

**PERRY**

**& Associates CPAs**

**PASSION** *Beyond the Numbers*

**VILLAGE OF MINGO JUNCTION  
JEFFERSON COUNTY**

**REGULAR AUDIT  
FOR THE YEARS ENDED DECEMBER 31, 2022 - 2021**



OHIO AUDITOR OF STATE  
KEITH FABER



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Village Council  
Village of Mingo Junction  
501 Commercial Street  
Mingo Junction, Ohio 43938

We have reviewed the *Independent Auditor's Report* of the Village of Mingo Junction, Jefferson County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2021 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

March 13, 2024

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VILLAGE OF MINGO JUNCTION  
JEFFERSON COUNTY

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**INDEPENDENT AUDITOR'S REPORT**

Village of Mingo Junction  
Jefferson County  
501 Commercial Street  
Mingo Junction, Ohio 43938

To the Village Council:

***Report on the Audit of the Financial Statements***

***Unmodified and Adverse Opinions***

We have audited the financial statements of the Village of Mingo Junction, Jefferson County, Ohio (the Village), which comprises the cash balances, receipts and disbursements for each governmental fund type, and proprietary fund type, and the fiduciary fund type combined total as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements.

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type and proprietary fund type, and the fiduciary fund type combined total as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

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

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village, as of December 31, 2022 and 2021, or the changes in financial position, or cash flows thereof for the years then ended.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 2 of the financial statements, the financial statements are prepared by the Village on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.



***Auditor's Responsibilities for the Audit of the Financial Statements (Continued)***

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2023, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



**Perry & Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio

December 29, 2023

**VILLAGE OF MINGO JUNCTION  
JEFFERSON COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Combined Total</u>
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 83,171	\$ 375,061	\$ -	\$ 458,232
Municipal Income Tax	1,452,837	357,789	357,789	2,168,415
Intergovernmental	191,188	416,631	4,774	612,593
Charges for Services	-	206,766	-	206,766
Fines, Licenses and Permits	77,192	32,883	180	110,255
Miscellaneous	370,087	21,000	19,216	410,303
<i>Total Cash Receipts</i>	<u>2,174,475</u>	<u>1,410,130</u>	<u>381,959</u>	<u>3,966,564</u>
<b>Cash Disbursements</b>				
Current:				
Security of Persons and Property	731,327	351,004	-	1,082,331
Public Health Services	11,138	8,399	-	19,537
Leisure Time Activities	-	122,795	-	122,795
Community Environment	-	15,840	-	15,840
Basic Utility Services	6,405	312,619	-	319,024
Transportation	53,713	275,236	-	328,949
General Government	447,578	13,351	10,708	471,637
Capital Outlay	58,965	139,460	111,853	310,278
Debt Service:				
Principal Retirement	-	55,790	51,477	107,267
Interest and Fiscal Charges	-	2,512	13,124	15,636
<i>Total Cash Disbursements</i>	<u>1,309,126</u>	<u>1,297,006</u>	<u>187,162</u>	<u>2,793,294</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>865,349</u>	<u>113,124</u>	<u>194,797</u>	<u>1,173,270</u>
<b>Other Financing Receipts (Disbursements)</b>				
Transfers In	-	70,000	-	70,000
Transfers Out	(70,000)	-	-	(70,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(70,000)</u>	<u>70,000</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	795,349	183,124	194,797	1,173,270
<i>Fund Cash Balances, January 1</i>	<u>903,936</u>	<u>813,620</u>	<u>553,271</u>	<u>2,270,827</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 1,699,285</u>	<u>\$ 996,744</u>	<u>\$ 748,068</u>	<u>\$ 3,444,097</u>

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

**VILLAGE OF MINGO JUNCTION  
JEFFERSON COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Enterprise</b>
<b>Operating Cash Receipts</b>	
Charges for Services	\$ 2,183,618
Miscellaneous	125
	<u>2,183,743</u>
<i>Total Cash Receipts</i>	<u>2,183,743</u>
<b>Operating Cash Disbursements</b>	
Personal Services	797,397
Contractual Services	331,837
Supplies and Materials	557,665
Other	750
	<u>1,687,649</u>
<i>Total Operating Cash Disbursements</i>	<u>1,687,649</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>496,094</u>
<b>Non-Operating Receipts (Disbursements)</b>	
Intergovernmental	6,876
Capital Outlay	(126,392)
Principal Retirement	(729,327)
Interest and Fiscal Charges	(89,524)
	<u>(938,367)</u>
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(938,367)</u>
<i>Net Change in Fund Cash Balances</i>	<u>(442,273)</u>
<i>Fund Cash Balances, January 1</i>	<u>2,549,084</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 2,106,811</u></u>

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

VILLAGE OF MINGO JUNCTION  
JEFFERSON COUNTY

COMBINED STATEMENT OF ADDITIONS, DEDUCTIONS AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
FIDUCIARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Custodial</u>
<b>Operating Cash Receipts</b>	
Deposits Received	\$ 30
<i>Total Operating Cash Receipts</i>	<u>30</u>
<b>Operating Cash Disbursements</b>	
Other	<u>1,594</u>
<i>Total Operating Cash Disbursements</i>	<u>1,594</u>
<i>Net Change in Fund Cash Balances</i>	(1,564)
<i>Fund Cash Balances, January 1</i>	<u>7,831</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 6,267</u>

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

**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 1 – Reporting Entity**

The Village of Mingo Junction (the Village), Jefferson 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 water and sewer utilities, park operations, police services, fire protection services, and emergency medical services.

***Public Entity Risk Pool***

The Village participates in the Public Entities Pool of Ohio public entity risk pool. Note 7 to the financial statements provide additional information for this entity.

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

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

***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) for 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***

This 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.

***Garbage Fund***

This fund receives tax monies to provide garbage removal services to Village residents.

***EMS Fund***

This fund receives tax monies and billing charges to provide EMS services to Village residents.

**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 2 – Summary of Significant Accounting Policies (Continued)**

**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:

**Capital Improvement Fund**

This fund receives municipal income tax monies and is used for general improvement projects.

**Street Improvement Fund**

This fund receives municipal income tax monies and is used for street improvement projects.

**Fire Equipment Fund**

This fund receives municipal income tax monies and is used for the purchase of fire equipment for the fire department.

**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**

This fund receives charges for services from residents to cover water service costs.

**Sewer Fund**

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

**Sewer Improvement Fund**

This fund accounts for loan proceeds from the Ohio Water Development Authority restricted to the utility plant expansion. A utility surcharge recorded in this fund will repay this loan.

**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.

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.

**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 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Village 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 (C) permit.

**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 2 – Summary of Significant Accounting Policies (Continued)**

***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. Appropriations lapse at year end.

***Estimated Resources*** Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must 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 canceled, and reappropriated in the subsequent year.

A summary of 2022 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.

***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.

**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

**Note 2 – Summary of Significant Accounting Policies (Continued)**

**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 13.

**Note 3 - Compliance**

Contrary to Ohio law, expenditures exceeded appropriations in the Senior Citizens, EMS, Community Development, Street Improvement, Fire Equipment, Police Equipment, Water Guarantee Deposits, and Sewer Equipment Replacement funds by \$20,443, \$16,511, \$75, \$55,956, \$1,424, \$2,440, \$750, and \$83,337, respectively, for the year ended December 31, 2022.

**Note 4 - Budgetary Activity**

Budgetary activity for the year ending December 31, 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,075,424	\$ 2,174,475	\$ 1,099,051
Special Revenue	999,732	1,480,130	480,398
Capital Projects	189,750	381,959	192,209
Enterprise	1,988,400	2,190,619	202,219
Total	\$ 4,253,306	\$ 6,227,183	\$ 1,973,877

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,876,999	\$ 1,379,126	\$ 497,873
Special Revenue	1,231,575	1,297,006	(65,431)
Capital Projects	146,556	187,162	(40,606)
Enterprise	3,118,779	2,632,892	485,887
Total	\$ 6,373,909	\$ 5,496,186	\$ 877,723



**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 5 – Deposits**

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. The Village also has segregated accounts which include clearing accounts that are not part of this pool. The carrying amount of deposits and investments at December 31 was as follows:

	2022
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$ 5,557,175
Total deposits	\$ 5,557,175
<b><i>Segregated Accounts - Not held in the Pool:</i></b>	
Payroll Clearing Account (Not held in the Pool)	\$ 7,709
Total Outside Accounts	\$ 7,709

The Village has a payroll clearing account that is held outside the deposit pool where gross payroll is held for distribution. The expenditures included in the accompanying financial statement reflect gross payroll. The balance in the Village’s payroll clearing account represents unremitted employee payroll withholdings and liabilities.

***Deposits***

Deposits are insured by the Federal Depository Insurance Corporation; 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. The Village’s financial institution was approved for a reduced collateral floor of 50 percent resulting in the uninsured and uncollateralized balance of \$2,722,423.

**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 homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. 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.

Public utilities are also taxed on personal and real property located within the Village.

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 two 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.

**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 7 - Risk Management**

***Risk Pool Membership***

The Village 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'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>2022</u>
Cash and investments	\$ 42,310,794
Actuarial liabilities	\$ 15,724,479

**Note 8 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

69 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 healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Village contributed an amount equaling 14% of participants' gross salaries. The Village has paid all contributions required through December 31, 2022.

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

13 Village certified Fire Fighters and 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 plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages and 24 percent of full-time fire fighters' wages. The Village has paid all contributions required through December 31, 2022.

***Social Security***

39 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 the participants' gross salaries. The Village has paid all contributions required through December 31, 2022.

**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

**Note 9 - 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 members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2022. 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.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

**Note 10 – Debt**

Debt outstanding at December 31, 2022 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
OWDA #3083	\$ 1,463,348	5.77%
OWDA #6577	1,274,846	1.00%
OPWC CT76M	27,099	0.00%
OPWC CT54N	124,169	0.00%
2018 First National Bank Loan	36,283	3.99%
2019 First National Bank Loan	350,597	3.49%
OPWC CN10V	50,474	0.00%
OWDA Loan #8852	5,112,264	0.00%
Total	<u>\$ 8,439,080</u>	

The Ohio Water Development Authority (OWDA) loans relate to a water plant expansion project and a Lincoln Avenue sewer project. The OWDA approved loans to the Village for these projects. The Village will repay the loans in semiannual installments of \$410,639 including interest, over 30 years. During 2013, the Village and OWDA reached an agreement to modify the Village's payments and extend the life of the water plant expansion project loan. This resulted in an \$807,150 reduction in the loan amount. Water and sewer receipts collateralize the loans. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Public Works Commission (OPWC) loan CT76M relates to a bridge replacement. The OPWC approved loans to the Village for this project. The Village will repay the loans in semiannual installments of \$630 over 30 years. This loan is being repaid from the Street Improvement Fund.

The Ohio Public Works Commission (OPWC) loan CT54N relates to the replacement of an existing water main and sanitary sewer network, installation of a storm sewer and a full width roadway pavement replacement. The Village will make semiannual installments of \$2,642. This loan is being repaid from the Sewer Fund.

**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

**Note 10 – Debt (Continued)**

The 2017 First National Bank loan is for a Village Garbage Truck. The Village will repay the loan amount at a monthly payment of \$2,327 for five years. This loan is being repaid from the Garbage Fund and is paid off as of December 31, 2022.

The 2018 First National Bank loan is for a Village Ambulance. The Village will repay the loan amount at a monthly payment of \$3,697 for five years. This loan is being repaid from the EMS Fund.

The 2019 First National Bank loan is for a paving project. The Village will repay the loan amount at a monthly payment of \$4,978 for ten years. This loan is being repaid from the Street Improvement Fund.

The Ohio Public Works Commission (OPWC) loan CN10V relates to the rehabilitation of Commercial Avenue. The Village will make semiannual installments of \$1,803. This loan is being repaid from the Street Improvement Fund.

**Amortization**

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

Year ending December 31:	OWDA #3083	OWDA #6577	OPWC CT76M	OPWC CT54M
2023	\$ 259,612	\$ 61,338	\$ 1,260	\$ 5,284
2024	523,301	122,676	1,260	5,284
2025	531,690	122,676	1,260	5,284
2026	268,001	122,676	1,260	5,284
2027	-	122,676	1,260	5,284
2028-2032	-	613,380	6,302	26,419
2033-2037	-	184,013	6,302	26,419
2038-2042	-	-	6,302	26,419
2043-2047	-	-	1,893	18,492
Total	<u>\$ 1,582,604</u>	<u>\$ 1,349,435</u>	<u>\$ 27,099</u>	<u>\$ 124,169</u>

Year ending December 31:	2018 First National Bank	2019 First National Bank	OPWC CN10V	OWDA #8852
2023	\$ 36,969	\$ 59,736	\$ 3,605	\$ 89,689
2024	-	59,736	3,605	179,378
2025	-	59,736	3,605	179,378
2026	-	59,736	3,605	179,378
2027	-	59,736	3,605	179,378
2028-2032	-	104,538	18,026	896,890
2033-2037	-	-	14,423	896,890
2038-2042	-	-	-	896,890
2043-2047	-	-	-	896,890
2048-2052	-	-	-	717,503
Total	<u>\$ 36,969</u>	<u>\$ 403,218</u>	<u>\$ 50,474</u>	<u>\$ 5,112,264</u>

**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 11 – Construction and Contractual Commitments**

The Village is in the midst of Storm Sewer Separation program through the OWDA.

**Note 12 – Contingent Liabilities**

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

**Note 13 – 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 unexpendable 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:

<u>Fund Balances</u>	<u>General</u>
Nonspendable:	
Unclaimed Monies	\$ 4,669

The fund balance of special revenue funds is either restricted or committed. The fund balance of capital projects fund are restricted, committed or assigned. These restricted, committed and assigned amounts in the special revenue and capital projects funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**Note 14 – 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 2022, 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 funding, either federal or state, cannot be estimated.

**VILLAGE OF MINGO JUNCTION  
JEFFERSON 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**

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Combined Total</u>
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 78,519	\$ 374,306	\$ -	\$ 452,825
Municipal Income Tax	832,376	204,989	204,988	1,242,353
Intergovernmental	189,011	415,983	-	604,994
Charges for Services	-	238,023	-	238,023
Fines, Licenses and Permits	85,680	33,520	600	119,800
Miscellaneous	27,484	186	1,000	28,670
<i>Total Cash Receipts</i>	<u>1,213,070</u>	<u>\$1,267,007</u>	<u>206,588</u>	<u>2,686,665</u>
<b>Cash Disbursements</b>				
Current:				
Security of Persons and Property	671,433	386,809	-	1,058,242
Public Health Services	9,607	14,421	-	24,028
Leisure Time Activities	-	97,039	-	97,039
Community Environment	-	13,271	-	13,271
Basic Utility Services	5,914	312,765	-	318,679
Transportation	42,947	208,128	-	251,075
General Government	314,896	8,842	6,145	329,883
Capital Outlay	725	36,045	114,395	151,165
Debt Service:				
Principal Retirement	-	67,392	49,881	117,273
Interest and Fiscal Charges	-	4,852	14,720	19,572
<i>Total Cash Disbursements</i>	<u>1,045,522</u>	<u>1,149,564</u>	<u>185,141</u>	<u>2,380,227</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>167,548</u>	<u>117,443</u>	<u>21,447</u>	<u>306,438</u>
<b>Other Financing Receipts (Disbursements)</b>				
Transfers In	-	100,000	-	100,000
Transfers Out	(100,000)	-	-	(100,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(100,000)</u>	<u>100,000</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	67,548	217,443	21,447	306,438
<i>Fund Cash Balances, January 1</i>	<u>836,388</u>	<u>596,177</u>	<u>531,824</u>	<u>1,964,389</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 903,936</u>	<u>\$ 813,620</u>	<u>\$ 553,271</u>	<u>\$ 2,270,827</u>

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

**VILLAGE OF MINGO JUNCTION  
JEFFERSON COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<b>Enterprise</b>
<b>Operating Cash Receipts</b>	
Charges for Services	\$ 2,326,872
Miscellaneous	20,380
	<u>2,347,252</u>
<i>Total Cash Receipts</i>	<u>2,347,252</u>
<b>Operating Cash Disbursements</b>	
Personal Services	833,001
Contractual Services	597,245
Supplies and Materials	409,476
Other	2,250
	<u>1,841,972</u>
<i>Total Operating Cash Disbursements</i>	<u>1,841,972</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>505,280</u>
<b>Non-Operating Receipts (Disbursements)</b>	
Other Debt Proceeds	2,562,751
Capital Outlay	(2,672,825)
Principal Retirement	(614,795)
Interest and Fiscal Charges	(107,078)
	<u>(831,947)</u>
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(831,947)</u>
<i>Net Change in Fund Cash Balances</i>	(326,667)
<i>Fund Cash Balances, January 1</i>	<u>2,875,751</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 2,549,084</u>

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

VILLAGE OF MINGO JUNCTION  
JEFFERSON COUNTY

COMBINED STATEMENT OF ADDITIONS, DEDUCTIONS AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
FIDUCIARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Custodial</u>
<b>Operating Cash Receipts</b>	
Deposits Received	\$ 11
<i>Total Operating Cash Receipts</i>	<u>11</u>
<i>Net Change in Fund Cash Balances</i>	11
<i>Fund Cash Balances, January 1 (Restated, see note 15)</i>	<u>7,820</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 7,831</u></u>

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



**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 1 – Reporting Entity**

The Village of Mingo Junction (the Village), Jefferson 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 water and sewer utilities, park operations, police services, fire protection services, and emergency medical services.

***Public Entity Risk Pool***

The Village participates in the Public Entities Pool of Ohio public entity risk pool. Note 7 to the financial statements provide additional information for this entity.

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

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

***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) for 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***

This 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.

***Garbage Fund***

This fund receives tax monies to provide garbage removal services to Village residents.

***EMS Fund***

This fund receives tax monies and billing charges to provide EMS services to Village residents.

***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:

***Capital Improvement Fund***

This fund receives municipal income tax monies and is used for general improvement projects.

**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 2 – Summary of Significant Accounting Policies (Continued)**

***Street Improvement Fund***

This fund receives municipal income tax monies and is used for street improvement projects.

***Fire Equipment Fund***

This fund receives municipal income tax monies and is used for the purchase of fire equipment for the fire department.

***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***

This fund receives charges for services from residents to cover water service costs.

***Sewer Fund***

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

***Sewer Improvement Fund***

This fund accounts for loan proceeds from the Ohio Water Development Authority restricted to the utility plant expansion. A utility surcharge recorded in this fund will repay this loan.

***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.

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.

***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 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Village 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 (C) 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. Appropriations lapse at year end.

**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 2 – Summary of Significant Accounting Policies (Continued)**

**Estimated Resources** Estimated resources include estimates of cash to be received (budgeted receipts) plus 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 canceled, and reappropriated in the subsequent year.

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.

**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.

**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

**Note 2 – Summary of Significant Accounting Policies (Continued)**

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 13.

**Note 3 - Compliance**

Contrary to Ohio law, expenditures exceeded appropriations in the EMS, Community Development, Drug Enforcement, Fire Pension, License Fees, Capital Improvement, Fire Equipment, Police Equipment, Water Guarantee Deposits, and Sewer Equipment Replacement funds by \$37,034, \$10, \$10, \$711, \$2,973, \$26,190, \$10, \$10, \$2,250, and \$2,869,453, respectively, for the year ended December 31, 2021.

**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	\$ 1,015,686	\$ 1,213,070	\$ 197,384
Special Revenue	990,525	1,367,007	376,482
Capital Projects	181,500	206,588	25,088
Enterprise	2,138,400	4,910,003	2,771,603
Total	\$ 4,326,111	\$ 7,696,668	\$ 3,370,557

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,829,890	\$ 1,145,522	\$ 684,368
Special Revenue	1,197,957	1,149,564	48,393
Capital Projects	238,687	185,141	53,546
Enterprise	3,097,164	5,236,670	(2,139,506)
Total	\$ 6,363,698	\$ 7,716,897	\$ (1,353,199)

**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 5 – Deposits**

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. The Village also has segregated accounts which include clearing accounts that are not part of this pool. The carrying amount of deposits and investments at December 31 was as follows:

	2021
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$ 4,827,742
Total deposits	\$ 4,827,742
<b><i>Segregated Accounts - Not held in the Pool:</i></b>	
Payroll Clearing Account (Not held in the Pool)	\$ 3,427
<i>Total Outside Accounts</i>	\$ 3,427

The Village has a payroll clearing account that is held outside the deposit pool where gross payroll is held for distribution. The expenditures included in the accompanying financial statement reflect gross payroll. The balance in the Village's payroll clearing account represent unremitted employee payroll withholdings and liabilities.

***Deposits***

Deposits are insured by the Federal Depository Insurance Corporation; 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. The Village's financial institution was approved for a reduced collateral floor of 50 percent resulting in the uninsured and uncollateralized balance of \$2,331,125.

**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 homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. 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.

Public utilities are also taxed on personal and real property located within the Village.

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 two 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.

**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 7 - Risk Management**

***Risk Pool Membership***

The Village 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'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>2021</u>
Cash and investments	\$ 41,996,850
Actuarial liabilities	\$ 14,974,099

**Note 8 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

35 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 healthcare and survivor and disability benefits.

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

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

8 Village certified Fire Fighters and 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 plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages and 24 percent of full-time fire fighters' wages. The Village has paid all contributions required through December 31, 2021.

***Social Security***

27 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 the participants' gross salaries. The Village has paid all contributions required through December 31, 2021.

**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

**Note 9 - 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 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 10 – Debt**

Debt outstanding at December 31, 2021 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
OWDA #3083	\$ 1,898,905	5.77%
OWDA #6577	1,383,954	1.00%
OPWC CT76M	28,359	0.00%
OPWC CT54N	129,453	0.00%
2017 First National Bank Loan	13,823	2.75%
2018 First National Bank Loan	78,251	3.99%
2019 First National Bank Loan	397,208	3.49%
OPWC CN10V	54,080	0.00%
OWDA Loan #8852	5,291,642	0.00%
Total	<u>\$ 9,275,675</u>	

The Ohio Water Development Authority (OWDA) loans relate to a water plant expansion project and a Lincoln Avenue sewer project. The OWDA approved loans to the Village for these projects. The Village will repay the loans in semiannual installments of \$406,784, including interest, over 30 years. During 2013, the Village and OWDA reached an agreement to modify the Village's payments and extend the life of the water plant expansion project loan. This resulted in an \$807,150 reduction in the loan amount. Water and sewer receipts collateralize the loans. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. The outstanding balance at December 31, 2020 of \$2,818,580 for OWDA Loan #8852 was not included on the 2020 Debt footnote disclosure. We also noted that the 2020 Debt footnote disclosure reported a negative outstanding balance of (\$1,544) for OWDA Loan #7790. The balance of the loan was \$0.

The Ohio Public Works Commission (OPWC) loan CT76M relates to a bridge replacement. The OPWC approved loans to the Village for this project. The Village will repay the loans in semiannual installments of \$630 over 30 years. This loan is being repaid from the Street Improvement Fund.

The Ohio Public Works Commission (OPWC) loan CT54N relates to the replacement of an existing water main and sanitary sewer network, installation of a storm sewer and a full width roadway pavement replacement. The Village will make semiannual installments of \$2,642. This loan is being repaid from the Sewer Fund.

The 2017 First National Bank loan is for a Village Garbage Truck. The Village will repay the loan amount at a monthly payment of \$2,327 for five years. This loan is being repaid from the Garbage Fund.

**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

**Note 10 – Debt (Continued)**

The 2018 First National Bank loan is for a Village Ambulance. The Village will repay the loan amount at a monthly payment of \$3,697 for five years. This loan is being repaid from the EMS Fund.

The 2019 First National Bank loan is for a paving project. The Village will repay the loan amount at a monthly payment of \$4,978 for ten years. This loan is being repaid from the Street Improvement Fund.

The Ohio Public Works Commission (OPWC) loan CN10V relates to the rehabilitation of Commercial Avenue. The Village will make semiannual installments of \$1,803. This loan is being repaid from the Street Improvement Fund.

**Amortization**

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

Year ending December 31:	OWDA #3083	OWDA #6577	OPWC CT76M	OPWC CT54N
2022	\$ 255,757	\$ 61,338	\$ 1,260	\$ 5,284
2023	515,369	122,676	1,260	5,284
2024	523,301	122,676	1,260	5,284
2025	531,690	122,676	1,260	5,284
2026	268,001	122,676	1,260	5,284
2027-2031	-	613,380	6,302	26,419
2032-2036	-	306,690	6,302	26,419
2037-2041	-	-	6,302	26,419
2042-2046	-	-	3,153	23,776
Total	\$2,094,118	\$1,472,112	\$ 28,359	\$129,453

Year ending December 31:	2017 First National Bank	2018 First National Bank	2019 First National Bank	OPWC CN10V	OWDA #8852
2022	\$ 13,962	\$ 44,364	\$ 59,736	\$ 3,605	\$ 89,689
2023	-	\$ 36,969	59,736	3,605	179,378
2024	-	-	59,736	3,605	179,378
2025	-	-	59,736	3,605	179,378
2026	-	-	59,736	3,605	179,378
2027-2031	-	-	164,274	18,026	896,890
2032-2036	-	-	-	18,029	896,890
2037-2041	-	-	-	-	896,890
2042-2046	-	-	-	-	896,890
2047-2051	-	-	-	-	896,881
Total	\$ 13,962	\$ 81,333	\$ 462,954	\$ 54,080	\$5,291,642



**VILLAGE OF MINGO JUNCTION**  
*Jefferson County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 11 – Construction and Contractual Commitments**

The Village is in the midst of a Storm Sewer Separation program through the OWDA.

**Note 12 – Contingent Liabilities**

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

**Note 13 – 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 unexpendable 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
Nonspendable:	
Unclaimed Monies	\$ 4,669

The fund balance of special revenue funds is either restricted or committed. The fund balance of capital projects fund are restricted, committed or assigned. These restricted, committed and assigned amounts in the special revenue, and capital projects funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**Note 14 – 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 15 – Prior Period Restatement**

The prior period restatement is to accurately reflect the cash balances on the Mayor's Court bank statement. The following adjustment is reflected in the January 1, 2021 fund balances:

	Fiduciary Fund
December 31, 2020 ending balances	\$ 7,673
To reflect the beginning cash balance on the Mayor's Court bank statement	147
January 1, 2021 beginning balance	\$ 7,820

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

Village of Mingo Junction  
Jefferson County  
501 Commercial Street  
Mingo Junction, Ohio 43938

To the Village Council:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements of the Village of Mingo Junction, Jefferson County, (the Village) and have issued our report thereon dated December 29, 2023, wherein we noted the Village followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant may exist that were not identified. We identified certain deficiencies in internal control described in the accompanying schedule of audit findings as 2022-001 through 2022-005 that we consider to be material weaknesses.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of audit findings as items 2022-002, 2022-005, and 2022-006.

***Village's Response to Findings***

Government Auditing Standards requires the auditor to perform limited procedures on the Village's response to the finding identified in our audit and described in the accompanying schedule of audit findings. The Village's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Perry and Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio

December 29, 2023

VILLAGE OF MINGO JUNCTION  
JEFFERSON COUNTY

SCHEDULE OF AUDIT FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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

FINDING NUMBER 2022-001

**Material Weakness**

**Reconciliation Process**

The reconciliation of the accounting records of the Village to the cash and investment (bank) balances is the most basic and primary control process performed by the fiscal officer of an organization. Lack of completing an accurate and timely reconciliation may allow for accounting errors, theft and fraud to occur without timely detection. The Village Auditor/Deputy Auditor is responsible for reconciling the Village's book (fund) balance to the total bank balance on a monthly basis.

Clearing accounts for the Water Department, Police Community Outreach, EMS, and Payroll accounts were not reconciled in 2021 and 2022. Also, the Senior Center Account is not a clearing account and is not recorded on the Clients books. There is minimal activity in the Senior Center, so this balance is deemed below trivial. Also, the Village's Magistrate Court ceased operation in 2015, however has not disbursed the remaining balance of the Magistrate Fund

Water and EMS record December payments in December and remit to the General Fund in January. Revenue is recognized in January when paid to General Fund. Revenue should be recognized in December.

The Village did not have procedures in place to ensure accurate monthly reconciliations which increases the risk of theft/fraud over the cash cycle.

Village Council should adopt procedures regarding the cash reconciliation process. The Village Auditor and Deputy Auditor should reconcile all bank accounts on a monthly basis and investigate any variances. Monthly reports detailing the reconciling of the book to bank balances should be presented to the Council for review and approval as noted in the minutes.

**Management's Response** – I simply receive the payments when they reconcile the months themselves. I cannot post December in December because I receive the clearing check in January.

FINDING NUMBER 2022-002

**Noncompliance/Material Weakness**

**Mayor's Court Collection**

**Ohio Rev. Code § 733.40** requires all fines, forfeitures, and costs in ordinance cases and all fees that are collected by the municipality shall be paid by the mayor into the treasury of the municipal corporation on the first Monday of each month and all fees collected by state cases be deposited with the county treasury on the first business day of each month. Ohio Rev. Code § 2949.094 provides amounts to be charged for each type of offense and requires monies collected for state cost be remitted to the state by the 20th day of the month. The Court should assign offender payments on offenses toward the satisfaction of the court costs until they have been entirely paid.

The Village ceased operations with Mayor's Court activities in 2015, however the Mayor's Court Agency Fund still has a balance of \$6,266.80 and \$7,830.71 as of December 31, 2022 and 2021. Also, the Village did not record interest earned during 2022 and 2021.

VILLAGE OF MINGO JUNCTION  
JEFFERSON COUNTY

SCHEDULE OF AUDIT FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (CONTINUED)

FINDING NUMBER 2022-002 (Continued)

Noncompliance/Material Weakness (Continued)

Mayor's Court Collection (Continued)

The Village should implement procedures to help ensure collection and remittance of the proper costs. The payments should be assigned to court costs until they have been entirely paid, and then to additional fines and fees. The Deputy Auditor should remit payment to the proper entities, including the Village and the State Treasurer. To aid in the remittance, the most recent form should be obtained from the Treasurer of State, completed, and remitted to the state with the costs collected in a timely manner. By following these procedures, the Village may help ensure proper reporting and compliance.

The Village should seek the advice of legal counsel on how to distribute the remaining balance and should communicate said legal opinion with the State Treasurer and the Auditor of State. Once the monies are distributed, the Village should close the account to avoid further monthly charges. This matter will be referred to the Treasurer of State.

**Management's Response** – We can close out this account and then post to general ledger.

FINDING NUMBER 2022-003

Material Weakness

Financial Reporting

Accurate financial reporting is the responsibility of the Clerk-Treasurer and is essential to ensure information provided to the readers of the financial statements is accurate. The following errors with the Village's annual financial report were noted:

- Rollback receipts were improperly recorded as Property and Other Taxes rather than Intergovernmental in 2022 and 2021;
- RITA receipts were incorrectly posted on the revenue ledger in 2022 and 2021;
- Various receipts for reimbursements were recorded as Other Financing Sources rather than Miscellaneous in 2022 and 2021;
- Various disbursements were recorded as Other Financing Uses rather than Miscellaneous in 2022 and 2021;
- Proceeds from Debt were improperly recorded as Other Financing Uses rather than Debt Proceeds in 2021;
- The Village did not record the full amount of Debt Proceeds in 2021;
- Debt note disclosures were updated in the notes to the financial statements to accurately reflect debt balances in 2022 and 2021;
- Budgetary Activity note disclosures were updated in the notes to the financial statements to accurately reflect budgeted and actual activity in 2022 and 2021; and
- The Deposits note disclosure was updated in the notes to the financial statement to accurately reflect cash balances in 2022 and 2021.

Not posting receipts and classifying fund balances accurately resulted in the financial statements requiring several reclassifications. The financial statements reflect all reclassifications.

VILLAGE OF MINGO JUNCTION  
JEFFERSON COUNTY

SCHEDULE OF AUDIT FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (CONTINUED)

FINDING NUMBER 2022-003 (Continued)

**Material Weakness (Continued)**

**Financial Reporting (Continued)**

To help ensure accuracy and reliability in the financial reporting process, we recommend that management perform a detailed review of its draft financial statements. Such review should include procedures to ensure that all sources of revenues are properly identified and classified on the financial statements.

We also recommend the Clerk-Treasurer refer to the Ohio Village Handbook and other Auditor of State resources for guidance to determine the proper establishment of receipt and disbursement accounts and posting of receipts and disbursements.

**Management's Response** – We did not receive a response from management to the finding above.

FINDING NUMBER 2022-004

**Material Weakness**

**Utility Revenue Cycle**

The Village should maintain an accounting system and accounting records sufficient to enable the Village to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements.

During testing of the Village's utilities, we noted the following:

- Council did not have a formal policy regarding utility bill adjustments;
- Council did not approve adjustments to customer accounts;
- The Village had missing billing stubs;
- The Village did not maintain supporting documentation related to utility bill adjustments; and
- The Customer Delinquent Account report is not properly maintained. Currently, the Village runs a delinquency report five days after the date bills are to be paid and a 24-hour shutoff notice is provided. However, there is no evidence the Village is adhering to their policy nor do they submit these to the County Auditor once a year for subsequent collection.

Failure to follow Village policy and accurately prepare the accounting records 1) reduces the accountability over Village funds, 2) reduces the Council's ability to monitor financial activity and make informed financial decisions, and 3) increases the risk that errors, theft or fraud could occur and not be detected in a timely manner.

**VILLAGE OF MINGO JUNCTION  
JEFFERSON COUNTY**

**SCHEDULE OF AUDIT FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (CONTINUED)</b>
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**FINDING NUMBER 2022-004 (Continued)**

**Material Weakness (Continued)**

**Utility Revenue Cycle (Continued)**

We recommend the Village Officials and management implement the following:

- Establish a formal policy and related procedures to address identification, authorization, recording and documentation of adjustments to utility customer accounts;
- The Village Council should review and approve all adjustments to be made to utility client accounts;
- Adequately document and approve all adjustments to customer accounts;
- Ensure adjustment calculations are accurate; and
- The Village Administrator should monitor delinquent utility accounts and follow procedures to ensure amounts due are accurate and collected either by the Village, an outside agency hired by the Village or by submitting delinquencies to the County once a year to be placed on the customers property tax bill.

By following the recommended steps, the Village may help strengthen controls over cash collections and decrease the risk that customers are under-billed and that delinquent utility revenues remain uncollected.

**Management’s Response** – We did not receive a response from management to the finding above.

**FINDING NUMBER 2022-005**

**Material Weakness/Noncompliance**

**Budgetary Controls**

The budget is an instrument of public policy: A governing board expresses its desires for using a government’s limited resources through its appropriations. Ohio Rev. Code Section 5705 deals with a variety of budgetary requirements that all subdivisions must comply with in order to ensure fiscal responsibility.

In performing the audit, we noted several violations of budgetary law which, although they do not in and of themselves, result in errors in financial reporting, may lead to the Village making financial decisions based on incorrect or incomplete information. We noted the following:

- Violation of 5705.41(B) prohibits a political subdivision from expending money unless it has been approved; and
- Violations of 5705.41(D) relating to expenditures having prior certification of availability of funds.

VILLAGE OF MINGO JUNCTION  
JEFFERSON COUNTY

SCHEDULE OF AUDIT FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (CONTINUED)

FINDING NUMBER 2020-005 (Continued)

Material Weakness/Noncompliance (Continued)

Budgetary Controls (Continued)

Violations of 5705.41(B) resulted from expenditures exceeding appropriations in the Senior Citizens, EMS, Community Development, Street Improvement, Fire Equipment, Police Equipment, Water Guarantee Deposits, and Sewer Equipment funds in 2022 and the EMS, Community Development, Drug Enforcement, Fire Pension, License Fees, Capital Improvement, Fire Equipment, Police Equipment, Water Guarantee Deposits, and Sewer Equipment Replacement funds in 2021. In addition, we determined 16 out of 21 expenditures tested for 2022 (76%) and 19 out of 27 (70%) expenditures tested for 2021 were not properly encumbered.

Council should review the requirements of ORC section 5705 to be familiar with these laws and to make sure the Village is complying with applicable sections. If the Council does not consider this necessary, steps should be taken to make sure amounts are encumbered (purchase orders are used and assigned to each purchase prior to ordering), certifications of available funds are done by the Deputy Auditor prior to purchasing and unencumbered balances are tracked for each line item.

**Management's Response** – We did not receive a response from management to the finding above.

FINDING NUMBER 2022-006

Noncompliance

**Ohio Rev. Code Section 149.351(A)**, states, in part, that all records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commission provided for under sections 149.38 to 149.42 of the Revised Code. Those records shall be delivered by outgoing officials and employees to their successors and shall not be otherwise removed, transferred, or destroyed unlawfully.

The following items were not provided by the Village:

- Support for totaled cruiser from Perso in 2022;
- Support for salvage SUV from Danner in 2022;
- Support for state grant for vests in 2022;
- Purchase order for fuel from Belmont Petroleum in 2022;
- Purchase order for samples from Ream & Haager in 2022;
- Purchase order for cold mix from Wilson Blacktop in 2022;
- Purchase order for contracted services in 2022;
- Support for various insurance claims from Perso in 2022 and 2021;
- Support for asphalt chips from GKL in 2022 and 2021;
- Support for insurance premium reimbursement from Todd Morris for 2021;
- Purchase order for salt from Compass Minerals America in 2021;
- Purchase order for samples at Masi Environmental Service in 2021;
- Purchase order for acid and chlorine from Sal Chemical in 2021; and
- Purchase order for leak detection service from Aqua-Line Inc. in 2021.



VILLAGE OF MINGO JUNCTION  
JEFFERSON COUNTY

SCHEDULE OF AUDIT FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (CONTINUED)

FINDING NUMBER 2022-006 (Continued)

**Noncompliance (Continued)**

The Village should implement procedures so that all records are maintained and are only removed or destroyed in accordance with the Village's record retention schedule. Failure to retain these required public records may result in an incomplete audit trail and create potential problems for future management decisions.

**Management's Response** – We did not receive a response from management to the finding above.

**VILLAGE OF MINGO JUNCTION  
JEFFERSON COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

Finding Number	Finding Summary	Status	Additional Information
2020-001	Reconciliation Process	Not Corrected	Reissued as Finding 2022-001
2020-002	Mayor's Court Collection	Not Corrected	Reissued as Finding 2022-002
2020-003	Financial Reporting	Not Corrected	Reissued as Finding 2022-003
2020-004	Utility Revenue Cycle	Not Corrected	Reissued as Finding 2022-004
2020-005	Budgetary Controls	Not Corrected	Reissued as Finding 2022-005

# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF MINGO JUNCTION**

**JEFFERSON 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 3/26/2024**

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

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