

VILLAGE OF MINERVA

STARK COUNTY, OHIO

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023





65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

Village Council
Village of Minerva
209 N Market Street
Minerva, OH 44657

We have reviewed the *Independent Auditor's Report* of the Village of Minerva, Stark County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2023 through December 31, 2024. 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 Minerva is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

July 21, 2025

This page intentionally left blank.

**VILLAGE OF MINERVA
STARK COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	1
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - All Governmental Fund Types – For the Year Ended December 31, 2024	4
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - All Proprietary Fund Types – For the Year Ended December 31, 2024	5
Statement of Additions, Deletions, and Changes in Fund Balances (Regulatory Cash Basis) – Fiduciary Fund Type – For the Year Ended December 31, 2024	6
Notes to the Financial Statements – 2024	7
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - All Governmental Fund Types – For the Year Ended December 31, 2023	18
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - All Proprietary Fund Types – For the Year Ended December 31, 2023	19
Statement of Additions, Deletions, and Changes in Fund Balances (Regulatory Cash Basis) – Fiduciary Fund Type – For the Year Ended December 31, 2023	20
Notes to the Financial Statements – 2023	21
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	32

This page intentionally left blank.

Charles E. Harris & Associates, Inc.

Certified Public Accountants

5510 Pearl Road Ste 102

Parma OH 44129-2550

Phone - (216) 575-1630

Fax - (216) 436-2411

INDEPENDENT AUDITOR'S REPORT

Village of Minerva
Stark County
209 N Market Street
Minerva, OH 44657

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 Minerva, Stark County, Ohio (the Village), which comprise the cash balances, receipts and disbursements for each governmental, proprietary and fiduciary fund type as of and for the years ended December 31, 2024 and 2023, 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, proprietary and fiduciary fund type as of and for the years ended December 31, 2024 and 2023, 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, 2024 and 2023, or the changes in financial position or its 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.

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 May 21, 2025, 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.



Charles E. Harris & Associates, Inc.
May 21, 2025

Village of Minerva
Stark County
Combined Statement of Receipts, Disbursements, and Changes in
Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2024

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$ 175,830	\$ 118,826	\$ -	\$ 294,656
Municipal Income Tax	3,349,397	-	-	3,349,397
Intergovernmental	333,866	343,221	-	677,087
Charges for Services	80,959	50,090	-	131,049
Licenses, Permits and Fees	5,965	44,915	-	50,880
Fines, Foreitures and Settlements	25,151	9,540	-	34,691
Earnings on Investments	103,839	68,969	44,877	217,685
Miscellaneous	51,584	13,092	20,000	84,676
<i>Total Cash Receipts</i>	<u>4,126,591</u>	<u>648,653</u>	<u>64,877</u>	<u>4,840,121</u>
Cash Disbursements				
Current:				
Security of Persons and Property	1,534,484	-	-	1,534,484
Public Health Services	14,053	27,338	-	41,391
Leisure Time Activities	-	159,919	-	159,919
Community Environment	82,785	-	-	82,785
Basic Utility Services	62,808	-	-	62,808
Transportation	-	555,697	-	555,697
General Government	602,887	385,386	-	988,273
Capital Outlay	129,276	395,344	314,739	839,359
Debt Service:				
Principal Retirement	19,469	-	8,806	28,275
Interest and Fiscal Charges	2,150	-	-	2,150
<i>Total Cash Disbursements</i>	<u>2,447,912</u>	<u>1,523,684</u>	<u>323,545</u>	<u>4,295,141</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,678,679</u>	<u>(875,031)</u>	<u>(258,668)</u>	<u>544,980</u>
Other Financing Receipts (Disbursements)				
Transfers In	-	580,470	331,735	912,205
Transfers Out	(912,205)	-	-	(912,205)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(912,205)</u>	<u>580,470</u>	<u>331,735</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	<u>766,474</u>	<u>(294,561)</u>	<u>73,067</u>	<u>544,980</u>
<i>Fund Cash Balances, January 1</i>	<u>5,985,990</u>	<u>2,064,346</u>	<u>780,051</u>	<u>8,830,387</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 6,752,464</u>	<u>\$ 1,769,785</u>	<u>\$ 853,118</u>	<u>\$ 9,375,367</u>

Village of Minerva
Stark County
Combined Statement of Receipts, Disbursements, and Changes in
Fund Balances (Regulatory Cash Basis)
All Proprietary Fund Types
For the Year Ended December 31, 2024

	Proprietary Fund Type		Totals
	Enterprise	Internal Service	(Memorandum Only)
Operating Cash Receipts			
Charges for Services	\$ 1,606,060	\$ 440,850	\$ 2,046,910
Licenses, Permits, and Fees	540	-	540
Fines, Foreitures and Settlements	1,164	-	1,164
Miscellaneous	15,914	-	15,914
<i>Total Operating Cash Receipts</i>	<u>1,623,678</u>	<u>440,850</u>	<u>2,064,528</u>
Operating Cash Disbursements			
Personal Services	628,054	-	628,054
Contractual Services	263,412	7,500	270,912
Supplies and Materials	306,756	-	306,756
Claims	-	345,264	345,264
<i>Total Operating Cash Disbursements</i>	<u>1,198,222</u>	<u>352,764</u>	<u>1,550,986</u>
<i>Operating Income (Loss)</i>	<u>425,456</u>	<u>88,086</u>	<u>513,542</u>
Non-Operating Receipts (Disbursements)			
Intergovernmental	159,958	-	159,958
Earnings on Investments	97,225	26,270	123,495
Municipal Income Tax	2,117	-	2,117
Capital Outlay	(418,815)	-	(418,815)
Principal Retirement	(39,326)	-	(39,326)
Interest and Other Fiscal Charges	(2,053)	-	(2,053)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(200,894)</u>	<u>26,270</u>	<u>(174,624)</u>
<i>Net Change in Fund Cash Balances</i>	<u>224,562</u>	<u>114,356</u>	<u>338,918</u>
<i>Fund Cash Balances, January 1</i>	<u>3,185,524</u>	<u>602,077</u>	<u>3,787,601</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 3,410,086</u>	<u>\$ 716,433</u>	<u>\$ 4,126,519</u>

See notes to the financial statements

Village of Minerva
Stark County
Statement of Receipts, Disbursements, and Changes in
Fund Balances (Regulatory Cash Basis)
Fiduciary Fund Type
For the Year Ended December 31, 2024

	<u>Custodial</u>
Additions	
Fines, Licenses and Permits for Distribution	\$ 30,644
<i>Total Additions</i>	<u>30,644</u>
 Deductions	
Distributions to Other Governments	7,298
Distributions to Other Funds	23,346
 <i>Total Deductions</i>	<u>30,644</u>
 Net Change in Fund Balances	 -
 <i>Fund Cash Balances, January 1</i>	 <u>2,991</u>
 <i>Fund Cash Balances, December 31</i>	 <u><u>\$ 2,991</u></u>
 See notes to the financial statements	

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 1 – Reporting Entity

The Village of Minerva (the Village), Stark 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. The Village operates under a Home Rule Charter, which provides for a Council - Administrator form of government. Under this plan, a publicly-elected four-member Council, plus the Mayor, directs the Village. The Charter concentrates actual administration in a Municipal Administrator who is appointed by, and at times is responsible to, the Council. The Village provides water and sewer utilities, street maintenance, a swimming pool, and police services. The Village contracts with Sandy Creek Fire District to receive fire protection and ambulance services.

The Village participates in several jointly governed organizations, including the Stark Council of Governments (SCOG), Stark Regional Planning Commission and the Carroll County Regional Planning Commission. Note 10 to the financial statements provides additional information for these entities.

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, a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types and a statement of additions, deductions and changes in fund balances (regulatory cash basis) for the fiduciary fund type, 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 (which includes the Income Tax Fund for financial reporting purposes) 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 Fund:

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 Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2024

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 fund:

Capital Improvement Fund This fund receives local income taxes and state grants to provide for new equipment and capital improvements within 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 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.

Internal Service Fund This fund accounts for services provided by one department to other departments of the government unit. The Village had the following Internal Service Fund:

Self-funded Insurance Medical Fund The self-funded insurance medical fund accounts for insurance premium payments from other funds to pay medical claims of employees enrolled in the health insurance plan.

Fiduciary Funds Fiduciary funds include private purpose trust funds and custodial funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Village's own programs. The Village had no trust funds.

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 fines, bonds and costs received that were assessed by the Village Mayor's Court and disburses these amounts to the State, Village or the payee. The Village also has a Fire Insurance Fund where funds are disbursed as directed by the individual, organization or other government. This fund holds insurance bonds for properties that have been destroyed by a fire until the repairs are made or demolition occurs. The bonds are then disbursed back to the payor.

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 Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2024

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. Unencumbered appropriations lapse at year end.

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

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

A summary of 2024 budgetary activity appears in Note 3.

Deposits and Investments

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

Money market mutual funds (including STAR Ohio) are recorded at share values the mutual funds report.

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

Village employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Settlement Monies

Ohio has reached settlement agreements with various distributors of opioids which are subject to the OneOhio memorandum of understanding. The original settlement was reached in 2021 with annual payments anticipated through 2038. For 2024, distributions of \$7,413 are reflected as fines, forfeitures and settlements revenue in the Opioid Settlement Special Revenue Fund in the accompanying financial statements.

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2024

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.

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 (ordinances or resolution). The Village must adhere to these commitments unless the Council amends the ordinance or 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 11.

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2024 follows:

2024 Budgeted vs. Actual Receipts			
	Budgeted	Actual	
Fund Type	Receipts	Receipts	Variance
General	\$ 3,660,157	\$ 4,126,591	\$ 466,434
Special Revenue	1,170,434	1,229,123	58,689
Capital Projects	480,735	396,612	(84,123)
Enterprise	2,163,508	1,882,978	(280,530)
Internal Service	445,850	467,120	21,270

2024 Budgeted vs. Actual Budgetary Basis Disbursements			
	Appropriation	Budgetary	
Fund Type	Authority	Disbursements	Variance
General	\$ 3,941,733	\$ 3,418,302	\$ 523,431
Special Revenue	1,614,581	1,541,024	73,557
Capital Projects	417,735	337,545	80,190
Enterprise	2,250,108	1,695,470	554,638
Internal Service	445,850	425,801	20,049

Note 4 – 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:

	2024
Demand deposits	\$ 1,927,877
Money Markets	1,961,341
Certificates of deposit	3,500,000
Total deposits	7,389,218
Treasury Bonds	6,115,659
Total investments	6,115,659
Total deposits and investments	\$ 13,504,877
Segregated Accounts - Not held in the Pool:	
Payroll clearing Account (Not held in Pool)	\$ 11,075
Total Outside Accounts	\$ 11,075

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 4 – Deposits and Investments *(continued)*

The Village has a payroll clearing account that is held outside of the deposit pool where gross payroll is held for distribution. The expenditures included in the accompanying financial statements reflect gross payroll. The balance in the Village's payroll clearing account represents 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.

Investments

The Village's financial institution transfers securities to the Village's agent to collateralize repurchase agreements. The securities are not in the Village's name.

Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

Note 5 – Taxes

Property Taxes

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

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

Income Taxes

The Village levies a municipal income tax of 1.50 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 Regional Income Tax Agency (RITA) either monthly or quarterly, as required. The only exception is Stark County, Ohio, who remits withholdings directly to the Village of Minerva on a monthly basis.

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 5 – Taxes *(continued)*

Village Income Tax collections are mostly collected by the Regional Income Tax Agency (RITA). The Village of Minerva still processes all collections previously turned over to the Ohio Attorney General Collections and also the State of Ohio Muni Net Profits Taxes.

Note 6 – Risk Management

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Public Officials' liability;
- Vehicles;
- Errors and omissions;
- Commercial inland marine;
- Employer's liability;
- Employee benefits' liability; and
- Crime.

Self-Insurance

The Village was a member of the Jefferson Health Plan during 2024. The self- insurance plan is a risk-sharing, claims servicing, and insurance purchasing pool, in which monthly premiums are paid to the fiscal agent who in turn pays the claims on the Village's behalf. The plan offers medical and prescription drug coverage on a self-insured basis, as well as the opportunity to participate in the group purchasing of life insurance coverage. The Village's Self Insurance Fund recovers the costs of this plan by charging the other funds based on an actuarially determined cost per employee. The Self Insurance Fund's cash and investments at December 31, 2024 is as follows:

Cash and Investments	<u>2024:</u>
	\$716,433

Note 7 – 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, 2024.

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 7 – Defined Benefit Pension Plans *(continued)*

Ohio Police and Fire Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages. The Village has paid all contributions required through December 31, 2024.

Note 8 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. OP&F uses a stipend-based health care model. A stipend funded by OP&F is placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses. For calendar year 2024, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2024, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves. OP&F contributes 0.5 percent to fund those benefits.

Note 9 – Debt

Debt outstanding at December 31, 2023, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Public Works Commission (CS04K)	\$ 93,333	0%
Ohio Public Works Commission (CT78F)	13,332	0%
Ohio Public Works Commission (CT73K)	94,650	0%
Ohio Public Works Commission (CS09Q)	52,500	0%
Ohio Public Works Commission (CS11O)	9,535	0%
Ohio Public Works Commission (CT83R)	17,820	0%
Ohio Public Works Commission (CS17V)	63,928	0%
Ohio Public Works Commission (CS11W)	21,948	0%
Ohio Water Development Authority Loan (6617)	390,914	0%
Total	<u>\$ 757,960</u>	

The Ohio Public Works Commission (OPWC) Loan #CS04K is for the Market Street reconstruction project. The loan was approved in the amount of \$200,000 and the Village will repay the loan in semiannual installments of \$3,333 over a period of thirty years.

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 9 – Debt *(continued)*

The Ohio Public Works Commission (OPWC) Loan #CT78F is for the water plant improvement project. the loan was approved in the amount of \$88,877 and the Village will repay the loan in semiannual installments of \$2,222 over a period of twenty years.

The Ohio Public Works Commission (OPWC) Loan #CT73K is for the water line replacement project. The loan was approved in the amount of \$210,333 and the Village will repay the loan in semiannual installments of \$3,505 over a period of thirty years.

The Ohio Public Works Commission (OPWC) Loan #CS09Q is for the waste water treatment plant headworks project. The loan was approved in the amount of \$100,000 and the Village will repay the loan in semiannual installments of \$2,500 over a period of twenty years.

The Ohio Public Works Commission (OPWC) Loan #CS110 is for the Jackson Street storm sewer and road construction project. The loan was approved in the amount of \$21,190.40 and the Village will repay the loan in semiannual installments of \$529.76 over a period of twenty years.

The Ohio Public Works Commission (OPWC) Loan #CT83R is for the Jackson Street storm sewer and road reconstruction project, Phase II. The loan was approved in the amount of \$27,000 and the Village will repay the loan in semiannual installments of \$540.00 over a period of 25 years.

The Ohio Public Works Commission (OPWC) Loan #CS17V is for the West Lincoln Way Water Main Replacement project. The loan was approved in the amount of \$75,208.31 and the Village will repay the loan in semiannual installments of \$1,253.47 over a period of 30 years.

The Ohio Public Works Commission (OPWC) Loan #CS11W is for the North Market St. Water Main Replacement project. The loan was approved in the amount of \$25,000.00 and the Village will repay the loan in semiannual installments of \$399.05 over a period of 30 years.

The Ohio Water Development Authority (OWDA) Loan #6617 relates to WWTP influent upgrade. The OWDA approved a loan in the amount of \$631,860.60 to the Village for this project and the Village will repay the loan in semiannual installments of \$21,618.55. The loan is collateralized by sewer receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 9 – Debt *(continued)*

Amortization

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

Year Ending December 31:	OPWC #CS04K	OPWC #CT78F	OPWC #CT73K	OPWC #CS09O	OPWC #CS11O	OPWC #CT83R	OPWC #CS17V	OPWC #CS11W	OWDA 6617
2025	\$ 6,667	\$ 4,444	\$ 7,011	\$ 5,000	\$ 1,060	\$ 1,080	\$ 2,507	\$ 798	\$ 43,237
2026	6,667	4,444	7,011	5,000	1,060	1,080	2,507	798	43,237
2027	6,667	4,448	7,011	5,000	1,060	1,080	2,507	798	43,237
2028	6,667	-	7,011	5,000	1,060	1,080	2,507	798	43,237
2029	6,667	-	7,011	5,000	1,060	1,080	2,507	798	43,237
2030-2034	33,335	-	35,055	25,000	4,235	5,400	12,535	3,990	194,567
2035-2039	26,663	-	24,541	2,500	-	5,400	12,535	3,990	-
2040-2044	-	-	-	-	-	1,620	12,535	3,990	-
2045-2049	-	-	-	-	-	-	12,535	3,990	-
2050-2054	-	-	-	-	-	-	1,253	1,998	-
Total	<u>\$93,333</u>	<u>\$ 13,332</u>	<u>\$ 94,650</u>	<u>\$ 52,500</u>	<u>\$ 9,535</u>	<u>\$ 17,820</u>	<u>\$ 63,928</u>	<u>\$ 21,948</u>	<u>\$410,752</u>

Note 10 – Jointly Governed Organizations

The Stark Council of Governments (SCOG) is a jointly governed organization. The SCOG is a regional council of governments formed under chapter 167 of the Ohio Revised Code. The SCOG's functions include the funding and operation of the Stark County Metropolitan Narcotics Unit and Canton Crime Lab. The SCOG is governed by the membership, including Stark County, and other villages, cities and townships. The membership elects a nine-member executive committee. Based on recommendations of the executive committee, the membership approves its own budget, appoints personnel, and performs accounting and finance-related activities. Continued existence of the agency is dependent on the Village's continued participation; however, the Village does not have an equity interest in the agency. The agency is not accumulating significant financial resources nor is it experiencing fiscal stress, which would cause additional financial benefit or burden to the Village. Complete financial statements may be obtained from the SCOG at P.O. Box 21451, Canton, Ohio 44701-1451.

The Village participates in the Stark County Regional Planning Commission (Commission), which is a statutorily created political subdivision of the state. The Commission is jointly governed among Stark County and other villages, cities and townships. The principal aim of the Commission is to provide comprehensive planning, both long and short-term range, dealing with the economic physical environment of Stark County. The Board exercises total authority for the day-to-day operations of the Commission. These include budgeting, appropriating, contracting and designing management. The Village shares in the financial responsibility for any of the Commission's liabilities. Complete financial statements may be obtained from the Stark County Regional Planning Commission, Canton, Ohio.

The Village also participates in the Carroll County Regional Planning Commission (Commission), which is a statutorily created political subdivision of the state. The Commission is jointly governed among Carroll

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 10 – Jointly Governed Organizations (continued)

County and other villages, cities and townships. The principal aim of the Commission is to provide comprehensive planning, both long and short-term range, dealing with the economic physical environment of Carroll County. The Board exercises total authority for the day-to-day operations of the Commission. These include budgeting, appropriating, contracting and designing management. The Village shares in the financial responsibility for any of the Commission's liabilities. Complete financial statements may be obtained from the Carroll County Regional Planning Commission, Carroll County, Ohio.

Note 11 – Fund Balances

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>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
Outstanding Encumbrances	\$ 58,185	\$ 17,340	\$ 14,000	\$ 89,525

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

Note 12 – 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 ended in April 2023. The Village will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

Village of Minerva
Stark County
Combined Statement of Receipts, Disbursements, and Changes in
Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2023

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$ 176,742	\$ 118,975	\$ -	\$ 295,717
Municipal Income Tax	3,858,965	-	-	3,858,965
Intergovernmental	184,577	318,271	98,900	601,748
Charges for Services	77,103	28,350	-	105,453
Fines, Licenses and Permits	52,498	53,690	-	106,188
Earnings on Investments	73,034	45,708	31,788	150,530
Miscellaneous	53,047	9,561	-	62,608
<i>Total Cash Receipts</i>	<u>4,475,966</u>	<u>574,555</u>	<u>130,688</u>	<u>5,181,209</u>
Cash Disbursements				
Current:				
Security of Persons and Property	1,494,838	35,201	-	1,530,039
Public Health Services	13,331	27,644	-	40,975
Leisure Time Activities	-	148,611	-	148,611
Community Environment	52,127	-	-	52,127
Basic Utility Services	49,599	-	-	49,599
Transportation	-	535,660	-	535,660
General Government	551,959	4,921	-	556,880
Capital Outlay	391,720	150,432	314,522	856,674
Debt Service:				
Principal Retirement	19,276	-	8,806	28,082
Interest and Fiscal Charges	2,343	-	-	2,343
<i>Total Cash Disbursements</i>	<u>2,575,193</u>	<u>902,469</u>	<u>323,328</u>	<u>3,800,990</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	1,900,773	(327,914)	(192,640)	1,380,219
Other Financing Receipts (Disbursements)				
Transfers In	-	626,430	327,715	954,145
Transfers Out	(954,145)	-	-	(954,145)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(954,145)</u>	<u>626,430</u>	<u>327,715</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	946,628	298,516	135,075	1,380,219
<i>Fund Cash Balances, January 1</i>	<u>5,039,362</u>	<u>1,765,830</u>	<u>644,976</u>	<u>7,450,168</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 5,985,990</u>	<u>\$ 2,064,346</u>	<u>\$ 780,051</u>	<u>\$ 8,830,387</u>

See notes to the financial Statements

Village of Minerva
Stark County
Combined Statement of Receipts, Disbursements, and Changes in
Fund Balances (Regulatory Cash Basis)
All Proprietary Fund Types
For the Year Ended December 31, 2023

	Proprietary Fund Type		Totals
	Enterprise	Internal Service	(Memorandum Only)
Operating Cash Receipts			
Charges for Services	\$ 1,600,142	\$ 568,300	\$ 2,168,442
Fines, Licenses and Permits	13,837	-	13,837
Miscellaneous	78,078	8,966	87,044
<i>Total Operating Cash Receipts</i>	<u>1,692,057</u>	<u>577,266</u>	<u>2,269,323</u>
Operating Cash Disbursements			
Personal Services	652,120	-	652,120
Contractual Services	257,491	-	257,491
Supplies and Materials	198,491	-	198,491
Claims	-	463,818	463,818
<i>Total Operating Cash Disbursements</i>	<u>1,108,102</u>	<u>463,818</u>	<u>1,571,920</u>
<i>Operating Income (Loss)</i>	<u>583,955</u>	<u>113,448</u>	<u>697,403</u>
Non-Operating Receipts (Disbursements)			
Earnings on Investments	64,878	15,140	80,018
Municipal Income Tax	6,176	-	6,176
Capital Outlay	(187,000)	-	(187,000)
Principal Retirement	(39,132)	-	(39,132)
Interest and Other Fiscal Charges	(2,247)	-	(2,247)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(157,325)</u>	<u>15,140</u>	<u>(142,185)</u>
<i>Net Change in Fund Cash Balances</i>	<u>426,630</u>	<u>128,588</u>	<u>555,218</u>
<i>Fund Cash Balances, January 1</i>	<u>2,758,894</u>	<u>473,489</u>	<u>3,232,383</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 3,185,524</u>	<u>\$ 602,077</u>	<u>\$ 3,787,601</u>

See notes to the financial statements

Village of Minerva
Stark County
Statement of Receipts, Disbursements, and Changes in
Fund Balance (Regulatory Cash Basis)
Fiduciary Fund Type
For the Year Ended December 31, 2023

	<u>Custodial</u>
Additions	
Fines, Licenses and Permits for Distribution	\$ 54,328
<i>Total Additions</i>	<u>54,328</u>
 Deductions	
Distributions to Other Governments	12,358
Distributions to Other Funds	41,970
 <i>Total Deductions</i>	<u>54,328</u>
 Net Change in Fund Balances	 -
 <i>Fund Cash Balances, January 1</i>	 <u>2,991</u>
 <i>Fund Cash Balances, December 31</i>	 <u><u>\$ 2,991</u></u>
 See notes to the financial statements	

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1 – Reporting Entity

The Village of Minerva (the Village), Stark 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. The Village operates under a Home Rule Charter, which provides for a Council - Administrator form of government. Under this plan, a publicly-elected four-member Council, plus the Mayor, directs the Village. The Charter concentrates actual administration in a Municipal Administrator who is appointed by, and at times is responsible to, the Council. The Village provides water and sewer utilities, street maintenance, a swimming pool, and police services. The Village contracts with Sandy Creek Fire District to receive fire protection and ambulance services.

The Village participates in several jointly governed organizations, including the Stark Council of Governments (SCOG), Stark Regional Planning Commission and the Carroll County Regional Planning Commission. Note 10 to the financial statements provides additional information for these entities.

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, 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 the fiduciary fund type, 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 (which includes the Income Tax Fund for financial reporting purposes) 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 Fund:

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 Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2023

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 fund:

Capital Improvement Fund This fund receives local income taxes and state grants to provide for new equipment and capital improvements within 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 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.

Internal Service Fund This fund accounts for services provided by one department to other departments of the government unit. The Village had the following Internal Service Fund:

Self-funded Insurance Medical Fund The self-funded insurance medical fund accounts for insurance premium payments from other funds to pay medical claims of employees enrolled in the health insurance plan.

Fiduciary Funds Fiduciary funds include private purpose trust funds and custodial funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Village's own programs. The Village had no trust funds.

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 fines, bonds and costs received that were assessed by the Village Mayor's Court and disburses these amounts to the State, Village or the payee. The Village also has a Fire Insurance Fund where funds are disbursed as directed by the individual, organization or other government. This fund holds insurance bonds for properties that have been destroyed by a fire until the repairs are made or demolition occurs. The bonds are then disbursed back to the payor.

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 Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2023

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. Unencumbered appropriations lapse at year end.

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

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

A summary of 2023 budgetary activity appears in Note 3.

Deposits and Investments

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

Money market mutual funds (including STAR Ohio) are recorded at share values the mutual funds report.

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.

Settlement Monies

Ohio has reached settlement agreements with various distributors of opioids which are subject to the OneOhio memorandum of understanding. The original settlement was reached in 2021 with annual payments anticipated through 2038. For 2023, distributions of \$4,068 are reflected as intergovernmental revenue in the Opioid Settlement Special Revenue Fund in the accompanying financial statements.

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2023

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 may include unclaimed monies that are required to be held for five years before they may be utilized by the Village.

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 (ordinance or resolution). The Village must adhere to these commitments unless the Council amends the ordinance or 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 11.

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2023 follows:

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 3,799,781	\$ 4,475,966	\$ 676,185
Special Revenue	1,067,247	1,200,985	133,738
Capital Projects	387,185	458,403	71,218
Enterprise	1,617,275	1,763,111	145,836
Internal Service	682,058	592,406	(89,652)

2023 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 4,400,863	\$ 3,563,116	\$ 837,747
Special Revenue	1,483,178	914,718	568,460
Capital Projects	632,755	402,556	230,199
Enterprise	1,875,255	1,383,846	491,409
Internal Service	685,983	486,318	199,665

Note 4 – 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:

	2023
Demand deposits	\$ 2,174,343
Money Markets	4,349,058
Total deposits	6,523,401
Treasury Bonds	6,097,578
Total investments	6,097,578
Total deposits and investments	\$ 12,620,979
Segregated Accounts - Not held in the Pool:	2023
Payroll clearing Account (Not held in Pool)	\$ 13,040
Total Outside Accounts	\$ 13,040

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 4 – Deposits and Investments (continued)

The Village has a payroll clearing account that is held outside of the deposit pool where gross payroll is held for distribution. The expenditures in the accompanying financial statements reflect gross payroll. The balance in the Village's payroll clearing account represents 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.

Investments

The Village's financial institution transfers securities to the Village's agent to collateralize repurchase agreements. The securities are not in the Village's name.

Note 5 – Taxes

Property Taxes

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

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

Income Taxes

The Village levies a municipal income tax of 1.50 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 Regional Income Tax Agency (RITA) either monthly or quarterly, as required. The only exception is Stark County, Ohio, who remits withholdings directly to the Village of Minerva on a monthly basis.

Village Income Tax collections are mostly collected by the Regional Income Tax Agency (RITA). The Village of Minerva still processes all collections previously turned over to the Ohio Attorney General Collections and also the State of Ohio Muni Net Profits Taxes.

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 6 – Risk Management

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Public Officials' liability;
- Vehicles;
- Errors and omissions;
- Commercial inland marine;
- Employer's liability;
- Employee benefits' liability; and
- Crime.

Self-Insurance

The Village was a member of the Jefferson Health Plan during 2023. The self- insurance plan is a risk-sharing, claims servicing, and insurance purchasing pool, in which monthly premiums are paid to the fiscal agent who in turn pays the claims on the Village's behalf. The plan offers medical and prescription drug coverage on a self-insured basis, as well as the opportunity to participate in the group purchasing of life insurance coverage. The Village's Self Insurance Fund recovers the costs of this plan by charging the other funds based on an actuarially determined cost per employee. The Self Insurance Fund's cash and investments at December 31, 2023 is as follows:

Cash and Investments	<u>2023:</u>
	\$602,077

Note 7 – 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, 2023.

Ohio Police and Fire Retirement System

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

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 7 – Defined Benefit Pension Plan *(continued)*

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages. The Village has paid all contributions required through December 31, 2023.

Note 8 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. OP&F uses a stipend-based health care model. A stipend funded by OP&F is placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses. For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves. OP&F contributes 0.5 percent to fund these benefits.

Note 9 – Debt

Debt outstanding at December 31, 2023, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Public Works Commission (CS04K)	\$ 100,000	0%
Ohio Public Works Commission (CT78F)	17,775	0%
Ohio Public Works Commission (CT73K)	101,661	0%
Ohio Public Works Commission (CS09Q)	57,500	0%
Ohio Public Works Commission (CS11O)	10,595	0%
Ohio Public Works Commission (CT83R)	18,900	0%
Ohio Public Works Commission (CS17V)	66,435	0%
Ohio Public Works Commission (CS11W)	22,746	0%
Ohio Water Development Authority Loan (6617)	429,949	1%
Total	<u>\$ 825,561</u>	

The Ohio Public Works Commission (OPWC) Loan #CS04K is for the Market Street reconstruction project. The loan was approved in the amount of \$200,000 and the Village will repay the loan in semiannual installments of \$3,333 over a period of thirty years.

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 9 – Debt *(continued)*

The Ohio Public Works Commission (OPWC) Loan #CT78F is for the water plant improvement project. The loan was approved in the amount of \$88,877 and the Village will repay the loan in semiannual installments of \$2,222 over a period of twenty years.

The Ohio Public Works Commission (OPWC) Loan #CT73K is for the water line replacement project. The loan was approved in the amount of \$210,333 and the Village will repay the loan in semiannual installments of \$3,505 over a period of thirty years.

The Ohio Public Works Commission (OPWC) Loan #CS09Q is for the waste water treatment plant headworks project. The loan was approved in the amount of \$100,000 and the Village will repay the loan in semiannual installments of \$2,500 over a period of twenty years.

The Ohio Public Works Commission (OPWC) Loan #CS110 is for the Jackson Street storm sewer and road construction project. The loan was approved in the amount of \$21,190.40 and the Village will repay the loan in semiannual installments of \$529.76 over a period of twenty years.

The Ohio Public Works Commission (OPWC) Loan #CT83R is for the Jackson Street storm sewer and road reconstruction project, Phase II. The loan was approved in the amount of \$27,000 and the Village will repay the loan in semiannual installments of \$540.00 over a period of 25 years.

The Ohio Public Works Commission (OPWC) Loan #CS17V is for the West Lincoln Way Water Main Replacement project. The loan was approved in the amount of \$75,208.31 and the Village will repay the loan in semiannual installments of \$1,253.47 over a period of 30 years.

The Ohio Public Works Commission (OPWC) Loan #CS11W is for the North Market St. Water Main Replacement project. The loan was approved in the amount of \$25,000.00 and the Village will repay the loan in semiannual installments of \$399.05 over a period of 30 years.

The Ohio Water Development Authority (OWDA) Loan #6617 relates to WWTP influent upgrade. The OWDA approved a loan in the amount of \$631,860.60 to the Village for this project and the Village will repay the loan in semiannual installments of \$21,618.55. The loan is collateralized by sewer receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 9 – Debt *(continued)*

Amortization

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

Year Ending	OPWC	OPWC	OPWC	OPWC	OPWC	OPWC	OPWC	OPWC	OWDA
December 31:	#CS04K	#CT78F	#CT73K	#CS09O	#CS11O	#CT83R	#CS17V	#CS11W	6617
2024	\$ 6,667	\$ 4,444	\$ 7,011	\$ 5,000	\$ 1,060	\$ 1,080	\$ 2,507	\$ 798	\$ 43,237
2025	6,667	4,444	7,011	5,000	1,060	1,080	2,507	798	43,237
2026	6,667	4,444	7,011	5,000	1,060	1,080	2,507	798	43,237
2027	6,667	4,447	7,011	5,000	1,060	1,080	2,507	798	43,237
2028	6,667	-	7,011	5,000	1,060	1,080	2,507	798	43,237
2029-2033	33,335	-	35,055	25,000	5,295	5,400	12,535	3,990	216,186
2034-2038	33,330	-	31,552	7,500	-	5,400	12,535	3,990	43,237
2039-2043	-	-	-	-	-	2,700	12,535	3,990	-
2044-2048	-	-	-	-	-	-	12,535	3,990	-
2049-2053	-	-	-	-	-	-	3,760	2,796	-
Total	<u>\$100,000</u>	<u>\$ 17,775</u>	<u>\$101,661</u>	<u>\$ 57,500</u>	<u>\$ 10,595</u>	<u>\$ 18,900</u>	<u>\$ 66,435</u>	<u>\$ 22,746</u>	<u>\$475,608</u>

Note 10 – Jointly Governed Organizations

The Stark Council of Governments (SCOG) is a jointly governed organization. The SCOG is a regional council of governments formed under chapter 167 of the Ohio Revised Code. The SCOG's functions include the funding and operation of the Stark County Metropolitan Narcotics Unit and Canton Crime Lab. The SCOG is governed by the membership, including Stark County, and other villages, cities and townships. The membership elects a nine-member executive committee. Based on recommendations of the executive committee, the membership approves its own budget, appoints personnel, and performs accounting and finance-related activities. Continued existence of the agency is dependent on the Village's continued participation; however, the Village does not have an equity interest in the agency. The agency is not accumulating significant financial resources nor is it experiencing fiscal stress, which would cause additional financial benefit or burden to the Village. Complete financial statements may be obtained from the SCOG at P.O. Box 21451, Canton, Ohio 44701-1451.

The Village participates in the Stark County Regional Planning Commission (Commission), which is a statutorily created political subdivision of the state. The Commission is jointly governed among Stark County and other villages, cities and townships. The principal aim of the Commission is to provide comprehensive planning, both long and short-term range, dealing with the economic physical environment of Stark County. The Board exercises total authority for the day-to-day operations of the Commission. These include budgeting, appropriating, contracting and designing management. The Village shares in the financial responsibility for any of the Commission's liabilities. Complete financial statements may be obtained from the Stark County Regional Planning Commission, Canton, Ohio.

Village of Minerva, Ohio
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 10 – Jointly Governed Organizations *(continued)*

The Village also participates in the Carroll County Regional Planning Commission (Commission), which is a statutorily created political subdivision of the state. The Commission is jointly governed among Carroll County and other villages, cities and townships. The principal aim of the Commission is to provide comprehensive planning, both long and short-term range, dealing with the economic physical environment of Carroll County. The Board exercises total authority for the day-to-day operations of the Commission. These include budgeting, appropriating, contracting and designing management. The Village shares in the financial responsibility for any of the Commission's liabilities. Complete financial statements may be obtained from the Carroll County Regional Planning Commission, Carroll County, Ohio.

Note 11 – Fund Balances

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>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
Outstanding Encumbrances	\$ 33,778	\$ 12,249	\$ 79,228	\$ 125,255

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

Note 12 – 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 ended in April 2023. During 2023, the Village received COVID-19 funding. The Village will continue to spend available COVID-19 funding consistent with the applicable program guidelines

Charles E. Harris & Associates, Inc.

Certified Public Accountants

5510 Pearl Road Ste 102

Parma OH 44129-2550

Phone - (216) 575-1630

Fax - (216) 436-2411

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

Village of Minerva
Stark County
209 N Market Street
Minerva, OH 44657

To the Village Council:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements for each governmental, proprietary and fiduciary fund type as of and for the years ended December 31, 2024 and 2023 and the related notes to the financial statements of the Village of Minerva, Stark County, (the Village) and have issued our report thereon dated May 21, 2025, 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 purposes of expressing our opinions 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.

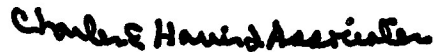
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.



Charles E. Harris & Associates, Inc.
May 21, 2025

This page intentionally left blank.

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF MINERVA

STARK 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 7/31/2025

65 East State 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