



***VILLAGE OF MIDDLEPORT
MEIGS COUNTY***

Regular Audit

**For the Years Ended
December 31, 2015 and 2014**

J.L. UHRIG
AND ASSOCIATES INC.

CERTIFIED PUBLIC ACCOUNTANT AND MANAGEMENT CONSULTANTS





Dave Yost • Auditor of State

Village Council
Village of Middleport
659 Pearl Street
Middleport, Ohio 45760

We have reviewed the *Independent Auditor's Report* of the Village of Middleport, Meigs County, prepared by J.L. Uhrig and Associates, Inc., for the audit period January 1, 2014 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. The Village of Middleport 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 29, 2016

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VILLAGE OF MIDDLEPORT, MEIGS COUNTY

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Independent Auditor's Report

Village Council
Village of Middleport
Meigs County
659 Pearls Street
Middleport, Ohio 45760

To the Village Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by the fund type and related notes of the Village of Middleport, Meigs County, Ohio (the Village) as of and for the years ended December 31, 2015 and 2014.

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 Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; 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 statements misstatement, whether due to fraud or error. In assessing those risks, we consider internal controls relevant to the Village'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 Village'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 opinion.

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

As described in Note 2 of the financial statements, the Village 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 American (GAAP), to satisfy these 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 Village 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 Village as of December 31, 2015 and 2014, or changes in financial position or cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of the Village of Middleport, Meigs County as of December 31, 2015 and 2014, and its combined 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 2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 21, 2016 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. 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 Village's internal control over financial reporting and compliance.

J. L. Uhrig and Associates, Inc.

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

June 21, 2016

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Combined Statement of Cash Receipts, Cash Disbursements, and
Changes in Fund Cash Balances
All Governmental Fund Types
For the Year Ended December 31, 2015

	Governmental Fund Types			Totals
	General	Special Revenue	Permanent	
<u>Cash Receipts:</u>				
Property and Local Taxes	\$74,940	\$138,238	\$0	\$213,178
Municipal Income Tax	244,181	0	0	244,181
Intergovernmental	117,263	406,911	0	524,174
Charges for Service	296,984	189,577	0	486,561
Fines, Licenses, and Permits	98,148	1,972	0	100,120
Earnings on Investments	1,207	292	0	1,499
Miscellaneous	6,040	91,983	0	98,023
Total Cash Receipts	838,763	828,973	0	1,667,736
<u>Cash Disbursements:</u>				
<i>Current:</i>				
General Government	163,623	2,216	0	165,839
Security of Persons and Property	666,946	130,676	0	797,622
Leisure Time Activities	0	286,444	0	286,444
Basic Utility Services	0	202,131	0	202,131
Transportation	0	132,317	0	132,317
Capital Outlay	0	24,214	0	24,214
Debt Service:				
Principal	21,230	60,511	0	81,741
Interest and Fiscal Charges	16,189	36,475	0	52,664
Total Cash Disbursements	867,988	874,984	0	1,742,972
Cash Receipts Over/(Under) Cash Disbursements	(29,225)	(46,011)	0	(75,236)
<u>Other Financing Receipts (Disbursements)</u>				
Other Debt Proceeds	0	24,214	0	24,214
Total Other Financing Receipts (Disbursements)	0	24,214	0	24,214
Excess of Cash Receipts and Other Financing Sources Over/(Under) Cash Disbursements	(29,225)	(21,797)	0	(51,022)
Special Item	0	51,417	0	51,417
Net Change in Fund Cash Balance	(29,225)	29,620	0	395
Fund Cash Balances, January 1	34,407	206,877	87,723	329,007
Nonspendable	0	0	87,720	87,720
Restricted	0	236,497	3	236,500
Assigned	0	0	0	0
Unassigned	5,182	0	0	5,182
Fund Cash Balances, December 31	\$5,182	\$236,497	\$87,723	\$329,402

See accompanying notes to the financial statements.

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Combined Statement of Cash Receipts, Cash Disbursements, and
Changes in Fund Cash Balances
All Proprietary Fund Types and Similar Fiduciary Funds
For the Year Ended December 31, 2015

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	
	<u>Enterprise</u>	<u>Agency</u>	<u>Totals</u>
<u>Operating Cash Receipts:</u>			
Charges for Services	\$841,786	\$0	\$841,786
Fines, Licenses, and Permits	0	72,366	72,366
Miscellaneous	172	0	172
Total Operating Cash Receipts	<u>841,958</u>	<u>72,366</u>	<u>914,324</u>
<u>Operating Cash Disbursements:</u>			
Personal Services	256,193	0	256,193
Employee Fringe Benefits	112,223	0	112,223
Contractual Services	115,712	0	115,712
Supplies and Materials	137,314	0	137,314
Other	16,686	71,358	88,044
Total Operating Cash Disbursements	<u>638,128</u>	<u>71,358</u>	<u>709,486</u>
Operating Income (Loss)	203,830	1,008	204,838
<u>Non-Operating Cash Receipts (Disbursements):</u>			
Special Assessments	122,195	0	122,195
Miscellaneous Receipts	52,797	0	52,797
Proceeds of Debt	28,495	0	28,495
Capital Outlay	(143,871)	0	(143,871)
Principal Retirement	(105,131)	0	(105,131)
Interest and Other Fiscal Charges	(37,713)	0	(37,713)
Total Non-Operating Cash Receipts (Disbursements)	<u>(83,228)</u>	<u>0</u>	<u>(83,228)</u>
Net Change in Fund Cash Balances	120,602	1,008	121,610
Fund Cash Balances, January 1	<u>857,177</u>	<u>4,188</u>	<u>861,365</u>
Fund Cash Balances, December 31	<u><u>\$977,779</u></u>	<u><u>\$5,196</u></u>	<u><u>\$982,975</u></u>

See accompanying notes to the financial statements.

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Combined Statement of Cash Receipts, Cash Disbursements, and
Changes in Fund Cash Balances
All Governmental Fund Types
For the Year Ended December 31, 2014

	Governmental Fund Types			Totals
	General	Special Revenue	Permanent	
<u>Cash Receipts:</u>				
Property and Local Taxes	\$98,536	\$116,587	\$0	\$215,123
Municipal Income Tax	224,344	0	0	224,344
Intergovernmental	128,350	236,554	0	364,904
Charges for Service	308,549	189,276	0	497,825
Fines, Licenses, and Permits	94,036	1,083	0	95,119
Earnings on Investments	1,521	82	0	1,603
Miscellaneous	27,779	58,659	0	86,438
Total Cash Receipts	883,115	602,241	0	1,485,356
<u>Cash Disbursements:</u>				
<i>Current:</i>				
General Government	180,404	2,155	0	182,559
Security of Persons and Property	671,205	200,466	0	871,671
Public Health Services	0	0	1,296	1,296
Basic Utility Services	0	175,668	0	175,668
Transportation	0	134,344	0	134,344
Capital Outlay	31,386	832,469	0	863,855
<i>Debt Service:</i>				
Principal	11,924	56,265	0	68,189
Interest and Fiscal Charges	10,147	35,316	0	45,463
Total Cash Disbursements	905,066	1,436,683	1,296	2,343,045
Cash Receipts Over/(Under) Cash Disbursements	(21,951)	(834,442)	(1,296)	(857,689)
<u>Other Financing Receipts (Disbursements)</u>				
Sale of Notes	32,000	832,469	0	864,469
Total Other Financing Receipts (Disbursements)	32,000	832,469	0	864,469
Net Change in Fund Cash Balance	10,049	(1,973)	(1,296)	6,780
Fund Cash Balances, January 1, As Restated	24,358	208,850	89,019	322,227
Nonspendable	0	0	87,720	87,720
Restricted	0	206,877	3	206,880
Assigned	34,087	0	0	34,087
Unassigned	320	0	0	320
Fund Cash Balances, December 31	\$34,407	\$206,877	\$87,723	\$329,007

See accompanying notes to the financial statements.

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Combined Statement of Cash Receipts, Cash Disbursements, and
Changes in Fund Cash Balances
All Proprietary Fund Types and Similar Fiduciary Funds
For the Year Ended December 31, 2014

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	
	<u>Enterprise</u>	<u>Agency</u>	<u>Totals</u>
<u>Operating Cash Receipts:</u>			
Charges for Services	\$859,611	\$0	\$859,611
Fines, Licenses, and Permits	0	62,828	62,828
Miscellaneous	2,178	0	2,178
Total Operating Cash Receipts	<u>861,789</u>	<u>62,828</u>	<u>924,617</u>
<u>Operating Cash Disbursements:</u>			
Personal Services	306,009	0	306,009
Employee Fringe Benefits	117,673	0	117,673
Contractual Services	117,240	0	117,240
Supplies and Materials	119,371	0	119,371
Other	25,835	63,082	88,917
Total Operating Cash Disbursements	<u>686,128</u>	<u>63,082</u>	<u>749,210</u>
Operating Income (Loss)	175,661	(254)	175,407
<u>Non-Operating Cash Receipts (Disbursements):</u>			
Special Assessments	122,476	0	122,476
Miscellaneous Receipts	1,750	0	1,750
Capital Outlay	(5,250)	0	(5,250)
Principal Retirement	(117,713)	0	(117,713)
Interest and Other Fiscal Charges	(45,664)	0	(45,664)
Total Non-Operating Cash Receipts (Disbursements)	<u>(44,401)</u>	<u>0</u>	<u>(44,401)</u>
Net Change in Fund Cash Balances	131,260	(254)	131,006
Fund Cash Balances, January 1	<u>725,917</u>	<u>4,442</u>	<u>730,359</u>
Fund Cash Balances, December 31	<u><u>\$857,177</u></u>	<u><u>\$4,188</u></u>	<u><u>\$861,365</u></u>

See accompanying notes to the financial statements.

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Middleport, Meigs County, Ohio (the Village), as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides general government services, water and sewer utilities, fire protection and police services. The Village appropriates general fund money to support a volunteer fire department.

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

Note 2 – Summary of Significant Accounting Policies

A. Basis of Accounting

The Village's financial statements follow the basis of accounting 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 basis of accounting. This method differs from generally accepted accounting principles because receipts are recognized when received in cash rather than when earned, and disbursements are recognized when a payment is made rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

The 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.

B. Fund Accounting

The Village uses fund accounting to segregate cash and investments that are restricted as to use. The Village classifies its funds into the following types:

General Fund: The General Fund is the general operating fund. It is used to account for all financial resources, except those required by law or contracted to be restricted.

Special Revenue Funds: These funds are used to account for proceeds from specific sources (other than trusts or for capital projects) that are restricted to expenditure for specific purposes. The Village had the following significant Special Revenue Funds:

Street Construction, Maintenance and Repair Fund – This fund receives gasoline tax and motor vehicle license tax for constructing, maintaining and repairing Village streets.

Refuse Fund – This fund receives charges for services to provide refuse collection services for the Village.

Capital Project Funds: These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Village had the following significant Capital Project Fund:

Village Hall Project Fund – This fund proceeds of general obligation bonds. The proceeds were used to renovate a new municipal building.

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 2 – Summary of Significant Accounting Policies (continued)

Permanent Funds: These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Village has the following significant Permanent Fund:

Cemetery Endowment Fund - This fund receives interest earned on the nonexpendable corpus from a trust agreement. These earnings are used for the general maintenance and upkeep of the Village's cemetery.

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

Sewer Fund - This fund receives charges for services from residents to cover sewer service costs.

Fiduciary Funds: Fiduciary funds include agency funds. Agency funds are purely custodial in nature and are used to hold resources for individual, organization, or other governments. The Village disburses these funds as directed. The Village's agency fund (Mayor's Court Fund) accounts for the financial activity of the Mayor's Court.

C. Budgetary Process

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

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

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

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

A summary of 2015 and 2014 budgetary activity appears in Note 4.

D. Fund Balances

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

Nonspendable: The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

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

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 2 – Summary of Significant Accounting Policies (continued)

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

Assigned: Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted or committed*. Governmental funds other than the general fund report all fund balances as assigned unless they are restricted or committed. In the General Fund, assigned amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

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

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

E. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

F. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Village’s basis of accounting.

G. Special Items

Special Items are transactions or events that are within the control of the Village and that are either unusual in nature or infrequent in occurrence. The Village had a special item transaction that occurred during 2015 for a reimbursement from a business for fire equipment that was damaged.

Note 3 – Cash and Investments

The Village maintains a cash pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The Village had no investments at year end. The carrying amount of cash at year end was as follows:

	<u>December 31,</u> 2015	<u>December 31,</u> 2014
Demand Deposits	<u>\$1,312,377</u>	<u>\$1,190,372</u>
Total	<u><u>\$1,312,377</u></u>	<u><u>\$1,190,372</u></u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation and collateralized by the financial institution’s public entity deposit pool.

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 4 – Budgetary Basis of Accounting

The Village’s budgetary activity for the years ending December 31, 2015 and December 31, 2014 was as follows:

2015 Budgeted vs. Actual Receipts			
Fund Type	Receipts		Variance
	Budgeted	Actual	
General	\$1,096,112	\$838,763	(\$257,349)
Special Revenue	568,495	904,604	336,109
Enterprise	975,100	1,045,445	70,345
<i>Total</i>	\$2,639,707	\$2,788,812	\$149,105

2015 Budgeted vs. Actual Budgetary Disbursements			
Fund Type	Appropriation	Budgetary	Variance
	Authority	Disbursements	
General	\$955,073	\$874,273	\$80,800
Special Revenue	923,791	875,980	47,811
Enterprise	1,851,762	927,804	923,958
<i>Total</i>	\$3,730,626	\$2,678,057	\$1,052,569

2014 Budgeted vs. Actual Receipts			
Fund Type	Receipts		Variance
	Budgeted	Actual	
General	\$838,888	\$915,115	\$76,227
Special Revenue	1,324,480	1,434,710	110,230
Enterprise	978,350	986,015	7,665
Permanent	1,300	0	(1,300)
<i>Total</i>	\$3,143,018	\$3,335,840	\$192,822

2014 Budgeted vs. Actual Budgetary Disbursements			
Fund Type	Appropriation	Budgetary	Variance
	Authority	Disbursements	
General	\$1,015,755	\$911,350	\$104,405
Special Revenue	1,528,251	1,437,679	90,572
Enterprise	1,696,435	857,716	838,719
Permanent	1,299	1,296	3
<i>Total</i>	\$4,241,740	\$3,208,041	\$1,033,699

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 5- Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes area also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. The second half payment is due the following June 20.

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

Note 6- Local Income Tax

The Village levies a municipal income tax of one percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Village either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

Note 7 – Debt

A schedule of changes in long-term obligations of the Village during 2015 follows:

	Interest Rate	Principal Balance 12-31-14	Issued in 2015	Retired in 2015	Principal Balance 12-31-15
Building Bond	4.00%	\$962,500	\$0	\$55,000	\$907,500
Ohio Water Development Authority 3429	2.00%	183,705	0	22,487	161,218
Ohio Water Development Authority 5247	0.00%	590,931	0	22,728	568,203
Ohio Water Development Authority 6153	0.00%	241,024	0	9,787	231,237
Ohio Public Works Commission - Rutland St.	3.00%	118,092	0	12,880	105,212
Sun Trust Bank - Fire Truck	4.32%	68,223	0	31,987	36,236
Kansas State Bank - Ladder Truck	4.11%	808,659	0	23,810	784,849
Peoples Bank - Police Cruiser	5.23%	31,532	0	5,767	25,765
John Deere Financial - 2 Mowers	0.00%	0	24,214	2,018	22,196
Ally - GMC Dump Truck	12.00%	0	28,495	408	28,087
Total		<u>\$3,004,666</u>	<u>\$52,709</u>	<u>\$186,872</u>	<u>\$2,870,503</u>

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 7 – Debt - (Continued)

A schedule of changes in long-term obligations of the Village during 2014 follows:

	Interest Rate	Restated Principal Balance 12-31-13	Issued in 2014	Retired in 2014	Principal Balance 12-31-14
Building Bond	4.00%	\$1,017,500	\$0	\$55,000	\$962,500
Ohio Water Development Authority 3429	2.00%	206,192	0	22,487	183,705
Ohio Water Development Authority 5247	0.00%	613,659	0	22,728	590,931
Ohio Water Development Authority 6153	0.00%	250,811	0	9,787	241,024
Ohio Public Works Commission - Rutland St.	3.00%	130,972	0	12,880	118,092
Sun Trust Bank - Fire Truck	4.32%	100,210	0	31,987	68,223
Peoples Bank - Police Cruiser	3.89%	2,765	0	2,765	0
Peoples Bank - Ford Truck	4.00%	1,532	0	1,532	0
Peoples Bank - Garage Annex	4.00%	2,458	0	2,458	0
Kansas State Bank - Ladder Truck	4.11%	0	832,469	23,810	808,659
Peoples Bank - Police Cruiser	5.23%	0	32,000	468	31,532
Total		<u>\$2,326,099</u>	<u>\$864,469</u>	<u>\$185,902</u>	<u>\$3,004,666</u>

The Building General Obligation Bond was issued in 2011 for the purpose of paying part of the cost of renovating a building for Village purposes. The amount of the bond was amended in 2012 by vote of the Village Council. The full faith and credit of the Village has been pledged to repay this debt.

The Ohio Water Development Authority (OWDA) loan #3429 relates to a sewer lift station project that was mandated by the Ohio Environmental Protection Agency. The loan will be repaid in semiannual installments of \$13,249, including interest, over 21 years. Sewer receipts secure the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The OWDA loan #5247 relates to a water well abandonment and distribution improvement project that was mandated by the Ohio Environmental Protection Agency. This project is partially funded through Federal ARRA grant funding projects, with \$2,800,000 in principal forgiveness. The loan will be repaid in semiannual installments of \$11,364, over 30 years. Sewer receipts secure the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The OWDA loan # 6153 relates to a water line expansion/ replacement project that was mandated by the Ohio Environmental Protection Agency. This project is partially funded through a Federal grant project, with \$192,692 in principal forgiveness as of December 31, 2013. This loan has not been fully dispersed as of December 31, 2013, and no amortization schedule is available for repayment.

The Ohio Public Works Commission (OPWC) Rutland Street loan relates to the above-mentioned sewer lift station project that was mandated by the Ohio Environmental Protection Agency. The loan will be repaid in semiannual installments of \$8,357, including interest, over 20 years. Sewer receipts secure the loan. The Village has agreed to set utility rates sufficient to cover OPWC debt service requirements.

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 7 – Debt - (Continued)

The Sun Trust Bank Fire Truck loan was obtained to purchase a fire truck in 2006. The Village passed a levy to provide sufficient funding to repay the debt service requirements. The loan will be repaid in semiannual installments of \$17,986, including interest, through October 2016.

The Peoples Bank 2009 Police Cruiser loan will be repaid in semiannual installments of \$2,821, including interest, through 2014. The police cruiser purchased from the debt proceeds is held as collateral for the debt.

The Peoples Bank Ford Truck loan will be repaid in monthly installments of \$553, including interest, through 2014. The 2009 Ford F-350 truck purchased from the debt proceeds is held as collateral for the debt.

The Peoples Bank Garage Annex loan will be repaid in monthly installments of \$461, including interest, through 2014.

The Village entered into a loan with Kansas State Bank for a new ladder truck for the amount of \$832,469 for 15 years. The loan will be repaid in semiannual installments of \$27,500, including interest.

The Peoples Bank 2014 Police Cruiser loan was entered into by the Village for the amount of \$32,000 for 5 years. The Village will make monthly installments of \$608 over the life of the loan.

The Village entered into a loan with John Deere Financial for the purchase of two mowers in the amount of \$24,214 for 5 years. The Village will make monthly installments of \$404 over the life of the loan.

The Village entered into a loan with Ally Auto for the purchase of a GMC Dump Truck in the amount of 28,495 for 5 years. The Village will make monthly installments of \$693 over the life of the loan.

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

	Building Bond	OWDA Loan 3429	OWDA Loan 5247	OWDA Loan 6153	OPWC Lift Station
2016	\$95,666	\$26,499	\$22,728	\$9,787	\$16,713
2017	93,163	26,499	22,728	9,787	16,713
2018	90,661	26,499	22,728	9,787	16,713
2019	88,158	26,499	22,728	9,787	16,713
2020	85,656	26,499	22,728	9,787	16,713
2021-2025	390,741	39,748	113,641	48,936	33,427
2026-2030	328,178	0	113,641	48,936	0
2031-2035	86,254	0	113,641	48,936	0
2036-2040	0	0	113,640	35,494	0
Total	<u>\$1,258,477</u>	<u>\$172,243</u>	<u>\$568,203</u>	<u>\$231,237</u>	<u>\$116,992</u>

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 7 – Debt - (Continued)

	Pumper Fire Truck	Ladder Fire Truck	Police Cruiser	John Deere Mowers	GMC Dump Truck
2016	\$37,801	\$55,000	\$7,300	\$4,843	\$8,312
2017	0	95,000	7,300	4,843	8,312
2018	0	95,000	7,300	4,843	8,312
2019	0	95,000	6,692	4,843	8,312
2020	0	95,000	0	2,824	693
2021-2025	0	398,379	0	0	0
2026-2030	0	170,068	0	0	0
2031-2035	0	0	0	0	0
2036-2040	0	0	0	0	0
Total	<u>\$37,801</u>	<u>\$1,003,447</u>	<u>\$28,592</u>	<u>\$22,196</u>	<u>\$33,941</u>

Note 8 – Defined Benefit Pension Plans

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - Village employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administer three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. Village employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

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. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 8 – Defined Benefit Pension Plans - (Continued)

Final average Salary (FAS) represents the average of the three highest years of earnings over a member’s career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member’s career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local
2015 Statutory Maximum Contribution Rates	
Employer	14.0%
Employee	10.0%
2015 Actual Contribution Rates	
Employer:	
Pension	12.0%
Post-Employment Health Care Benefits	2.0%
Total Employer	14.0%
Employee	10.0%

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Village’s contractually required contribution was \$84,711 for year 2015.

Note 9 – Risk Management

The Village has obtained commercial insurance for the following risks:

- Comprehensive Property and General Liability;
- Vehicles; and
- Errors and Omissions.

Note 10 – Contingent Liabilities

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

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 11 – Chance in Accounting Principle and Prior Period Adjustment

For 2015, the Village implemented GASB Statement No. 68, “Accounting and Financial Reporting for Pensions”. The implementation of this statement did not result in any change in the Village’s financial statements.

2014 Prior Period Adjustment

In January 2014, the Village had voided previously issued checks. This resulted in a restatement of the prior period cash balance.

	Special Revenue
Fund Balance at December 31, 2013	\$208,415
Understatement of Cash and Cash Equivalents	435
Adjusted Fund Balance at December 31, 2013	\$208,850

Note 12 – Fund Cash Balances

As of December 31, 2015, fund balances are composed of the following:

	General	Special Revenue	Permanent	Total
<i>Nonspendable:</i>				
Cemetery Endowment	\$0	\$0	\$87,720	\$87,720
<i>Restricted:</i>				
Community Development	0	1,782	0	1,782
Community Maintenance	0	61,392	0	61,392
Court Operations	0	4,400	0	4,400
Disaster Relief	0	1,689	0	1,689
Drug & Alcohol Education and Enforcement	0	5,573	0	5,573
Fire Operations	0	66,062	0	66,062
Police Operations	0	45,591	0	45,591
Cemetery	0	0	3	3
Road Maintenance & Improvements	0	50,008	0	50,008
<i>Assigned:</i>				
Future Appropriations		0	0	0
<i>Unassigned</i>	5,182	0	0	5,182
Total	\$5,182	\$236,497	\$87,723	\$329,402

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 12 – Fund Cash Balances - (Continued)

As of December 31, 2014, fund balances are composed of the following:

	<u>General</u>	<u>Special Revenue</u>	<u>Permanent</u>	<u>Total</u>
<i>Nonspendable:</i>				
Cemetery Endowment	\$0	\$0	\$87,720	\$87,720
<i>Restricted:</i>				
Community Development	0	2,910	0	2,910
Community Maintenance	0	88,646	0	88,646
Court Operations	0	4,644	0	4,644
Disaster Relief	0	1,689	0	1,689
Drug & Alcohol Education and Enforcement	0	5,573	0	5,573
Fire Operations	0	18,981	0	18,981
Police Operations	0	34,808	0	34,808
Cemetery	0	0	3	3
Road Maintenance & Improvements	0	49,626	0	49,626
<i>Assigned:</i>				
Future Appropriations	34,087	0	0	34,087
<i>Unassigned</i>				
	<u>320</u>	<u>0</u>	<u>0</u>	<u>320</u>
Total	<u><u>\$34,407</u></u>	<u><u>\$206,877</u></u>	<u><u>\$87,723</u></u>	<u><u>\$329,007</u></u>

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

Village Council
Village of Middleport
Meigs County
659 Pearls Street
Middleport, OH 45760

To the Village Council:

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 cash balances, receipts, and disbursements by fund type of the Village of Middleport, Meigs County, Ohio (the Village), as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements and have issued our report thereon dated June 21, 2016, wherein we noted the Village followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permit.

Internal Control over Financial Reporting

As part of our financial statement audit, we considered the Village'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 Village'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 Village's financial statements. A *significant deficiency* is a deficiency, or 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. Therefore, unidentified material weaknesses or significant deficiencies may exist. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings that we consider material weaknesses. We consider findings 2015-004 and 2015-005 to be material weaknesses.

Village Council
Village of Middleport, Meigs County
Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Required By *Government Auditing Standards*

Compliance and Other Matters

As part of reasonably assuring whether the Village'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 instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying Schedule of Findings as items 2015-001 through 2015-005.

Entity's Response to Findings

The Village's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the Village's responses and, accordingly, we express no opinion on them.

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 Village's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Village'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 21, 2016

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Schedule of Findings
For the Years Ended December 31, 2015 and 2014

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

Finding Number 2015-001

Noncompliance

Ohio Rev. Code 5705.39 provides in part that total appropriations from each fund shall not exceed the total estimated resources.

Appropriations exceeded estimated resources as of December 31, 2015 as follows:

Fund	Estimated Resources	Appropriation Authority	Variance
Street Construction	\$160,076	\$172,376	(\$12,300)
Refuse	88,646	262,646	(174,000)
Water Capital	454,911	474,911	(20,000)

Appropriations exceeded estimated resources as of December 31, 2014 as follows:

Fund	Estimated Resources	Appropriation Authority	Variance
General	\$863,246	\$1,015,755	(\$152,509)
Fire Truck	109,089	147,609	(38,520)

Failure to limit appropriations to estimated resource can lead to overspending and negative fund balances.

We recommend the Council limit appropriations by estimated resources. We further recommend the Council request an Amended Certificate of Estimated Resources when it becomes apparent that additional funding such as grants or debt proceeds will be received so that these amounts will be available for appropriation.

Officials' Response: The Village will ensure that when appropriations are amended the Village will file an Amended Appropriation Resolution with the Meigs County Auditor after the approval of Council so that it will not appear as if our appropriations exceed estimated resources.

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Schedule of Findings
For the Years Ended December 31, 2015 and 2014

Finding Number 2015-002

Noncompliance

Ohio Rev. Code 5705.40 states that any appropriation ordinance or measure may be amended or supplemented, provided that such amendment or supplement shall comply with all provisions of law governing the taxing authority in making an original appropriation and that no appropriation for any purpose shall be reduced below an amount sufficient to cover all unliquidated and outstanding contracts or obligations certified from or against the appropriation.

The Fiscal Officer amended and supplemented appropriations throughout the year at the fund level (legal level of control) in the Uniform Accounting System without obtaining Council approval. This resulted in budgeted amounts in the accounting system differing significantly from the amounts approved by Council and diminished the effectiveness of the budgetary monitoring tool.

We recommend Council approve any supplemental appropriations or amendments to appropriations affecting the legal level of control established by Council. We further recommend this approval be documented in the minutes record and approved amounts be filed with the County Auditor.

Officials' Response: The Village will ensure that when appropriations are amended and supplemented these will be approved by council and file with the Meigs County Auditor.

Finding Number 2015-003

Noncompliance

Ohio Rev. Code 5705.41(B) states no subdivision or taxing unit is to expend money unless it has been appropriated.

At December 31, 2015, total expenditures exceeded total appropriations as follows:

Fund	Formal Appropriations	Actual Expenditures	Variance
Fire Equipment	\$31,542	\$34,692	(\$3,150)

At December 31, 2014, total expenditures exceeded total appropriations as follows:

Fund	Formal Appropriations	Actual Expenditures	Variance
Police Levy Fund	\$12,809	\$42,102	(\$29,293)

Failure to limit expenditures to appropriated amounts can result in overspending and negative fund balances.

We recommend the Council limit expenditures to approved appropriation amounts.

Officials' Response: The Village will ensure that when appropriations are amended and supplemented these will be approved by council and file with the Meigs County Auditor so it will not appear as if expenditures have exceeded appropriations.

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Schedule of Findings
For the Years Ended December 31, 2015 and 2014

Finding Number 2015-004

Noncompliance/Material Weakness

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

In 2014:

- General Fund unassigned fund balance of \$34,087 was reclassified to assigned fund balance;
- Fire Fund to record entry for debt issued of \$832,469, the debt proceeds and as capital outlay expense were increased;
- Mayor's Court Fund other non-operating receipts of \$62,828 was unrecorded;
- Mayor's Court Fund other non-operating disbursements of \$63,082 was unrecorded;
- Law Enforcement Trust Fund other receipts of \$103,735 was unrecorded;
- Law Enforcement Trust Fund other expenditures of \$77,072 was unrecorded.

In 2015:

- Street Construction, Maintenance, and Repair Fund to record entry for debt issued of \$24,214, the debt proceeds and capital outlay expense were increased;
- Water Operating Fund to record entry for debt issued of \$28,495, the debt proceeds and capital outlay expense were increased;
- Mayor's Court Fund other non-operating receipts of \$66,916 was unrecorded;
- Mayor's Court Fund other non-operating disbursements of \$65,908 was unrecorded;
- Law Enforcement Trust Fund other receipts of \$50,299 was unrecorded;
- Law Enforcement Trust Fund other expenditures of \$11,322 was unrecorded.

These misstatements were caused by a lack of management oversight. As a result, significant adjustments and reclassifications, with which the Village's management agrees, were made to the financial statements and ledgers, and are reflected in the accompanying financial statements.

We recommend the Fiscal Officer refer to Appendix A of the Village Officer's Handbook for proper classification and take additional care in posting transactions to the Village's ledgers in order to ensure the financial statements reflect the appropriation sources of the receipts and expenditures.

Officials' Response: The Village will post receipts to the correct accounts.

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Schedule of Findings
For the Years Ended December 31, 2015 and 2014

Finding Number 2015-005

Noncompliance/ Material Weakness

Ohio Admin. Code § 117-2-02(C)(1) provides that all local public offices integrate the budgetary accounts, at the legal level of control or lower, into the financial accounting system. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted balances of appropriations.

At December 31, 2015, estimated resources as approved by the Budget Commission did not agree to the Village's ledgers for the following funds:

	Estimated Receipts Per System	Estimated Receipts As Adopted	Variance
General	\$920,986	\$1,096,112	(\$175,126)
Police Levy Fund	40,057	41,114	(1,057)
Fire Equipment	26,980	21,580	5,400
Fire Truck	105,650	108,935	(3,285)
Refuse	174,000	0	174,000
Water Operating	373,500	373,200	300
Sewer Operating	460,000	465,000	(5,000)
Recreation Fund	600	400	200
Sewer Improvement	59,000	60,000	(1,000)
Meter Deposits	5,500	4,000	1,500
Leak Insurance Deposits	3,500	4,500	(1,000)
Cemetery Operating	5,650	8,000	(2,350)

At December 31, 2015, Appropriations as approved by the Budget Commission did not agree to the Village's ledgers for the following funds:

	Appropriations Per System	Appropriations As Adopted	Variance
Street Construction	\$160,055	\$172,376	(\$12,321)
Multi-Purpose Trail	286,444	285,316	1,128
Fire Equipment	36,942	31,542	5,400
Fire Truck	111,209	114,494	(3,285)
Refuse	231,590	262,646	(31,056)
Sewer Operating	489,300	581,893	(92,593)
Water Capital Improvement	12,000	474,911	(462,911)
Recreation Fund	100,000	320,161	(220,161)
Sewer Improvement	10,000	35,841	(25,841)
Meter Deposits	8,000	17,566	(9,566)

VILLAGE OF MIDDLEPORT, MEIGS COUNTY
Schedule of Findings
For the Years Ended December 31, 2015 and 2014

Finding Number 2015-005 – (Continued)

At December 31, 2014, estimated resources as approved by the Budget Commission did not agree to the Village's ledgers for the following funds:

	Estimated Receipts Per System	Estimated Receipts As Adopted	Variance
General	\$995,740	\$838,888	\$156,852
Police Levy Fund	0	1,300	(1,300)

At December 31, 2014, Appropriations as approved by the Budget Commission did not agree to the Village's ledgers for the following funds:

	Appropriations Per System	Appropriations As Adopted	Variance
Street Construction	\$146,335	\$174,632	(\$28,297)
Police Levy Fund	50,171	12,809	37,362
Fire Truck	103,590	147,609	(44,019)
Refuse	196,527	268,438	(71,911)
Sewer Operating	485,405	568,918	(83,513)
Recreation Fund	2,400	2,403	(3)
Water Capital Improvement	75,000	397,566	(322,566)
Sewer Improvement	75,000	260,281	(185,281)
Meter Deposits	15,000	32,523	(17,523)
Leak Insurance Deposits	8,000	16,484	(8,484)
Cemetery Operation	5,296	7,807	(2,511)

VILLAGE OF MIDDLEPORT, MEIGS COUNTY

Schedule of Prior Audit Findings

For the Years Ended December 31, 2015 and 2014

Finding Number	Description	Status	Comments
<i>Government Auditing Standards:</i>			
2013-001	A noncompliance citation of Ohio Rev. Code 5705.39 for appropriations exceeding estimated resources.	Not Corrected	Reissued as Finding 2015-001
2013-002	A noncompliance citation of Ohio Rev. Code 5705.40 for budgeted amounts in accounting system differing from amounts approved by Council.	Not Corrected	Reissued as Finding 2015-002
2013-003	A noncompliance citation of Ohio Rev. Code 5705.41(B) for expenditures exceeding appropriations.	Not Corrected	Reissued as Finding 2015-003
2013-004	A noncompliance citation of Ohio Rev. Code 5705.41(D)(1) for not certifying the availability of funds.	Corrected	N/A
2013-005	A material weakness and noncompliance citation of Ohio Admin. Code 117-2-02(A) audit adjustments.	Not Corrected	Reissued as Finding 2015-004
2013-006	A material weakness and noncompliance citation of Ohio Admin. Code 117-2-02(C)(1) approved estimated receipts did not agree to the Village's accounting system.	Not Corrected	Reissued as Finding 2015-005

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Dave Yost • Auditor of State

VILLAGE OF MIDDLEPORT

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 11, 2016