



OHIO AUDITOR OF STATE
KEITH FABER



**VILLAGE OF BRIDGEPORT
BELMONT COUNTY
DECEMBER 31, 2021 AND 2020**

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OHIO AUDITOR OF STATE KEITH FABER



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Report on the Financial Statements, Internal Control, and Compliance

Village of Bridgeport
Belmont County
301 Main Street
Bridgeport, Ohio 43912

To the Village Council:

We have selectively tested certain accounts, financial records, reports and other documentation of the Village of Bridgeport, Belmont County, Ohio (the Village), as of and for the years ended December 31, 2021 and 2020. These procedures were designed to satisfy the audit requirements of Ohio Rev. Code § 117.11, and Ohio Admin. Code 117-4-02. Our engagement was not designed as a basis to opine on the accompanying financial statements, internal control over financial reporting, or compliance. We therefore express no opinions on these matters.

Internal Control Over Financial Reporting

Certain of the aforementioned tests relate to internal control over financial reporting. The results of those tests may allow us to identify internal control deficiencies. An internal control deficiency 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, whether caused by error or fraud.

Our internal control tests were not designed to identify all internal control deficiencies that might exist. Therefore, unidentified weaknesses may exist. However, we consider findings 2021-011 through 2021-016 reported in the Schedule of Findings to be internal control deficiencies management and those charged with governance should address.

Compliance and Other Matters

We also tested compliance with certain provisions of laws, regulations, contracts, and grant agreements, applicable to the Village, noncompliance with which could directly and materially affect the determination of financial statement amounts. The results of our tests disclosed instances of noncompliance we believe could directly and materially affect the determination of financial statement amounts that we reported in the Schedule of Findings as item 2021-001 through 2021-010.

Village'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.



Keith Faber
Auditor of State
Columbus, Ohio

July 26, 2023

Village of Bridgeport, Ohio
Belmont County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2021

	General	Special Revenue	Capital Projects	Combined Total
Cash Receipts				
Property and Other Local Taxes	\$146,693	\$58,729	\$0	\$205,422
Municipal Income Tax	291,735	0	0	291,735
Intergovernmental	95,826	330,486	2,910	429,222
Charges for Services	163,141	123,621	0	286,762
Fines, Licenses and Permits	95,514	11,699	0	107,213
Earnings on Investments	3,649	0	0	3,649
Miscellaneous	31,637	4,935	0	36,572
<i>Total Cash Receipts</i>	<u>828,195</u>	<u>529,470</u>	<u>2,910</u>	<u>1,360,575</u>
Cash Disbursements				
Current:				
Security of Persons and Property	361,343	149,466	0	510,809
Public Health Services	0	1,774	0	1,774
Basic Utility Services	127,815	0	0	127,815
Transportation	0	122,355	0	122,355
General Government	165,582	1,782	0	167,364
Capital Outlay	14,385	166,544	23,964	204,893
Debt Service:				
Principal Retirement	36,124	32,452	0	68,576
Interest and Fiscal Charges	1,829	4,033	0	5,862
<i>Total Cash Disbursements</i>	<u>707,078</u>	<u>478,406</u>	<u>23,964</u>	<u>1,209,448</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>121,117</u>	<u>51,064</u>	<u>(21,054)</u>	<u>151,127</u>
Other Financing Receipts (Disbursements)				
Loans Issued	37,162	0	0	37,162
Sale of Capital Assets	65,000	0	0	65,000
Transfers In	37,203	0	109,262	146,465
Transfers Out	(50,360)	(902)	(58,000)	(109,262)
Other Financing Sources	28	504	0	532
<i>Total Other Financing Receipts (Disbursements)</i>	<u>89,033</u>	<u>(398)</u>	<u>51,262</u>	<u>139,897</u>
<i>Net Change in Fund Cash Balances</i>	210,150	50,666	30,208	291,024
<i>Fund Cash Balances, January 1</i>	<u>(134,368)</u>	<u>262,183</u>	<u>124,517</u>	<u>252,332</u>
<i>Fund Cash Balances, December 31</i>	<u>\$75,782</u>	<u>\$312,849</u>	<u>\$154,725</u>	<u>\$543,356</u>

See accompanying notes to the basic financial statements

Village of Bridgeport, Ohio
Belmont County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
Proprietary and Fiduciary Fund Types
For the Year Ended December 31, 2021

	Proprietary Fund Type	Fiduciary Fund Types		Totals
	Enterprise	Custodial	Private Purpose Trust	(Memorandum Only)
Operating Cash Receipts				
Charges for Services	\$1,111,964	\$0	\$0	\$1,111,964
Miscellaneous	11,383	0	0	11,383
<i>Total Operating Cash Receipts</i>	<u>1,123,347</u>	<u>0</u>	<u>0</u>	<u>1,123,347</u>
Operating Cash Disbursements				
Personal Services	174,664	0	0	174,664
Employee Fringe Benefits	47,506	0	0	47,506
Contractual Services	120,281	0	0	120,281
Supplies and Materials	555,456	0	0	555,456
Other	13,996	0	0	13,996
<i>Total Operating Cash Disbursements</i>	<u>911,903</u>	<u>0</u>	<u>0</u>	<u>911,903</u>
<i>Operating Income (Loss)</i>	<u>211,444</u>	<u>0</u>	<u>0</u>	<u>211,444</u>
Non-Operating Receipts (Disbursements)				
Property and Other Local Taxes				
Intergovernmental Receipts	43,285	0	0	43,285
Special Assessments	47,932	0	0	47,932
Miscellaneous Receipts	1,374	0	0	1,374
Capital Outlay	(109,411)	0	0	(109,411)
Principal Retirement	(156,042)	0	0	(156,042)
Interest and Other Fiscal Charges	(45,815)	0	0	(45,815)
Other Financing Sources	0	119,276	0	119,276
Other Financing Uses	0	(100,884)	0	(100,884)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(218,677)</u>	<u>18,392</u>	<u>0</u>	<u>(200,285)</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	<u>(7,233)</u>	<u>18,392</u>	<u>0</u>	<u>11,159</u>
Transfers Out	(37,203)	0	0	(37,203)
Advances In	43,285	0	0	43,285
Advances Out	(43,285)	0	0	(43,285)
<i>Net Change in Fund Cash Balances</i>	<u>(44,436)</u>	<u>18,392</u>	<u>0</u>	<u>(26,044)</u>
<i>Fund Cash Balances, January 1</i>	<u>893,229</u>	<u>93,492</u>	<u>1,000</u>	<u>987,721</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$848,793</u></u>	<u><u>\$111,884</u></u>	<u><u>\$1,000</u></u>	<u><u>\$961,677</u></u>

See accompanying notes to the basic financial statements

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 1 – Reporting Entity

The Village of Bridgeport (the Village), Belmont 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 government services, including- street lighting, fire and emergency medical services, and police services. The Village also provides water, sewer and refuse (garbage) utilities.

On December 4, 2018, the Auditor of State declared the Village of Bridgeport to be in a state of fiscal emergency in accordance with Section 188.03(A) of the Ohio Revised Code. Subsequently, a financial planning and supervision commission has been established, and the Auditor of State will serve as the financial supervisor.

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

The Village participates in the Bel-O-Mar Regional Council, Eastern Ohio Regional Transit Authority, and the Eastern Ohio Regional Wastewater Authority, which are defined as jointly governed organizations. The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker’s compensation, which is defined as a public entity risk pool. Note 13 and 14 to the financial statements provides additional information for these entities.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

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

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

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

Fire & EMS Levy (2013) Fund The Fire & EMS Levy 2013 fund accounts for Fire related receipts and expenses.

Bridgeport Emergency Squad Fund The Bridgeport Emergency Squad Fund accounts for EMS related receipts and expenses.

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 funds:

Police Cruiser Fund This fund was set up for the purchase of two police cruisers for the Village.

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

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

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

The Village's private purpose trust fund provides perpetual care for the Watson Lot at Weeks Cemetery.

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

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

Note 2 – Summary of Significant Accounting Policies (Continued)

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).

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

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 (except certain custodial funds) be budgeted annually.

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. 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 re-appropriated. Encumbrances outstanding at year end are canceled, and re-appropriated in the subsequent year. Management has included audit adjustments in the accompanying budgetary presentations for material items that should have been encumbered.

A summary of 2021 budgetary activity appears in Note 4.

Deposits and Investments

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

Capital Assets

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

Accumulated Leave

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

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance

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

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

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 15.

Note 3 – Compliance

Contrary to Ohio law, at December 31, 2021, the Street Construction Maintenance and Repair Special Revenue Fund had a cash deficit balance of \$88,904.59.

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 4 – Budgetary Activity

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

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$862,825	\$967,588	\$104,763
Special Revenue	\$533,596	\$529,974	(\$3,622)
Capital Projects	\$4,910	\$112,172	\$107,262
Enterprise	\$1,086,300	\$1,215,938	\$129,638
Total	\$2,487,631	\$2,825,672	\$338,041

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$821,864	\$766,381	\$55,483
Special Revenue	\$509,305	\$482,399	\$26,906
Capital Projects	\$109,262	\$191,126	(\$81,864)
Enterprise	\$1,403,142	\$1,265,798	\$137,344
Total	\$2,843,573	\$2,705,704	\$137,869

Note 5 – Deposits and Investments

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

	2021
Demand deposits	\$1,505,033

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2021, the Village is holding \$0.00 in unremitted employee payroll withholdings.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation 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.

At December 31, 2021, deposits were insured or collateralized, in accordance with Ohio law.

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 6 – 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.

Income Taxes

The Village levies a municipal income tax of 1.0 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 – Interfund Balances

Outstanding advances at December 31, 2021, consisted of \$151,415 advanced to Martins Ferry Connection Fund funds to provide working capital for operations or projects. Initial money was advanced from the Water Operating Fund and the Water Capital Improvement Fund.

Note 8 – Risk Management

Workers' Compensation

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

Risk Pool Membership

The Village of Bridgeport is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Village of Bridgeport policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 8 – Risk Management (Continued)

- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2021</u>
Cash and investments	\$40,318,971
Actuarial liabilities	\$14,111,510

Note 9 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

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

Ohio Police and Fire Retirement System

Some of 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 19.50 percent of full-time police members' wages. The Village has paid all contributions required through December 31, 2021.

Social Security

Some Village employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2021.

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 10 – 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. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2021. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2021. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F was placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses.

Note 11 – Debt

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

	Principal	Interest Rate
<u>Governmental Fund Obligations</u>		
General Obligation Notes	\$144,495	3.04-4.04%
 <u>Enterprise Fund Obligations</u>		
OPWC Kirkwood Heights Sewer Project	\$147,652	2.00
Ohio Water Development Authority Loan 3456	\$708,011	1.50
Ohio Water Development Authority Loan 6772	\$682,139	1.49
Ohio Water Development Authority Loan 8887	\$69,224	0.50
Ohio Water Development Authority Loan 8886	\$236,323	0.50
Ohio Water Development Authority Loan 7977	\$6,102	0.00
Total	\$1,993,946	

The General Obligation Notes relate to the financing of various vehicles throughout the Village. These loans are payable in monthly or annual installments at annual percentage rates of 3.04 percent through 4.04 percent. The Village has pledged assets as security for these loans.

The Ohio Public Works Commission (OPWC) loan relates to the Kirkwood Heights Sewer repairs/replacement, Loan # CR07I. It was established in December of 2009 for \$311,530.31. The loan is paid bi-annually payments of \$9,487.84 (principal and interest). Payoff is scheduled for January 2028.

The Ohio Water Development Authority (OWDA) Loan 3456 relates to a Water Plant Treatment and valves Replacement. It was established in December of 2004 for \$ 2,560,000.00. The loan is paid in bi-annual payments of \$61,916.58 (principal and interest). Payoff is scheduled for July 2027.

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 11 – Debt (Continued)

The Ohio Water Development Authority (OWDA) Loan 6772 relates to a Water Plant Improvement Project. It was established in December of 2014 for \$ 821,943.85. The loan is paid in bi-annual payments of \$18,136.95 (principal and interest). Payoff is scheduled for January of 2045.

The Ohio Water Development Authority (OWDA) Loan 8887 relates to a Water Plant Improvement Project. It was established in December of 2020 for \$ 72,777.48 because the village fell behind on payments for loan # 6772. The loan is paid in bi-annual payments of \$7,470.30 (principal and interest). Payoff is scheduled for January of 2031.

The Ohio Water Development Authority (OWDA) Loan 8886 relates to a Water Plant Improvement Project. It was established in December of 2020 for \$ 248,452.80 because the village fell behind on payments for loan # 3456. The loan is paid in bi-annual payments of \$25,502.62 (principal and interest). Payoff is scheduled for January of 2031.

The Ohio Water Development Authority (OWDA) Loan 7977 relates to Asset Management Plan. It was established in December of 2020 for \$8,136.00. The loan is paid in bi-annual payments of \$1,017.00 (principal only). Payoff is scheduled for July of 2024.

Leases

The Village of Bridgeport leases property from Norfolk Railroad do to the water plant building being built on railroad right-of-way. The Village disbursed \$700.00 to pay lease costs for the year ended December 31, 2021.

Amortization

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

Year Ending December 31:	OPWC	OWDA Loans	General Obligation Notes	Total
2022	\$18,976	\$195,114	\$52,742	\$266,832
2023	\$18,976	\$195,114	\$52,064	\$266,154
2024	\$18,976	\$195,114	\$38,542	\$252,632
2025	\$18,976	\$193,080	\$8,124	\$220,180
2026	\$18,976	\$193,080	\$4,062	\$216,118
2027-2031	\$66,415	\$453,582	\$0	\$519,997
2032-2036	\$0	\$181,370	\$0	\$181,370
2037-2041	\$0	\$181,370	\$0	\$181,370
2042-2046	\$0	\$126,959	\$0	\$126,959
Total	<u>\$161,295</u>	<u>\$1,914,783</u>	<u>\$155,534</u>	<u>\$2,231,612</u>

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 12 – Contingent Liabilities

The Village is defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the Village's financial condition.

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.

Note 13 – Jointly Governed Organizations

A. Eastern Ohio Regional Transit Authority

The Eastern Ohio Regional Transit Authority was established to provide transportation to the residents of the Ohio Valley and is statutorily created as a separate and distinct political subdivision of the State. The Authority is operated by a board of directors that is appointed by the nine Mayors of the municipalities served by the Authority. The Village did not contribute any amounts to the Authority during 2021. The continued existence of the Authority is not dependent on the Village's continued participation and no equity interest exists. The Authority has no outstanding debt for which the Village of Bridgeport is responsible.

B. Bel-O-Mar Regional Council

The Bel-O-Mar Regional Council is operated as a non-profit organization formed to provide planning and administrative services to all local governments in a four-county region comprised of Belmont County, Ohio and three counties in West Virginia. The governing board is comprised of 58 officials from the four-county service area of which three members and one alternate member are appointed by Belmont County and one member is appointed by each local government within Belmont County. The Mayor of the Village of Bridgeport serves as the Village's representative on the board. The Council is not dependent upon the Village of Bridgeport for its continued existence, no debt exists, and the Village does not maintain an equity interest. During 2020, the Village made no payments to Bel-O-Mar Regional Council.

C. Eastern Ohio Regional Wastewater Authority

The Eastern Ohio Regional Wastewater Authority (EORWA) was established by Ohio Revised Code Section 6119, serving the municipalities of Bellaire, Brookside, Bridgeport, and Martins Ferry. The Authority is operated by a four-member Board of Trustees. One member is appointed by the Mayor of Bridgeport. The Authority is not dependent on the Village of Bridgeport for its continued existence and the Village does not maintain an equity interest. The Village does not make any monetary contributions to the Authority.

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 14 – Public Entity Risk Pool

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker’s compensation. The pool’s business and affairs are conducted by a twenty-six member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance directors, and three law directors which are voted on by the members for staggered two-year terms. The Executive Director of the Ohio Municipal League serves as the coordinator of the Program. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

Note 15 – Fund Balances

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years and the un-expendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Capital Projects	Enterprise	Total
Outstanding Encumbrances	\$8,943	\$3,091	\$109,162	\$5,424	\$126,620
<i>Total</i>	<u>\$8,943</u>	<u>\$3,091</u>	<u>\$109,162</u>	<u>\$5,424</u>	<u>\$126,620</u>

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects fund are restricted committed or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These restricted, committed and assigned amounts in the special revenue, debt service, capital projects and permanent funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 16 – Going Concern

On December 4, 2018, the Auditor of State declared the Village of Bridgeport to be in a state of fiscal emergency in accordance with Section 188.03(A) of the Ohio Revised Code. Subsequently, a financial planning and supervision commission has been established, and the Auditor of State will serve as the financial supervisor.

In accordance with Section 118.06 of the Ohio Revised Code, the Village is required to submit to the financial planning and supervision commission a financial recovery plan for the Village which outlines the measures to be taken to eliminate the fiscal emergency conditions. The Village approved a recovery plan on June 11, 2019. The recovery plan calls for revenue enhancements, including the implementation of a 1 percent municipal income tax, and expenditure reductions including reductions in overtime and changes in healthcare plans. The recovery plan is projected to alleviate fiscal emergency conditions by December 31, 2023. The recovery plan was approved by the Financial Planning and Supervision Commission on June 19, 2019.

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2021
(Continued)

Note 17 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2021, the Village received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Village. The impact on the Village's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

Note 18 – Subsequent Events

On July 11, 2023, Village passed a resolution declaring it necessary to levy a tax in excess of the ten mill limitation for the benefit of the Village of Bridgeport for the purpose of replacing or repairing of fire and emergency apparatus, equipment, and for providing personnel for the department and training for firefighting and emergency medical services at a rate not to exceed 4 mills. This levy will be placed on the November 7, 2023 ballot.

Village of Bridgeport, Ohio
Belmont County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2020

	General	Special Revenue	Capital Projects	Combined Total
Cash Receipts				
Property and Other Local Taxes	\$152,055	\$60,122	\$0	\$212,177
Municipal Income Tax	231,223	0	0	231,223
Intergovernmental	93,826	551,974	0	645,800
Charges for Services	228,167	126,951	0	355,118
Fines, Licenses and Permits	91,007	100	0	91,107
Earnings on Investments	3,267	2	0	3,269
Miscellaneous	323,001	93,546	0	416,547
<i>Total Cash Receipts</i>	<u>1,122,546</u>	<u>832,695</u>	<u>0</u>	<u>1,955,241</u>
Cash Disbursements				
Current:				
Security of Persons and Property	406,068	113,060	0	519,128
Public Health Services	0	150	0	150
Basic Utility Services	126,293	0	0	126,293
Transportation	0	68,442	0	68,442
General Government	147,130	251,955	0	399,085
Capital Outlay	25,861	182,955	0	208,816
Debt Service:				
Principal Retirement	8,671	54,837	0	63,508
Interest and Fiscal Charges	15,336	5,593	0	20,929
<i>Total Cash Disbursements</i>	<u>729,359</u>	<u>676,992</u>	<u>0</u>	<u>1,406,351</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>393,187</u>	<u>155,703</u>	<u>0</u>	<u>548,890</u>
Other Financing Receipts (Disbursements)				
Other Financing Sources	9,659	1,154	0	10,813
Other Financing Uses	0	0	(1,098)	(1,098)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>9,659</u>	<u>1,154</u>	<u>(1,098)</u>	<u>9,715</u>
<i>Net Change in Fund Cash Balances</i>	402,846	157,035	(1,098)	558,783
<i>Fund Cash Balances, January 1</i>	<u>(537,214)</u>	<u>105,148</u>	<u>125,615</u>	<u>(306,451)</u>
<i>Fund Cash Balances, December 31</i>	<u>(\$134,368)</u>	<u>\$262,183</u>	<u>\$124,517</u>	<u>\$252,332</u>

See accompanying notes to the basic financial statements

Village of Bridgeport, Ohio
Belmont County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
Proprietary and Fiduciary Fund Types
For the Year Ended December 31, 2020

	Proprietary Fund	Fiduciary Fund Types		Totals
	Type			(Memorandum Only)
	Enterprise	Custodial	Private Purpose Trust	
Operating Cash Receipts				
Charges for Services	\$1,033,835	\$0	\$0	\$1,033,835
<i>Total Operating Cash Receipts</i>	<u>1,033,835</u>	<u>0</u>	<u>0</u>	<u>1,033,835</u>
Operating Cash Disbursements				
Personal Services	206,471	0	0	206,471
Employee Fringe Benefits	43,775	0	0	43,775
Contractual Services	218,701	0	0	218,701
Supplies and Materials	171,596	0	0	171,596
<i>Total Operating Cash Disbursements</i>	<u>640,543</u>	<u>0</u>	<u>0</u>	<u>640,543</u>
<i>Operating Income (Loss)</i>	<u>393,292</u>	<u>0</u>	<u>0</u>	<u>393,292</u>
Non-Operating Receipts (Disbursements)				
Special Assessments	47,882	0	0	47,882
Miscellaneous Receipts	33,782	0	0	33,782
Capital Outlay	(302,371)	0	0	(302,371)
Principal Retirement	(14,407)	0	0	(14,407)
Interest and Other Fiscal Charges	(81,373)	0	0	(81,373)
Other Financing Sources	36,134	93,902	0	130,036
Other Financing Uses	(9,488)	(74,529)	0	(84,017)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(289,841)</u>	<u>19,373</u>	<u>0</u>	<u>(270,468)</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	103,451	19,373	0	122,824
Advances In	194,700	0	0	194,700
Advances Out	(194,700)	0	0	(194,700)
<i>Net Change in Fund Cash Balances</i>	<u>103,451</u>	<u>19,373</u>	<u>0</u>	<u>122,824</u>
<i>Fund Cash Balances, January 1</i>	<u>789,778</u>	<u>74,119</u>	<u>1,000</u>	<u>864,897</u>
<i>Fund Cash Balances, December 31</i>	<u>\$893,229</u>	<u>\$93,492</u>	<u>\$1,000</u>	<u>\$987,721</u>

See accompanying notes to the basic financial statements

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 1 – Reporting Entity

The Village of Bridgeport (the Village), Belmont 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 general government services, including street lighting, fire and emergency medical services, and police services. The Village also provides water, sewer, and refuse (garbage) utilities.

On December 4, 2018, the Auditor of State declared the Village of Bridgeport to be in a state of fiscal emergency in accordance with Section 188.03(A) of the Ohio Revised Code. Subsequently, a financial planning and supervision commission has been established, and the Auditor of State will serve as the financial supervisor.

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

The Village participates in the Bel-O-Mar Regional Council, Eastern Ohio Regional Transit Authority, and the Eastern Ohio Regional Wastewater Authority, which are defined as jointly governed organizations. The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation, which is defined as a public entity risk pool. Notes 13 and 14 to the financial statements provides additional information for these entities.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

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

Street Construction Maintenance and Repair (2011) 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.

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

Fire & EMS Levy 2013 Fund (2904) The Fire & EMS Levy 2013 fund accounts for Fire related receipts and expenses.

Bridgeport Emergency Squad Fund (2908) The Bridgeport Emergency Squad Fund accounts for EMS related receipts and expenses

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 funds:

Kirkwood Heights Gravity Sewer Fund (4901) This fund is for the purpose of repairs on the sanitary sewer repairs for the Kirkwood Heights subdivision.

Land Sale Fund (4907) This fund was set up for the receipts and expenses of property sold by the Village.

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

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

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

The Village's private purpose trust fund provides perpetual care for the Watson Lot at Weeks Cemetery.

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

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

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

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 (except certain custodial funds) be budgeted annually.

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. 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 re-appropriated. Encumbrances outstanding at year end are canceled, and re-appropriated in the subsequent year. Management has included audit adjustments in the accompanying budgetary presentations for material items that should have been encumbered.

A summary of 2020 budgetary activity appears in Note 4.

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.

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

Accumulated Leave

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

Fund Balance

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

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

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 15.

Note 3 – Compliance

Contrary to Ohio law, at December 31, 2020, the General fund and the Street Construction Maintenance and Repair Special Revenue Fund had a cash deficit balance of \$137,594.55 and \$130,598.86, respectively.

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 4 – Budgetary Activity

Budgetary activity for the year ending December 31, 2020 follows:

2020 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$878,700	\$1,132,205	\$253,505
Special Revenue	\$809,772	\$833,849	\$24,077
Capital Projects	\$19,000	\$0	(\$19,000)
Enterprise	\$1,045,700	\$1,151,633	\$105,933
Total	\$2,753,172	\$3,117,687	\$364,515

2020 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$741,960	\$741,500	\$460
Special Revenue	\$705,686	\$683,067	\$22,619
Capital Projects	\$2,199	\$1,098	\$1,101
Enterprise	\$1,399,580	\$1,062,475	\$337,105
Total	\$2,849,425	\$2,488,140	\$361,285

Note 5 – Deposits and Investments

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

	2020
Demand deposits	\$1,180,053
Certificates of deposit	60,000
Other time deposits (savings and NOW accounts)	0
Total deposits	1,240,053

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2020, the village is holding \$0.00 in unremitted employee payroll withholdings.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation 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.

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 5 – Deposits and Investments (Continued)

At December 31, 2020, deposits were insured or collateralized.

Investments

The Village's certificate of deposit is held as collateral for the repayment of a loan to WesBanco Bank, Inc.

Note 6 – 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.

Income Taxes

The Village levies a municipal income tax of 1.0 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 – Interfund Balances

Outstanding advances at December 31, 2020, consisted of \$194,700 advanced to Martins Ferry Connection Fund (5703) funds to provide working capital for operations or projects

Note 8 – Risk Management

Workers' Compensation

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

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 8 – Risk Management (Continued)

Risk Pool Membership

The Village of Bridgeport is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the (local entity's) policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially measured liabilities available to pay those liabilities as of December 31:

	<u>2019</u>
Cash and investments	\$ 38,432,610
Actuarial liabilities	\$14,705,917

Note 9 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS' members contributed 10 percent of their gross salaries, and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2020.

Ohio Police and Fire Retirement System

Some of 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 19.50 percent of full-time police members' wages. The Village has paid all contributions required through December 31, 2020.

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 9 – Defined Benefit Pension Plans (Continued)

Social Security

Some Village employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2020.

Note 10 – 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. 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 2020. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2020. OP&F contributes 0.5 percent to fund these benefits

Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F was placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses.

Note 11 – Debt

Debt outstanding at December 31, 2020, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
<u>Governmental Fund Obligations</u>		
General Obligation Notes	\$173,708	2.76-4.04%
<u>Enterprise Fund Obligations</u>		
OPWC Kirkwood Heights Sewer Project	\$163,439	2.00
Ohio Water Development Authority Loan 3456	\$819,963	1.50
Ohio Water Development Authority Loan 6772	\$705,106	1.49
Ohio Water Development Authority Loan 8887	\$72,777	0.50
Ohio Water Development Authority Loan 8886	\$248,453	0.50
Ohio Water Development Authority Loan 7977	\$8,136	0.00
General Obligation Note	\$4,444	2.10
Total	<u>\$2,196,026</u>	

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 11 – Debt (Continued)

The General Obligation Notes relate to the financing of a refuse truck, various vehicles throughout the Village, and repayment of outstanding obligations of the water department. These loans are payable in monthly or annual installments at annual percentage rates of 2.10 percent through 4.04 percent. The Village has pledged assets as security for these loans.

The Ohio Public Works Commission (OPWC) loan relates to the Kirkwood Heights Sewer repairs/replacement, Loan # CR07I. It was established in December of 2009 for \$311,530.31. The loan is paid bi-annually payments of \$9,487.84 (principal and interest). Payoff is scheduled for January 2028.

The Ohio Water Development Authority (OWDA) Loan 3456 relates to a Water Plant Treatment and valves Replacement. It was established in December of 2004 for \$ 2,560,000.00. The loan is paid in bi-annual payments of \$61,916.58 (principal and interest). Payoff is scheduled for July 2027.

The Ohio Water Development Authority (OWDA) Loan 6772 relates to a Water Plant Improvement Project. It was established in December of 2014 for \$ 821,943.85. The loan is paid in bi-annual payments of \$18,136.95 (principal and interest). Payoff is scheduled for January of 2045.

The Ohio Water Development Authority (OWDA) Loan 8887 relates to a Water Plant Improvement Project. It was established in December of 2020 for \$ 72,777.48 because the village fell behind on payments for loan # 6772. The loan is paid in bi-annual payments of \$3,735.15 (principal and interest). Payoff is scheduled for January of 2031.

The Ohio Water Development Authority (OWDA) Loan 8886 relates to a Water Plant Improvement Project. It was established in December of 2020 for \$ 248,452.80 because the village fell behind on payments for loan # 3456. The loan is paid in bi-annual payments of \$12,751.31 (principal and interest). Payoff is scheduled for January of 2031.

The Ohio Water Development Authority (OWDA) Loan 7977 relates to Asset Management Plan. It was established in December of 2020 for \$8,136.00. The loan is paid in bi-annual payments of \$1,017.00 (principal only). Payoff is scheduled for July of 2024.

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 11 – Debt (Continued)

Amortization

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

Year Ending December 31:	OPWC	OWDA Loans	General Obligation Notes	Total
2021	\$18,976	\$178,628	\$70,810	\$268,414
2022	\$18,976	\$195,114	\$60,628	\$274,718
2023	\$18,976	\$195,114	\$52,064	\$266,154
2024	\$18,976	\$195,114	\$38,543	\$252,633
2025	\$18,976	\$193,080	\$8,124	\$220,180
2026-2030	\$85,391	\$593,900	\$4,062	\$683,353
2031-2035	\$0	\$197,856	\$0	\$197,856
2036-2040	\$0	\$181,370	\$0	\$181,370
2041-2045	\$0	\$163,232	\$0	\$163,232
Total	<u>\$180,271</u>	<u>\$2,093,408</u>	<u>\$234,231</u>	<u>\$2,507,910</u>

Note 12 – Contingent Liabilities

The Village is defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the Village’s financial condition.

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.

Note 13 – Jointly Governed Organizations

A. Eastern Ohio Regional Transit Authority

The Eastern Ohio Regional Transit Authority was established to provide transportation to the residents of the Ohio Valley and is statutorily created as a separate and distinct political subdivision of the State. The Authority is operated by a board of directors that is appointed by the nine Mayors of the municipalities served by the Authority. The Village did not contribute any amounts to the Authority during 2020. The continued existence of the Authority is not dependent on the Village’s continued participation and no equity interest exists. The Authority has no outstanding debt for which the Village of Bridgeport is responsible.

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 13 – Jointly Governed Organizations (Continued)

B. Bel-O-Mar Regional Council

The Bel-O-Mar Regional Council is operated as a non-profit organization formed to provide planning and administrative services to all local governments in a four county region comprised of Belmont County, Ohio and three counties in West Virginia. The governing board is comprised of 58 officials from the four county service area of which three members and one alternate member are appointed by Belmont County and one member is appointed by each local government within Belmont County. The Mayor of the Village of Bridgeport serves as the Village’s representative on the board. The Council is not dependent upon the Village of Bridgeport for its continued existence, no debt exists, and the Village does not maintain an equity interest. During 2020, the Village made no payments to Bel-O-Mar Regional Council.

C. Eastern Ohio Regional Wastewater Authority

The Eastern Ohio Regional Wastewater Authority (EORWA) was established by Ohio Revised Code Section 6119, serving the municipalities of Bellaire, Brookside, Bridgeport, and Martins Ferry. The Authority is operated by a four-member Board of Trustees. One member is appointed by the Mayor of Bridgeport. The Authority is not dependent on the Village of Bridgeport for its continued existence and the Village does not maintain an equity interest. The Village does not make any monetary contributions to the Authority.

Note 14 – Public Entity Risk Pool

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker’s compensation. The pool’s business and affairs are conducted by a twenty-six-member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance directors, and three law directors which are voted on by the members for staggered two-year terms. The Executive Director of the Ohio Municipal League serves as the coordinator of the Program. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

Note 15 – Fund Balances

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years and the un-expendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Enterprise	Total
Outstanding Encumbrances	\$12,141	\$6,075	\$14,293	\$32,509
<i>Total</i>	<u>\$12,141</u>	<u>\$6,075</u>	<u>\$14,293</u>	<u>\$32,509</u>

Village of Bridgeport, Ohio
Belmont County
Notes to the Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 15 – Fund Balances (Continued)

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects fund are restricted committed or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These restricted, committed and assigned amounts in the special revenue, debt service, capital projects and permanent funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 16 – Going Concern

On December 4, 2018, the Auditor of State declared the Village of Bridgeport to be in a state of fiscal emergency in accordance with Section 188.03(A) of the Ohio Revised Code. Subsequently, a financial planning and supervision commission has been established, and the Auditor of State will serve as the financial supervisor.

In accordance with Section 118.06 of the Ohio Revised Code, the Village is required to submit to the financial planning and supervision commission a financial recovery plan for the Village which outlines the measures to be taken to eliminate the fiscal emergency conditions. The Village approved a recovery plan on June 11, 2019. The recovery plan calls for revenue enhancements, including the implementation of a 1 percent municipal income tax, and expenditure reductions including reductions in overtime and changes in healthcare plans. The recovery plan is projected to alleviate fiscal emergency conditions by December 31, 2023. The recovery plan was approved by the Financial Planning and Supervision Commission on June 19, 2019.

Note 17 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Village. The Village's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. (customize as needed) In addition, the impact on the Village's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

During 2020, the Village received CARES Act funding. Of the amounts received, \$216,964 was sub-granted to other governments and organization (update as needed), \$0 was returned to the granting agency, and \$216,964 was spent on-behalf of other governments. These amounts are reflected as general government (update as needed) expenditures in the Coronavirus Relief Special Revenue Fund (update as needed) on the accompanying financial statements.

Note 18 – Subsequent Events

On July 11, 2023, Village passed a resolution declaring it necessary to levy a tax in excess of the ten mill limitation for the benefit of the Village of Bridgeport for the purpose of replacing or repairing of fire and emergency apparatus, equipment, and for providing personnel for the department and training for firefighting and emergency medical services at a rate not to exceed 4 mills. This levy will be placed on the November 7, 2023 ballot.

**VILLAGE OF BRIDGEPORT
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2021 AND 2020**

FINDING NUMBER 2021-001

Noncompliance

Ohio Rev. Code § 117.38 provides that cash-basis entities must file annual reports with the Auditor of State within 60 days after the close of the fiscal year. The Auditor of State (AOS) may prescribe by rule or guidelines the forms for these reports. However, if the Auditor of State has not prescribed a reporting form, the public office shall submit its report on the form used by the public office.

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

The 2021 and 2020 notes to the financial statements required revisions, which were agreed to by Village management and are reflected in the accompanying notes to the financial statements.

We noted the following:

- Revisions were made to the Equity in Pooled Deposits and Investments note.
- Revisions were made to the Budgetary Activity note.
- Revisions were made to the Debt note.

The Village should prepare the annual reports timely based upon financial information in their accounting system. The Village should implement proper systems and procedures to ensure that the financial report is accurately prepared.

Officials' Response: New Fiscal Officer is being trained on this requirement and 2022 should be in compliance.

FINDING NUMBER 2021-002

Noncompliance

Ohio Rev. Code § 121.22(G) states the members of a public body may hold an executive session only after a majority of a quorum of the public body determines, by a roll call vote, to hold such an executive session and only at a regular or special meeting solely to consider any of the following matters:

- 1) The appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee or officials, or the investigation of charges or complaints against a public employee, official, licensee, or regulated individual, unless the public employee, official licensee, or regulated individual requests a public hearing.
- 2) The purchase of property for public purposes, or for the sale of property at competitive bidding, if premature disclosure of information would give an unfair competitive or bargaining advantage to a person whose personal private interest is adverse to the general public interest.
- 3) Conferring with an attorney for the public body, concerning disputes involving the public body that are the subject of pending or imminent court action.
- 4) Preparing for, conducting, or reviewing negotiations or bargaining sessions with public employees concerning their compensation or other terms and conditions of their employment.
- 5) Matters required to be kept confidential by federal laws or rules or state statutes.
- 6) Specialized details of security arrangements and emergency response protocols where disclosure of the matters discussed could reasonably be expected to jeopardize the security of the public body or public office.

**VILLAGE OF BRIDGEPORT
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2021 AND 2020
(Continued)**

FINDING NUMBER 2021-002 (Continued)

Noncompliance - Ohio Rev. Code § 121.22(G) (Continued)

If a public body holds an executive session to consider any of the matters listed in divisions of this section, the motion and vote to hold that executive session shall state which one or more of the approved matters listed in those divisions are to be considered at the executive session.

The Village Council minutes for 2021 and 2020 indicates Council entered into executive session with no purpose given for the majority of the sessions. Based on the information provided, this is not allowable per Ohio Rev. Code § 121.22(G).

Village Council should only enter into executive session for the purposes outlined in Ohio Rev. Code § 121.22(G) and formally document in the minutes the reason for entering into executive session.

Official's Response: Reason for executive session has been implemented and is part of the minutes. Village Council, Mayor and Solicitor will comply with ORC 121.22(G) in the future.

FINDING NUMBER 2021-003

Noncompliance

Ohio Rev. Code § 135.22(B) states that to enhance the background and working knowledge of treasurers in investments, cash management, and ethics, the treasurer of state shall provide annual continuing education programs for treasurers. A treasurer annually shall complete the continuing education programs described, unless the treasurer annually provides a notice of exemption.

The Village did not have any investments that require continuing education requirements; however, the Fiscal Officer did not provide a notice of exemption to the Auditor of State certified by the Treasurer of State in 2021 and 2020.

In order to maintain and/or enhance the working knowledge and prevent future occurrences of noncompliance, the Fiscal Officer shall attend the annual training or complete an annual exemption and submit to the Auditor of State's office.

Official's Response: Chris Kerby had an exemption for the noted years and was helping the Village by contract.

FINDING NUMBER 2021-004

Noncompliance

Ohio Rev. Code § 149.43(B)(2) states, in part, that a public office shall have available a copy of its current records retention schedule at a location readily available to the public.

Ohio Rev. Code §§ 109.43(B) and 149.43(E)(1) require all state and local elected officials, or their designees, to attend 3 hours of training on Ohio's Public Records Laws during each term of office. The training received must be certified by the Ohio Attorney General. Proof of completion of training must include documentation either from the Attorney General's Office or from another entity certified by the Attorney General to provide the training to the elected official or his/her designee.

**VILLAGE OF BRIDGEPORT
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2021 AND 2020
(Continued)**

FINDING NUMBER 2021-004 (Continued)

Noncompliance - Ohio Rev. Code § 149.43 (Continued)

Ohio Rev. Code § 149.43(E)(2) states, in part, that the public office shall distribute the public records policy to the employee of the public office who is the records custodian or records manager or otherwise has custody of the records of that office. The public office shall require that employees acknowledge receipt of the copy of the public records policy. A public office that has established a manual or handbook of its general policies and procedures for all employees of the public office shall include the public records policy of the public office in the manual or handbook.

The Village did not establish a records retention schedule. As a result, there was an increased risk that records could be destroyed without obtaining the approval of the Ohio Historical Society and Auditor of State of Ohio, as required. In addition, a council member, nor his designee, attended a public records training. The Village also failed to provide employees with a copy of the public records policy and maintain written evidence that the policy had been received. As a result, there was an increased risk that public records could be improperly denied to the public or improperly disposed of, which would potentially subject the Village to fines and other penalties.

The Village should consider consulting with the Ohio Historical Society regarding how long records are to be kept when developing a records retention schedule and policy for disposing of records. In addition, a Council member for his or her designee should attend the required public records training for each term in office. The Village should also designate a public records custodian and maintain written evidence that the public records policy has been distributed to that employee.

Official's Response: This is a work in progress and will be given attention as soon as possible.

FINDING NUMBER 2021-005

Noncompliance

Ohio Rev. Code § 1905.21 states: The mayor of a municipal corporation and a mayor's court magistrate shall keep a docket.

In 2020, the Village did not maintain a docket for Mayors Court.

The Mayor shall account for and dispose of all such fines, forfeitures, fees, and costs that the Village collects, including all such fines, forfeitures, fees, and costs that are transferred to him by a mayor's court magistrate.

Official's Response: Docket is in computer system when computer system was implemented during 2020.

FINDING NUMBER 2021-006

Noncompliance – Finding for Adjustment

Ohio Rev. Code § 5705.10(D) provides in part that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose, shall be paid into a special fund for such purpose.

Receipts were not always posted to the correct fund based upon the source of the receipt.

**VILLAGE OF BRIDGEPORT
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2021 AND 2020
(Continued)**

FINDING NUMBER 2021-006 (Continued)

Noncompliance – Finding for Adjustment - Ohio Rev. Code § 5705.10(D) (Continued)

Bureau of Workers Compensation dividends were posted to the Water Operating Fund instead of the General Fund in the amount of \$7,205 in 2020.

In accordance with the foregoing facts, an adjustment has been issued in favor of the Village of Bridgeport's General Fund and against the Water Operating Fund in the amount of \$7,205. The Fiscal Officer has not posted this adjustment to the Village records and therefore, this adjustment is not reflected in the accompanying financial statements.

The lack of controls over the posting of financial transactions decreases the reliability of financial data at year-end and can result in undetected errors and irregularities. The Village should implement controls to help ensure all transactions are reviewed to help ensure posting to the proper funds.

Official's Response: Continuous training in progress for Fiscal Officer with this requirement being addressed.

FINDING NUMBER 2021-007

Noncompliance

Ohio Rev. Code § 5705.12 states that in addition to the funds provided for by sections 5705.09, 5705.121, 5705.13, and 5705.131 of the Revised Code, the taxing authority of a subdivision may establish, with the approval of and in the manner prescribed by the auditor of state, such other funds as are desirable, and may provide by ordinance or resolution that money derived from specified sources other than the general property tax shall be paid directly into such funds. The auditor of state shall consult with the tax commissioner before approving such funds.

We noted the Fund 2909 - Ohio EMA Slippage created in 2020 and Fund 2081 - Police Levy Fund created in 2021 were not approved by the Council.

Fund creation should be approved by the Village Council to ensure proper posting of funds.

Official's Response: This was an emergency requirement and is part of the Recovery Plan.

FINDING NUMBER 2021-008

Noncompliance

Ohio Rev. Code § 5705.41(D)(1) provides that no orders or contracts involving the expenditure of money are to be made unless there is attached thereto a certificate of the fiscal officer certifying that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such a certificate shall be void and no warrant shall be issued in payment of any amount due thereon.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in § 5705.41(D)(1) and § 5705.41(D)(3), respectively, of the Ohio Revised Code.

**VILLAGE OF BRIDGEPORT
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2021 AND 2020
(Continued)**

FINDING NUMBER 2021-008 (Continued)

Noncompliance - Ohio Rev. Code § 5705.41(D)(1) (Continued)

Due to deficiencies in internal controls, three out of three transactions tested for December 31, 2021 and two of the three transactions tested for December 31, 2020 were not certified at the time the commitment was incurred, and there was no evidence the Village followed the aforementioned exceptions. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to help ensure purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Village's funds exceeding budgetary spending limitations, the Fiscal Officer should certify the funds are or will be available prior to obligation by the Village. When prior certification is not possible, "then and now" certification should be used.

Official's Response: Although not required by ORC 5705, a purchase order request form has been created to help avoid this issue. Mayor or President of Council signature is required prior to purchase order being created so that everyone can keep track of request.

FINDING NUMBER 2021-009

Noncompliance – Finding for Adjustment

Ohio Rev. Code § 5735.28 states motor vehicle registration, cents-per-gallon and gasoline tax monies are to be paid into the Street Construction Fund unless the Village is on the line of the state highway system as designated by the director of transportation and then 7.5% of the amount paid to any village shall be receipted into the State Highway Fund.

In 2021 we noted the following:

- A motor vehicle registration receipt was posted entirely to the General Fund in the amount of \$2,470 instead of being allocated to the Street Construction Maintenance and Repair and State Highway and Improvements Funds in the amounts of \$2,286 and \$184, respectively.
- Motor vehicle registration receipts were allocated with an improper percentage rate. Intergovernmental receipts were understated in the Street Construction Maintenance and Repair Fund and overstated in the State Highway and Improvements Fund in the amount of \$1,017.

In accordance with the foregoing facts, an adjustment has been issued in favor of the Village of Bridgeport's Street Construction Maintenance and Repair Fund in the amount of \$3,303 and against the General and State Highway Funds in the amounts of \$2,470 and \$833, respectively. The Fiscal Officer has not posted these adjustments to the Village records and therefore, these adjustments are not reflected in the accompanying financial statements.

The lack of controls over the posting of financial transactions decreases the reliability of financial data at year-end and can result in undetected errors and irregularities. The Village should implement controls to help ensure all transactions are reviewed to help ensure posting to the proper funds.

Official's Response: Continuous training in progress for Fiscal Officer with this requirement being addressed.

**VILLAGE OF BRIDGEPORT
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2021 AND 2020
(Continued)**

FINDING NUMBER 2021-010

Noncompliance

Auditor of State Bulletin 97-003 states that advances must be approved by a formal resolution of the taxing authority of the subdivision.

In 2020, we noted an advance in the amount of \$14,700 from the Water Fund to the Martins Ferry Connection Fund. No approval for the advance was located in the minutes.

Advances should be approved in meetings and noted in the minutes.

Official's Response: We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-011

Internal Control Deficiency – Budgetary Amounts not recorded in the Accounting System

Sound accounting practices require accurately posting estimated receipts and appropriations to the ledgers to provide information for budget versus actual comparison and to allow the Council to make informed decisions regarding budgetary matters.

The Appropriation resolution and subsequent amendments establish the legal spending authority of the Village and the appropriation ledger provides the process by which the Village controls spending, it is therefore necessary the amounts appropriated by the Council are precisely stated and accurately posted to the appropriation ledger.

There was a variance between the appropriations approved by the Village Council and the amount posted to the Village's ledgers in the amount of \$6,636 in the General Fund and \$340 in the 2000 Fire Levy Fund at December 31, 2020.

The original certificate and amendments establish the amounts available for expenditures for the Village and the receipts ledger provides the process by which the Village controls what is available, it is therefore necessary the amounts estimated by the County Budget Commission are posted accurately to the receipts ledger.

There was a variance between the estimated receipts approved by the Budget Commission and the amounts posted to the Village's ledgers in the General Fund in the amount of \$42,203 at December 31, 2021 and \$37,802 at December 31, 2020.

The Village did not have procedures in place to accurately post authorized budgetary measures to the accounting system. The appropriations and amendments there of approved by Council were not properly posted to the accounting system. Additionally, the approved Certificate of Estimated Resources (and/or amendments thereof) was not posted to the accounting system.

Failure to accurately post the appropriations to the ledgers could result in overspending and negative cash balances.

**VILLAGE OF BRIDGEPORT
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2021 AND 2020
(Continued)**

FINDING NUMBER 2021-011 (Continued)

Internal Control Deficiency – Budgetary Amounts not recorded in the Accounting System (Continued)

To effectively control the budgetary cycle and to maintain accountability over receipts and expenditures, the Village should post to the ledgers, on a timely basis, estimated resources as certified by the budget commission and appropriations approved by the Board/Council. The Village should then monitor budget versus actual reports to help ensure amended certificates of resources and appropriations have been properly posted to the ledgers.

Official's Response: Continuous training in progress for Fiscal Officer with this requirement being addressed.

FINDING NUMBER 2021-012

Internal Control Deficiency – Minutes

Minutes are the official record of business of the Village and all minute records should be promptly reviewed and signed to ensure that the minutes are accurate, and the signatures document approval of the content prepared.

We noted that all of the meeting minutes from the audit period were not signed by any of Village Council members and the Fiscal Officer.

Each meeting's minutes should be signed by a Village Council member and the Fiscal Officer.

Official's Response: Signatures of preparer, fiscal officer and council members have been implemented.

FINDING NUMBER 2021-013

Internal Control Deficiency – Segregation of Duties

When designing the public office's system of internal control and the specific control activities, management should plan for adequate segregation of duties or compensating controls.

The size of the Village's staff did not allow for an adequate segregation of duties as the Fiscal Officer performed all accounting functions. Therefore, it is important that the Village Council functions as a finance committee to monitor financial activity closely. There is no record of the monitoring of information such as monthly activity of revenues and expenditures by fund, or budget versus actual reports received in Village meetings.

No management oversight could result in the accounting system of the Village not being accurate and errors and omissions occurring in the Village's accounting system and going unnoticed by management.

Financial information should be presented to the Council Members on a regular basis. This information should include monthly bank reconciliations, as well as monthly revenue and expenditure activity by fund, and budget versus actual reports. The presentation and approval of these reports should be documented in the board minutes of the Village meetings.

Official's Response: Reports will be generated and provided for Council so they can review the status of Funds prior to each Council Meeting.

**VILLAGE OF BRIDGEPORT
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2021 AND 2020
(Continued)**

FINDING NUMBER 2021-014

Internal Control Deficiency – Debt Proceeds

Village officials are responsible for maintaining an accounting system and accounting records sufficient to enable the Village to identify, assemble, analyze, classify, record, and report its transactions and maintain accountability for its related assets and liabilities. The accounting system should assure that the financial statement assertions are achieved for all transaction types and account balances.

In 2020, the Village failed to post loan proceeds and the corresponding disbursement of those proceeds made by the lender on behalf of the Village for a loan repayment in the amount of \$321,230.

The Village should ensure all transactions made on behalf of the Village are posted to the Village's accounting system.

Official's Response: Continuous training in progress for Fiscal Officer with this requirement being addressed.

FINDING NUMBER 2021-015

Internal Control Deficiency – Financial Reporting

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 noted the following in 2021:

- The Village needs to establish a Custodial Fund for the moneys received from the Mayors Court. The year end balances of this fund should have been \$93,247 in 2020 and \$93,399 in 2021.
- Voided checks were incorrectly written off by a fund balance adjustment instead of Other Financing Sources in the General, Fire and EMS Levy 2013, and the Emergency Squad Funds in the amounts of \$28, \$250, and \$254, respectively.

We noted the following in 2020:

- Voided checks were incorrectly written off by a fund balance adjustment instead of Other Financing Sources in the General, Fire and EMS Levy 2013, Fire and EMS Levy 2020, the Emergency Squad and the Water Operating Funds in the amounts of \$9,364, \$535, \$609, \$10, and \$36,134, respectively.
- The Village did not post the interest earned on its CD in 2020. The amount unposted was \$ 3,227 at December 31, 2020.

These adjustments, with which management agrees, are reflected in the accompanying financial statements.

**VILLAGE OF BRIDGEPORT
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2021 AND 2020
(Continued)**

FINDING NUMBER 2021-015 (Continued)

Internal Control Deficiency – Financial Reporting (Continued)

The Fiscal Officer should utilize available authoritative resources, such as the Village handbook, to appropriately classify and record all receipt and expenditure transactions. This guidance will help ensure the Fiscal Officer makes proper postings to receipt and expenditure account classifications based on the source of the receipt and nature of the expenditure.

Official's Response: This will be part of the Fiscal Officers continued training.

FINDING NUMBER 2021-016

Internal Control Deficiency – Mayor's Court Account Reconciliation

The Mayor's Court Clerk should perform monthly bank reconciliations over the Mayor's Court account to ensure money received and expended by the Village is properly recorded and accounted for. During 2021 and 2020, limited procedures such as agreeing deposits and cleared checks to the bank statements were performed, the Mayor's Court Clerk did not perform formal procedures to reconcile the Mayor's Court bank account to a cashbook. In addition, the Mayor's Court Clerk did not record a majority of the checks written from the Mayor's Court account in the cashbook in 2020 and did not maintain a running balance in the cashbook each month in 2020. As a result, errors could go undetected for significant periods of time.

The Village should maintain a record for each fine or ticket issued which contains documentation to support the amount deposited monthly into the Mayors Court Bank Account. We noted a bank deposit of \$93,902 occurring in 2020 that had supporting documentation of \$79,316 allocated by the interim Fiscal Officer in 2021 as follows: Village (\$59,190), County (\$767), and State (\$19,359). The difference of \$14,586 was an accumulation of miscellaneous receipts and unrecorded tickets and fines as the Village did not have a sound recording system prior to 2021.

Funds allocated to the Village from fines and fees collected in the Mayor's Court were not disbursed timely to the Village. We noted that 2019's amount was disbursed in 2020, and 2020's amount was disbursed in 2021. Additionally, the amounts due to the County and the State for those periods were never disbursed within our audit period.

The Mayor's Court Clerk should perform a formal reconciliation each month for the Mayor's Court account to ensure all transactions are properly accounted for in the Mayor's Court cashbook and Mayors Court accounting system (implemented 2021) and in the Mayor's Court bank account. In addition, the Mayor's Court Clerk should ensure that all receipts and disbursements are recorded in the cashbook.

Supporting documentation should be maintained for all funds collected into the Mayor's Court Account so they can be properly recorded, allocated, and disbursed to the appropriate entities within a timely manner.

Official's Response: South Zanesville was responsible for above for years 2019, 2020, and 2021. Continued training is required for a better understanding of the Mayor's Court System. This system was implemented just before COVID and initial training was accomplished remotely along with 3 visits. South Zanesville only cleaned up and organized the data for input after the misuse of funds by the previous Mayor.

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**Village of Bridgeport
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Bridgeport, Ohio 43912
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**SCHEDULE OF PRIOR ENGAGEMENT FINDINGS
DECEMBER 31, 2021 AND 2020**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid
2019-001	Finding for Recovery – Ohio Admin Code § 117-2-01(D)(4)	Yes	Not Repaid.
2019-002	Finding for Recovery – Ohio Rev. Code § 149.43(B)	Yes	Not Repaid.
2019-003	Ohio Rev. Code § 9.38 – Deposits of Public Money	Yes	Corrected.
2019-004	Ohio Rev. Code §117.103(B)(1) - Auditor of state's system for reporting fraud.	Yes	Corrected.
2019-005	Ohio Rev. Code § 117.38 – Annual Reports (late filing and notes revisions)	No	Not Corrected.
2019-006	Ohio Rev. Code § 121.22 - Public meetings	No	Not Corrected.
2019-007	Ohio Rev. Code § 135.22 - Annual continuing education programs.	No	Not corrected.
2019-008	Ohio Rev. Code § 145.47 – OPERS contributions and deductions.	Yes	Corrected
2019-009	Ohio Rev. Code § 149.43 - Availability of public records for inspection and copying.	No	Not corrected.
2019-010	Ohio Rev. Code § 733.81 – Fiscal Integrity Act portal and Fiscal Officer required training	Yes	Corrected.
2019-011	Ohio Rev. Code § 742.31 – Ohio Police and Fire Pension Fund remittances.	Yes	Corrected.
2019-012	Ohio Rev. Code § 5705.10(C) - Use of Revenues.	Yes	Corrected.
2019-013	Ohio Rev. Code § 5705.10(F) - Use of Revenues.	Yes	Corrected.

**Village of Bridgeport
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**SCHEDULE OF PRIOR ENGAGEMENT FINDINGS
DECEMBER 31, 2021 AND 2020
(Continued)**

2019-014	Ohio Rev. Code § 5705.38 – Annual appropriation measures.	Yes	Corrected.
2019-015	Ohio Rev. Code § 5705.41(B) – Restriction upon appropriation and expenditure of money.	Yes	Corrected.
2019-016	Ohio Rev. Code § 5405.41 (D) – Purchase Orders	No	Not Corrected.
2019-017	26 CFR § 1.6041-1 – 1099 Forms	Yes	Corrected.
2019-018	State ex rel. McClure v. Hagerman, 155 Ohio St. 320 (1951) – Proper public purpose.	Yes	Corrected.
2019-019	Internal Control Deficiency – Budgetary Amounts not recorded in System.	No	Not corrected.
2019-020	Internal Control Deficiency – Payroll.	Yes	Corrected.
2019-021	Internal Control Deficiency – Supporting Documentation	Yes	Corrected.
2019-022	Internal Control Deficiency – Cash Reconciliation	Yes	Corrected.
2019-023	Internal Control Deficiency – Debt Proceeds	No	Not corrected.
2019-024	Internal Control Deficiency – Mayor’s Court Account Reconciliation	No	Not corrected.
2019-025	Internal Control Deficiency – Mayor’s Court Fees	Yes	Corrected.

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF BRIDGEPORT

BELMONT 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 8/8/2023

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

This report is a matter of public record and is available online at
www.ohioauditor.gov