



OHIO AUDITOR OF STATE  
**KEITH FABER**





**VILLAGE OF HIGGINSPO  
BROWN COUNTY  
DECEMBER 31, 2019 AND 2018**

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# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

Village of Higginsport  
Brown County  
204 Jackson Street  
Higginsport, Ohio 45131

To the Village Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of the Village of Higginsport, Brown County, Ohio (the Village) as of and for the years ended December 31, 2019 and 2018.

### ***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 statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control 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 such 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 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 America (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, 2019 and 2018, and the respective 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 cash balances, receipts and disbursements by fund type, and related notes of the Village of Higginsport, Brown County as of December 31, 2019 and 2018, 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) permit, described in Note 2.

***Emphasis of Matters***

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2020, 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.



Keith Faber  
Auditor of State

Columbus, Ohio

October 12, 2020

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

	General	Special Revenue	Totals (Memorandum Only)
<b>Cash Receipts</b>			
Property and Other Local Taxes	\$22,221	\$27,543	\$49,764
Intergovernmental	7,837	61,276	69,113
Charges for Services	0	49,999	49,999
Fines, Licenses and Permits	6,927	161,518	168,445
Earnings on Investments	3,093	415	3,508
Miscellaneous	134	5,012	5,146
<i>Total Cash Receipts</i>	<u>40,212</u>	<u>305,763</u>	<u>345,975</u>
<b>Cash Disbursements</b>			
Current:			
Security of Persons and Property	18,542	216,412	234,954
Public Health Services	3,500	0	3,500
Leisure Time Activities	0	3,000	3,000
Transportation	0	50,582	50,582
General Government	45,072	751	45,823
Capital Outlay	0	76,260	76,260
Debt Service:			
Principal Retirement	0	20,001	20,001
Interest and Fiscal Charges	0	162	162
<i>Total Cash Disbursements</i>	<u>67,114</u>	<u>367,168</u>	<u>434,282</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(26,902)</u>	<u>(61,405)</u>	<u>(88,307)</u>
<b>Other Financing Receipts (Disbursements)</b>			
Sale of Capital Assets	8,000	0	8,000
Transfers In	41,692	34,732	76,424
Transfers Out	0	(39,490)	(39,490)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>49,692</u>	<u>(4,758)</u>	<u>44,934</u>
<i>Net Change in Fund Cash Balances</i>	22,790	(66,163)	(43,373)
<i>Fund Cash Balances, January 1</i>	<u>46,752</u>	<u>136,058</u>	<u>182,810</u>
<b>Fund Cash Balances, December 31</b>			
Nonspendable	0	0	0
Restricted	0	69,895	69,895
Committed	0	0	0
Assigned	0	0	0
Unassigned (Deficit)	69,542	0	69,542
<i>Fund Cash Balances, December 31</i>	<u>\$69,542</u>	<u>\$69,895</u>	<u>\$139,437</u>

*See accompanying notes to the basic financial statements*

**Village of Higginsport, Ohio**

*Brown County*

*Combined Statement of Receipts, Disbursements  
and Changes in Fund Balances (Regulatory Cash Basis)*

*All Proprietary and Fiduciary Fund Types*

*For the Year Ended December 31, 2019*

	Proprietary Fund Type	Fiduciary Fund Type	Totals
	Enterprise	Custodial	(Memorandum Only)
<b>Operating Cash Receipts</b>			
Charges for Services	\$93,697	\$0	\$93,697
Fines, Licenses and Permits	0	55,754	55,754
Miscellaneous	5,277	0	5,277
<i>Total Operating Cash Receipts</i>	<u>98,974</u>	<u>55,754</u>	<u>154,728</u>
<b>Operating Cash Disbursements</b>			
Personal Services	20,540	0	20,540
Employee Fringe Benefits	3,906	0	3,906
Contractual Services	32,422	0	32,422
Supplies and Materials	10,388	0	10,388
Other	0	10,338	10,338
<i>Total Operating Cash Disbursements</i>	<u>67,256</u>	<u>10,338</u>	<u>77,594</u>
<i>Operating Income (Loss)</i>	<u>31,718</u>	<u>45,416</u>	<u>77,134</u>
<b>Non-Operating Receipts (Disbursements)</b>			
Capital Outlay	(10,370)	0	(10,370)
Principal Retirement	(21,610)	0	(21,610)
Interest and Other Fiscal Charges	(2,241)	0	(2,241)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(34,221)</u>	<u>0</u>	<u>(34,221)</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	(2,503)	45,416	42,913
Transfers In	7,778	0	7,778
Transfers Out	0	(44,712)	(44,712)
<i>Net Change in Fund Cash Balances</i>	5,275	704	5,979
<i>Fund Cash Balances, January 1</i>	<u>93,703</u>	<u>254</u>	<u>93,957</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$98,978</u></u>	<u><u>\$958</u></u>	<u><u>\$99,936</u></u>

*See accompanying notes to the basic financial statements*

**Village of Higginsport, Ohio**  
*Brown County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 1 – Reporting Entity**

The Village of Higginsport (the Village), Brown County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides sewer utilities, fire services, and police services. The Village contracts with Brown County Rural Water to provide sewer utilities. The Village contracts with Lewis Township to provide fire services.

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

***Basis of Presentation***

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

***Fund Accounting***

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

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

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

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

***Fire Protection Fund*** The fire protection fund accounts for local taxes and contract for services monies used to pay for the cost associated with providing and maintaining fire apparatus, appliances, building, or sites and fire and emergency services to the Village residents.

***Police Protection Fund*** The police protection fund accounts for local taxes, traffic violation funds used to pay for the cost associated with providing and maintaining police department vehicles, equipment, building and police protection services to the Village residents.

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

***Sewer Fund*** The sewer fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

**Village of Higginsport, Ohio**  
*Brown County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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***Fiduciary Funds*** Fiduciary funds include custodial funds. The Village's custodial fund accounts for Mayor's Court. Mayor's Court receives monies from collections of fines imposed from tickets issued by the Village's police protection force. The funds collected, are in part, on behalf of the State of Ohio.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (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.

***Budgetary Process***

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

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

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

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

A summary of 2019 budgetary activity appears in Note 3.

***Deposits and Investments***

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

***Capital Assets***

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

***Fund Balance***

**Village of Higginsport, Ohio**  
*Brown County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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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.

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

***Assigned*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. 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.

**Note 3 – Budgetary Activity**

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

**Village of Higginsport, Ohio**  
*Brown County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$71,228	\$89,904	\$18,676
Special Revenue	271,911	340,495	68,584
Enterprise	104,307	106,752	2,445
Fiduciary	56,000	55,754	(246)
Total	<u>\$503,446</u>	<u>\$592,905</u>	<u>\$89,459</u>

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$117,134	\$67,204	\$49,930
Special Revenue	407,969	407,160	809
Enterprise	198,010	101,507	96,503
Fiduciary	51,100	55,050	(3,950)
Total	<u>\$774,213</u>	<u>\$630,921</u>	<u>\$143,292</u>

**Note 4 – Deposits and Investments**

The Village maintains a deposits and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	2019
Demand deposits	\$239,373

***Deposits***

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

**Note 5 – Taxes**

***Property Taxes***

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead

**Village of Higginsport, Ohio**  
*Brown County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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

**Note 6 – Risk Management**

***Commercial Insurance***

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2019.

***Ohio Police and Fire Retirement System***

The Village's full-time Police Officers belong to the Ohio Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages. The Village has paid all contributions required through December 31, 2019.

**Note 8 – Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying

**Village of Higginsport, Ohio**  
*Brown County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

benefit recipients of both the traditional pension and combined plans. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2019. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2019. OP&F contributes 0.5 percent to fund these benefits.

**Note 9 – Debt**

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

	Principal	Interest Rate
Ohio Public Works Commission Loan	\$308,899	0%
Ohio Water Development Authority Loan	\$144,785	1.5%
Total	\$453,684	

***Amortization***

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

Year Ending December 31:	OPWC Loan	OWDA Loan
2020	\$15,445	\$8,406
2021	15,445	8,406
2022	15,445	8,406
2023	15,445	8,406
2024	15,445	8,406
2025-2029	77,225	42,030
2030-2034	77,225	42,030
2035-2039	77,224	42,030
Total	\$308,899	\$168,120

The Ohio Public Works Commission (OPWC) loan relates to a new wastewater collection system. The OPWC approved up to \$463,349 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$7,722, including interest, over 30 years. The scheduled payment amount below assumes that the entire amount of \$463,349 will be borrowed. The OPWC will adjust scheduled payment to reflect any revisions in amount the Village actually borrows. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OPWC debt service requirements.

The Ohio Water Development Authority (OWDA) loan relates to a new wastewater collection system. The OWDA approved up to \$200,000 in loans to the Village for this project, plus capitalized interest. The Village will repay the loans in semiannual installments of \$4,203, including interest, over 30 years. The scheduled payment amount below assumes that the entire amount of \$200,000 will be borrowed. The OWDA will adjust scheduled payment to reflect any revisions in amounts the Village actually borrows. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

**Village of Higginsport, Ohio**  
*Brown County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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NCMIC makes an insurance payment for the Village and the Village makes regular installment payments to NCMIC until the balance is paid. In 2019 the Village made monthly payments to NCMIC in the amount of \$760.22.

**Note 10 – Subsequent Events**

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village. The investments of the pension and other employee benefit plan in which the Village participates have incurred a significant decline in fair value, consistent with general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Village's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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**Village of Higginsport, Ohio***Brown County**Combined Statement of Receipts, Disbursements  
and Changes in Fund Balances (Regulatory Cash Basis)**All Governmental Fund Types**For the Year Ended December 31, 2018*

	General	Special Revenue	Totals (Memorandum Only)
<b>Cash Receipts</b>			
Property and Other Local Taxes	\$19,612	\$24,449	\$44,061
Intergovernmental	7,831	12,660	20,491
Charges for Services	0	49,968	49,968
Fines, Licenses and Permits	5,634	162,830	168,464
Earnings on Investments	152	18	170
Miscellaneous	3,544	11,301	14,845
<i>Total Cash Receipts</i>	<u>36,773</u>	<u>261,226</u>	<u>297,999</u>
<b>Cash Disbursements</b>			
Current:			
Security of Persons and Property	26,347	184,259	210,606
Public Health Services	2,925	0	2,925
Transportation	0	1,762	1,762
General Government	10,179	1,725	11,904
Capital Outlay	6,000	224,124	230,124
Debt Service:			
Interest and Fiscal Charges	0	386	386
<i>Total Cash Disbursements</i>	<u>45,451</u>	<u>412,256</u>	<u>457,707</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(8,678)</u>	<u>(151,030)</u>	<u>(159,708)</u>
<b>Other Financing Receipts (Disbursements)</b>			
Loans Issued	0	20,000	20,000
<i>Total Other Financing Receipts (Disbursements)</i>	<u>0</u>	<u>20,000</u>	<u>20,000</u>
<i>Net Change in Fund Cash Balances</i>	(8,678)	(131,030)	(139,708)
<i>Fund Cash Balances, January 1</i>	<u>55,430</u>	<u>267,088</u>	<u>322,518</u>
<b>Fund Cash Balances, December 31</b>			
Nonspendable	0	0	0
Restricted	0	136,058	136,058
Committed	0	0	0
Assigned	0	0	0
Unassigned (Deficit)	46,752	0	46,752
<i>Fund Cash Balances, December 31</i>	<u>\$46,752</u>	<u>\$136,058</u>	<u>\$182,810</u>

*See accompanying notes to the basic financial statements*

**Village of Higginsport, Ohio***Brown County**Combined Statement of Receipts, Disbursements  
and Changes in Fund Balances (Regulatory Cash Basis)**All Proprietary and Fiduciary Fund Types**For the Year Ended December 31, 2018*

	Proprietary Fund Type	Fiduciary Fund Type	Totals
	Enterprise	Agency	(Memorandum Only)
<b>Operating Cash Receipts</b>			
Charges for Services	\$94,617	\$0	\$94,617
Miscellaneous	1,892	0	1,892
<i>Total Operating Cash Receipts</i>	<u>96,509</u>	<u>0</u>	<u>96,509</u>
<b>Operating Cash Disbursements</b>			
Personal Services	21,678	0	21,678
Employee Fringe Benefits	3,439	0	3,439
Contractual Services	31,467	0	31,467
Supplies and Materials	9,645	0	9,645
Other	381	0	381
<i>Total Operating Cash Disbursements</i>	<u>66,610</u>	<u>0</u>	<u>66,610</u>
<i>Operating Income (Loss)</i>	<u>29,899</u>	<u>0</u>	<u>29,899</u>
<b>Non-Operating Receipts (Disbursements)</b>			
Principal Retirement	(21,519)	0	(21,519)
Interest and Other Fiscal Charges	(2,333)	0	(2,333)
Other Financing Sources	0	26,624	26,624
Other Financing Uses	0	(28,582)	(28,582)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(23,852)</u>	<u>(1,958)</u>	<u>(25,810)</u>
<i>Net Change in Fund Cash Balances</i>	6,047	(1,958)	4,089
<i>Fund Cash Balances, January 1</i>	<u>87,656</u>	<u>2,212</u>	<u>89,868</u>
<i>Fund Cash Balances, December 31</i>	<u>\$93,703</u>	<u>\$254</u>	<u>\$93,957</u>

*See accompanying notes to the basic financial statements*

**Village of Higginsport, Ohio**  
*Brown County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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**Note 1 – Reporting Entity**

The Village of Higginsport (the Village), Brown County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides sewer utilities, fire services, and police services. The Village contracts with Brown County Rural Water to provide sewer utilities. The Village contracts with Lewis Township to provide fire services.

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

***Basis of Presentation***

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

***Fund Accounting***

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

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

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

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

***Fire Protection Fund*** The fire protection fund accounts for local taxes and contract for services monies used to pay for the cost associated with providing and maintaining fire apparatus, appliances, building, or sites and fire and emergency services to the Village residents.

***Police Protection Fund*** The police protection fund accounts for local taxes, traffic violation funds used to pay for the cost associated with providing and maintaining police department vehicles, equipment, building and police protection services to the Village residents.

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

***Sewer Fund*** The sewer fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

**Village of Higginsport, Ohio**  
*Brown County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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***Fiduciary Funds*** Fiduciary funds include agency funds. The Village's agency fund accounts for Mayor's Court. Mayor's Court receives monies from collections of fines imposed from tickets issued by the Village's police protection force. The funds collected, are in part, on behalf of the State of Ohio.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (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.

***Budgetary Process***

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

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

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

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

A summary of 2018 budgetary activity appears in Note 3.

***Deposits and Investments***

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

***Capital Assets***

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

***Fund Balance***

**Village of Higginsport, Ohio**  
*Brown County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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.

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

***Assigned*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. 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.

**Note 3 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2018 follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$63,117	\$36,773	(\$26,344)
Special Revenue	247,671	281,226	33,555
Enterprise	106,000	96,509	(9,491)
Total	\$416,788	\$414,508	(\$2,280)

**Village of Higginsport, Ohio**  
*Brown County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$121,922	\$45,536	\$76,386
Special Revenue	514,759	478,261	36,498
Enterprise	191,179	90,628	100,551
Total	\$827,860	\$614,425	\$213,435

**Note 4 – Deposits and Investments**

The Village maintains a deposits and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	2018
Demand deposits	\$276,767

***Deposits***

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

**Note 5 – Taxes**

***Property Taxes***

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

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

**Note 6 – Risk Management**

***Commercial Insurance***

**Village of Higginsport, Ohio**  
*Brown County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2018.

***Ohio Police and Fire Retirement System***

The Village's full-time Police Officers belong to the Ohio Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages. The Village has paid all contributions required through December 31, 2018.

**Note 8 – Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and combined plans. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2018. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2018. OP&F contributes 0.5 percent to fund these benefits.

**Note 9 – Debt**

Debt outstanding at December 31, 2018, was as follows:

**Village of Higginsport, Ohio**  
*Brown County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

	Principal	Interest Rate
Ohio Public Works Commission Loan	\$324,344	0%
Ohio Water Development Authority Loan	\$150,950	1.5%
Merchant's Bank Loan - Fire Truck	20,000	3.25%
Total	\$495,294	

***Amortization***

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

Year Ending December 31:	OPWC Loan	OWDA Loan	Bank Loan
2019	\$15,445	\$8,406	\$20,000
2020	15,445	8,406	
2021	15,445	8,406	
2022	15,445	8,406	
2023	15,445	8,406	
2024-2028	77,225	42,030	
2029-2033	77,225	42,030	
2034-2038	77,225	42,030	
2039-2043	15,445	8,406	
Total	\$324,345	\$176,526	\$20,000

The Ohio Public Works Commission (OPWC) loan relates to a new wastewater collection system. The OPWC approved up to \$463,349 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$7,722, including interest, over 30 years. The scheduled payment amount below assumes that the entire amount of \$463,349 will be borrowed. The OPWC will adjust scheduled payment to reflect any revisions in amount the Village actually borrows. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OPWC debt service requirements.

The Ohio Water Development Authority (OWDA) loan relates to a new wastewater collection system. The OWDA approved up to \$200,000 in loans to the Village for this project, plus capitalized interest. The Village will repay the loans in semiannual installments of \$4,203, including interest, over 30 years. The scheduled payment amount below assumes that the entire amount of \$200,000 will be borrowed. The OWDA will adjust scheduled payment to reflect any revisions in amounts the Village actually borrows. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Village obtained a bank loan for \$20,000 in 2018 related to the purchase of new fire truck. The loan is for a term of twelve months and will mature on May 15, 2019.

NCMIC makes an insurance payment for the Village and the Village makes regular installment payments to NCMIC until the balance is paid. In 2018 the Village made monthly payments to NCMIC in the amount of \$760.22.

**Village of Higginsport, Ohio**  
*Brown County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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**Note 10 – Subsequent Events**

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village. The investments of the pension and other employee benefit plan in which the Village participates have incurred a significant decline in fair value, consistent with general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Village's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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# OHIO AUDITOR OF STATE KEITH FABER



Corporate Centre of Blue Ash  
11117 Kenwood Road  
Blue Ash, Ohio 45242-1817  
(513) 361-8550 or (800) 368-7419  
SouthwestRegion@ohioauditor.gov

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

Village of Higginsport  
Brown County  
204 Jackson Street  
Higginsport, Ohio 45131

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 Higginsport, Brown County, (the Village) as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, and have issued our report thereon dated October 12, 2020 wherein we noted the Village followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. We also noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village.

### ***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 opinion 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying schedule of findings we identified certain deficiencies in internal control over financial reporting, that we consider material weaknesses and a significant deficiency.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, 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 Village's financial statements. We consider findings 2019-001 and 2019-002 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of internal control deficiencies less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider finding 2019-003 described in the accompanying schedule of findings to be a significant deficiency.

***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 2019-003 and 2019-004.

***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 report is not suitable for any other purpose.



Keith Faber  
Auditor of State

Columbus, Ohio

October 12, 2020

**VILLAGE OF HIGGINSPO  
BROWN COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2019 AND 2018**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2019-001**

**Material Weakness**

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

We identified the following conditions related to the above criteria:

- The Village posted Homestead and Rollback receipts to Taxes revenue instead of to Intergovernmental revenue in the amount of \$1,725 and \$3,463 in the General Fund and Special Revenue Funds, respectively in 2018.
- The Village posted Homestead and Rollback receipts to Taxes revenue instead of to Intergovernmental revenue in the amount of \$1,615 and \$3,379 in the General Fund and Special Revenue Funds, respectively in 2019.
- The Village posted Optotraffic revenue net of fees instead of at the gross amounts in 2018 and 2019. As a result receipts and disbursements in the Police fund were understated by \$37,552 and \$44,130 in 2018 and 2019 respectively.
- The Village posted Permissive MVL receipts in the amount of \$1,051 in 2018 and \$1,001 in 2019 to Intergovernmental revenue instead of Taxes revenue.
- The Village did not properly report the mayor's court receipts, disbursements, and fund balances in an Agency fund on the 2018 financial statements. For 2018, the Mayor's Court Agency fund had a Beginning fund balance of \$2,212, Non-Operating cash receipts of \$26,624, Non-Operating cash disbursements of \$28,582, and Ending fund balance of \$254.

The accompanying financial statements have been adjusted for these errors where applicable.

Failure to accurately post financial activity and monitor financial activity increases the risk that errors, theft and fraud could occur and not be detected in a timely manner.

To help reduce posting errors and increase reliability of the financial data, we recommend the Village review controls over posting transactions to the accounting records. The Fiscal Officer should refer to the Auditor of State's Ohio Village Officer's Handbook for assistance in posting a variety of transactions.

**Officials' Response:**

We did not receive a response from Officials to this finding.

## FINDING NUMBER 2019-002

### Material Weakness

All local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance related legal and contractual requirements and prepare financial statements required by 117-2-03 of the Administrative Code.

The following conditions were identified in the Village's Mayor's Court for 2018 and 2019:

- Mayor's Court activity was accounted for in the Village's bank account, which was properly reconciled. However, the Village did not document a reconciliation of the amounts posted to the reconciled UAN system to the Mayor's Court Court Lite accounting system or manual cashbook spreadsheets each month. Receipts were posted to the UAN system that were not posted to the Court Lite accounting system or manual cashbook spreadsheets for some months. These were identified by the Village and corrected in later months.
- The Victims of Crime column in the manual cashbook spreadsheets from February 2019 through December 2019 did not total which resulted in fines getting remitted to the Village General fund instead of to the Treasurer of State, see Finding 2019-004.
- Manual cashbook spreadsheets could not be located for January through July of 2018 (see Finding 2019-003). The manual cashbook spreadsheets show how each receipt is allocated and the fines are distributed. Without these spreadsheets, distributions to the Village and State could not be verified that they were made at the correct amounts from January to July 2018. All receipts in total for the year were able to be verified for accuracy.
- Monthly reports of fines and monies collected were not formally approved by the Mayor, Village Council, or their designee.
- Receipt and disbursement activity for the court was incorrectly recorded in the General Fund and the Mayor's Computer Fund rather than in an Agency Fund for 2018. The accompanying financial statements have been adjusted to reflect the receipts and disbursements in the appropriate funds; see Finding 2019-001. The Village began recording court activity in an Agency fund in 2019.

Failure to accurately maintain and reconcile the Mayor's Court cashbook reduces the accountability over the Court receipts and disbursements, and increases the risk that errors, theft and fraud could occur and not be detected in a timely manner.

Control procedures should be put into place to help assure that all Mayor's Court receipts and disbursements are properly accounted for. We recommend the implementation of the following controls:

- All cash receipts should be recorded in the Court Lite accounting system and manual cashbook spreadsheet, and the accounting system and cashbook should be reconciled to the Mayor's Court Custodial fund in the UAN system monthly;
- Monthly Mayor's Court reports should receive a documented supervisory review.

### Officials' Response:

We did not receive a response from Officials to this finding.

### FINDING NUMBER 2019-003

#### Noncompliance/Significant Deficiency

Maintaining organized documentation and support for financial transactions is essential in assuring the Village financial statements are not materially misstated and that all expenditures are made for a proper public purpose. Additionally, **Ohio Rev. Code § 149.351** requires all records that are the property of the public office shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commission provided for under Ohio Rev. Code §§149.38 through 149.42.

The Village did not maintain underlying documentation and support for authorized salary rates for six of nine employees tested for 2018 and for ten of sixteen employees tested for 2019. The Village also did not maintain Mayor's Court cashbook spreadsheets from January through July 2018. We were able to perform alternative audit procedures to gain the necessary audit assurances.

Failure to maintain underlying documentation and support of financial transactions can increase the risk of fraud, result in financial statement misstatements, and expenditures that are not for a proper public purpose.

The Village should maintain support for authorized salary rates for all employees and all mayor's court cashbook spreadsheets, and records should be maintained in an orderly manner to support all transactions.

#### Officials' Response:

We did not receive a response from Officials to this finding.

### FINDING NUMBER 2019-004

#### Noncompliance/Finding for Recovery - Mayor's Court – Repaid Under Audit

**Ohio Rev. Code § 2743.70-(A)** states that all moneys collected pursuant to this section during a month shall be transmitted on or before the twentieth day of the following month by the clerk of the court to the treasurer of the state and deposited by the treasurer in the reparations fund.

The Village Mayor's Court collected fines pursuant to ORC 2743.70 totaling \$819 in 2019 which were not remitted to the Treasurer of State. These errors occurred due to a formula error in the Village's manual cashbook spreadsheets for 2019. The amounts were remitted to the Village's General fund in error.

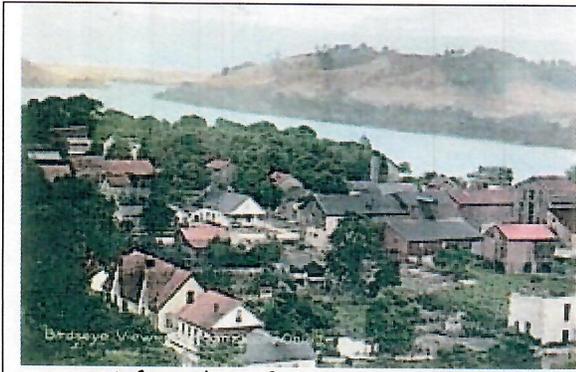
In accordance with the foregoing facts and pursuant to Revised Code Section 117.28, a Finding for Recovery for public money that has been misappropriated is hereby issued against the Village of Higginsport General fund in the amount of \$819, and in favor of the State of Ohio Treasury's Victims of Crime Reparations fund.

The Village remitted \$819 via check number 26145 on October 5, 2020 to the Treasurer of State of Ohio.

#### Officials' Response:

We did not receive a response from Officials to this finding.

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*Birdseye View of Higginsport, OH 1906*

**Village of Higginsport  
 204 Jackson Street  
 P O Box 121  
 Higginsport, OH 45131  
 937-375-4115**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**DECEMBER 31, 2019 AND 2018**

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2017-001	Destruction of records	Not corrected	Reissued as finding 2019-003
2017-002	Expenditures exceeding appropriations	corrected	
2017-003	Mayor's Court- FFR Repaid Under Audit	Corrected	Same issue- finding 2019-004
2017-004	Accuracy of financial reporting	Partially corrected	Reissued in management letter
2017-005	Mayor's Court accounting deficiencies	Not corrected	Reissued as finding 2019-002

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# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF HIGGINSPORT**

**BROWN COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 11/24/2020**

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

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