



OHIO AUDITOR OF STATE
KEITH FABER



VILLAGE OF MINSTER
AUGLAIZE COUNTY
DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

Village of Minster
Auglaize County
5 West Fourth Street
PO Box 1
Minster, Ohio 45865

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 Minster, Auglaize County, Ohio (the Village), which comprises the cash balances, receipts and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2024, 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 proprietary fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2024, 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 of Minster, as of December 31, 2024, or the changes in financial position thereof for the year 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 *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 December 12, 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.

KEITH FABER
Ohio Auditor of State



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

December 12, 2025

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**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

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	Debt Service	Capital Projects	Combined Total
Cash receipts:					
Property and other local taxes	\$ 747,426	\$ 320,322	\$ -	\$ -	\$ 1,067,748
Municipal income taxes	5,170,107	-	-	-	5,170,107
Intergovernmental	147,967	895,933	-	-	1,043,900
Special assessments	-	-	44,113	46,085	90,198
Charges for services	74,325	2,802	-	-	77,127
Fines, licenses and permits	4,433	27	-	-	4,460
Earnings on investments	610,332	8,702	-	-	619,034
Rental income	43,600	-	-	-	43,600
Contributions and donations	13,068	318,837	-	28,145	360,050
Miscellaneous	67,322	16,352	-	9,445	93,119
Total cash receipts	<u>6,878,580</u>	<u>1,562,975</u>	<u>44,113</u>	<u>83,675</u>	<u>8,569,343</u>
Cash disbursements:					
Current:					
Security of persons and property	1,116,546	176,540	-	-	1,293,086
Leisure time activities	339,375	-	-	-	339,375
Community environment	23,327	-	-	-	23,327
Transportation	-	970,544	-	-	970,544
General government	826,082	2,008	-	4,747	832,837
Capital outlay	169,115	933,267	-	4,509,302	5,611,684
Debt service:					
Principal retirement	-	-	34,022	140,754	174,776
Interest and fiscal charges	-	-	8,960	57,782	66,742
Total cash disbursements	<u>2,474,445</u>	<u>2,082,359</u>	<u>42,982</u>	<u>4,712,585</u>	<u>9,312,371</u>
Excess (deficiency) of receipts over (under) disbursements	<u>4,404,135</u>	<u>(519,384)</u>	<u>1,131</u>	<u>(4,628,910)</u>	<u>(743,028)</u>
Other financing receipts (disbursements):					
Note issuance	-	-	-	62,860	62,860
Sale of capital assets	3,350	15,336	-	91,275	109,961
Advances in	-	3,151	-	-	3,151
Advances (out)	(3,151)	-	-	-	(3,151)
Transfers in	235,548	1,211,336	-	4,110,540	5,557,424
Transfers (out)	(4,664,180)	-	-	(1,494,938)	(6,159,118)
Police renovation loan issuance	-	-	-	1,905,403	1,905,403
OPWC loan issuance	-	-	-	416,693	416,693
Total other financing receipts (disbursements)	<u>(4,428,433)</u>	<u>1,229,823</u>	<u>-</u>	<u>5,091,833</u>	<u>1,893,223</u>
Net change in fund cash balances	(24,298)	710,439	1,131	462,923	1,150,195
Fund cash balances, January 1	<u>3,743,585</u>	<u>726,301</u>	<u>7,440</u>	<u>2,152,180</u>	<u>6,629,506</u>
Fund cash balances, December 31	<u>\$ 3,719,287</u>	<u>\$ 1,436,740</u>	<u>\$ 8,571</u>	<u>\$ 2,615,103</u>	<u>\$ 7,779,701</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

COMBINED STATEMENT OF RECIEPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Proprietary Fund Types
	Enterprise
Operating cash receipts:	
Charges for services	\$ 16,653,886
Fines, licenses and permits	1,252
Miscellaneous	123,404
Total operating cash receipts	<u>16,778,542</u>
Operating cash disbursements:	
Personal services	810,895
Employee fringe benefits	380,279
Contractual services	10,302,462
Materials and supplies	1,771,211
Other	55,668
Total operating cash disbursements	<u>13,320,515</u>
Operating income	<u>3,458,027</u>
Nonoperating cash receipts (disbursements):	
Principal retirement	(285,000)
Interest and fiscal charges	(58,934)
Capital outlay	(1,430,125)
Sale of capital assets	13,400
Property and other local taxes	9,438
Excise tax payment	(12,280)
Total nonoperating cash receipts (disbursements)	<u>(1,763,501)</u>
Income before transfers	1,694,526
Transfers in	<u>601,694</u>
Net change in fund cash balances	2,296,220
Fund cash balances, January 1	<u>10,236,595</u>
Fund cash balances, December 31	<u><u>\$ 12,532,815</u></u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

COMBINED STATEMENT OF ADDITIONS, DEDUCTIONS AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Fiduciary Fund Types</u>
	<u>Custodial</u>
	<u>Other Custodial</u>
Additions:	
Fines, licenses and permits for distribution	\$ 4,426
Total additions	<u>4,426</u>
Deductions:	
Distributions to other governments	<u>4,555</u>
Total deductions	<u>4,555</u>
Net change in fund cash balances	(129)
Fund cash balances, January 1	<u>263</u>
Fund cash balances, December 31	<u><u>\$ 134</u></u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 1 - REPORTING ENTITY

The Village of Minster, Auglaize County, Ohio (the “Village”) 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 is directed by a publicly elected six-member Council. The Village provides fire and police protection, water, sewer and electric utilities, refuse services through a contractual agreement with Rumpke, street maintenance, pool and park operations and other general governmental services.

Joint Venture

The Village participates in the Ohio Municipal Electric Generation Agency Joint Venture 5 (OMEGA JV5). Note 11 to the financial statements provides more information on this joint venture.

Public Entity Risk Pool

The Village participates in the Ohio Plan Risk Management Inc. public entity risk pool. Note 10 to the financial statements provides additional information on 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

A. Basis of Presentation

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

B. Fund Accounting

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

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

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

Public Works Fund - The public works fund accounts for and reports the receipt of gasoline tax and motor vehicle tax monies and transfers from the general fund for the purpose of constructing, maintaining and repairing Village streets.

Playground Equipment Fund - The playground equipment fund accounts for local donations, grants from the federal and state governments and matching transfers from the general fund for improvements to Paris Street Park.

**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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:

Debt Service Fund - The debt service fund accounts for special assessments used for the payment of special assessment notes and bonds.

Capital Projects 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 projects funds:

Capital Improvement Fund - The capital improvement fund accounts for special assessments, donations and transfers from the general fund to be used for the purchase of large equipment, vehicles and buildings for the Village. The capital improvement fund also transfers money to other capital projects funds for specific projects.

Police Department Renovation Fund - The police department renovation fund accounts for transfers from the capital improvement fund and for loans for the addition to and renovation of the police department building.

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

Electric Fund - The electric fund accounts for the provision of electric services to the residents and commercial users within the Village and the payment of any related debts.

Fiduciary Funds - Fiduciary funds include private purpose trust funds, investment trust funds, and custodial funds. Trust funds account for assets held under a trust agreement meeting certain criteria. The Village has 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 fund accounts for mayor's court activity.

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

C. 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.

D. Budgetary Process

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

**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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 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 4.

E. 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.

The Village values U.S. Treasury Notes at cost. 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 an NAV per share that approximates fair value.

F. Leases and SBITAs

The Village is the lessor/lessee in various leases (as defined by GASB 87) related to land, vehicles, and other equipment under noncancelable leases. Lease revenue/disbursements are recognized when they are received/paid.

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 and various other software. Subscription disbursements are recognized when they are paid.

G. 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.

H. 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.

I. 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.

**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

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

Assigned - Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. 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 14.

NOTE 3 - 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	\$ 5,864,295
Investments:	
U.S. Treasury Notes	1,000,000
STAR Ohio	13,448,355
Total Investments	14,448,355
Total Deposits and Investments	\$ 20,312,650

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

The Federal Reserve holds the Village's U.S. Treasury Notes in book-entry form, in the name of the Village's financial institution. The financial institution maintains records identifying the Village as owner of these securities.

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

**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 4 - BUDGETARY ACTIVITY

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

2024 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 6,539,100	\$ 7,117,478	\$ 578,378
Special Revenue	3,276,533	2,792,798	(483,735)
Debt Service	44,900	44,113	(787)
Capital Projects	7,241,372	6,670,446	(570,926)
Enterprise	18,568,089	17,403,074	(1,165,015)
Total	<u>\$ 35,669,994</u>	<u>\$ 34,027,909</u>	<u>\$ (1,642,085)</u>

2024 Budgeted vs. Actual Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 7,493,095	\$ 7,141,776	\$ 351,319
Special Revenue	2,615,390	2,082,359	533,031
Debt Service	43,030	42,982	48
Capital Projects	8,962,945	6,207,523	2,755,422
Enterprise	21,462,049	15,106,854	6,355,195
Total	<u>\$ 40,576,509</u>	<u>\$ 30,581,494</u>	<u>\$ 9,995,015</u>

NOTE 5 - PROPERTY TAXES

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

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

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

NOTE 6 - LOCAL INCOME TAXES

The Village levies a municipal income tax of 1.5% 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.

The Villages utilizes a third party, the City of St. Marys, to collect income taxes on behalf of the Village. Employers within the Village withhold income tax on employee compensation and remit the tax to the City of St. Marys either monthly or quarterly, as required. The City of St. Marys remits these collections to the Village on a monthly basis, less a fee for collection services. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 7 - DEBT

Debt outstanding at December 31, 2024 was as follows:

<u>Description</u>	<u>Balance at 12/31/2024</u>	<u>Interest Rate</u>
Fifth Street Renovations Note	\$ 54,910	2.98%
Second Street/Garfield Street Note	70,994	1.99%
Sewer Improvement Refunding Bonds	3,445,000	1.58%
Capital Improvements Note	759,246	2.05%
Seventh Street Note	100,129	3.84%
Police Department Renovations Loan	2,374,281	4.24%
OPWC Loan - CM07Z	416,693	0.00%
Sidewalk Assessment Note	14,938	4.03%
Industrial Park Replacement Note	44,779	4.03%
Total	<u>\$ 7,280,970</u>	

The Village issued a \$109,821 note in 2019 for street renovations to Fifth Street. Semiannual payments are due April 17 and October 17 at an interest rate of 2.98% with a maturity date of April 2, 2029. The note will be repaid with special assessment receipts in the debt service fund.

The Village issued a \$101,420 note in 2021 for street renovations to Second and Garfield Streets. Semiannual payments are due February 9 and August 9 at an interest rate of 1.99% with a maturity date of August 9, 2031. The note will be repaid with special assessment receipts in the debt service fund.

The Village issued \$4,645,000 in sewer improvement refunding bonds in 2020. Semiannual payments are due June 1 and December 1 at an interest rate of 1.58% with a maturity date of December 1, 2035. The bonds will be repaid from the sewer enterprise fund.

The Village issued a \$1,500,000 note in 2019 for various improvements. Payments are due on April 9 at an interest rate of 2.05% with a maturity date of April 9, 2029. The note will be repaid from the capital improvement capital projects fund.

The Village issued a \$114,647 note in 2023 for street renovations to Seventh Street. Semiannual payments are due February 13 and August 13 at an interest rate of 3.84% with a maturity date of February 13, 2033. The note will be repaid with special assessment receipts in the debt service fund.

The Village entered into a loan agreement with Minster Bank in 2023 for the renovation of the Police Station. As of December 31, 2024, \$2,374,281 has been drawn down on this loan. The Village made one final draw on this loan in the amount of \$9,604 on March 19, 2025. This results in a total loan of \$2,383,885, which is the amount of principal reported in the amortization schedule presented below. This loan has an interest rate of 4.24%. This loan will be repaid from the capital improvement capital projects fund.

Ohio Public Works Commission (OPWC) loan CM07Z is a twenty-year loan that originated in 2024 and relates to the East Seventh Street/North Paris Street Reconstruction Project. The Village will repay the loan in semiannual installments of \$10,417 at zero percent interest. The final installment payment of this loan is due in July 2044. This loan will be repaid from the capital improvement capital projects fund.

**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 7 - DEBT - (Continued)

The Village issued a \$15,724 note in 2024 for sidewalk improvements. Semiannual payments are due March 12 and September 12 at an interest rate of 4.03% with a maturity date of March 12, 2034. The note will be repaid with special assessment receipts in the debt service fund.

The Village issued a \$47,136 note in 2024 for industrial park improvements. Semiannual payments are due March 12 and September 12 at an interest rate of 4.03% with a maturity date of March 12, 2034. The note will be repaid with special assessment receipts in the debt service fund.

Amortization

Amortization of the Village's debt, including interest, is scheduled as follows:

Year Ending December 31,	Fifth Street Renovations	Second St./ Garfield St.	Sewer Imp. Bonds	Capital Imp. Note	Seventh Street
2025	\$ 12,475	\$ 11,574	\$ 344,431	\$ 150,000	\$ 13,952
2026	12,143	11,370	344,849	150,000	13,952
2027	11,811	11,165	340,188	150,000	13,951
2028	11,481	10,963	345,527	150,000	13,952
2029	11,148	10,756	340,708	208,959	13,952
2030-2034	-	20,898	1,719,280	-	48,831
2035	-	-	345,372	-	-
Total	<u>\$ 59,058</u>	<u>\$ 76,726</u>	<u>\$ 3,780,355</u>	<u>\$ 808,959</u>	<u>\$ 118,590</u>

Year Ending December 31,	Police Renovations	OPWC Loan CM07Z	Sidewalk Assessment	Industrial Park Replacement
2025	\$ 201,664	\$ 20,835	\$ 2,167	\$ 6,495
2026	201,664	20,835	2,102	6,302
2027	201,664	20,835	2,038	6,110
2028	201,664	20,834	1,975	5,920
2029	201,663	20,835	1,910	5,724
2030-2034	1,008,318	104,173	7,798	23,377
2035-2039	1,008,318	104,173	-	-
2040-2044	339,861	104,173	-	-
Total	<u>\$ 3,364,816</u>	<u>\$ 416,693</u>	<u>\$ 17,990</u>	<u>\$ 53,928</u>

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**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 7 - DEBT - (Continued)

American Municipal Power Generating Station Project

The Village is a member of American Municipal Power (AMP) and has participated in the AMP Generating Station (AMPGS) Project. This project was intended to develop a pulverized coal power plant in Meigs County, Ohio. The Village's share was 5,381 kilowatts of a total 771,281 kilowatts, giving the Village a 0.70 percent share. The AMPGS Project required participants to sign "take or pay" contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. In November 2009, the participants voted to terminate the AMPGS Project due to projected escalating costs. These costs were therefore deemed *impaired* and participants were obligated to pay costs already incurred. In prior years, the payment of these costs was not considered probable due to AMP's pursuit of legal action to void them. As a result of March 31, 2014, legal ruling, the AMP Board of Trustees on April 15, 2014, and the AMPGS participants on April 16, 2014, approved the collection of the impaired costs and provided the participants with an estimate of their liability. The Village's estimated share of the impaired costs at March 31, 2014 was \$938,132. The Village received a credit of \$70,925 related to their participation in the AMP Fremont Energy Center (AFEC) Project, and another credit of \$243,355 related to the AMPGS costs deemed to have future benefit for the project participants, classified as Plant Held for Future Use (PHFU). This results in an estimated net impaired cost estimate of \$623,852. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact, either positively or negatively, the Village's net impaired cost balance. These amounts will be recorded as they become estimable.

In late 2016, AMP reached a Settlement in the Bechtel Corporation litigation. On December 8, 2016, at the AMPGS Participants meeting, options for the allocation of the Settlement funds were approved. The AMPGS Participants and the AMP Board of Trustees voted to allocate the Settlement amount the participants and the AMP General Fund based on each participant's original project share in kW including the AMP General Fund's project share.

Since March 31, 2014, the Village's allocation of additional costs incurred by the project is \$12,080 and interest expense of \$24,483 incurred on AMP's line-of-credit, resulting in a balance estimate at December 31, 2024 of \$2,810. The Village does have a Potential PHFU Liability of \$317,215 resulting in a net total potential liability of \$320,025, assuming the assets making up the PHFU (principally the land comprising the Meigs County site) have no value and also assuming the village's credit balance would earn zero interest. Stranded costs as well as PHFU costs are subject to change, including future borrowing costs on the AMP line of credit. Activities include items such as negative items as property taxes as well as positive items revenue from leases or sale of all or a portion of the Meigs County site property.

NOTE 8 - DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System

Most 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 postemployment healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Village contributed an amount equaling 14% of participants' gross salaries. The Village has paid all contributions required through December 31, 2024.

Ohio Police and Fire Pension Fund

The Village's full-time police officers belong to the 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 postemployment healthcare and survivor and disability benefits.

**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 8 - DEFINED BENEFIT PENSION PLANS – (Continued)

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Village contributed to OP&F an amount equal to 19.50% of full-time police officers' wages. The Village has paid all contributions required through December 31, 2024.

Social Security

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

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2024.

NOTE 9 - 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 these benefits.

NOTE 10 - RISK MANAGEMENT

A. Risk Pool Membership

The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and remained the same through October 31, 2022. Effective November 1, 2022, the property loss corridor was eliminated. OPRM had 847 members as of December 31, 2024.

**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 10 - RISK MANAGEMENT - (Continued)

The Pool's audited financial statements conform with accounting principles generally accepted in the United States of America, with the exception of a qualified opinion related to recording premiums and membership fees earned in full as of December 31, 2024. Those premiums and fees should be earned pro-rata over the individual coverage and membership periods of each policy. The financial statements reported the following assets, liabilities and equity at December 31, 2024.

Assets	\$24,456,615
Liabilities	<u>(16,692,162)</u>
Members' Equity	<u>\$7,764,453</u>

The complete audited financial statements for OPRM are available at the Plan's website, www.ohioplan.org.

B. Workers' Compensation

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

NOTE 11 - JOINT VENTURE

Ohio Municipal Electric Generation Agency (OMEGA JV5)

The Village of Minster is a Financing Participant with an ownership percentage of 1.99% and shares participation with forty-one other subdivisions within the State of Ohio in the Ohio Municipal Electric Generation Agency Joint Venture 5 (OMEGA JV5). Financing Participants own undivided interests, as tenants in common, without right of partition in the OMEGA JV5 Project.

Pursuant to the OMEGA Joint Venture JV5 Agreement (Agreement), the participants jointly undertook as Financing Participants, the acquisition, construction, and equipping of OMEGA JV5, including such portions of OMEGA JV5 as have been acquired, constructed or equipped by AMP.

OMEGA JV5 was created to construct a 42 Megawatt (MW) run-of-the-river hydroelectric plant (including 40MW of backup generation) and associated transmission facilities (on the Ohio River near the Bellville, West Virginia Locks and Dam) and sells electricity from its operations to OMEGA JV5 Participants. Also pursuant to the Agreement, each participant has an obligation to pay its share of debt service on the Beneficial Interest Certificates (Certificates) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. On dissolution of OMEGA JV5, the net assets will be shared by the financing participants on a percentage of ownership basis. Under the terms of the Agreement each participant is to fix, charge and collect rates, fees and charges at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV5 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2024, the Village of Minster has met its debt coverage obligation.

**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 11 - JOINT VENTURE - (Continued)

The agreement provides that the failure of any JV5 participant to make any payment due by the due date thereof constitutes a default. In the event of a default, OMEGA JV5 may take certain actions including the termination of a defaulting JV5 Participant's entitlement to Project Power. Each Participant may purchase a pro rata share of the defaulting JV5 Participant's entitlement to Project Power, which together with the share of the other non-defaulting JV5 Participants, is equal to the defaulting JV5 Participant's ownership share of the Project, in kilowatts ("Step Up Power") provided that the sum of any such increases shall not exceed, without consent of the non-defaulting JV5 Participant, an accumulated maximum kilowatts equal to 25% of such non-defaulting JV5 Participant's ownership share of the project prior to any such increases.

In 1993, OMEGA JV5 assigned to a trustee the obligations of its participants to make payments for their respective ownership shares in the "Belleville Project," a 42 MW run-of-the-river hydroelectric generating facility on an Army Corps dam near Belleville, Ohio, an associated transmission line in Ohio and backup diesel generation owned by OMEGA JV5. AMP is responsible for operation of the Belleville Project. The hydroelectric generation associated with the Belleville Project has been operational since June 1999. The diesel generation units have been in service since 1995. OMEGA JV5 Participants have approved the retirement and sale of diesel units. The Federal Energy Regulatory Commission license for the Belleville Project runs through August 31, 2039. As of December 31, 2024, \$49,892,257 of the 2001 Belleville Beneficial Interest Certificates ("2001 BICs") with a final maturity of 2030 was outstanding. The 2001 BICs are capital appreciation bonds with a final aggregate maturity amount of \$56,125,000. In addition, on February 15, 2014, AMP redeemed \$70,990,000 of the 2004 Belleville Beneficial Interest Certificates with the proceeds of a draw on the Line of Credit, which draw was evidenced by the proceeds of a note (the "JV5 Note"). On January 29, 2016, OMEGA JV5 caused the issuance of \$49,745,000 Belleville Beneficial Interest Refunding Certificates, Series 2016 (the "2016 BICs") to pay a portion of the outstanding balance of the JV5 Note and to pay costs of issuance. The balance of the JV5 Note, and the 2016 BICs has since been retired. The 2001 BICs are nonrecourse to AMP. As of December 31, 2024, the outstanding debt was \$49,892,257.

The Village's net position to date in OMEGA JV5 was \$59,459 at December 31, 2024. Complete financial statements for OMEGA JV5 may be obtained from AMP or from the State Auditor's website at www.ohioauditor.gov.

NOTE 12 - INTERFUND ACTIVITY

A. Advances

Outstanding advances at December 31, 2024, consisted of \$3,151 advanced from the general fund to the police bulletproof vest grant special revenue fund to cover disbursements until grant receipts are received.

B. Transfers

A summary of transfers made between funds during 2024 is shown in the following table:

Transfers to	Transfers from		Total
	General	Capital Projects	
General	\$ -	\$ 235,548	\$ 235,548
Special Revenue	1,211,336	-	1,211,336
Capital Projects	2,876,150	1,234,390	4,110,540
Enterprise	576,694	25,000	601,694
Total	<u>\$ 4,664,180</u>	<u>\$ 1,494,938</u>	<u>\$ 6,159,118</u>

**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 13 - CONTINGENT LIABILITIES

A. Litigation

The Village is not involved in litigation that, in the opinion of management, is expected to have a material adverse effect on the Village's financial condition.

B. Grants

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

NOTE 14 - FUND BALANCES

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years. 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 Village had no encumbrances outstanding.

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

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**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 15 - AMP REVENUE COVERAGE

To provide electric service to the citizens, the Village is a member of Ohio Municipal Electric Generation Agency (OMEGA) Joint Venture 5 as described in Note 11. The Village is liable for debt related to the financing of the OMEGA joint venture. The activity is accounted for in the Village's Electric Fund, which is reported as part of the combined Enterprise Fund Type in the financial statements. Summary financial information for the Electric Fund is presented below:

	2024
Total Fund Cash Balance	\$ 9,566,930
Total Long-Term Debt	\$ -
Condensed Operating Information:	
Operating Receipts	
Charges for Services	\$ 13,554,595
Fines, Licenses and Permits	22
Other Operating Receipts	107,286
Total Operating Receipts	<u>13,661,903</u>
Operating Disbursements	
Personal Services	425,337
Employee Fringe Benefits	211,207
Contractual Services	9,731,005
Supplies and Materials	1,249,220
Other Operating Disbursements	25,757
Total Operating Disbursements	<u>11,642,526</u>
Operating Income	<u>2,019,377</u>
Nonoperating Receipts (Disbursements)	
Property and Other Local Taxes	9,438
Sale of Capital Assets	4,300
Excise Tax Payments	(12,280)
Capital Outlay	<u>(136,497)</u>
Transfers In	<u>466,694</u>
Change in Fund Cash Balance	2,351,032
Beginning Fund Cash Balance	7,215,898
Ending Fund Cash Balance	<u><u>\$ 9,566,930</u></u>

**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 16 - CONTRACTUAL COMMITMENTS

A. Combined Hydroelectric Projects (79 Members)

AMP owns and operates three hydroelectric projects, the Cannelton, the Smithland and the Willow Island hydroelectric generating facilities (the "Combined Hydroelectric Projects"), all on the Ohio River, with an aggregate generating capacity of approximately 208 MW. Each of the Combined Hydroelectric Projects is in commercial operation and consists of run-of-the-river hydroelectric generating facilities on existing Army Corps dams and includes associated transmission facilities. AMP holds the licenses from FERC for the Combined Hydroelectric Projects.

To provide financing for, or refinance certain obligations incurred in respect of, the Combined Hydroelectric Projects, AMP has issued twelve series of its Combined Hydroelectric Projects Revenue Bonds (the "Combined Hydroelectric Bonds") consisting of taxable, tax-exempt and tax advantaged obligations (Build America Bonds, Clean Renewable Energy Bonds and New Clean Renewable Energy Bonds). The Combined Hydroelectric Bonds are secured by a master trust indenture and payable from amounts received by AMP under a take-or-pay power sales contract with 79 of its Members. As of December 31, 2024, \$1,997,499,412 aggregate principal amount of the Combined Hydroelectric Bonds.

The Village of Minster has executed a take-or-pay power sales contract with AMP as a participant of the Combined Hydroelectric Projects of 2,398 kW or 1.15% of capacity and associated energy from the Combined Hydroelectric Projects.

B. Prairie State Energy Campus (68 Members)

On December 20, 2007, AMP acquired a 23.26% undivided ownership interest (the "PSEC Ownership Interest") in the Prairie State Energy Campus ("PSEC"), a two-unit, supercritical coal-fired power plant designed to have a net rated capacity of approximately 1,582 MW and associated facilities in southwest Illinois. The PSEC Ownership Interest is held by AMP 368 LLC, a single-member Delaware limited liability company ("AMP 368 LLC"). AMP is the owner of the sole membership interest in AMP 368 LLC. Construction of the PSEC commenced in October 2007. Unit 1 of the PSEC commenced operations in the second quarter of 2012 and Unit 2 of the PSEC commenced operations in the fourth quarter of 2012.

From July 2008 through September 2010, AMP issued five series of Prairie State Energy Campus Revenue Bonds (collectively, the "Initial Prairie State Bonds") to finance PSEC project costs and PSEC related expenses. The Initial Prairie State Bonds consist of tax-exempt, taxable and tax advantaged Build America Bonds issued in the original aggregate principal amount of \$1,696,800,000. In 2015, 2017 and 2019, AMP issued bonds (the "Prairie State Refunding Bonds" and, together with the Initial Prairie State Bonds, the "Prairie State Bonds") to refund all of the callable tax-exempt Initial Prairie State Bonds issued in 2008 and 2009, certain of callable outstanding Initial Prairie State Bonds issued as Build America Bonds and certain of the bonds issued in 2015 to refund the Initial Prairie State Bonds. As of December 31, 2024, AMP had \$1,278,980,000 aggregate principal amount of Prairie State Bonds outstanding.

AMP sells the power and energy from the PSEC Ownership Interest pursuant to a take-or-pay power sales contract (the "Prairie State Power Sales Contract") with 68 Members (the "Prairie State Participants"). The Prairie State Bonds are net revenue obligations of AMP, secured by a master trust indenture, payable primarily from the payments to be made by the Prairie State Participants under the terms of the Prairie State Power Sales Contract. The capacity factor for the Prairie State Energy Campus for the fiscal year ending December 31, 2022 (the latest information available) was 88.9%.

The Village of Minster has executed a take-or-pay power sales contract with AMP as a participant of the Prairie State Energy Campus Project of 6,966 kW or 1.89% of capacity and associated energy from the Prairie State Energy Campus Project.

**VILLAGE OF MINSTER
AUGLAIZE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 16 - CONTRACTUAL COMMITMENTS - (Continued)

C. AMP Fremont Energy Center (86 Members)

On July 28, 2011, AMP acquired from FirstEnergy Generation Corporation ("FirstEnergy") the Fremont Energy Center ("AFEC"), a combined cycle, natural gas fueled electric generating plant, then nearing completion of construction and located in Fremont, Sandusky County, Ohio. Following completion of the commissioning and testing, AMP declared AFEC to be in commercial operation as of January 20, 2012. AFEC has a capacity of 512 MW (unfired)/675 MW (fired) and consists of two combustion turbines, two heat recovery steam generators and one steam turbine and condenser.

AMP subsequently sold a 5.16% undivided ownership interest in AFEC to the Michigan Public Power Agency and entered into a power sales contract with the Central Virginia Electric Cooperative for the output associated with a 4.15% undivided ownership interest in AFEC. The output of AFEC associated with the remaining 90.69% undivided ownership interest (the "90.69% Interest") is sold to AMP Members pursuant to a take-or-pay power sales contract with 86 of its Members (the "AFEC Power Sales Contract").

In 2012, to provide permanent financing for the 90.69% Interest, AMP issued, in two series, \$546,085,000 of its AMP Fremont Energy Center Project Revenue Bonds (the "2012 AFEC Bonds"), consisting of taxable and tax-exempt obligations. The AFEC Bonds are net revenue obligations of AMP, secured by a master trust indenture and payable from amounts received by AMP under the AFEC Power Sales Contract. In 2017, AMP issued bonds (the "AFEC Refunding Bonds" and, together with the 2012 AFEC Bonds, the "AFEC Bonds") to refund a portion of the 2012 AFEC Bonds. As of December 31, 2024, \$362,915,000 aggregate principal amount of AFEC Bonds was outstanding.

In April 2021 and December 2022, AMP executed a Gas Supply Contract (each, a "Tennergy Gas Supply Contract") with Tennergy Corporation ("Tennergy") under the terms of which Tennergy will provide a portion of the natural gas made available to Tennergy pursuant to Prepaid Natural Gas Sales Agreements between Tennergy and a subsidiary of Morgan Stanley and between Tennergy and a subsidiary of J. Aron & Company LLC, respectively. In December 2021, AMP executed a gas supply contract (the "*Black Belt Gas Supply Contract*") and, together with the Tennergy Gas Supply Contracts, the "*Prepaid Natural Gas Supply Contract*") with The Black Belt Energy District ("*Black Belt*") under the terms of which Black Belt will provide a portion of the natural gas made available to Black Belt under the terms of a prepaid natural gas sales agreement between Black Belt and a subsidiary of J. Aron & Company LLC. Under each Prepaid Natural Gas Supply Contract, AMP receives the benefit of a discount on the price of market index natural gas.

The Village of Minster has executed a take-or-pay power sales contract with AMP as a participant of the AFEC of 675 kW or 0.13% of capacity and associated energy from the AFEC.

OHIO AUDITOR OF STATE KEITH FABER



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

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

Village of Minster
Auglaize County
5 West Fourth Street
PO Box 1
Minster, Ohio 45865

To the Village Council:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2024 and the related notes to the financial statements of the Village of Minster, Auglaize County, Ohio (the County) and have issued our report thereon dated December 12, 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 purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of finding as item 2024-001 that we consider to be a material weakness.

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*.


Village's Response to Findings

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

Purpose of this Report

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

KEITH FABER
Ohio Auditor of State



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

December 12, 2025

VILLAGE OF MINSTER
AUGLAIZE COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2024

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

FINDING NUMBER 2024-001

Material Weakness

Management has responsibility to establish effective internal control and policies over changes to standing data in the payroll system to prevent and detect any potential errors.

During 2025, a fraud occurred related to payroll payments for an employee. An individual outside of the organization, posing as an employee of the Village, made an email request for a direct deposit account change. The employee in charge of payroll, changed the direct deposit account information based on the email request; however, this was a fraud scheme that resulted in the employee's payroll payments going into a fraudulent bank account. This was identified by the employee, after not receiving his or her payroll into their account. The Village approved to recover the payroll to the impacted employee.

Due to lack of policies and procedures, the Village failed to verify that this change in direct deposit account information was actually requested by the employee. Failure to have appropriate policies and procedures in place related to standing data for payroll could lead to instances of fraud reoccurring, payments going to improper accounts and errors not being detected in a timely manner.

The Village should establish and implement policies and procedures surrounding standing data for payroll information, including requirements to complete cyber-security and fraud recognition training. The Village should establish strict rules regarding how direct deposit account information request should be made and verified prior to any actual changes in the system. All employees should be made aware of the Village's newly implemented policy on changing direct deposit information.

Officials' Response

The Village has implemented procedures requiring all Direct Deposit changes to be made in person.

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**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2024**

Finding Number	Finding Summary	Status	Additional Information
2023-001	Financial Reporting – The Village had material misclassifications and fund balance changes requiring adjustment to the Financial Statements	Partially Corrected	Repeated in management letter.

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF MINSTER

AUGLAIZE 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 1/20/2026

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