

VILLAGE OF MINERVA PARK

FRANKLIN COUNTY

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022





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Village Council
Village of Minerva Park
2829 Minerva Lake Rd.
Columbus, OH 43231-4820

We have reviewed the *Independent Auditor's Report* of the Village of Minerva Park, Franklin County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2022 through December 31, 2023. 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 Park is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

August 26, 2024

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**VILLAGE OF MINERVA PARK
FRANKLIN COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Village of Minerva Park
Franklin County
2829 Minerva Lake Road
Columbus, Ohio 43231

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 Park, Franklin County, Ohio (the Village), which comprise the cash balances, receipts and disbursements for each governmental and fiduciary fund type as of and for the years ended December 31, 2023 and 2022, 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 and fiduciary fund type as of and for the years ended December 31, 2023 and 2022, 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, 2023 and 2022, or the changes in financial position, 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 June 25, 2024, 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.

June 25, 2024

**VILLAGE OF MINERVA PARK
FRANKLIN 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	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$ 458,367	\$ -	\$ -	\$ -	\$ 458,367
Municipal Income Tax	2,072,478	-	-	-	2,072,478
Intergovernmental	143,570	270,216	-	-	413,786
Charges for Services	118,920	82,950	38,851	-	240,721
Fines, Licenses and Permits	93,567	2,221	-	-	95,788
Earnings on Investments	174,885	29,726	-	196,958	401,569
Miscellaneous	46,785	652,758	-	276	699,819
<i>Total Cash Receipts</i>	<u>3,108,572</u>	<u>1,037,871</u>	<u>38,851</u>	<u>197,234</u>	<u>4,382,528</u>
Cash Disbursements					
Current:					
Security of Persons and Property	1,668,217	28,000	-	-	1,696,217
Public Health Services	19,489	-	-	-	19,489
Leisure Time Activities	191,606	3,239	-	-	194,845
Community Environment	106,605	-	-	-	106,605
Basic Utility Services	-	119,091	-	-	119,091
Transportation	-	100,103	-	-	100,103
General Government	722,928	189,023	-	4,884	916,835
Capital Outlay	-	115,115	-	3,649,332	3,764,447
Debt Service:					
Principal Retirement	-	216,868	38,367	-	255,235
Interest and Fiscal Charges	-	288,586	421	-	289,007
<i>Total Cash Disbursements</i>	<u>2,708,845</u>	<u>1,060,025</u>	<u>38,788</u>	<u>3,654,216</u>	<u>7,461,874</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	399,727	(22,154)	63	(3,456,982)	(3,079,346)
Other Financing Receipts (Disbursements)					
Transfers In	-	-	-	525,000	525,000
Transfers Out	(525,000)	-	-	-	(525,000)
Advances In	75,000	-	-	-	75,000
Advances Out	-	(75,000)	-	-	(75,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(450,000)</u>	<u>(75,000)</u>	<u>-</u>	<u>525,000</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	(50,273)	(97,154)	63	(2,931,982)	(3,079,346)
<i>Fund Cash Balances, January 1</i>	<u>2,085,428</u>	<u>2,627,106</u>	<u>24,548</u>	<u>5,346,964</u>	<u>10,084,046</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 2,035,155</u>	<u>\$ 2,529,952</u>	<u>\$ 24,611</u>	<u>\$ 2,414,982</u>	<u>\$ 7,004,700</u>

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

**VILLAGE OF MINERVA PARK
FRANKLIN COUNTY**

**STATEMENT OF ADDITIONS, DEDUCTIONS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Other Custodial
Additions	
Other Amounts Collected for Distribution	\$ 26,063
<i>Total Additions</i>	26,063
Deductions	
Distributions to Other Governments	99,020
Distributions to Other Funds (Primary Government)	23,947
Other Distributions	3,102
<i>Total Deductions</i>	126,069
Net Change in Fund Balances	(100,006)
<i>Fund Cash Balances, January 1</i>	112,985
<i>Fund Cash Balances, December 31</i>	\$ 12,979

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

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

Note 1 – Reporting Entity

The Village of Minerva Park (the Village), Franklin 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 police services, parks and recreation, street maintenance and repairs, and water, sewer and storm sewer maintenance. The Village contracts with the City of Columbus for fire protection services.

The Village participates in a public entity risk pool. Note 8 to the financial statements provides 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 statement of additions, deductions and changes in fund balances (regulatory cash basis) fiduciary fund type which are organized on a fund type basis.

Fund Accounting

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The significant 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 has the following significant Special Revenue Funds:

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

MP TIF Tax Equivalent – The Minerva Park Tax Increment Financing Fund accounts for service payments in lieu taxes restricted to the payment of debt and infrastructure maintenance and improvement within the TIF District. The Fund will exist so long as such service payments are collected and used for the aforesaid purposes, after which time the Fund will be dissolved and any surplus funds remaining therein will be transferred to the Village’s General Fund in accordance with State law.

Waterline Maintenance – This fund accounts for water surcharges restricted to maintenance, repair, and replacement of water lines within the Village.

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

Note 2 – Summary of Significant Accounting Policies (Continued)

Sewer Maintenance - This fund accounts for sewer surcharges restricted to maintenance, repair, and replacement of sewer lines with the Village.

Storm Sewer Maintenance - This fund accounts for storm water fees restricted to the maintenance, repair, and replacement of storm sewer lines.

Debt Service Funds: These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Village had the following significant Debt Service Fund:

Sewer Phase II and III – These funds account for water surcharges committed to the retirement of loans expended for the replacement and improvement of the Village water lines.

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

MP TIF Construction Fund - This fund accounts for bond proceeds restricted to financing specific projects within the Village, including renovations to the municipal building.

Pool Improvements – This fund accounts for transfer from the General Fund committed to improvements of municipal pool.

Storm Sewer Improvement – This fund accounts for transfers from the General Fund committed to the Jordan storm sewer project.

Fiduciary Funds: - Fiduciary funds include custodial 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 tap-in fees collected on behalf of the City of Columbus, development fees, police seizures pending court disbursement orders, and Mayor's Court activity.

Basis of Accounting

The 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. Receipts are recognized 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 Park, Ohio
Franklin 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, program and activity and major object level of control. 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 approves the estimated resources in an Official/Amended Certificate of 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.

Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. The Village values U.S. Treasury securities at cost. Money market mutual funds are recorded at share values.

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.

SBITAs

The Village has entered into noncancelable Subscription-Based Information Technology Arrangements (SBITA) contracts (as defined by GASB 96) for several types of software including contracts related to financial systems. Subscription disbursements are recognized when they are paid.

Village of Minerva Park, Ohio
Franklin 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 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 (resolution or ordinance). The Village must adhere to these commitments unless the Council amends the resolution or ordinance. 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 12.

Village of Minerva Park, Ohio
 Franklin 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:

Fund Type	Budgeted Vs. Actual Receipts		Variance
	Budgeted Receipts	Actual Receipts	
General Fund	\$ 2,741,618	\$ 3,183,572	\$ 441,954
Special Revenue	1,013,650	1,037,871	24,221
Debt Service	38,710	38,851	141
Capital Projects	677,000	722,234	45,234

Fund Type	Budgeted Vs. Actual Budgetary Basis Disbursements		Variance
	Appropriations	Actual Disbursements	
General Fund	\$ 3,772,038	\$ 3,363,280	\$ 408,758
Special Revenue	1,619,106	1,280,105	339,001
Debt Service	38,960	38,788	172
Capital Projects	5,885,973	4,165,976	1,719,997

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:

	<u>2023</u>
<u>Cash Management Pool</u>	
Demand Deposits	\$ 519,006
Cash with Fiscal Agent	135,693
Total Deposits	<u>654,699</u>
<u>Investments</u>	
Star Ohio	1,775,031
U.S Discount Bills	233,160
U.S Discount Notes	1,421,244
U.S. Treasury Bonds	346,733
U.S. Government Agencies	1,960,048
First American Funds	626,390
Money Market	374
Total Investments	<u>6,362,980</u>
Total Cash and Investment Management Pool	<u>\$ 7,017,679</u>

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

Note 4 – Deposits and Investments (Continued)

The Village receives Permissive Motor Vehicle License Tax from the Franklin County Engineer for the maintenance of Minerva Lake Road. These monies are held by the Franklin County Engineer and are recorded as cash held with fiscal agent in the table above.

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2023, the Village had \$23,494 in unremitted employee payroll withholdings.

Deposits

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

Investments

The Village invests in United States Treasury notes, bills, bonds, and other obligations or securities issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States. Securities are held by a third party 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 – Property Taxes

Property taxes include amounts levied against all real and public utility property located in the Village. Property tax revenue received during 2023 for real and public utility property taxes represents collections of 2022 taxes. The County is responsible for assessing property and for billing, collecting, and distributing all property taxes on behalf of the Village.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due January 20, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established. Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2023 public utility property taxes which became a lien December 31, 2022, are levied after October 1, 2022, and are collected in 2023 with real 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.

The various levies and full tax rates for all Village operations for the year ended December 31, 2023, per \$1,000 of assessed value are:

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

Note 5 – Property Taxes (Continued)

Levies	Year Voted	Year Expires	Full Tax Rate	Effective Rates	
				Res/Ag Effective Rate	Commerical Effective Rate
<u>Unvoted Millage</u>					
Inside Millage	---	---	1.00	1.00	1.00
<u>Voted Operating Millage</u>					
4.0 Mill Operating	2020	2025	4.00	2.85	3.55
3.2 Mill Operating	2021	2026	3.20	2.29	2.85
5.0 Mill Operating	2022	2027	5.00	3.57	4.44
Total Voted Operating Levies			12.20	8.71	10.84
Total Tax Levies Millage			13.20	9.71	11.84

The assessed values of real property and public utility tangible personal property upon which 2023 property tax receipts were based are as follows:

<u>Property Classifications</u>	
Residential	\$41,049,130
Commerical	7,107,470
Public Utility Personal	1,423,400
Total Valuation	\$49,580,000

Note 6 - Income Taxes

The Village levies a two percent income tax on substantially all income earned in the Village. In addition, Village residents employed in other municipalities must pay two percent as no credit is given for municipal income tax paid to other cities or villages. Additional increases in the income tax rate require voter approval. Employers within the Village withhold income tax on employee compensation and remit at least monthly. Business and individuals must file an annual declaration and make quarterly payments.

Income tax receipts are recorded to the General Fund. Council, by ordinance, may further allocate tax receipts for capital improvements, debt service and other governmental functions when needed. The Village uses the Regional Income Tax Authority to collect and enforce that tax.

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

Note 7 – Interfund Balances

Interfund transactions for the year ended December 31, 2023, consist of the following:

Transfers From	Transfers To	Amount
General Fund	Pool Improvement Fund	\$150,000
General Fund	Storm Sewer Improvement Fund	375,000
Total		\$525,000
Advances From	Advances To	Amount
MP TIF Tax Equivalent Fund	General Fund	\$75,000

The transfer from the General Fund to the Pool Improvement and Storm Sewer Improvements Funds were to provide resources improvement projects.

The advances to the MP TIF Tax Equivalent Fund to the General Fund was the repayment of an advance made in 2022. MP TIF Tax Equivalent Fund will repay the remaining balance of \$155,000 over the next two years.

Note 8 – 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
- Cyber
- Automobile liability
- Property; and Equipment
- Public Official’s liability
- Law enforcement liability
- Vehicles

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

	2023
Cash and investments	\$ 43,996,442
Actuarial liabilities	\$ 19,743,401

Note 9 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement health care and survivor and disability benefits. The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries and the Village contributed an amount equaling 14 percent of participants’ gross salaries. The Village had \$5,050 in unremitted contributions at December 31, 2023.

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

Note 9 – 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 had \$18,643 in unremitted contributions required through December 31, 2023.

Social Security

Some Village council members contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants. Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants’ gross salaries. The Village has paid all contributions required through December 31, 2023.

Note 10 – 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 11 – Debt

Debt outstanding at December 31, 2023, included the following:

<u>Debt Issues</u>	<u>Interest Rate</u>	<u>Outstanding Balance 12/31/2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Outstanding Balance 12/31/2023</u>
<u>Revenue Bonds</u>					
Special Obligation Development Bonds	3.77%	\$7,650,440	\$0	\$201,601	\$7,448,839
<u>OPWC Loans</u>					
Waterline Replacement - Phase IV	3.00%	13,920	0	13,920	0
Sanitary Sewer System Phase II	0.00%	404,249	0	14,437	389,812
Sanitary Sewer System Phase III	0.00%	295,295	0	10,010	285,285
Minerva Lake Road Reconstruction	2.00%	3,046	0	3,046	0
2006 Street Paving	1.00%	14,780	0	5,868	8,912
2009 Street Paving	0.00%	17,246	0	4,311	12,935
2010 Street Paving	0.00%	8,168	0	2,042	6,126
Total Outstanding Debt		<u>\$8,407,144</u>	<u>\$0</u>	<u>\$255,235</u>	<u>\$8,151,909</u>

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

Note 11 – Debt (Continued)

The Special Obligation Development Bonds were issued to satisfy the development agreement with M/I Homes of Central Ohio, LLC and to finance specific projects within the Village. The bonds are payable solely from the service payments from within the development area. The bonds are not a general obligation of the Village of Minerva Park.

The Waterline Replacement Phase IV loan from the Ohio Public Works Commission (OPWC) was for the construction of waterlines within the Village. The OPWC initially approved \$1,125,360 in loans to the Village for four projects. The loan was repaid from consumption surcharges over 20 years.

The Sanitary Sewer System Phase II and III loans from OPWC relate to the repair and lining of various portions of the Village’s sanitary sewer lines. These loans are repaid over 30 years from the related debt service funds.

The Minerva Lake Road Reconstruction loan financed the restoration for Minerva Lake Road. The 2006 Street Paving Project financed the reconstruction of mainly Wildwood and Woodley Roads. The 2009 and 2010 street paving loans financed various paving projects with the Village. These projects were all financed by OPWC. The loans are repaid over 15 to 17 years from the Street Maintenance Fund.

Future debt service requirements are as follows:

	<u>Year</u>	<u>2006 Street Paving</u>	<u>2009 Street Paving</u>	<u>2010 Street Paving</u>	<u>Sanitary Sewer System Phase II</u>	<u>Sanitary Sewer System Phase III</u>	<u>Total</u>
<u>OPWC Loans</u>							
	2024	\$ 6,005	\$ 4,311	\$ 2,042	\$ 14,437	\$ 10,010	\$ 36,805
	2025	2,998	4,311	2,042	14,437	10,010	33,798
	2026	-	4,313	2,042	14,437	10,010	30,802
	2027	-	-	-	14,437	10,010	24,447
	2028	-	-	-	14,437	10,010	24,447
	2029-2033	-	-	-	72,185	50,050	122,235
	2034-2038	-	-	-	72,185	50,050	122,235
	2039-2052	-	-	-	173,257	135,135	308,392
Totals		<u>\$ 9,003</u>	<u>\$ 12,935</u>	<u>\$ 6,126</u>	<u>\$ 389,812</u>	<u>\$ 285,285</u>	<u>\$ 703,161</u>

	<u>Year</u>	<u>Amount</u>
<u>Revenues Bonds</u>		
	2024	\$ 490,022
	2025	490,022
	2026	490,022
	2027	490,022
	2028	490,022
	2029-2033	2,450,112
	2034-2038	2,450,112
	2039-2046	3,920,179
Totals		<u>\$ 11,270,515</u>

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

Note 12 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Village is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the various governmental funds are presented below:

<u>Fund Balance Classifications</u>	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Nonspendable					
Unclaimed Monies	4,510	0	0	0	4,510
<u>Restricted for:</u>					
Street Maintenance	\$0	\$900,299	\$0	\$0	\$900,299
Police Operations	0	3,300	0	0	3,300
Mayor's Court Technology	0	5,501	0	0	5,501
Veterans Memorial	0	483	0	0	483
Land Improvements	0	23,385	0	0	23,385
K-9 Maintenance	0	536	0	0	536
Building Improvement	0	0	0	1,812,111	1,812,111
Safety Programs	0	1,000	0	0	1,000
Debt Service	0	1,546	0	0	1,546
Total Restricted	0	936,050	0	1,812,111	2,748,161
<u>Committed to:</u>					
Storm Sewer Maintenance	0	62,572	0	0	62,572
Waterline Maintenance	0	581,274	0	0	581,274
Sewer Line Maintenance	0	934,762	0	0	934,762
Pool Improvements	0	0	0	128,196	128,196
Storm Sewer Improvements	0	15,294	0	450,661	465,955
Debt Service	0	0	24,611	0	24,611
Parkland Improvements	0	0	0	24,014	24,014
Total Committed	0	1,593,902	24,611	602,871	2,221,384
<u>Assigned to:</u>					
Encumbrances	129,435	0	0	0	129,435
<u>Unassigned</u>	1,901,210	0	0	0	1,901,210
Total Fund Cash Balance,					
December 31	<u>\$2,035,155</u>	<u>\$2,529,952</u>	<u>\$24,611</u>	<u>\$2,414,982</u>	<u>\$7,004,700</u>

The Village has \$12,979 held in custodial funds, which are held for specific purposes, for other governments, or pending determination by the courts. Encumbrances in the General Fund, Special Revenue Fund and Capital Projects Fund are \$129,435, \$145,080, and \$511,760 respectively.

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

Note 13 - Contingent Liabilities

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

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 the national state of emergency ended April 2023. During 2023, the Village did not receive additional COVID-19 funding. The Village will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

**VILLAGE OF MINERVA PARK
FRANKLIN 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**

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$ 417,292	\$ -	\$ -	\$ -	\$ 417,292
Municipal Income Tax	1,847,230	-	-	-	1,847,230
Intergovernmental	119,683	271,887	-	42,737	434,307
Special Assessments	-	-	-	3,272	3,272
Charges for Services	112,089	196,827	43,890	20,812	373,618
Fines, Licenses and Permits	62,466	2,594	-	-	65,060
Earnings on Investments	39,893	6,693	-	59,837	106,423
Miscellaneous	35,234	312,989	-	331,033	679,256
<i>Total Cash Receipts</i>	<u>2,633,887</u>	<u>790,990</u>	<u>43,890</u>	<u>457,691</u>	<u>3,926,458</u>
Cash Disbursements					
Current:					
Security of Persons and Property	964,658	3,153	-	-	967,811
Public Health Services	17,083	-	-	-	17,083
Leisure Time Activities	135,780	-	-	-	135,780
Community Environment	116,711	-	-	-	116,711
Basic Utility Services	200	72,968	-	-	73,168
Transportation	-	100,464	-	-	100,464
General Government	654,376	87,864	-	-	742,240
Capital Outlay	-	227,912	-	3,112,842	3,340,754
Debt Service:					
Principal Retirement	-	340,046	72,262	-	412,308
Interest and Fiscal Charges	-	168,483	1,615	155,000	325,098
<i>Total Cash Disbursements</i>	<u>1,888,808</u>	<u>1,000,890</u>	<u>73,877</u>	<u>3,267,842</u>	<u>6,231,417</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	745,079	(209,900)	(29,987)	(2,810,151)	(2,304,959)
Other Financing Receipts (Disbursements)					
Sale of Bonds	-	-	-	7,975,098	7,975,098
Transfers In	93,607	-	-	93,600	187,207
Transfers Out	(93,600)	-	-	(93,607)	(187,207)
Advances In	75,000	330,000	-	-	405,000
Advances Out	(230,000)	-	-	(175,000)	(405,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(154,993)</u>	<u>330,000</u>	<u>-</u>	<u>7,800,091</u>	<u>7,975,098</u>
<i>Net Change in Fund Cash Balances</i>	590,086	120,100	(29,987)	4,989,940	5,670,139
<i>Fund Cash Balances, January 1</i>	<u>1,495,342</u>	<u>2,507,006</u>	<u>54,535</u>	<u>357,024</u>	<u>4,413,907</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 2,085,428</u>	<u>\$ 2,627,106</u>	<u>\$ 24,548</u>	<u>\$ 5,346,964</u>	<u>\$ 10,084,046</u>

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

**VILLAGE OF MINERVA PARK
FRANKLIN COUNTY**

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

	Other Custodial
Additions	
Other Amounts Collected for Distribution	\$ 129,477
<i>Total Additions</i>	129,477
Deductions	
Distributions to Other Governments	2,091
Distributions to Other Funds (Primary Govt)	27,313
<i>Total Deductions</i>	29,404
Net Change in Fund Balances	100,073
<i>Fund Cash Balances, January 1</i>	12,912
<i>Fund Cash Balances, December 31</i>	\$ 112,985

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

Village of Minerva Park, Ohio
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 1 – Reporting Entity

The Village of Minerva Park (the Village), Franklin 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 police services, parks and recreation, street maintenance and repairs, and water, sewer and storm sewer maintenance. The Village contracts with the City of Columbus for fire protection services.

The Village participates in a public entity risk pool. Note 8 to the financial statements provides 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 statement of additions, deductions and changes in fund balances (regulatory cash basis) fiduciary fund type which are organized on a fund type basis.

Fund Accounting

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

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

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

MP TIF Fund – The Minerva Park Tax Increment Financing Fund accounts for service payments in lieu taxes restricted to the payment of debt and infrastructure maintenance and improvement within the TIF District. The Fund will exist so long as such service payments are collected and used for the aforesaid purposes, after which time the Fund will be dissolved and any surplus funds remaining therein will be transferred to the Village's General Fund in accordance with State law.

Storm Sewer Maintenance - This fund accounts for tap-in fees from new homes committed to the maintenance and repair of storm sewer lines.

Debt Service Funds: These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Village had the following significant Debt Service Fund:

Water Line Phase III and IV Funds – These funds account for water surcharges committed to the retirement of loans expended for the replacement and improvement of the Village water lines.

Village of Minerva Park, Ohio
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2022

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 expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Village had the following significant Capital Project Fund:

MP Improvement Tax Increment Financing Fund - This fund accounts for payments in lieu of taxes received from a residential tax increment financing area within the Village. The funds are being used for the payment of repair of the Village's earthen dam, and improvements benefiting the residents of the financing area.

Fiduciary Funds: - Fiduciary funds include custodial 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 tap-in fees collected on behalf of the City of Columbus and Mayor's Court activity.

Basis of Accounting

The 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. Receipts are recognized 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 major 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 2022 budgetary activity appears in Note 3.

Village of Minerva Park, Ohio
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

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.

Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

The Village values U.S. Treasury securities at cost. Money market mutual funds are recorded at share values the mutual funds report. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

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.

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 or ordinance). The Village must adhere to these commitments unless the Council amends the resolution or ordinance. 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 Minerva Park, Ohio
 Franklin 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 12.

Note 3 – Budgetary Activity

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

Fund Type	Budgeted Vs. Actual Receipts		
	Budgeted Receipts	Actual Receipts	Variance
General Fund	\$ 2,602,317	\$ 2,802,494	\$ 200,177
Special Revenue	1,040,950	1,120,990	80,040
Debt Service	44,000	43,890	(110)
Capital Projects	8,373,232	8,526,389	153,157

Fund Type	Budgeted Vs. Actual Budgetary Basis Disbursements		
	Appropriations	Actual Disbursements	Variance
General Fund	\$ 2,835,260	\$ 2,592,746	\$ 242,514
Special Revenue	1,213,948	1,010,274	203,674
Debt Service	74,034	73,877	157
Capital Projects	8,536,579	6,594,520	1,942,059

Village of Minerva Park, Ohio
 Franklin County
 Notes to the Financial Statements
 For the Year Ended December 31, 2022

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:

	2022
<u>Cash Management Pool</u>	
Demand Deposits	\$ 820,599
Certificates of Deposit	200,000
Cash With Fiscal Agent	125,160
Total Deposits	1,145,759
 <u>Investments</u>	
Star Ohio	5,044,269
U.S Discount Notes	637,423
U.S. Treasury Notes	1,170,093
U.S Discount Bills	245,413
U.S Treasury Bonds	520,035
U.S. Government Agencies	932,173
First American Funds	501,614
Money Market	252
Total Investments	9,051,272
Total Cash and Investment Management Pool	\$ 10,197,031

The Village receives Permissive Motor Vehicle License Tax from the Franklin County Engineer for the maintenance of Minerva Lake Road. These monies are held by the Franklin County Engineer and are recorded as cash held with fiscal agent in the table above.

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2022, the Village had no 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 invests in United States Treasury notes, bills, bonds, and other obligation or securities issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States. Securities are held by a third party 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.

Village of Minerva Park, Ohio
 Franklin County
 Notes to the Financial Statements
 For the Year Ended December 31, 2022

Note 5 – Property Taxes

Property taxes include amounts levied against all real and public utility property located in the Village. Property tax revenue received during 2022 for real and public utility property taxes represents collections of 2021 taxes. The County is responsible for assessing property and for billing, collecting, and distributing all property taxes on behalf of the Village.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due January 20, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established. Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2022 public utility property taxes which became a lien December 31, 2021, are levied after October 1, 2021, and are collected in 2022 with real 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.

The various levies and full tax rates for all Village operations for the year ended December 31, 2022, per \$1,000 of assessed value are:

Levies	Year Voted	Year Expires	Full Tax Rate	Effective Rates	
				Res/Ag Effective Rate	Commerical Effective Rate
<u>Unvoted Millage</u>					
Inside Millage	---	---	1.00	1.00	1.00
<u>Voted Operating Millage</u>					
4.0 Mill Operating	2020	2025	4.00	2.86	3.45
3.2 Mill Operating	2021	2026	3.20	2.29	2.76
5.0 Mill Operating	2017	2022	5.00	3.57	4.31
Total Voted Operating Levies			<u>12.20</u>	<u>8.72</u>	<u>10.52</u>
Total Tax Levies Millage			<u>13.20</u>	<u>9.72</u>	<u>11.52</u>

The assessed values of real property and public utility tangible personal property upon which 2022 property tax receipts were based are as follows:

Village of Minerva Park, Ohio
 Franklin County
 Notes to the Financial Statements
 For the Year Ended December 31, 2022

Note 5 – Property Taxes (Continued)

<u>Property Classifications</u>	<u>Amounts</u>
Residential	\$41,043,430
Commerical	5,478,990
Public Utility Personal	<u>1,317,610</u>
 Total Valuation	 <u><u>\$47,840,030</u></u>

Note 6 - Income Taxes

The Village levies a two percent income tax on substantially all income earned in the Village. In addition, Village residents employed in other municipalities must pay two percent as no credit is given for municipal income tax paid to other cities or villages. Additional increases in the income tax rate require voter approval. Employers within the Village withhold income tax on employee compensation and remit at least monthly. Business and individuals must file an annual declaration and make quarterly payments.

Income tax receipts are recorded to the general fund. Council, by ordinance, may further allocate tax receipts for capital improvements, debt service and other governmental functions when needed. The Village uses the Regional Income Tax Authority to collect and enforce that tax.

Note 7 – Interfund Balances

Interfund transactions for the year ended December 31, 2022, consist of the following:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>
EMS Equipment Fund	General Fund	\$93,607
General Fund	Storm Sewer Improvement Fund	93,600
<u>Advances From</u>	<u>Advances To</u>	<u>Amount</u>
2019 Sanitary Sewer Project Fund	Sewer Maintenance Fund	\$50,000
2020 Sanitary Sewer Project Fund	Sewer Maintenance Fund	50,000
Village Facilities Fund	General Fund	75,000
General Fund	MP TIF Fund	230,000

The transfer from the EMS Equipment Fund to the general fund was the return of resources set aside under Section 5705.13(C), Revised Code, for an EMS vehicle. The transfer from general fund to Storm Sewer Improvement Fund was to provide resources for the Jordan road storm sewer project.

The advances to the Sewer Maintenance Fund were to repay advances from prior years. The advance from the general fund to the MP TIF Fund was to provide resources to pay debt and will be repaid over the next two years.

Village of Minerva Park, Ohio
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 8 – 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
- Cyber
- Automobile liability
- Property; and
Equipment breakdown
- Public official’s liability
- Law enforcement liability
- Vehicles

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

	2022
Cash and investments	\$ 42,310,794
Actuarial liabilities	\$ 15,724,479

Note 9 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement health care and survivor and disability benefits. The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Village contributed an amount equaling 14 percent of participants’ gross salaries. The Village has paid all contributions required through December 31, 2022.

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, 2022.

Social Security

Some Village council members contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants. Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants’ gross salaries. The Village has paid all contributions required through December 31, 2022.

Village of Minerva Park, Ohio
 Franklin County
 Notes to the Financial Statements
 For the Year Ended December 31, 2022

Note 10 – Postemployment Benefits

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

Effective January 1, 2022, OPERS discontinued the group plans 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 11 – Debt

Debt outstanding at December 31, 2022, included the following:

<u>Debt Issues</u>	<u>Interest Rate</u>	<u>Outstanding Balance 12/31/2021</u>	<u>Issued</u>	<u>Retired</u>	<u>Outstanding Balance 12/31/2022</u>
<u>Revenue Bonds</u>					
Special Obligation Development Bonds	3.77%	\$ -	\$ 7,975,098	\$ 324,658	\$ 7,650,440
<u>OPWC Loans</u>					
Waterline Replacement - Phase III	3.00%	25,184	-	25,184	-
Waterline Replacement - Phase IV	3.00%	41,763	-	27,843	13,920
Sanitary Sewer Phase II	0.00%	418,687	-	14,438	404,249
Sanitary Sewer Phase III	0.00%	300,300	-	5,005	295,295
Minerva Lake Road Reconstruction	2.00%	6,060	-	3,014	3,046
2006 Street Paving	1.00%	20,590	-	5,810	14,780
2009 Street Paving	0.00%	21,558	-	4,312	17,246
2010 Street Paving	0.00%	10,212	-	2,044	8,168
Total		<u>\$ 844,354</u>	<u>\$ 7,975,098</u>	<u>\$ 412,308</u>	<u>\$ 8,407,144</u>

The Waterline Replacement loans from the Ohio Public Works Commission (OPWC) relate to construction of waterlines within the Village. The OPWC initially approved \$1,125,360 in loans to the Village for four projects. The loans are being repaid from consumption surcharges in semiannual installments over 20 years from the Waterline Debt Fund.

The Minerva Lake Road Reconstruction loan financed the restoration for Minerva Lake Road. The 2006 Street Paving Project financed the reconstruction of mainly Wildwood and Woodley Roads. The 2009 and 2010 street paving loans financed various paving projects within the Village. These projects were all financed by OPWC. The loans are repaid over 15 to 17 years from the Street Maintenance Fund.

Village of Minerva Park, Ohio
 Franklin County
 Notes to the Financial Statements
 For the Year Ended December 31, 2022

Note 11 – Debt (Continued)

The 2019 Sanitary Sewer Project loan from OPWC relate to the repair and lining of various portions of the Village’s sanitary sewer lines. This loan is repaid over 30 years from the Sewer Maintenance Fund.

The Special Obligation Development Bonds were issued to satisfy the development agreement with M/I Homes of Central Ohio, LLC and to finance specific projects within the Village. The bonds are payable solely from the service payments from within the development area. The bonds are not a general obligation of the Village of Minerva Park.

Future debt service requirements are as follows:

OPWC Loans

<u>Year</u>	2006 Street Paving	2009 Street Paving	2010 Street Paving	Minerva Lake Road Reconstruction	Waterline Phase IV	Sanitary Sewer System Phase II	Sanitary Sewer System Phase III	Total
2023	\$ 6,001	\$ 4,311	\$ 2,042	\$ 3,063	\$ 14,341	\$ 14,437	\$ 10,010	\$ 54,205
2024	6,003	4,311	2,042	-	-	14,437	10,010	36,803
2025	2,876	4,312	2,042	-	-	14,437	10,010	33,677
2026	-	4,312	2,042	-	-	14,437	10,010	30,801
2027	-	-	-	-	-	14,437	10,010	24,447
2028-2032	-	-	-	-	-	72,185	50,050	122,235
2033-2037	-	-	-	-	-	72,185	50,050	122,235
2038-2052	-	-	-	-	-	187,694	145,145	332,839
Totals	<u>\$ 14,880</u>	<u>\$ 17,246</u>	<u>\$ 8,168</u>	<u>\$ 3,063</u>	<u>\$ 14,341</u>	<u>\$ 404,249</u>	<u>\$ 295,295</u>	<u>\$ 757,242</u>

Revenue Bonds

2023	\$ 490,022
2024	490,022
2025	490,022
2026	490,022
2027	490,022
2028-2032	2,450,112
2033-2037	2,450,112
2038-2052	4,410,202
Totals	<u>\$11,760,538</u>

Note 12 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Village is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the various governmental funds are presented below:

Village of Minerva Park, Ohio
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 12 – Fund Balances (Continued)

Fund Balance Classifications	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
<u>Nonspendable:</u>					
Unclaimed monies	\$4,510	\$0	\$0	\$0	\$4,510
<u>Restricted for:</u>					
Street Maintenance	\$0	\$832,565	\$0	\$0	\$832,565
Police Operations	0	3,250	0	0	3,250
Mayor's Court Technology	0	10,753	0	0	10,753
Veterans Memorial	0	143	0	0	143
Land Improvements	0	24,269	0	0	24,269
Building Improvement	0	0	0	5,115,754	5,115,754
Debt Service	0	11,831	0	0	11,831
Total Restricted	<u>0</u>	<u>882,811</u>	<u>0</u>	<u>5,115,754</u>	<u>5,998,565</u>
<u>Committed to:</u>					
Storm Sewer Maintenance	0	244,674	0	93,600	338,274
Waterline Maintenance	0	534,027	0	0	534,027
Sewer Line Maintenance	0	965,594	0	0	965,594
Debt Service	0	0	24,548	0	24,548
Parkland Improvements	0	0	0	119,150	119,150
Building Improvement	0	0	0	18,460	18,460
Total Committed	<u>0</u>	<u>1,744,295</u>	<u>24,548</u>	<u>231,210</u>	<u>2,000,053</u>
<u>Assigned to:</u>					
Encumbrances	380,338	0	0	0	380,338
Total Assigned	<u>380,338</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>380,338</u>
<u>Unassigned</u>	<u>1,700,580</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,700,580</u>
Total Fund Cash Balance, December 31	<u>\$2,085,428</u>	<u>\$2,627,106</u>	<u>\$24,548</u>	<u>\$5,346,964</u>	<u>\$10,084,046</u>

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrances in the General Fund, Special Revenue Fund and Capital Projects Fund are \$380,338, \$9,384, and \$3,058,071 respectively.

Note 13 - Contingent Liabilities

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

Village of Minerva Park, Ohio
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2022

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 the national state of emergency ended April 2023. During 2022, the Village received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures may 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.

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

Village of Minerva Park
Franklin County
2829 Minerva Lake Road
Columbus, Ohio 43231

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 by the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements for each governmental and fiduciary fund type of the Village of Minerva Park, Franklin County, (the Village) as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, and have issued our report thereon dated June 25, 2024, wherein we noted the Village followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 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. 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.

Charles E. Harris & Associates, Inc.

June 25, 2024

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OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF MINERVA PARK

FRANKLIN 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 9/5/2024

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