

***TUPPERS PLAINS-CHESTER WATER DISTRICT  
MEIGS COUNTY***

***AUDIT REPORT***

***FOR THE YEARS ENDED DECEMBER 31, 2014 & 2013***





# Dave Yost • Auditor of State

Board of Trustees  
Tuppers Plains-Chester Water District  
39561 Bar 30 Road  
Reedsville, Ohio 45772

We have reviewed the *Independent Auditor's Report* of the Tuppers Plains-Chester Water District, Meigs County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2013 through December 31, 2014. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost  
Auditor of State

September 18, 2015

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**TUPPERS PLAINS-CHESTER WATER DISTRICT**  
**MEIGS COUNTY**  
**AUDIT REPORT**  
**For Years Ending December 31, 2014 and 2013**

**TABLE OF CONTENTS**

| <b><u>Title</u></b>  | <b><u>Page</u></b> |
|--|--------------------|
| <b>Report of Independent Accountants</b>   | <b>1-2</b>         |
| <b>Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Balances –<br/>For the Years Ended December 31, 2014 and 2013</b>                                     | <b>3</b>           |
| <b>Notes to the Financial Statements</b>   | <b>4-9</b>         |
| <b>Independent Accountants’ Report on Internal Control Over Financial Reporting and on<br/>Compliance and Other Matters Required by <i>Government Auditing Standards</i></b> | <b>10-11</b>       |
| <b>Schedule of Findings</b>  | <b>12</b>          |
| <b>Schedule of Prior Audit Findings</b>  | <b>13</b>          |

REPORT OF INDEPENDENT ACCOUNTANTS

Tuppers Plains-Chester Water District  
Meigs County  
39561 Bar 30 Road  
Reedsville, Ohio 45772

To the Board of Trustees:

***Report on the Financial Statements***

We have audited the accompanying financial statements and related notes of the Tuppers Plains-Chester Water District, Meigs County, (the District) as of and for the years ended December 31, 2014 and 2013.

***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D); this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

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

As described in Note 1 of the financial statements, the District prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the District does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the Opinion on Regulatory Basis of Accounting paragraph below.

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

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2014 and 2013, or changes in financial position or its cash flows for the years then ended.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the Tuppers Plains-Chester Water District, Meigs County, as of December 31, 2014 and 2013, and its cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permits, described in Note 1.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2015, on our consideration of the District'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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



***Charles E. Harris & Associates, Inc.***

June 15, 2015

**TUPPERS PLAINS-CHESTER WATER DISTRICT  
MEIGS COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN CASH BALANCES  
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

|   | <b>2014</b>         | <b>2013</b>         |
|---|---------------------|---------------------|
| <b>Operating Cash Receipts:</b>                         |                     |                     |
| Charges for Services                                    | \$ 2,013,403        | \$ 2,019,040        |
| Customer Sales  | 136,344             | 149,613             |
| Miscellaneous   | 31,865              | 33,860              |
|   |                     |                     |
| Total Operating Cash Receipts                           | 2,181,612           | 2,202,513           |
| <b>Operating Cash Disbursements:</b>                    |                     |                     |
| General Expenses  | 936,244             | 868,557             |
| Mobile Equipment  | 91,513              | 94,521              |
| Treatment Plant   | 430,393             | 498,757             |
| Distribution System                                     | 56,865              | 55,986              |
| Office Expense  | 122,961             | 109,312             |
| Insurance   | 24,072              | 28,205              |
| Professional Expense                                    | 8,057               | 21,072              |
| Capital Outlay  | 490,118             | 301,733             |
|   |                     |                     |
| Total Operating Cash Disbursements                      | 2,160,223           | 1,978,143           |
| Operating Income/(Loss)                                 | 21,389              | 224,370             |
| <b>Non-Operating Cash Receipts:</b>                     |                     |                     |
| Interest  | 36,001              | 32,506              |
| Proceeds from Sale of Public Debt:<br>Proceeds of Loans | 246,623             | 180,546             |
|   |                     |                     |
| Total Non-Operating Cash Receipts                       | 282,624             | 213,052             |
| <b>Non-Operating Cash Disbursements:</b>                |                     |                     |
| Debt Service  |                     |                     |
| Principal Retirement                                    | 96,269              | 1,934,688           |
| Interest and Fiscal Charges                             | 96,348              | 203,756             |
|   |                     |                     |
| Total Non-Operating Cash Disbursements                  | 192,617             | 2,138,444           |
| Net Receipts Over/(Under) Disbursements                 | 111,396             | (1,701,022)         |
| Cash Balances, January 1                                | 1,450,994           | 3,152,016           |
| <b>Cash Balances, December 31</b>                       | <b>\$ 1,562,390</b> | <b>\$ 1,450,994</b> |

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

**TUPPERS-PLAINS CHESTER WATER DISTRICT  
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges for the Tupper-Plains Chester Water District, Meigs County, (the District) as a body corporate and politic. The District is directed by an appointed five-member Board of Trustees whose membership is composed of trustees elected every three years by water service customers whose accounts are in good standing. The membership elects a president, vice president and secretary treasurer, who are responsible for fiscal control of the resources of the District. The District provides water services to residents of the District.

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

**B. Accounting Basis**

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

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

**C. Deposits and Investments**

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

**D. Budgetary Process**

The Ohio Revised Code requires the Board to budget annually.

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the function or object level of control, and appropriations may not exceed estimated resources. Appropriation Authority includes current year appropriations plus encumbrances carried over from the prior year (if any). Appropriations lapse at year end.

**TUPPERS-PLAINS CHESTER WATER DISTRICT  
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

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

**2. Estimated Resources**

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1.

**3. Encumbrances**

The Ohio Revised Code requires the District to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2014 and 2013 budgetary activity appears in Note 3.

**E. Property, Plant, and Equipment**

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

**F. Accumulated Leave**

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

**2. EQUITY IN POOLED DEPOSITS**

The District may invest in certificates of deposits, notes, bonds, or other obligations of the United States, or any agency or instrumentality thereof, or in obligations of the State or any political subdivision thereof.

The carrying amount of deposits at December 31 was as follows:

|                         | 2014        | 2013        |
|-------------------------|-------------|-------------|
| Demand deposits         | \$138,339   | \$109,425   |
| Certificates of deposit | 1,424,051   | 1,341,569   |
| Total deposits          | \$1,562,390 | \$1,450,994 |

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation and collateralized by securities specifically pledged by the financial institution to the District.

**TUPPERS-PLAINS CHESTER WATER DISTRICT  
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2014 and 2013 follows:

| 2014 Budgeted vs. Actual Receipts |                    |           |
|-----------------------------------|--------------------|-----------|
| Budgeted<br>Receipts              | Actual<br>Receipts | Variance  |
| \$2,278,383                       | \$2,464,236        | \$185,853 |

| 2014 Budgeted vs. Actual Budgetary Basis Disbursements |                            |           |
|--|----------------------------|-----------|
| Appropriation<br>Authority                             | Budgetary<br>Disbursements | Variance  |
| \$2,663,963  | \$2,352,840                | \$311,123 |

| 2013 Budgeted vs. Actual Receipts |                    |             |
|-----------------------------------|--------------------|-------------|
| Budgeted<br>Receipts              | Actual<br>Receipts | Variance    |
| \$3,094,163                       | \$2,415,565        | (\$678,598) |

| 2013 Budgeted vs. Actual Budgetary Basis Disbursements |                            |           |
|--|----------------------------|-----------|
| Appropriation<br>Authority                             | Budgetary<br>Disbursements | Variance  |
| \$4,536,296  | \$4,116,587                | \$419,709 |

**4. DEBT**

Debt outstanding at December 31, 2014 was as follows:

|  | Principal    | Interest Rate |
|--|--------------|---------------|
| USDA Loans #91-12 and #91-14               | \$ 2,027,447 | 4.13%         |
| Ohio Water Development authority Loan 4363 | 220,412      | 3.25%         |
| Ohio Water Development authority Loan 5390 | 218,247      | 0.00%         |
| Ohio Water Development authority Loan 5891 | 934,679      | 2.00%         |
| Ohio Water Development authority Loan 6197 | 80,098       | 2.00%         |
| Ohio Water Development authority Loan 6451 | 185,000      | 0.00%         |
| Ohio Water Development authority Loan 6501 | 67,075       | 2.00%         |
| Ohio Water Development authority Loan 6765 | 30,280       | 2.00%         |
| Ohio Water Development authority Loan 6767 | 53,136       | 0.00%         |
| Ohio Public Works Commission Loan CR18L    | 171,275      | 0.00%         |
| Ohio Public Works Commission Loan CR13K    | 160,305      | 0.00%         |
| Total                                      | \$ 4,147,954 |               |

**TUPPERS-PLAINS CHESTER WATER DISTRICT  
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

**4. DEBT – (Continued)**

The District issued water revenue bonds through USDA to finance the expansion of its water lines. The bonds were issued in 2006 for \$2,190,000 and have a 2046 maturity. Future revenues from the District's water operations collateralize these bonds.

The District entered into loans with the Ohio Public Works Commission to finance improvements, expansion and rehabilitation of its water facilities and lines. The loans were entered into in 2009 for \$201,500 and \$188,590, and have maturities in 2040.

The District also entered into loans with the Ohio Water Development Authority (OWDA) to finance a water storage tank and water line extensions and improvements. The loans were entered into in 2005 for \$338,123, 2009 for \$273,602, 2011 for \$1,066,700 and 2012 for \$98,343. The loan issued in 2005 has a maturity date of 2026, the loan issued in 2009 has a maturity date in 2030, the loan issued in 2011 has a maturity date in 2042 and the loan issued in 2012 has a maturity date in 2042. The remaining four OWDA loans are for projects that were still ongoing at December 31, 2014 and the maturity are unavailable.

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

| Year Ending<br>December 31: | USDA<br>Loan<br>91-12<br>and 91-14 | OWDA<br>4363     | OWDA<br>5390     | OWDA<br>5891       | OWDA<br>6197     | OPWC<br>CR18L    | OPWC<br>CR13K    |
|-----------------------------|------------------------------------|------------------|------------------|--------------------|------------------|------------------|------------------|
| 2015                        | \$116,253                          | \$ 23,124        | \$ 13,640        | \$ 44,353          | \$ 1,902         | \$ 6,717         | \$6,286          |
| 2016                        | 116,346                            | 23,124           | 13,640           | 44,353             | 3,804            | 6,717            | 6,286            |
| 2017                        | 116,179                            | 23,124           | 13,640           | 44,353             | 3,804            | 6,717            | 6,286            |
| 2018                        | 116,363                            | 23,124           | 13,640           | 44,353             | 3,804            | 6,717            | 6,286            |
| 2019                        | 116,279                            | 23,124           | 13,640           | 44,353             | 3,804            | 6,717            | 6,286            |
| 2020-2024                   | 581,407                            | 115,350          | 68,200           | 221,765            | 19,020           | 33,583           | 31,432           |
| 2025-2029                   | 581,400                            | 34,686           | 68,200           | 221,765            | 19,020           | 33,583           | 31,432           |
| 2030-2034                   | 581,425                            | -                | 13,647           | 221,765            | 19,020           | 33,583           | 31,432           |
| 2035-2039                   | 581,315                            | -                | -                | 221,765            | 19,020           | 33,583           | 31,432           |
| 2040-2044                   | 581,323                            | -                | -                | 110,883            | 11,411           | 3,358            | 3,147            |
| 2045-2046                   | <u>232,565</u>                     | -                | -                | -                  | -                | -                | -                |
| <b>Total</b>                | <b>\$3,720,855</b>                 | <b>\$265,656</b> | <b>\$218,247</b> | <b>\$1,219,708</b> | <b>\$104,609</b> | <b>\$171,275</b> | <b>\$160,305</b> |

**5. RETIREMENT SYSTEMS**

The District's full-time employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes the Plan's retirement benefits, including postretirement healthcare and survivor and disability benefits to participants.

The Ohio Revised Code also prescribes contribution rates. For 2014 and 2013, OPERS members contributed 10% of their gross salaries and the District contributed an amount equaling 14% of participants' gross salaries. The District has paid all contributions required through December 31, 2014.

**TUPPERS-PLAINS CHESTER WATER DISTRICT  
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

**6. RISK MANAGEMENT**

The District belongs to the Ohio Plan Risk Management, Inc. (OPRM) - formerly known as the Ohio Government Risk Management Plan, (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss, except OPRM retains 41.5% (effective November 1, 2011) of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. Effective November 1, 2012 (and through October 2014) the plan increased its retention to 50% of the first \$250,000 casualty treaty. The Plan's property retention remained unchanged from prior years. This change was made to balance the reinsurance market conditions. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 767 and 774 members as of December 31, 2012 and 2013 respectively.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2012 and 2013.

|                 | <u>2012</u>        | <u>2013</u>        |
|-----------------|--------------------|--------------------|
| Assets          | \$13,100,381       | \$13,774,304       |
| Liabilities     | (6,687,193)        | (7,968,395)        |
| Members' Equity | <u>\$6,413,188</u> | <u>\$5,805,909</u> |

You can read the complete audited financial statements for OPRM at the Plan's website, [www.ohioplan.org](http://www.ohioplan.org).

**TUPPERS-PLAINS CHESTER WATER DISTRICT  
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

**7. CONTINGENT LIABILITIES**

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

**8. RELATED PARTY TRANSACTIONS**

A Board Member is owner of a company from which the District purchased normal maintenance items during the audit period. The District paid \$7,118 and \$9,562 for items purchased during 2014 and 2013, respectively.

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

Tuppers Plains-Chester Water District  
Meigs County  
39561 Bar 30 Road  
Reedsville, Ohio 45772

To the Board of Trustees:

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 Tuppers Plains-Chester Water District, Meigs County, (the District) as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements and have issued our report thereon dated June 15, 2015, wherein we noted the District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permits.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the District'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 District'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 a 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 District'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 material weaknesses. However, unidentified material weaknesses may exist.

***Compliance and Other Matters***

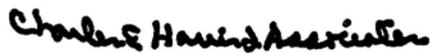
As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining 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 or other matter we must report under *Government Auditing Standards*, which is described in the accompanying schedule of findings as item 2014-001.

***Entity's Response to Finding***

The District's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the District's response 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 District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



***Charles E. Harris & Associates, Inc.***  
June 15, 2015

**TUPPERS PLAINS-CHESTER WATER DISTRICT  
MEIGS COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2014 AND 2013**

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

**FINDING NUMBER 2014-001  
Noncompliance Citation**

Ohio Rev. Code Section 117.38 provides that cash-basis entities must file annual reports with the Auditor of State for each fiscal year end. The Auditor of State may prescribe by rule or guidelines the forms for these reports. However, if the Auditor of State has not prescribed a reporting form, the public office shall submit its report on the form used by the public office. Any public office not filing the report by the required date shall pay a penalty of twenty-five dollars for each day the report remains unfiled, not to exceed seven hundred fifty dollars. The Auditor of State may waive these penalties, upon the filing of the past due financial report.

The report shall contain the following: (A) amount of collections and receipts, and accounts due from each source; (B) amount of expenditures for each purpose; (C) income of any public service industry that the entity owns or operates, as well as the costs of ownership or operation; and (D) amount of public debt of each taxing district, the purpose of the debt, and how the debt will be repaid.

Also, the public office must publish notice in a local newspaper stating the financial report is available for public inspection at the office of the chief fiscal officer.

The District did not file its 2014 and 2013 report with the Auditor of State. Failure to file the annual financial report can result in fines and penalties.

We recommend the District file its annual financial reports with the Auditor of State each fiscal year.

**Management's Response:**

We contacted the Auditor of State and have filed the late reports. We will be in compliance in the future.

TUPPERS PLAINS-CHESTER WATER DISTRICT  
MEIGS COUNTY

For the Years Ended December 31, 2014 and 2013

SCHEDULE OF PRIOR AUDIT FINDINGS

| FINDING<br>NUMBER | FUNDING<br>SUMMARY  | FULLY<br>CORRECTED? | Not Corrected. Partially<br>Corrected; Significantly<br>Different Corrective<br>Action Taken; or Finding<br>No Longer Valid;<br>Explain |
|-------------------|---|---------------------|---|
| 2012-001          | Contrary to <b>Ohio Rev. Code Section 117.38</b> , District did not file financial statements for 2012 or 2011.   | No                  | Reissued as finding 2014-001.   |
| 2012-002          | The District did not request an extension of time with the cognizant or oversight agency when they noted that the audit would not be completed by the appropriate deadline. | Yes                 | The current audit is not a single audit.  |



# Dave Yost • Auditor of State

**TUPPERS PLAINS AND CHESTER WATER DISTRICT**

**MEIGS 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  
OCTOBER 1, 2015**