary funds are agency funds and a private purpose trust fund.

Agency funds are custodial in nature and do not involve measurement of results of operations. In accordance with GASB 34, fiduciary funds are not included in the government-wide financial statements. Trust funds are used to account for assets held by the County under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the County's own programs.

The County as a Whole

Recall that the Statement of Net Position provides the perspective of the County as a whole. Table 1 provides a summary of the County's net position for 2015 as compared to 2014:

Table 1
 Net Position – Cash Basis
 Governmental Activities

	2015	2014
<i>Assets</i>		
Equity in Pooled Cash and Cash Equivalents	\$5,011,167	\$3,991,133
<i>Total Assets</i>	5,011,167	3,991,133
 <i>Net Position</i>		
Restricted	4,059,237	3,172,072
Unrestricted	951,930	819,061
<i>Total Net Position</i>	\$5,011,167	\$3,991,133

The increase in Equity in Pooled Cash and Cash Equivalents is primarily due to the reasons described on page 8.

Vinton County
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

Table 2 shows the highlights of the County's cash receipts and cash disbursements. These two main components are subtracted to yield the change in net position.

Cash receipts are further divided into two major components: program cash receipts and general cash receipts. Program cash receipts are defined as charges for services, capital and operating grants, and contributions. General cash receipts include property and sales taxes, unrestricted grants, interest, issuance of loans and notes, payments in lieu of taxes, and miscellaneous receipts.

Table 2
Change in Net Position – Cash Basis
Governmental Activities

	2015	2014
<i>Cash Receipts</i>		
<i>Program Cash Receipts:</i>		
Charges for Services	\$2,267,638	\$2,145,013
Operating Grants and Contributions	5,816,302	5,474,970
Capital Grants and Contributions	155,236	72,312
<i>Total Program Cash Receipts</i>	<u>8,239,176</u>	<u>7,692,295</u>
<i>General Cash Receipts:</i>		
Property Taxes	2,185,469	1,678,113
Sales Taxes	1,412,597	1,256,789
Unrestricted Grants and Entitlements	594,871	663,012
Interest	32,398	31,194
Issuance of Loans and Notes	8,000	213,685
Payments in Lieu of Taxes	10,643	224,591
Miscellaneous	410,259	574,105
<i>Total General Cash Receipts</i>	<u>4,654,237</u>	<u>4,641,489</u>
<i>Total Cash Receipts</i>	<u>12,893,413</u>	<u>12,333,784</u>
<i>Cash Disbursements</i>		
<i>Program Cash Disbursements:</i>		
General Government:		
Legislative and Executive	2,118,795	2,188,606
Judicial	671,009	720,369
Public Safety	1,740,398	1,593,584
Public Works	2,734,457	3,136,685
Health	1,957,940	2,341,613
Human Services	262,957	225,379
Community and Economic Development	638,110	829,064
Capital Outlay	1,582,448	1,255,386
Debt Service:		
Principal Retirement	95,056	547,526
Interest and Fiscal Charges	72,209	78,772
<i>Total Cash Disbursements</i>	<u>11,873,379</u>	<u>12,916,984</u>
<i>Change in Net Position</i>	1,020,034	(583,200)
<i>Net Position – Beginning of Year</i>	3,991,133	4,574,333
<i>Net Position – End of Year</i>	<u>\$5,011,167</u>	<u>\$3,991,133</u>

Vinton County
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

Net position increased \$1,020,034 in governmental activities in 2015 as a result of cash receipts exceeding cash disbursements. Program cash receipts were composed of charges for services and operating and capital grants and contributions which were \$8,239,176. Property taxes increased while payment in lieu of taxes decreased as the result of an abatement for a company ending. Issuance of loans and notes decreased due to additional debt issued in the prior year. The increase in public safety is due to an increase of contract services during 2015. Capital Outlay increased as a result of work performed by the Engineer's department in addition to vehicle and equipment purchases. Public works decreased as a result of a decrease in noncapital disbursements within the Engineer's department. Health decreased as a result of a decrease in disbursements by the Board of Developmental Disabilities. The increase to operating grants and contributions is due to intergovernmental monies received from the CHIP program. The decrease to community and economic development is due to timing as to when grants are received versus when they are spent. Principal retirement decreased as a result of the County paying in full three of their outstanding debt balances during 2014.

Governmental Activities

Operating grants and contributions made up 45 percent of cash receipts for governmental activities of the County for 2015. Property tax receipts made up 17 percent of the total cash receipts for governmental activities for a total of 62 percent of all cash receipts coming from property taxes and operating grants and contributions.

Public works cash disbursements comprise 23 percent of governmental program cash disbursements.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. In Table 3, the total cost of service column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program cash receipts. Net costs are costs that must be covered by unrestricted State aid or local taxes. The difference in these two columns would represent charges for services and restricted grants, fees, and donations.

Table 3
 Total Cost of Program Services – Cash Basis
 Governmental Activities

	2015		2014	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
General Government:				
Legislative and Executive	\$2,118,795	\$1,440,183	\$2,188,606	\$1,535,293
Judicial	671,009	348,881	720,369	399,527
Public Safety	1,740,398	1,016,100	1,593,584	983,522
Public Works	2,734,457	154,772	3,136,685	688,374
Health	1,957,940	164,615	2,341,613	557,059
Human Services	262,957	163,145	225,379	164,082
Community and Economic Development	638,110	36,260	829,064	181,946
Capital Outlay	1,582,448	273,556	1,255,386	231,033
Debt Service:				
Principal Retirement	95,056	23,683	547,526	429,767
Interest and Fiscal Charges	72,209	13,008	78,772	54,086
Total Cash Disbursements	\$11,873,379	\$3,634,203	\$12,916,984	\$5,224,689

Vinton County
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

The County's Funds

The County's governmental funds are accounted for using the cash basis of accounting. All governmental funds had total cash receipts and other financing sources of \$13,235,878 and cash disbursements and other financing uses of \$12,215,844. The net change in fund balance for the year was most significant in the Motor Vehicle Gasoline Tax Fund, which went from \$1,320,065 in 2014 to \$1,870,101 in 2015. Cash receipts and other financing sources exceeded cash disbursements and other financing uses in the amount of \$550,036.

General Fund cash receipts and other financing source exceeded cash disbursements and other financing uses by \$132,869. Cash receipts increased primarily due to monies received from taxes, which was partially offset by a decrease in payment in lieu of taxes and miscellaneous revenue. Cash disbursements and other financing uses decreased primarily due to a decrease in transfers out to other funds.

General Fund Budgeting Highlights

The County's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. One of the more significant budgeted funds is the General Fund.

For the General Fund, final budgeted revenue decreased \$11,307 from original budgeted revenue, while actual receipts and other financing sources increased \$460,260 from final budgeted revenue. The increases are due primarily to higher than expected taxes and intergovernmental cash receipts. Actual disbursements and other financing uses were under final appropriations by \$333,475 due primarily to less than anticipated disbursements for legislative and executive. Final appropriations were above original appropriations by \$58,208 due to increases in public safety which were partially offset by decreases in legislative and executive.

The County's ending unobligated General Fund cash balance was \$793,735.

Capital Assets and Debt Administration

Capital Assets

The County does not record capital assets in the accompanying basic financial statements, but records payments for capital assets as disbursements. The County had capital outlay disbursements of \$1,582,448 during 2015.

Debt

Under the cash basis of accounting the County does not report bonds in the accompanying cash basis financial statements. However, in order to provide information to the readers of this report, we are providing the following detailed information the County's long-term obligations. At December 31, 2015, the County had \$1,393,008 in bonds and a note for governmental activities with \$91,222 due within one year. Please see Note 10 for additional information regarding the County's debt. Table 4 summarizes long-term debt outstanding:

Table 4
 Outstanding Debt as of December 31
 Governmental Activities

	2015	2014
County Job and Family Services Building	\$1,266,803	\$1,341,762
HVAC Project Promissory Note	67,205	77,302
Community and Economic Development Building	59,000	61,000
Totals	\$1,393,008	\$1,480,064

Vinton County
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

The Ohio Revised Code provides that the net general obligation debt of the County, exclusive of certain exempt debt, issued without a vote of the electors shall never exceed one percent of the total assessed valuation of the County.

The Code further provides that the total voted and unvoted net debt of the County less the same exempt debt, shall never exceed a sum equal to three percent of the first \$100,000,000, of the assessed valuation, plus one and one-half percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus two and one-half percent of such valuation in excess of \$300,000,000.

At December 31, 2015, the County's overall legal debt margin was \$4,125,655 with an unvoted debt margin of \$2,679,109. The debt is well within permissible limits.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Cindy Owings Waugh, County Auditor at Vinton County, 100 Main Street, McArthur, Ohio 45651, or telephone at (740)596-4571 (Extension 231).

Vinton County
Statement of Net Position - Cash Basis
December 31, 2015

	<u>Primary Government</u>
	<u>Governmental Activities</u>
ASSETS:	
Equity in Pooled Cash and Cash Equivalents	\$ 5,011,167
<i>Total Assets</i>	<i>5,011,167</i>
NET POSITION:	
Restricted for:	
Debt Service	6,597
Capital Projects	174,223
Motor Vehicle Gasoline Tax	1,870,101
Department of Developmental Disabilities	467,619
Other Purposes	689,617
Housing Contractual	87,588
EMS Levy	173,075
Indigent Drivers	83,306
County Court Computer Research	78,038
Real Estate Assessment	429,073
Unrestricted	951,930
<i>Total Net Position</i>	<i>\$ 5,011,167</i>

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

Vinton County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2015

	Program Cash Receipts				Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government
					Total
Governmental Activities:					
General Government:					
Legislative and Executive	\$ 2,118,795	\$ 398,833	\$ 279,779	\$ -	\$ (1,440,183)
Judicial	671,009	125,822	196,306	-	(348,881)
Public Safety	1,740,398	326,849	397,449	-	(1,016,100)
Public Works	2,734,457	507,094	2,072,069	522	(154,772)
Health	1,957,940	363,024	1,430,301	-	(164,615)
Human Services	262,957	49,427	50,385	-	(163,145)
Community and Economic Development	638,110	118,314	483,536	-	(36,260)
Capital Outlay	1,582,448	247,701	906,477	154,714	(273,556)
Debt Service:					
Principal Retirement	95,056	71,373	-	-	(23,683)
Interest and Fiscal Charges	72,209	59,201	-	-	(13,008)
<i>Total Governmental Activities</i>	<u>\$ 11,873,379</u>	<u>\$ 2,267,638</u>	<u>\$ 5,816,302</u>	<u>\$ 155,236</u>	<u>(3,634,203)</u>
General Cash Receipts					
Property Taxes Levied for:					
General Purposes					1,061,006
MRDD					434,188
Special Purposes					690,275
Sales Taxes Levied for General Purposes					1,412,597
Grants and Entitlements Not					
Restricted to Specific Programs					594,871
Issuance of Loans					8,000
Payments in Lieu of Taxes					10,643
Miscellaneous					410,259
Interest					32,398
<i>Total General Cash Receipts</i>					<u>4,654,237</u>
<i>Change in Net Position</i>					1,020,034
<i>Net Position Beginning of Year</i>					<u>3,991,133</u>
<i>Net Position End of Year</i>					<u>\$ 5,011,167</u>

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

Vinton County
*Statement of Cash Basis Assets and Fund Balances and
Cash Receipts, Cash Disbursements and Changes in Cash Basis Fund Balances - Governmental Funds - Cash Basis
As of and For the Year Ended December 31, 2015*

	General	Motor Vehicle Gasoline Tax	All Other Governmental Funds	Total Governmental Funds
CASH RECEIPTS:				
Taxes	\$ 2,473,603	\$ -	\$ 1,124,463	\$ 3,598,066
Charges for Services	599,679	334,580	1,181,595	2,115,854
Licenses and Permits	2,663	-	270	2,933
Fines and Forfeitures	107,567	14,996	26,288	148,851
Intergovernmental	608,739	3,523,607	2,434,063	6,566,409
Interest	31,173	933	292	32,398
Payments in Lieu of Taxes	10,643	-	-	10,643
Other	112,858	30,568	266,833	410,259
<i>Total Cash Receipts</i>	<u>3,946,925</u>	<u>3,904,684</u>	<u>5,033,804</u>	<u>12,885,413</u>
CASH DISBURSEMENTS:				
General Government:				
Legislative and Executive	1,806,114	-	312,681	2,118,795
Judicial	425,260	-	245,749	671,009
Public Safety	1,255,185	-	485,213	1,740,398
Public Works	-	2,734,457	-	2,734,457
Health	71,341	-	1,886,599	1,957,940
Human Services	202,814	-	60,143	262,957
Community and Economic Development	-	-	638,110	638,110
Capital Outlay	897	566,916	1,014,635	1,582,448
Debt Service:				
Principal Retirement	-	-	95,056	95,056
Interest and Fiscal Charges	-	-	72,209	72,209
<i>Total Cash Disbursements</i>	<u>3,761,611</u>	<u>3,301,373</u>	<u>4,810,395</u>	<u>11,873,379</u>
<i>Excess of Cash Receipts Over (Under) Cash Disbursements</i>	<u>185,314</u>	<u>603,311</u>	<u>223,409</u>	<u>1,012,034</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	302,823	302,823
Advances In	9,037	9,037	21,568	39,642
Issuance of OWDA Loans	-	-	8,000	8,000
Transfers Out	(61,482)	(62,312)	(179,029)	(302,823)
Advances Out	-	-	(39,642)	(39,642)
<i>Total Other Financing Sources (Uses)</i>	<u>(52,445)</u>	<u>(53,275)</u>	<u>113,720</u>	<u>8,000</u>
<i>Net Change in Fund Cash Balances</i>	132,869	550,036	337,129	1,020,034
<i>Cash Basis Fund Balances at Beginning of Year</i>	<u>819,061</u>	<u>1,320,065</u>	<u>1,852,007</u>	<u>3,991,133</u>
<i>Cash Basis Fund Balances at End of Year</i>	<u>\$ 951,930</u>	<u>\$ 1,870,101</u>	<u>\$ 2,189,136</u>	<u>\$ 5,011,167</u>
CASH BASIS ASSETS AT END OF YEAR:				
Equity in Pooled Cash and Cash Equivalents	<u>\$ 951,930</u>	<u>\$ 1,870,101</u>	<u>\$ 2,189,136</u>	<u>\$ 5,011,167</u>
<i>Total Assets</i>	<u>\$ 951,930</u>	<u>\$ 1,870,101</u>	<u>\$ 2,189,136</u>	<u>\$ 5,011,167</u>
CASH FUND BALANCES AT YEAR END:				
Nonspendable	\$ 75,679	\$ -	\$ -	\$ 75,679
Restricted	-	1,870,101	2,189,136	4,059,237
Assigned	63,786	-	-	63,786
Unassigned	812,465	-	-	812,465
<i>Total Cash Basis Fund Balances</i>	<u>\$ 951,930</u>	<u>\$ 1,870,101</u>	<u>\$ 2,189,136</u>	<u>\$ 5,011,167</u>

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

Vinton County
Statement of Receipts, Disbursements, And Changes
in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
RECEIPTS:				
Taxes	\$ 2,180,396	\$ 2,172,860	\$ 2,473,603	\$ 300,743
Charges for Services	362,817	361,563	411,606	50,043
Licenses and Permits	2,347	2,339	2,663	324
Fines and Forfeitures	94,817	94,489	107,567	13,078
Intergovernmental	497,446	495,727	564,340	68,613
Interest	27,278	27,184	30,946	3,762
Payments in Lieu of Taxes	9,381	9,349	10,643	1,294
Other	96,896	87,523	109,926	22,403
<i>Total Receipts</i>	<u>3,271,378</u>	<u>3,251,034</u>	<u>3,711,294</u>	<u>460,260</u>
DISBURSEMENTS:				
Current:				
General Government:				
Legislative and Executive	2,090,244	2,003,171	1,746,344	256,827
Judicial	254,202	260,105	238,807	21,298
Public Safety	1,140,423	1,258,739	1,255,185	3,554
Health	38,666	73,380	71,341	2,039
Human Services	210,166	210,664	202,814	7,850
Capital Outlay	41,200	40,950	897	40,053
<i>Total Disbursements</i>	<u>3,774,901</u>	<u>3,847,009</u>	<u>3,515,388</u>	<u>331,621</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(503,523)</u>	<u>(595,975)</u>	<u>195,906</u>	<u>791,881</u>
OTHER FINANCING SOURCES (USES):				
Advances In	-	9,037	9,037	-
Transfers Out	(77,236)	(63,336)	(61,482)	1,854
<i>Total Other Financing Sources (Uses)</i>	<u>(77,236)</u>	<u>(54,299)</u>	<u>(52,445)</u>	<u>1,854</u>
<i>Net Change in Fund Balance</i>	(580,759)	(650,274)	143,461	793,735
<i>Fund Balance at Beginning of Year</i>	<u>650,274</u>	<u>650,274</u>	<u>650,274</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u><u>\$ 69,515</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 793,735</u></u>	<u><u>\$ 793,735</u></u>

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

Vinton County
Statement of Receipts, Disbursements, And Changes
in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Motor Vehicle Gasoline Tax Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
RECEIPTS:				
Charges for Services	\$ 321,604	\$ 321,604	\$ 334,580	\$ 12,976
Fines and Forfeitures	14,414	14,414	14,996	582
Intergovernmental	3,803,295	3,803,295	3,523,607	(279,688)
Interest	897	897	933	36
Other	29,383	29,383	30,568	1,185
<i>Total Receipts</i>	<u>4,169,593</u>	<u>4,169,593</u>	<u>3,904,684</u>	<u>(264,909)</u>
DISBURSEMENTS:				
Current:				
Public Works	2,995,236	2,942,236	2,734,457	207,779
Capital Outlay	716,843	766,843	566,916	199,927
<i>Total Disbursements</i>	<u>3,712,079</u>	<u>3,709,079</u>	<u>3,301,373</u>	<u>407,706</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>457,514</u>	<u>460,514</u>	<u>603,311</u>	<u>142,797</u>
OTHER FINANCING SOURCES (USES):				
Advances In	-	-	9,037	9,037
Transfers Out	(60,000)	(63,000)	(62,312)	688
<i>Total Other Financing Sources (Uses)</i>	<u>(60,000)</u>	<u>(63,000)</u>	<u>(53,275)</u>	<u>9,725</u>
<i>Net Change in Fund Balance</i>	397,514	397,514	550,036	152,522
<i>Fund Balance at Beginning of Year</i>	<u>1,320,065</u>	<u>1,320,065</u>	<u>1,320,065</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ 1,717,579</u>	<u>\$ 1,717,579</u>	<u>\$ 1,870,101</u>	<u>\$ 152,522</u>

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

Vinton County
Statement of Fiduciary Net Position
Fiduciary Funds - Cash Basis
As of December 31, 2015

	Private Purpose Trust Fund	Agency Funds
ASSETS:		
Equity in Pooled Cash and Cash Equivalents	\$ 15,436	\$ 1,953,980
Cash and Cash Equivalents in Segregated Accounts	-	149,676
<i>Total Assets</i>	<u>\$ 15,436</u>	<u>\$ 2,103,656</u>
NET POSITION:		
Unrestricted	\$ -	\$ 2,103,656
Held in Trust for Private Purposes	15,436	-
<i>Total Net Position</i>	<u>\$ 15,436</u>	<u>\$ 2,103,656</u>

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

Vinton County
Statement of Changes in Fiduciary Net Position
Private Purpose Trust Fund - Cash Basis
For the Year Ended December 31, 2015

	Sheppard-Dunkle Scholarship Trust
ADDITIONS:	
Interest	\$ 67
<i>Total Additions</i>	67
DEDUCTIONS:	
Scholarship's Awarded	-
<i>Increase in Net Position</i>	67
<i>Net Position Beginning of Year</i>	15,369
<i>Net Position End of Year</i>	\$ 15,436

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

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 1 – DESCRIPTION OF THE COUNTY AND REPORTING ENTITY

Vinton County, Ohio (the County), is governed by a board of three Commissioners elected by the voters of the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the County Auditor, County Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, County Court Judge, Probate-Juvenile Court Judge, and Common Pleas Court Judge. Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body and the chief administrators of public services for the entire County.

Reporting Entity:

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the County are not misleading.

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the County. For Vinton County, this includes the Vinton County Board of Developmental Disabilities, Family and Children First Council, and departments and activities that are directly operated by the elected County officials.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units may also include organizations for which the County approves the budget, the issuance of debt or levying of taxes. The County has no blended or discretely presented component units.

As the custodian of public funds, the County Treasurer invests all public monies held on deposit in the County treasury. In the case of the entities listed below, the County serves as fiscal agent, but is not financially accountable for their operations. Accordingly, the activity of the following entities and agencies are presented as agency funds within the County's basic financial statements:

- Soil and Water Conservation District
- Vinton County Health District

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 1 – DESCRIPTION OF THE COUNTY AND REPORTING ENTITY (Continued)

The County is involved with the following organizations that are defined as jointly governed organizations. Additional financial information concerning the jointly governed organizations is presented in Note 12.

- Gallia, Jackson, Meigs, and Vinton Joint Solid Waste Management District
- South Central Regional Juvenile Detention Center
- Buckeye Joint-County Self Insurance Council
- Ohio Government Risk Management Plan
- Alcohol, Drug Addiction and Mental Health Services Board of Athens, Hocking and Vinton Counties
- Vinton County Community Improvement Corporation
- Southern Ohio Council of Governments
- Corrections Commission of Southeastern Ohio
- South Central Ohio Job and Family Services

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The County uses the provisions of GASB 34 for financial reporting on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America, and GASB 38, for certain financial statement note disclosures. The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements that provide a more detailed level of financial information.

Government-wide Financial Statements

The statement of net position-cash basis presents the cash basis financial condition of the governmental activities of the County at year-end. The statement of activities-cash basis presents a comparison between direct cash disbursements and program cash receipts for each program or function of the County's governmental activities. These statements include the financial activities of the primary government, except for fiduciary funds. Direct cash disbursements are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program cash receipts include charges paid by the recipient of the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Cash receipts which are not classified as program cash receipts are presented as general cash receipts of the County. The comparison of direct cash disbursements with program cash receipts identifies the extent to which each governmental function is self-financing or draws from the general cash receipts of the County.

Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting

The County 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. For financial statement presentation purposes, the various funds of the County are grouped into the following generic fund types under the broad fund categories governmental and fiduciary.

Governmental Funds: Governmental funds are those through which most governmental functions of the County are financed. The acquisition, use and balances of the County's expendable financial resources and the related current liabilities are accounted for through governmental funds. The following are the County's major governmental funds:

General Fund The General Fund is the primary operating fund. It accounts for all financial resources of the primary government not accounted for and reported in another fund. The General Fund balance is available to the County for any purpose provided if it is expended or transferred according to the general laws of Ohio.

Motor Vehicle Gasoline Tax Fund This fund accounts for state gasoline tax and motor vehicle registration fees for maintenance and improvement of County roads. The primary source of revenue for this fund is intergovernmental monies.

The other governmental funds of the County account for grants and other resources, debt service, and capital projects, whose use is restricted to a particular purpose.

Fiduciary Funds: Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. The two types of fiduciary funds the County uses are agency funds and a private purpose trust fund.

Agency Funds are custodial in nature (assets equal net position) and do not involve measurement of results of operations. The County's agency funds account for assets held by the County for political subdivisions in which the County acts as fiscal agent for taxes, state-levied shared revenues, fines and forfeitures collected and distributed to other political subdivisions and County department bank accounts held outside the County treasury.

Private Purpose Trust Funds These funds are used to account for assets held by the County under a trust agreement for individuals, private organizations, or other governments and are not available to support the County's own programs. The County received a bequeath in the amount of \$15,000 to remain intact with the interest earnings to be used to fund the Sheppard-Dunkle Fine Arts Scholarship.

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation

Although required by Ohio Administrative Code Section 117-2-03 (B) to prepare its financial report in accordance with accounting principles generally accepted in the United States of America (GAAP), the County chooses to prepare its financial statements and notes in accordance with the cash basis of accounting. Receipts are recognized with received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

Budgetary presentations report budgetary disbursements when a commitment is made (i.e., when an encumbrance is approved). These statements include adequate disclosure of material matters, in accordance with the basis of accounting described above.

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of cash basis accounting.

Cash Receipts-Exchange and Non-exchange Transactions

Cash receipts resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the cash basis when the exchange takes place. On the cash basis, receipts are recorded in the year in which the resources are received.

Cash Disbursements

On the cash basis of accounting, disbursements are recognized at the time payments are made.

D. Budgetary Process

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution, and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the County may appropriate. The appropriation resolution is the County's authorization to spend resources and set annual limits on expenditures plus encumbrances at a level of control selected by the County. The legal level of control has been established by the County at the object level within each function of each fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the County. The amounts reported as the original budgeted amounts in the budgetary statements are based on estimates in effect at the time the original appropriations were passed. The amounts reported as the final budgeted amounts in the budgetary statement reflect the amounts in the amended certificate in effect when final appropriations for the year were passed.

The appropriation resolution is subject to amendment by the County throughout the year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the County during the year.

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Cash Equivalents

To improve cash management, all cash received by the County is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the County's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements. For 2015, interest receipts amounted to \$32,465, which \$31,173 was recorded in the General Fund, \$933 in the Motor Vehicle Gasoline Tax Major Special Revenue Fund, \$292 in all other governmental funds, and \$67 in the Private Purpose Trust Fund.

F. Capital Assets

Capital assets (fixed assets) acquired or constructed for the County are recorded as disbursements at the time of acquisition. However, under the cash basis of accounting, capital assets and the related depreciation are not reported separately on the basic financial statements.

G. Compensated Absences

Vacation and sick leave benefits are not accrued under the cash basis of accounting as previously described. All leave will either be absorbed by time off from work or, within certain limitations, paid to the employees.

H. Long-Term Obligations

In general, bonds are recorded as cash disbursements in the basic financial statements when paid and are not accrued as liabilities.

I. Interfund Transactions

Exchange transactions between funds are reported as cash receipts in the seller funds and as cash disbursements in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular cash disbursements to the funds that initially paid for them are not presented on the financial statements. Interfund transfers between governmental activities are eliminated in the statement of activities. Flows of cash from one fund to another with a requirement for repayment are reported as advances in and out. Advances between governmental activities are eliminated in the statement of activities.

J. Net Position

Net position represents the cash basis assets held by the County at year end. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for grants. The County applies restricted resources when a cash disbursement is made for purposes for which both restricted and unrestricted net position is available.

Of the County's \$4,059,237 in restricted net position, none is restricted by enabling legislation.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable The nonspendable fund balance classification includes amounts that cannot be spent because they are not in the spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted Fund balance is reported as 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 The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the County Commissioners. Those committed amounts cannot be used for any other purpose unless the County Commissioners removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by policies of the County Commissioners.

Unassigned Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The County 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.

L. Pensions

For purposes of measuring the net pension liability, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

NOTE 3 – DEPOSITS AND INVESTMENTS

State statutes classify monies held by the County into two categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the County Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Inactive deposits are public deposits that the County has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts, including, but not limited to, passbook accounts.

State statute permits inactive monies to be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or other obligations of or securities issued by the United States treasury or any other obligation guaranteed as to the payment of principal and interest by the United States;
2. Bonds, notes, debentures, or other obligations of or securities issued by any federal government agency or instrumentality, including, but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and federal national mortgage association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above, provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or its political subdivisions;
5. Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to exchange either securities described in division (1) or (2), or cash, or both securities and cash, equal value for equal value;
9. High grade commercial paper in an amount not to exceed 5 percent of the County's total average portfolio;
10. Certain bankers' acceptances for a period not to exceed one hundred and eighty days and commercial paper notes for a period not to exceed two hundred and seventy days in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time;
11. Under limited circumstances, corporate debt interests rated in any of the three highest rating classifications by at least two nationally recognized rating agencies;

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

12. Notes issued by corporations incorporated and operating within the United States, or by depository institutions doing business under any state or United States authority and operating within the United States. Such investments shall not exceed fifteen percent of the County's total average portfolio and meet other requirements; and
13. A current unpaid or delinquent tax line of credit authorized under division (G) of section 135.341 of the Revised Code provided that all of the conditions for entering into such a line of credit under that division are satisfied.

Protection of the County's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public money deposited with the institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited.

The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the County, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits may not be returned. According to state law, public depositories must give security for all public funds on deposit in excess of those funds that are insured by the federal deposit insurance corporation (FDIC) or by any other agency or instrumentality of the federal government. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the FDIC, or may pledge a pool of government securities valued at least 105% of the total value of public monies on deposit at the institution. The County's policy is to deposit money with financial institutions that are able to abide by the laws governing insurance and collateral of public funds.

As of December 31, 2015, the County's bank balance of \$7,176,891 is either covered by FDIC or collateralized by the financial institutions' public entity deposit pools in the manner as described above.

NOTE 4- BUDGETARY BASIS FUND BALANCES

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balances – Budget and Actual – Non-GAAP Budgetary Basis presented for the General Fund and the Motor Vehicle Gasoline Tax Special Revenue Fund, are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The difference(s) between the budgetary basis and the cash basis are outstanding year end encumbrances which are treated as cash disbursements (budgetary basis) rather than as a restriction, commitment or assignment of fund balance (cash basis). There were no outstanding encumbrances at year end. As part of the Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", certain funds that were previously reported as special revenue or an agency are considered part of the General Fund on a cash basis. These include the Unclaimed Monies Fund, Certificate of Title Fund, Recorder's Equipment Fund, and Public Defender Fund. These funds were excluded from the budgetary presentation for the General Fund.

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 5 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the County. Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued every six years. Real property taxes are payable annually or semiannually.

Public utility real property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility property currently is assessed at 88 percent of its true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

The assessed value for the taxes levied in 2015 was \$287,841,620 of which real property represented 60 percent (\$173,672,770) of the total and public utility property represented 40 percent (\$114,168,850) of the total. The full tax rate for all County operations for taxes collected in 2015 was \$14.75 per \$1,000 of assessed valuation.

The Vinton County Treasurer collects property taxes on behalf of all taxing districts within the County. The Vinton County Auditor periodically remits to the taxing districts their portions of taxes collected. Collections of the taxes and remittance of them to the taxing districts are accounted for in various agency funds of the County.

NOTE 6 - PERMISSIVE SALES AND USE TAX

The County Commissioners, by resolution and vote of the people, imposed a one percent tax on certain retail sales made in the County. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies the State Auditor the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month. The State Auditor then has five days in which to draw the warrant payable to the County.

Proceeds of the tax are credited entirely to the General Fund. Sales and use tax cash receipts for 2015 amounted to \$1,412,597.

NOTE 7 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2015, the County contracted with Buckeye Joint-County Self Insurance Council (a public entity shared risk pool, see note 12) for liability, auto, and crime insurance. The program has a \$0 to \$5,000 deductible per occurrence:

	<u>Aggregate</u>	<u>Ea. Occurrence</u>
General Liability	\$3,000,000	\$1,000,000
Public Officials Including		
Law Enforcement	3,000,000	1,000,000
Employee Benefits	3,000,000	1,000,000

In addition, the County maintains separate replacement cost insurance on buildings and contents in the amount of \$14,264,147. The County evaluated its coverage and reduced the amount from the prior year.

Health insurance was provided by a private carrier, United Healthcare for the year.

Workers' compensation benefits are provided through the State Bureau of Workers' Compensation. The County pays all elected officials' bonds by statute.

The County has not incurred significant changes in coverage from coverage in the prior year by major category of risk except as noted above. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

NOTE 8 - RETIREMENT SYSTEM

Net Pension Liability

For 2015, Governmental Accounting Standards Board (GASB) Statement No. 68, “Accounting and Financial Reporting for Pensions” and GASB Statement No. 71, “Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68” were effective. These GASB pronouncements had no effect on beginning net position as reported December 31, 2014, as the net pension liability and related deferred inflows and outflows of resources are not reported in the accompanying financial statements. The net pension liability has been disclosed below.

Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

The net pension liability represents the County’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the County’s obligation for this liability to annually required payments. The County cannot control benefit terms or the manner in which pensions are financed; however, the County does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – County non-teaching employees participate in the Ohio Public Employees Retirement System (OPERS), a cost-sharing multiple-employer defined benefit pension plan administered by OPERS. OPERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 145. OPERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS’ fiduciary net position. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 8 - RETIREMENT SYSTEM (Continued)

Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)

Age and service requirements for retirement are as follows:

Groups A/B *	Eligible to Retire on or after August 1, 2017
Full Benefits	Age 60 with 60 contributing months of service credit; or Age 55 with 25 or more years of service credit
	Age 57 with 25 years of service credit; or Age 62 with 5 years of service credit

* Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. Members who were eligible to retire under law in effect prior to SB 343 or will be eligible to retire no later than five years after January 7, 2013, comprise transition Group A. Members who have 20 years of service credit prior to January 7, 2013, or will be eligible to retire no later than 10 years after January 7, 2013, are included in transition Group B. Group C includes those members who are not in either of the other groups and members who were hired on or after January 7, 2013. See OPERS CAFR for additional details.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on years of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30 for Groups A and B, and 2.2 percent for the first thirty-five years of service and 2.5 percent for years of service credit over 35 for Group C. Final average salary is the average of the highest three years of salary for Groups A and B. Final average salary is the average of the highest five years of salary for Group C.

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy – Local plan members are required to contribute 10 percent of their annual covered salary and the County is required to contribute 14 percent of annual covered payroll. Public safety and law enforcement members are required to contribute at a rate of 12.0% and 13.0%, respectively, of annual covered payroll and the County is required to contribute at a rate of 18.10% of covered payroll for both public safety and law enforcement. The contribution requirements of local plan members and employers are established and may be amended by the OPERS' Retirement Board up to statutory maximum amounts of 10 percent for local plan members and 14 percent for employers. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care. The portion of employer contributions allocated to health care for members was 2.0 percent in 2015.

The County's contractually required contribution to OPERS was \$636,230 for 2015.

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 8 - RETIREMENT SYSTEM (Continued)

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability reported as of December 31, 2015 was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share:

	OPERS
Proportionate Share of the Net Pension Liability	\$3,486,869
Proportion of the Net Pension Liability	0.028910%

Actuarial Assumptions - OPERS

OPERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as December 31, 2014, are presented below:

Actuarial information	Traditional Pension Plan	Combined Plan
Wage Inflation	3.75%	3.75%
Future Salary Increases, including inflation	4.25% - 10.05%	4.25% - 8.05%
COLA or Ad Hoc COLA	3.00% Simple	3.00% Simple
Investment Rate of Return	8.00%	8.00%
Actuarial Cost Method	Individual entry age	Individual entry age

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 8 - RETIREMENT SYSTEM (Continued)

Actuarial Assumptions - OPERS (continued)

Mortality rates are the RP-2000 mortality table projected 20 years using Projection Scale AA. For males, 105% of the combined healthy male mortality rates were used. For females, 100% of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males, 120% of the disabled female mortality rates were used, set forward two years. For females, 100% of the disabled female mortality rates were used.

The following table displays the Board-approved asset allocation policy for 2014 and the long-term expected real rates of return:

<u>Asset Class</u>	<u>Target Allocation for 2014</u>	<u>Weighted Average Long Term Expected Real Rate of Return</u>
Fixed Income	23.00 %	2.31 %
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other Investments	18.00	4.59
Total	<u>100.00 %</u>	

Discount Rate The discount rate used to measure the total pension liability was 8.0% for both the Traditional Pension Plan and the Combined Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for both the Traditional Pension Plan and the Combined Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.00 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

	<u>1% Decrease (7.00%)</u>	<u>Current Discount Rate (8.00%)</u>	<u>1% Increase (9.00%)</u>
County's proportionate share of the net pension liability	\$6,414,840	\$3,486,869	\$1,020,812

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 9 - POSTEMPLOYMENT BENEFITS

OPERS administers three separate pension plans: the Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an other postemployment benefit (OPEB) as described in GASB Statement No. 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing OPERS, Attention: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

The Ohio Revised Code provides statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer's contributions are expressed as a percentage of the earnable salary of active members. In 2015, the County contributed at 14% of earnable salary for local government employer units and 18.1% for public safety and law enforcement. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care Plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care. The portion of employer contributions allocated to healthcare was 2% for both plans as recommended by the OPERS Actuary. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The County's actual contributions for 2015, 2014, and 2013, which were used to fund OPEB were \$106,044, \$104,875, and \$50,573, respectively.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the passage of pension legislation under SB 343 and the approved health care changes, OPERS expected to be able to consistently allocated 4.0 percent of the employer contributions toward the health care fund after the end of the transition period.

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 10 - LONG-TERM DEBT

Under the cash basis of accounting, debt obligations are not reported as a liability in the accompanying basic financial statements. However, information regarding such changes in the County's long-term obligations during 2015 is as follows:

Types/Issues	Outstanding At 12/31/14	Increases	Decreases	Outstanding At 12/31/15	Due in One Year
2002 - 5.1% County Job & Family Services Building General Obligation Bonds	\$ 1,341,762	\$ -	\$ (74,959)	\$ 1,266,803	\$ 78,830
2014 - OWDA Forgiveness Loan	-	8,000	(8,000)	-	-
2014 -2.95% HVAC Project Promissory Note	77,302	-	(10,097)	67,205	10,392
2007 - 4.125% Community & Economic Development Building General Obligation Bonds	61,000	-	(2,000)	59,000	2,000
Total	\$ 1,480,064	\$ 8,000	\$ (95,056)	\$ 1,393,008	\$ 91,222

The County issued General Obligation Bonds in 2002 in the amount of \$2,000,000 for the Job & Family Services building.

The County issued General Obligation Bonds in 2007 in the amount of \$75,000 for the Community & Economic Development building.

The County issued a loan in 2012 in the amount of \$119,268 for the Vinton County Courthouse HVAC project. This loan is to be repaid through the Courthouse HVAC Debt Service Fund. This note was refinanced during 2014 in the amount of \$87,108 at an interest rate of 2.95%. Final maturity of the loan is December 2021.

The debt service on the General Obligation Bond issues is payable from the Debt Service Funds.

In 2014, the County issued an OWDA loan in the amount of \$56,000, but only \$48,000 was drawn down in 2014. The remaining \$8,000 was drawn down and paid by principal forgiveness from the American Reinvestment and Recovery Act in 2015.

At December 31, 2015, the County's overall legal debt margin was \$4,125,655 with an unvoted debt margin of \$2,679,109.

The following is a summary of the County's future principal and interest requirements for general long-term debt obligations:

	Community & Economic Development		HVAC Project	
	Principal	Interest	Principal	Interest
2016	\$2,000	\$2,434	\$10,392	\$1,912
2017	3,000	2,351	10,706	1,597
2018	3,000	2,228	11,024	1,279
2019	3,000	2,104	11,352	952
2020	3,000	1,980	11,687	616
2021-2025	15,000	8,044	12,044	267
2026-2030	20,000	4,540	-	-
2031-2032	10,000	619	-	-
Totals	\$59,000	\$24,300	\$67,205	\$6,623

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 10 - LONG-TERM DEBT (Continued)

	Job & Family Services	
	Principal	Interest
2016	\$78,830	\$63,616
2017	82,902	59,544
2018	87,184	55,262
2019	91,686	50,758
2020	96,422	46,022
2021-2025	564,160	150,062
2026-2027	265,619	17,271
Totals	\$1,266,803	\$442,535

NOTE 11 - INTERFUND TRANSACTIONS

A. Interfund Advances

Advances in and out during the year ended December 31, 2015 consisted of the following:

	Advances In	Advances Out
General Fund	\$9,037	\$0
Motor Vehicle Gas Tax Fund	9,037	0
Non-Major Funds	21,568	39,642
Total All Funds	\$39,642	\$39,642

During 2015, advances were made between non-major governmental community development funds in anticipation of intergovernmental grant revenue. Advances to the General Fund and Motor Vehicle Gas Tax Fund from the Non-Major funds, was to payback for the purchase of two new sheriff's cruisers.

B. Interfund Transfers

The following transfers in and out were made during 2015:

	Transfers In	Transfers Out
General Fund	\$0	\$61,482
MVGT	0	62,312
Non-Major Funds	302,823	179,029
Total All Funds	\$302,823	\$302,823

Transfers are used to move revenues from the fund that collects them in accordance with statute or budget to the fund that is required to expend them in accordance with statute or budget; to segregate money for anticipated capital projects; to provide resources for current operations; or to service debt. Transfers from the MVGT to the Non-Major Funds were for the County's share of the Road Deputy. Transfers between Non-major funds are either for debt payments or from special revenue funds to capital project funds for capital purchases.

NOTE 12 - JOINTLY GOVERNED ORGANIZATIONS

Gallia, Jackson, Meigs, and Vinton Joint Solid Waste Management District

The County is a member of the Gallia, Jackson, Meigs, and Vinton Joint Solid Waste Management District, which is a jointly governed organization of the four named counties. The purpose of the District is to make disposal of waste in the four-county area more comprehensive in terms of recycling, incinerating, and land filling. The District is the residual district of the Six-County Joint Solid Waste District which was created in 1989, as required by the Ohio Revised Code. The original District consisted of Athens, Gallia, Hocking, Jackson, Meigs, and Vinton Counties; however, Athens and Hocking Counties have subsequently withdrawn.

The Gallia, Jackson, Meigs, and Vinton Joint Solid Waste Management District's sole revenue source is derived from a waste disposal fee for in-district and out-of-district waste. Although the Counties contributed amounts to the District at the time of its creation, all contributions have since been returned to the respective Counties and no future contributions by the Counties are anticipated. Continued existence of the District is not dependent on the Counties' continued participation, no equity interest exists, and no debt is outstanding. In the event that fees collected by the District are not sufficient for operating costs and expenses, the member Counties would share the costs incurred in the same proportions that the populations of each County, as reported in the most recent decennial census of the United States Bureau of Census, are to the total population of all member Counties.

South Central Regional Juvenile Detention Center

The South Central Regional Juvenile Detention Center is a jointly governed organization that was created as a holding place for juvenile offenders waiting for disposition by the respective Juvenile Courts of the member Counties. The current members include Pike, Ross, Jackson, Fayette, Vinton and Highland Counties. The Center's Board consists of one member from each participating County that is appointed by the Juvenile Court Judge or a County Commissioner from each County. The joint Board selects the superintendent as the Center's administrator.

The Center's revenue is from per diem charges for inmates to the respective Counties and a percent of the County tax base to the total tax base. Ross County is the fiscal officer of the Center. Vinton County does not have any financial interest or responsibility. During 2015, Vinton County contributed \$76,901 to the Center.

Buckeye Joint-County Self Insurance Council

The Buckeye Joint-County Self Insurance Council is a jointly governed organization that serves Athens, Hocking, Jackson, Lawrence, Meigs, Monroe, Morgan, Noble, Perry, Pike, Vinton, and Washington Counties, and was formed as an Ohio non-profit corporation for the purpose of establishing an insurance pool to obtain general liability, law enforcement, professional and fleet insurance. Member counties provide operating resources to the Council based on actuarially determined rates.

The degree of control exercised by any participating government is limited to its representation on the Board. The Governing Board is composed of at least one County Commissioner from each of the participating Counties. The Governing Board annually elects officers which include President, Vice President, Second Vice-President and two Governing Board Members. The expenditures and investments of funds by the officer must be approved by the Governing Board unless specific limits have been set by the Governing Board.

In the event of losses, the first \$250 to \$1,000 of any valid claim, depending on the type of loss, will be paid by the member. The next payment, with a maximum pay ranging from \$100,000 to \$1,000,000 per occurrence, will come from the self-insurance pool based on the member's percentage of contribution. If the aggregate claims paid by the pool exceed the available resources, the pool may require the members to make additional supplementary payments. Vinton County does not have any ongoing financial interest or responsibility. The agreement between the County and the Council indicates that a voluntary withdrawal or termination by the County shall constitute a forfeiture of any pro-rata share of the council reserve fund.

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 12 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

In the event of the termination of the Council, current members shall be paid in an amount they have contributed to the Council as of the last month of the Council's existence. Current calculation of this potential residual interest is, therefore, not possible. During 2015, Vinton County paid \$109,891 to the Council for insurance coverage. This jointly governed organization is a cost-sharing pool.

Ohio Government Risk Management Plan

The Buckeye Joint-County Self Insurance Council belongs to the Ohio Government Risk Management Plan; an unincorporated non-profit association with approximately 500 public entity members providing a formalized, jointly administered self-insurance risk management program and other administrative services. Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is deemed a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages, modified for each members' needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the member's deductible.

The Plan uses conventional insurance coverages and reinsures these coverages. The Plan retains a small portion of the risk as identified in the Plan's financials presented on the website at www.ohioplan.com. The individual members are only responsible for their self-retention (deductible) amounts, which vary from member to member.

Alcohol, Drug Addiction and Mental Health Services Board of Athens, Hocking and Vinton Counties

The Alcohol, Drug Addiction and Mental Health Services Board of Athens, Hocking and Vinton Counties is a jointly governed organization that serves Athens, Hocking and Vinton Counties, and is established for the purpose of providing alcohol, drug addiction and mental health services to the residents of these Counties.

Each participating County has agreed to levy a tax within their County to assist in the operation of the Board, whose passage requires a majority in the total three-County district. This entity is governed by an eighteen member Board that is responsible for its own financial matters and operates autonomously from Vinton County. The Athens County Auditor serves as the fiscal agent for the revenues of the Board, but the Board is responsible to budget and account for their resources. Nine of the Board Members are appointed by the Commissioners of the member Counties apportioned by population. Five of the remaining members are appointed by the Ohio Department of Alcohol and Drug Addiction Services and the other four members are appointed by the Ohio Department of Mental Health. The Board derives its revenue from local property taxes, intergovernmental grants and reimbursements, and other miscellaneous revenue. Vinton County has no ongoing financial interest or responsibility in this Board.

Vinton County Community Improvement Corporation

Vinton County is affiliated with the Vinton County Community Improvement Corporation (hereafter referred to as the CIC). The CIC has a twelve member Board which consists of the Vinton County Commissioners, the Vinton County Auditor and the Vinton County Treasurer as well as various other business representatives and community members. The Vinton County Treasurer serves as the President of the CIC. The CIC's purpose is to better the County by providing means for job development. The County is not financially accountable for the CIC. For a copy of the CIC's audit report, contact Vicki Maxwell, CIC President at (740) 596-5690.

Southern Ohio Council of Governments

The County is a member of the Southern Ohio Council of Governments (the "Council"), which is a jointly governed organization created under Ohio Revised Code Section 167.01. The governing body consists of a thirteen member board with each participating county represented by its Director of its Board of Developmental Disabilities. Member counties include: Adams, Athens, Brown, Clinton, Fayette, Gallia, Highland, Jackson, Lawrence, Meigs, Pickaway, Pike, Ross, Scioto, and Vinton Counties. The Council acts as fiscal agent for the Vinton County Board of Developmental Disabilities' supportive living program monies. As of December 31, 2015, the County had no funds on hand with the Council. Financial statements can be obtained from the Council at 17273 State Route 104, Building 8, Chillicothe, Ohio 45601.

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 12 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

Corrections Commission of Southeastern Ohio

The Corrections Commission of Southeastern Ohio (the Commission), is a joint venture of which Athens, Hocking, Morgan, Perry and Vinton Counties are members. The Commission is a body politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Commission was established to use the authority common to the members to develop, construct, operate and administer a multi-county correctional center to augment county jail programs and facilities.

The Commission was established by the Board of County Commissioners of Athens, Hocking, Morgan and Perry Counties. The Commission is directed by one Commissioner from each participating county, along with the Sheriff and the presiding Judge of the Court of Common Pleas of each participating county. Any of these may name other representatives to fulfill this duty. The presiding judge for Hocking County chose to neither participate nor name a representative so there were 14 directors of the Commission in 2015. Each member county is responsible for a portion of the capital and operating budget as follows: Athens County 41.08%; Perry County 24.32%; Hocking County 18.38%; Morgan County 8.11%; and Vinton County 8.11%.

Complete financial statements of the Commission may be obtained from its administrative office.

South Central Ohio Job and Family Services

The County is a participant in the South Central Ohio Job and Family Services (SCOJFS) which is a joint county department of job and family services pursuant to Chapter 329 of the Ohio Revised Code. Vinton County services previously provided through the Job and Family Service, Children Services, and Child Support Enforcement Agency departments are provided through the SCOJFS. The SCOJFS member counties include Hocking, Vinton, and Ross counties. Three Commissioners from each county for a total of nine commissioners serve on the Board. The Board commenced operations on January 1, 2013.

NOTE 13 - CONTINGENT LIABILITIES

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the County Commissioners believe such disallowances, if any, will be immaterial.

The County is not currently party to any legal proceedings.

NOTE 14 - COMPLIANCE

The Ohio Revised Code requires the County to prepare its financial report in accordance with accounting principles generally accepted in the United States of America. The County has instead prepared its annual financial report on the cash basis of accounting, which is another comprehensive basis of accounting.

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 15 – NEW ACCOUNTING PRINCIPLES

For 2015, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 68, “Accounting and Financial Reporting for Pensions-an Amendment of GASB Statement No.27” and GASB Statement No. 71 “Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68.”

Statement No. 68 requires governments providing defined benefit pensions to recognize their unfunded pension benefit obligation as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The statement also enhances accountability and transparency through revised note disclosures and required supplemental information (RSI).

Statement No. 71 amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. These implementation of these statements did not have any impact on the beginning net position of the County as they are reporting on the cash basis of accounting.

NOTE 16 - FUND BALANCES

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on the fund balance for the major governmental funds and all other governmental funds are presented below:

<u>Fund Balances</u>	<u>General</u>	<u>Motor Vehicle Gasoline Tax</u>	<u>All Other Governmental</u>	<u>Total Governmental Funds</u>
Nonspendable				
Unclaimed Monies	\$ 75,679	\$ -	\$ -	\$ 75,679
Restricted for				
Other Purposes	-	-	1,024,036	1,024,036
Housing Contractual	-	-	87,588	87,588
Real Estate Assessment	-	-	429,073	429,073
Road Repair and Other Purposes	-	1,870,101	-	1,870,101
Board of DD	-	-	467,619	467,619
Debt Services Payments	-	-	6,597	6,597
Capital Improvements	-	-	174,223	174,223
Total Restricted	<u>-</u>	<u>1,870,101</u>	<u>2,189,136</u>	<u>4,059,237</u>
Assigned to				
Other Purposes	<u>63,786</u>	<u>-</u>	<u>-</u>	<u>63,786</u>
Unassigned				
	<u>812,465</u>	<u>-</u>	<u>-</u>	<u>812,465</u>
Total Fund Balances	<u>\$ 951,930</u>	<u>\$ 1,870,101</u>	<u>\$ 2,189,136</u>	<u>\$ 5,011,167</u>

NOTE 17 – SUBSEQUENT EVENT

No events were noted subsequent to December 31, 2015 which would have a significant effect on the financial statements through the date of this report.

Vinton County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 18 – SOUTH CENTRAL OHIO JOB AND FAMILY SERVICES

Effective January 1, 2013 the County participated in the South Central Ohio Job and Family Services. A review was performed to close out funding obligations between Vinton County and Ohio Department of Job and Family Services (ODJFS). It was determined that:

- For the July-September 2013 period Vinton County was due \$9,204.23 in IV-E funds from ODJFS.
- For the October-December 2013 period Vinton County was due \$22,487.56 in IV-E funds from ODJFS.
- The Vinton County CSEA fund was due \$13,201.90 from ODJFS.
- The Vinton County PCSA fund must reimburse ODJFS \$3,527.29.
- The Vinton County Public Assistance fund must reimburse ODJFS \$244,032.40.
- The net reimbursement due from Vinton County/Commissioners to ODJFS for this closeout was \$202,666.00.

In March of 2013, the County signed an agreement with ODJFS to repay the net reimbursement. The payments are being made quarterly beginning March 31, 2014 through December 31, 2018 in the amount of \$10,133.30. During 2015, the County repaid \$40,533, leaving a balance of \$121,600.

NOTE 19 – EARLY RETIREMENT INCENTIVE

In September 2014, the County Engineer's Office/Highway Department approved a one-time Early Retirement Incentive (ERI) effective September 1, 2014 through August 31, 2017. The ERI is available to 15% of the employees of the department who are members of the Public Employees Retirement System and are eligible to retire under Section 145.332 or 145.37 of the Ohio Revised Code. This ERI is not available to any employee who is an elected official, a member of a board or commission, a person elected to serve a term of fixed length, or an employee who retires on a disability benefit. Eligible employees, who elect to participate in the ERI, may select to be paid in a lump sum or to be paid in installments.

VINTON COUNTY FINANCIAL CONDITION
Schedule of Federal Awards Expenditures
For the Year Ended December 31, 2015

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<u>U.S. Department of Agriculture</u>			
<i>Direct from Federal Government</i>			
Rural Housing Preservation Grants	(2)	10.433	\$36,057
Total US Department of Agriculture			36,057
<u>U.S. Department of Housing and Urban Development</u>			
<i>Passed through the Ohio Department Services Agency's Program</i>			
Community Development Block Grants:			
FY13 Community Development Program	B-F-13-1CW-1	14.228	297,125
FY15 Community Development Program	B-F-14-1CW-1	14.228	75,000
FY13 Community Development Program	B-F-13-1CW-1	14.228	280,011
FY 14 Fair Housing Assistance Program	B-F-14-1CW-1	14.228	4,500
Appalachian Regional Commission - Goosecreek	B-P-14-1CW-1	14.228	54,180
Total Community Development Block Grants			710,816
FY14 CHIP Admin	B-C-14-1CW-1	14.239	36,000
FY14 CHIP Home Repair	B-C-14-1CW-1	14.239	81,068
FY14 Home Repair	B-C-14-1CW-1	14.239	147,621
FY12 CDBG Rehab	B-C-14-1CW-1	14.239	11,089
Total HOME Investment Partnership Program			275,778
Total U.S. Department of Housing and Urban Development			986,594
<u>U.S. Department of Justice</u>			
<i>Passed through Ohio Office of Criminal Justice</i>			
Edward Byrne Justice Asst. Grant Formula Program	2014-JG-LLE-5115	16.738	3,762
Total Edward Byrne Justice Asst. Grant Formula Program			3,762
Total U.S. Department of Justice			3,762
<u>U.S. Department of Transportation</u>			
<i>Direct from Federal Government</i>			
Airport Improvement Program	(2)	20.106	195,188
<i>Passed through the Ohio Department of Public Safety</i>			
National Priority Safety Program	IDEP-2015-82	20.616	2,457
Total U.S. Department of Transportation			197,645
<u>U.S. Department of Health and Human Services</u>			
<i>Passed through the State Department of Developmental Disabilities</i>			
Social Services Block Grant	(1)	93.667	11,267
Medicare Cluster:			
Medical Assistance Program	(1)	93.778	47,774
Total U.S. Department of Health and Human Services			59,041
<u>U.S. Department of Homeland Security</u>			
<i>Passed through the Ohio Emergency Management Agency</i>			
State Domestic Preparedness Equipment Support Program:			
Emergency Management Performance Grant	2015-EP-0060-S01	97.042	21,197
Total U.S. Department of Homeland Security			21,197

VINTON COUNTY FINANCIAL CONDITION
Schedule of Federal Awards Expenditures
For the Year Ended December 31, 2015

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<u>U.S. Election Assistance Commission</u>			
<i>Passed through the Ohio Secretary of State</i>			
Voting Access for Individuals with Disabilities	(1)	93.617	240
Help America Vote Act Requirements Payments	(1)	90.401	265
Total U.S. Election Assistance Commission			<u>505</u>
Total Federal Expenditures			<u><u>\$1,304,801</u></u>

- (1) - Passthrough entity number not available
(2) - Direct from the federal government

See accompanying notes to the schedule of federal awards expenditures.

VINTON COUNTY FINANCIAL CONDITION
Notes to the Schedule of Federal Awards Expenditures
For the year ended December 31, 2015

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures is a summary of the activity of the County's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B - MATCHING REQUIREMENTS

Certain Federal programs require that the County contribute non-Federal funds (matching funds) to support the Federally-funded programs. The County has complied with the matching requirements. The expenditures of non-Federal matching funds are not included on the Schedule.

NOTE C - REVOLVING LOAN FUNDS

The County has established a revolving loan program to provide low interest loans to businesses to create jobs for persons from low to moderate income households and to eligible persons to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants money from these loans to the county, pass through the Ohio Department of Development (ODOD). The initial loan of this money is recorded as a disbursement on the accompanying Schedule of Federal Awards Expenditures. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the Schedule.

These loans are collateralized by mortgages of property and equipment and by guarantees. At December 31, 2015, the gross amount of loans outstanding under this program was \$669,439.

**Independent Auditor's Report on Internal Control over Financial
Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards***

Board of Commissioners
Vinton County, Ohio
100 East Main Street
McArthur, Ohio 45651

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Vinton County, Ohio (the County), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 20, 2016, wherein we noted the County's financial statements have been prepared on the cash basis of accounting rather than the generally accepted accounting principles.

Internal Control over Financial Reporting

As part of our financial statement audit, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the County's internal control. Accordingly, we have not opined on it.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency or combination of internal control deficiencies, resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the County's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider a material weakness. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of obtaining reasonable assurance whether the County's financial statements are free of 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance and other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2015-001.

Entity's Response to Finding

The County's response to the finding identified in our audit is described in the accompanying schedule of findings. The County's response is not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.
Chillicothe, Ohio

June 20, 2016

**Independent Auditor's Report on Compliance with Requirements Applicable for Each Major Program
And on Internal Control over Compliance Required by the Uniform Guidance**

Board of Commissioners
Vinton County, Ohio
100 East Main Street
McArthur, OH 45651

Report on Compliance for Each Major Federal Program

We have audited the Vinton County, Ohio (the County) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect each of the County's major federal programs for the year ended December 31, 2015. The County's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the County's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award* (Uniform Guidance). These standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the County's major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each of the Major Federal Programs

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could directly and materially affect its major federal program identified in the summary of auditor's results section of the accompanying schedule of findings for the year ended December 31, 2015.

Board of Commissioners
Vinton County, Ohio
Independent Auditor's Report on Compliance with Requirements
Applicable For Each Major Program and on Internal Control over
Compliance Required by the Uniform Guidance

Report on Internal Control over Compliance

Management of Vinton County, Ohio is responsible for establishing and maintaining effective internal control over compliance with the type of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could directly and materially affect a major federal program, to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed for expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or to detect and correct, noncompliance with an applicable compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program's compliance requirement 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 over compliance with an applicable compliance requirement of a federal program that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Therefore, we cannot assure we have identified all deficiencies in internal control over compliance that might be a material weakness or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be a material weakness. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.
Chillicothe, Ohio

June 20, 2016

VINTON COUNTY, OHIO
Schedule of Findings
For the Year Ended December 31, 2015

A. SUMMARY OF AUDITOR'S RESULTS

1. Type of Financial Statement Opinion	Unmodified
2. Were there any material internal control weaknesses reported at the financial statement level (GAGAS)?	No
3. Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
4. Was there any material noncompliance reported at the financial statement level (GAGAS)?	Yes
5. Were there any material internal control weaknesses reported for major federal programs?	No
6. Were there any other significant deficiencies in internal control reported for major federal programs?	No
7. Type of Major Programs' Compliance Opinion	Unmodified – Community Development Block Grant
8. Are there any reportable findings in accordance with Title 2 CFR Section 200.516(a)?	No
9. Major Programs (list):	Community Development Block Grant-CFDA#14.228
10. Dollar Threshold: Type A/B Programs	Type A: >\$750,000 Type B: All Other Programs
11. Low Risk Auditee?	No

VINTON COUNTY, OHIO
Schedule of Findings
For the Year Ended December 31, 2015

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

Finding Number 2015-001

Annual Financial Report - Noncompliance Citation

Ohio Revised Code Section 117.38 provides that each public office shall file a financial report for each fiscal year. The Auditor of state may prescribe forms by rule or may issue guidelines, or both, for such reports. If the Auditor of State has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office. Ohio Administrative Code Section 117-2-03 further clarifies the requirements of Ohio Revised Code Section 117.38.

Ohio Administrative Code Section 117-2-03(B) requires the County to prepare its annual financial report in accordance with generally accepted accounting principles. However, the County prepared its financial statements and notes omitted assets, liabilities, fund equities, and disclosures that, while material, cannot be determined at this time. Pursuant to Ohio Revised Code Section 117.38 the County may be fined and subject to various other administrative remedies for its failure to file the required financial report.

The County should prepare its annual financial report in accordance with generally accepted accounting principles.

Officials Response

The County has no immediate plans to file its annual financial report in accordance with generally accepted accounting principles. This may be an option in the future if the County's financial conditions improve.

VINTON COUNTY, OHIO
Schedule of Prior Audit Findings
For the Year Ended December 31, 2015

Finding Number	Description	Status	Comments
<i>Government Auditing Standards:</i>			
2014-001	Ohio Admin Code Section 117-22-03(B) requires the County to prepare its annual financial report in accordance with generally accepted accounting principles. The County filed its report using the cash basis of accounting.	Not Corrected	Re-issued in current Schedule of Audit Findings as item 2015-001.



Dave Yost • Auditor of State

VINTON COUNTY FINANCIAL CONDITION

VINTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
SEPTEMBER 1, 2016