



& ASSOCIATES

**ELLSWORTH TOWNSHIP
MAHONING COUNTY**

REGULAR AUDIT

**FOR THE YEARS ENDED
DECEMBER 31, 2023 & 2022**



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Columbus, Ohio 43215
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800-282-0370

Board of Trustees
Ellsworth Township
6036 South Salem Warren Road
Ellsworth, Ohio 44116

We have reviewed the *Independent Auditor's Report* of Ellsworth Township, Mahoning County, prepared by Canter & Associates, 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. Ellsworth Township is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

June 12, 2025

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**ELLSWORTH TOWNSHIP
MAHONING COUNTY**

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Independent Auditor's Report.....	1
Prepared by Management	
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types - For the Year Ended December 31, 2023.....	4
Notes to the Financial Statements 2023	5
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types - For the Year Ended December 31, 2022.....	13
Notes to the Financial Statements 2022	14
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	23
Schedule of Findings.....	25
Schedule of Prior Audit Findings.....	28

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INDEPENDENT AUDITOR'S REPORT

Ellsworth Township
Mahoning County
6036 South Salem Warren Road
Ellsworth, Ohio 44116

To the Board of Trustees:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of Ellsworth Township, Mahoning County, Ohio (the Township), which comprises the cash balances, receipts and disbursements for each governmental fund type combined total 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 fund type combined total 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 Township, 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 Township, 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 Township 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.

Emphasis of Matter

As discussed in Note 13 (2023) and Note 14 (2022) to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township. We did not modify our opinion regarding this matter.

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 Township'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.

Ellsworth Township
Mahoning County
Independent Auditor's Report
Page 3

- 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 Township'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 Township'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 February 27, 2025, on our consideration of the Township'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 Township'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 Township's internal control over financial reporting and compliance.

Canter & Associates

Canter & Associates

Poland, Ohio

February 27, 2025

Ellsworth Township

Mahoning 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, 2023

	Governmental Fund Types			Totals
	General	Special Revenue	Debt Service	(Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$ 142,441	\$ 518,151	\$ -	\$ 660,592
Charges for Services	-	75,139	-	75,139
Licenses, Permits, and Fees	25,148	20,744	-	45,892
Intergovernmental	29,922	176,237	-	206,159
Special Assessments	-	1,268	-	1,268
Earnings on Investments	28,464	16,543	-	45,007
Miscellaneous	<u>12,426</u>	<u>8,000</u>	<u>-</u>	<u>20,426</u>
<i>Total Cash Receipts</i>	<u>238,401</u>	<u>816,082</u>	<u>-</u>	<u>1,054,483</u>
Cash Disbursements				
Current:				
General Government	185,416	19,101	-	204,517
Public Safety	1,200	553,310	-	554,510
Public Works	3,000	97,635	-	100,635
Health	20,576	16,214	-	36,790
Conservation-Recreation	989	-	-	989
Capital Outlay	-	201,829	-	201,829
Debt Service:				
Principal Retirement	-	6,503	-	6,503
Interest and Fiscal Charges	<u>-</u>	<u>127</u>	<u>-</u>	<u>127</u>
<i>Total Cash Disbursements</i>	<u>211,181</u>	<u>894,719</u>	<u>-</u>	<u>1,105,900</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>27,220</u>	<u>(78,637)</u>	<u>-</u>	<u>(51,417)</u>
Other Financing Receipts/(Disbursements)				
Sale of Capital Assets	-	17,750	-	17,750
Transfers In	-	10,000	-	10,000
Transfers Out	(10,000)	-	-	(10,000)
Advances In	-	23,650	-	23,650
Advances Out	<u>-</u>	<u>(23,650)</u>	<u>-</u>	<u>(23,650)</u>
<i>Total Other Financing Receipts/(Disbursements)</i>	<u>(10,000)</u>	<u>27,750</u>	<u>-</u>	<u>17,750</u>
Extraordinary Item				
Reimbursement from Norfolk Southern	<u>-</u>	<u>134,262</u>	<u>-</u>	<u>134,262</u>
<i>Net Change in Fund Cash Balances</i>	<u>17,220</u>	<u>83,375</u>	<u>-</u>	<u>100,595</u>
Fund Cash Balances, January 1	<u>35,026</u>	<u>768,459</u>	<u>731</u>	<u>804,216</u>
<i>Total Fund Cash Balances, December 31</i>	<u>\$ 52,246</u>	<u>\$ 851,834</u>	<u>\$ 731</u>	<u>\$ 904,811</u>

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

Ellsworth Township

Mahoning County

Notes to the Financial Statements For the Year Ended December 31, 2023

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Ellsworth Township, Mahoning County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. A publicly elected Fiscal Officer maintains the Township funds. The Township provides Township road and bridge maintenance, zoning, cemetery maintenance, volunteer fire protection and volunteer emergency medical services. The Mahoning County Sheriff's Department provides police protection. The Fire Department and EMS are funded by three (3) tax levies.

Public Entity Risk Pool

The Township participates in a public entity risk pool. Note 7 to the financial statements provides additional information for this entity, which is:

Ohio Township Association Risk Management Authority (OTARMA) – The risk sharing pool, available to Ohio Townships provides property and casualty insurance for its members. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements, and other expenses resulting from covered claims that exceed the members' deductibles.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Township'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 additions, deductions and changes in fund balances (regulatory cash basis) for all fiduciary fund types which are all organized on a fund type basis.

Fund Accounting

The Township 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 Township 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 Township 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 Township had the following significant Special Revenue Funds:

Gas Tax Fund The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

Ellsworth Township

Mahoning County

Notes to the Financial Statements For the Year Ended December 31, 2023

Motor Vehicle License Tax Fund The motor vehicle license tax fund accounts for and reports that portion of motor vehicle license registration fees restricted for maintenance and repair of roads within the Township.

Fire Fund: This fund receives property tax monies to provide Township Fire and EMS Services within the Township.

Local Fiscal Recovery Fund – Included in this fund are monies that are part of the American Rescue Plan Grant. This money is to be used to help relieve the financial stress to the residents of Ellsworth Township.

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

General Bond/Note Retirement Fund: This fund received property tax monies restricted to satisfying the obligation of a Note the Township issued to fund a Chip and Seal Program.

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 Board recognizes receipts when received in cash rather than when earned and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

Budgetary Process

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

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control and appropriations may not exceed estimated resources. The Board of Trustees 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 Township 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.

Ellsworth Township

Mahoning County

Notes to the Financial Statements *For the Year Ended December 31, 2023*

Deposits and Investments

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

Capital Assets

The Township 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 a percentage of their 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 Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The Township 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 Township and the nonspendable portion of the corpus in permanent funds.

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

Committed Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend 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*.

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 Township applies restricted resources last 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.

Ellsworth Township

Mahoning County

Notes to the Financial Statements *For the Year Ended December 31, 2023*

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

Note 3 – Compliance

Contrary to Ohio law, appropriation authority exceeded estimated resources by \$1,769,332 for the year ended December 31, 2023.

Note 4 – Budgetary Activity

Budgetary activity for the year ending 2023 follows:

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$0	\$238,401	\$238,401
Special Revenue	0	978,094	978,094
Debt Service	0	0	0
Total	<u>\$0</u>	<u>\$1,216,495</u>	<u>\$1,216,495</u>

In 2023 the Township received \$134,262 from Norfolk Southern Railroad for the reimbursement of expenditures related to two calls to the East Palestine train derailment. This amount has been reported as an extraordinary item in the Fire Levy special revenue fund.

2023 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$246,919	\$223,737	\$23,182
Special Revenue	1,567,399	908,197	659,202
Debt Service	0	0	0
Total	<u>\$1,814,318</u>	<u>\$1,131,934</u>	<u>\$682,384</u>

The Township expended \$142,059 of the ARPA Grant in 2023 for public safety services. The remaining balance at December 31, 2023 is \$37,548. See Note 12 for more details.

Note 5 – Deposits and Investments

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

	<u>2023</u>
<i>Cash Management Pool:</i>	
Demand deposits	<u>\$904,811</u>
Total deposits	<u>\$904,811</u>

Ellsworth Township

Mahoning County

Notes to the Financial Statements For the Year Ended December 31, 2023

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2023, the Township is holding \$9,080 in unremitted employee payroll withholdings.

Deposits

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

At December 31, 2023, all deposits were insured or collateralized, in accordance with Ohio law.

Note 6 – Property Taxes

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

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

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

Note 7 – Interfund Balances

During 2023 the Fire District Fund (2111) advanced \$23,650 to the EMS Fire & Rescue Fund (2281) and that amount was not paid back as of December 31, 2023.

Note 8 – Risk Management

Workers' Compensation

Workers' Compensation coverage is provided by the State of Ohio. The Township 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.

Ellsworth Township

Mahoning County

Notes to the Financial Statements *For the Year Ended December 31, 2023*

Risk Pool Membership

Ellsworth Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of Ellsworth Township's policy. The Pool covers the following risks:

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

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

	<u>2023</u>
Cash and Investments	\$33,494,457
Actuarial liabilities	10,885,548

Note 9 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Township 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 Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2023.

Social Security

Several Township employees, including volunteer firefighters and zoning board 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 Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2023.

Ellsworth Township

Mahoning County

Notes to the Financial Statements *For the Year Ended December 31, 2023*

Note 10—Postemployment Benefits

OPERS offers 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. 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.

Note 11 – Contingent Liabilities

Amounts grantor agencies pay to the Township 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 12 – Fund Balances

Included in fund balance are amounts the Township 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 facilities effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Debt Service	Total
Outstanding Encumbrances	\$2,556	\$13,478	\$0	\$16,034
Total	\$2,556	\$13,478	\$0	\$16,034

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

Ellsworth Township

Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 13 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During 2023, the Township did not receive American Rescue Plan (ARPA) funding. The Township will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

In 2023, the Township expended \$142,059 of the balance of ARPA funds which were received in 2022 and 2021. The Township utilized the funding in compliance with Ohio and Federal Guidelines as follows:

Item	2022 Amount	2023 Amount	Total
Year 2 (of 3) of a contract with the Mahoning County Sheriff (ARPA funds)	\$10,004	\$10,004	\$20,008
Firefighter and EMS Personnel Staffing (ARPA Funds)	32,401	5,190	37,591
Amount Spent Towards 2023 Ambulance	0	95,000	95,000
LED Sign in Front of Fire Station	0	18,500	18,500
New Fencing around Ball Field	0	13,365	13,365
Total	\$42,405	\$142,059	\$184,464

The remaining \$37,548 in ARPA Funds was carried over to 2024, as per Federal and Ohio guidelines published in early 2022. The Township's management believes that all rules and guidelines have been met with the Federal Funding. Any failure to comply could result in the need to return any misused funds to the State or U.S. Treasury. The Township does not anticipate utilizing any ARPA Funds in 2024 towards Fire and EMS Personnel staffing. The use of the American Recovery Plan Act (ARPA) monies has been approved to be used for General Government services by the Township Board of Trustees. This does not preclude the Township from utilizing any ARPA Funds for capital or other qualified expenditures. The final rules were not released by the US Treasury Department until January 2022. The funds must be obligated by December 31, 2024, and expended by December 31, 2026. Any unappropriated and/or unexpended funds would be returned to the US Treasury.

Ellsworth Township

Mahoning 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, 2022

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Debt Service	
Cash Receipts				
Property and Other Local Taxes	\$ 142,645	\$ 103,233	\$ -	\$ 245,878
Charges for Services	-	54,460	-	54,460
Licenses, Permits, and Fees	26,082	9,896	-	35,978
Intergovernmental	29,658	273,027	-	302,685
Special Assessments	-	1,272	-	1,272
Earnings on Investments	9,021	4,714	-	13,735
Miscellaneous	10,366	3,600	-	13,966
<i>Total Cash Receipts</i>	<u>217,772</u>	<u>450,202</u>	<u>-</u>	<u>667,974</u>
Cash Disbursements				
Current:				
General Government	182,574	21,278	-	203,852
Public Safety	1,200	184,538	-	185,738
Public Works	7,893	119,097	-	126,990
Health	20,304	15,033	-	35,337
Capital Outlay	-	25,564	-	25,564
Debt Service:				
Principal Retirement	-	10,644	-	10,644
Interest and Fiscal Charges	-	723	-	723
<i>Total Cash Disbursements</i>	<u>211,971</u>	<u>376,877</u>	<u>-</u>	<u>588,848</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>5,801</u>	<u>73,325</u>	<u>-</u>	<u>79,126</u>
Other Financing Receipts/(Disbursements)				
Sale of Capital Assets	-	500	-	500
Transfers In	-	16,000	-	16,000
Transfers Out	(16,000)	-	-	(16,000)
<i>Total Other Financing Receipts/(Disbursements)</i>	<u>(16,000)</u>	<u>16,500</u>	<u>-</u>	<u>500</u>
<i>Net Change in Fund Cash Balances</i>	<u>(10,199)</u>	<u>89,825</u>	<u>-</u>	<u>79,626</u>
Fund Cash Balances, January 1	<u>45,225</u>	<u>678,634</u>	<u>731</u>	<u>724,590</u>
<i>Total Fund Cash Balances, December 31</i>	<u>\$ 35,026</u>	<u>\$ 768,459</u>	<u>\$ 731</u>	<u>\$ 804,216</u>

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

Ellsworth Township

Mahoning County

Notes to the Financial Statements For the Year Ended December 31, 2022

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Ellsworth Township, Mahoning County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. A publicly elected Fiscal Officer maintains the Township funds. The Township provides Township road and bridge maintenance, zoning, cemetery maintenance, volunteer fire protection and volunteer emergency medical services. The Mahoning County Sheriff's Department provides police protection. The Fire Department and EMS are funded by two (2) tax levies.

Public Entity Risk Pool

The Township participates in a public entity risk pool. Note 7 to the financial statements provides additional information for this entity, which is:

Ohio Township Association Risk Management Authority (OTARMA) – The risk sharing pool, available to Ohio Townships provides property and casualty insurance for its members. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements, and other expenses resulting from covered claims that exceed the members' deductibles.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Township'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 additions, deductions and changes in fund balances (regulatory cash basis) for all fiduciary fund types which are all organized on a fund type basis.

Fund Accounting

The Township 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 Township 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 Township 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 Township had the following significant Special Revenue Funds:

Gas Tax Fund The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

Ellsworth Township

Mahoning County

Notes to the Financial Statements For the Year Ended December 31, 2022

Motor Vehicle License Tax Fund The motor vehicle license tax fund accounts for and reports that portion of motor vehicle license registration fees restricted for maintenance and repair of roads within the Township.

Fire Fund: This fund receives property tax monies to provide Township Fire and EMS Services within the Township.

Local Fiscal Recovery Fund – Included in this fund are monies that are part of the American Rescue Plan Grant. This money is to be used to help relieve the financial stress to the residents of Ellsworth Township.

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

General Bond/Note Retirement Fund: This fund received property tax monies restricted to satisfying the obligation of a Note the Township issued to fund a Chip and Seal Program.

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 Board recognizes receipts when received in cash rather than when earned and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

Budgetary Process

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

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control and appropriations may not exceed estimated resources. The Board of Trustees 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 Township 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.

Ellsworth Township

Mahoning County

Notes to the Financial Statements *For the Year Ended December 31, 2022*

Deposits and Investments

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

Capital Assets

The Township 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 a percentage of their 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 Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The Township 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 Township and the nonspendable portion of the corpus in permanent funds.

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

Committed Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend 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*.

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 Township applies restricted resources last 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.

Ellsworth Township

Mahoning County

Notes to the Financial Statements *For the Year Ended December 31, 2022*

For regulatory purposes, limited disclosure related to fund balance is included in Note 12.

Note 3 – Compliance

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the ARPA fund by \$46,162 for the year ended December 31, 2022.

Note 4 – Budgetary Activity

Budgetary activity for the year ending 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$203,609	\$217,772	\$14,163
Special Revenue	434,583	466,702	32,119
Total	<u>\$638,192</u>	<u>\$684,474</u>	<u>\$46,282</u>

Of note in 2022 is the receipt of a \$111,447 grant through the State of Ohio authorized through the American Recovery Plan Act. The receipt was deposited into a special revenue fund. All subsequent interest was deposited into the General Fund. The Township Trustees elected to utilize \$42,405 towards public safety expenditures from this fund in 2022. See Note 14 for more details.

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$254,412	\$232,667	\$21,745
Special Revenue	906,816	417,167	489,649
Total	<u>\$1,161,228</u>	<u>\$649,834</u>	<u>\$511,394</u>

The Township expended \$42,405 of the 2021/2022 ARPA Grant in 2022 for public safety services. See Note 14 for more details.

Note 5 – Deposits and Investments

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

	<u>2022</u>
<i>Cash Management Pool:</i>	
Demand deposits	\$804,216
Total deposits	<u>\$804,216</u>

Ellsworth Township

Mahoning County

Notes to the Financial Statements For the Year Ended December 31, 2022

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2022, the Township is holding \$4,823 in unremitted employee payroll withholdings.

Deposits

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

At December 31, 2022, all deposits were insured or collateralized, in accordance with Ohio law.

Note 6 – Property Taxes

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

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

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

Note 7 – Interfund Balances

There were no outstanding advances as of December 31, 2022.

Note 8 – Risk Management

Workers' Compensation

Workers' Compensation coverage is provided by the State of Ohio. The Township 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.

Ellsworth Township

Mahoning County

Notes to the Financial Statements For the Year Ended December 31, 2022

Risk Pool Membership

Ellsworth Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of Ellsworth Township's policy. The Pool covers the following risks:

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

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

	<u>2022</u>
Cash and Investments	\$32,288,098
Actuarial liabilities	9,146,434

Note 9 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Township 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 Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2022.

Social Security

Several Township employees, including volunteer firefighters and zoning board 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 Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2022.

Ellsworth Township

Mahoning County

Notes to the Financial Statements For the Year Ended December 31, 2022

Note 10—Postemployment Benefits

OPERS offers 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.

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

Note 11—Debt

A financed purchase outstanding at December 31, 2022, was as follows:

	Principal	Interest Rate
Lifepak-15 Monitor Financed Purchase	\$6,503	2.60%
Total	\$6,503	

There were no outstanding notes as of December 31, 2022.

Financed Purchase

In March of 2020, the Township entered a financed purchase for an additional Lifepak-15 monitor for its second ambulance. The financed purchase amount is \$1,117.26 monthly, which includes a \$170 maintenance agreement.

Amortization

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

Year Ended December 31,	Lifepak-15 Monitor Financed Purchase		
	Principal Payment	Maintenance Payment	Interest Payment
2023	\$6,503	\$1,190	\$127
Total	\$6,503	\$1,190	\$127

Ellsworth Township

Mahoning County

Notes to the Financial Statements *For the Year Ended December 31, 2022*

Note 12 – Contingent Liabilities

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

Note 13 – Fund Balances

Included in fund balance are amounts the Township 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 facilities effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Debt Service	Total
Outstanding Encumbrances	\$4,696	\$40,290	\$0	\$44,986
Total	\$4,696	\$40,290	\$0	\$44,986

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

Note 14 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency continues. During 2022, the Township received American Rescue Plan (ARPA) funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

In 2021, the Township expended the remaining \$16,102 balance in Ohio Coronavirus Relief Funds. In 2022, the Township expended \$42,405 of the ARPA Funds available. The Township utilized the funding in compliance with Ohio and Federal Guidelines as follows:

Ellsworth Township*Mahoning County**Notes to the Financial Statements
For the Year Ended December 31, 2022*

Item	2021 Amount	2022 Amount	Total
Firefighter and EMS Personnel Staffing (COVID funds)	\$16,102	\$0	\$16,102
Year 1 (of 3) of a contract with the Mahoning County Sheriff (ARPA funds)	0	10,004	10,004
Firefighter and EMS Personnel Staffing (ARPA Funds)	0	32,401	32,401
Total	\$16,102	\$42,405	\$58,507

The remaining \$179,607 in ARPA Funds was carried over to 2023, as per Federal and Ohio guidelines published in early 2022. The Township's management believes that all rules and guidelines have been met with the Federal Funding. Any failure to comply could result in the need to return any misused funds to the State or U.S. Treasury. The Township does not anticipate utilizing any ARPA Funds in 2023 towards Fire and EMS Personnel staffing. The use of the American Recovery Plan Act (ARPA) monies has been approved to be used for General Government services by the Township Board of Trustees. This does not preclude the Township from utilizing any ARPA Funds for capital or other qualified expenditures. The final rules were not released by the US Treasury Department until January 2022. The funds must be obligated by December 31, 2024, and expended by December 31, 2026. Any unappropriated and/or unexpended funds would be returned to the US Treasury.

In November 2022, the voters of the Township approved a continuous 5.77 mill property tax levy commencing in tax year 2022, first due in 2023, for the purpose of funding Fire and EMS personnel and equipment. The vote count was 643 (57%) for the levy and 485 (43%) against the levy. The County Auditor certified the 2023 collections to be \$414,764. The levy will provide the funding for the Township to maintain 24-hour coverage of 2 medical personnel and related expenses, at the Fire Station. The Township will continue to maintain other paid volunteer personnel for back-up, and events requiring additional personnel.



CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT
AUDITING STANDARDS***

Ellsworth Township
Mahoning County
6036 South Salem Warren Road
Ellsworth, Ohio 44116

To the Board of Trustees:

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, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type combined total as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements of Ellsworth Township, Mahoning County (the Township), and have issued our report thereon dated February 27, 2025, wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit.

Report Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) to determine the 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 Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

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. However, as described in the accompanying schedule of findings we identified certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

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 Township's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings as item 2023-001 to be a material weakness.

Ellsworth Township

Mahoning County

Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Page 2

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. We consider the deficiencies described in the accompanying schedule of findings as item 2023-002 to be a significant deficiency.

Report Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township'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 determination of financial statement amounts. 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 an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of audit findings as item 2023-001 and 2023-002.

Township's Response to Findings

The Township's response to the findings identified in our audit is described in the accompanying schedule of findings. The Township's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 Township'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 Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Canter & Associates

CANTER & ASSOCIATES

Poland, Ohio

February 27, 2025

ELLSWORTH TOWNSHIP
MAHONING COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2023 AND 2022

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

FINDING NUMBER 2023-001

MATERIAL WEAKNESS AND NONCOMPLIANCE

Ohio Revised Code Section 5705.35(A) requires the certification of the budget commission shall show the various funds of the Township other than funds to be created by transfer and shall be filed by the county budget commission with such taxing authority on or before the first day of March. There shall be attached to the certification a summary, which shall be known as the "official certificate of estimated resources," that shall state the total estimated resources of each fund of the Township that are available for appropriation in the fiscal year, other than funds to be created by transfer

Before the end of the fiscal year, the Township shall revise its tax budget, if one was adopted, so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the total appropriations that may be made from such fund, as determined by the budget commission in its certification; and such revised budget shall be the basis of the annual appropriation measure.

Ohio Revised Code Section 5705.36(A)(1) states that on or about the first day of each fiscal year, the fiscal officer of Township shall certify to the county auditor the total amount from all sources available for expenditures from each fund set up in the tax budget or, if adoption of a tax budget was waived under section [5705.281](#) of the Revised Code, from each fund created by or on behalf of the Township. The amount certified shall include any unencumbered balances that existed at the end of the preceding year. The budget commission, taking into consideration the balance, revenues to be derived from taxation and from other sources, shall revise its estimate of the amounts that will be credited to each fund from such sources, and shall certify to the township the amended official certificate of estimated resources. This amended certificate shall serve as the basis of the annual appropriation resolution.

Ohio Revised Code Section 5705.39 requires that total appropriations from each fund shall not exceed the total of the estimated revenue available for expenditure therefrom, as certified by the budget commission, or in case of appeal, by the board of tax appeals. No appropriation measure shall become effective until the county auditor files with the appropriating authority a certificate that the total appropriations from each fund, taken together with all other outstanding appropriations, do not exceed such official estimate or amended official estimate. When the appropriation does not exceed such official estimate, the county auditor shall give such certificate forthwith upon receiving from the appropriating authority a certified copy of the appropriation measure. Appropriations shall be made from each fund only for the purposes for which such fund is established.

In 2023, the fiscal officer did not submit a certificate of estimated resources to the county auditor, therefore, there were no resources available for appropriation for 2023 therefore total appropriations exceed estimated resources at year end as follows:

**ELLSWORTH TOWNSHIP
MAHONING COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023 AND 2022**

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

FINDING NUMBER 2023-001

MATERIAL WEAKNESS AND NONCOMPLIANCE-continued

	<u>TOTAL ESTIMATED RESOURCES</u>	<u>TOTAL Appropriations</u>	Amount Est. Resources Exceeded Appropriations
General Fund (1000)	-	242,223	(242,223)
Motor Vehicle License Tax (2011)	-	6,579	(6,579)
Gas Tax (2021)	-	320,768	(320,768)
Cemetery (2041)	-	19,568	(19,568)
Recycling Grant (2071)	-	13,140	(13,140)
Fire District (2111)	-	181,642	(181,642)
Zoning (2181)	-	27,032	(27,032)
One-mill Fire Levy (2191)	-	162,915	(162,915)
Permissive MVLT Fund (2231)	-	119,076	(119,076)
Coronavirus Relief Fund (2272)	-	0	0
American Rescue Plan Fund	-	179,608	(179,608)
Fire, Rescue & EMS Fund (2281)	-	494,662	(494,662)
Special Assessment Fund (2401)	-	2,119	(2,119)
ALL OTHER D/S Funds (3101)	-	0	0
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	-	1,769,332	(1,769,332)

In 2022, total appropriations exceeded total estimated resources at year end as follows:

	<u>TOTAL ESTIMATED RESOURCES</u>	<u>TOTAL Appropriations</u>	Amount Est. Resources Exceeded Appropriations
Zoning (2181)	143,917	145,229	(1,312)
Fire, Rescue & EMS Fund (2281)	112,126	120,643	(8,517)
Special Assessment Fund (2401)	2,713	3,247	(534)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	258,756	269,119	(10,363)

**ELLSWORTH TOWNSHIP
MAHONING COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023 AND 2022**

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

FINDING NUMBER 2023-001

MATERIAL WEAKNESS AND NONCOMPLIANCE-continued

Ohio Rev. Code Section 5705.41(B) requires that no subdivision or taxing unit is to expend money unless it has been appropriated.

At December 31, 2022, object level expenditures plus outstanding encumbrances exceeded appropriations within the following funds:

Zoning Fund	\$13,358
American Rescue Plan Fund	\$46,162

In addition, appropriations posted to the Townships UAN system did not agree to the Townships actual Appropriation Measure plus supplemental appropriations. The fiscal officer should compare actual expenditures plus outstanding encumbrances to appropriations at the object level to avoid overspending.

Official's Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2023-002

SIGNIFICANT DEFICIENCY and NONCOMPLIANCE

Ohio Rev. Code § 5705.14, 5705.15 and 5705.16 provides guidelines pertaining to allowable inter-fund transfers. Generally, before an inter-fund transfer can be made, a resolution of the taxing authority of the political subdivision shall be passed by a majority of the governing board and such taxing authority shall prepare a petition to be presented to the tax commissioner and to the Court of Common Pleas of the County, requesting approval of said transfers.

In 2022, the Township transferred \$17,000 from the Fire Levy fund to the EMS fund.

The transfer documented above was not approved by the Tax Commissioner and the Court of Common Pleas.

In addition, the Fiscal Officer made an advance of \$23,500 from the Fire District Fund to the Fire and Rescue Fund without a resolution. Advances should be approved by resolution.

The financial statements have been adjusted to reflect the above effect in each fund.

Official's Response:

We did not receive a response from Officials to this finding.

ELLSWORTH TOWNSHIP

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ELLSWORTH, OH 44416
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TRUSTEES-

ROBERT TOMAN
FREDRICK HOUSTON
WILLIAM SPELLMAN

FISCAL OFFICER-
JAMES DeCENSO
ZONING INSPECTOR
WAYNE SARNA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS 2 CFR 200.511(b) FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Finding Number	Finding Summary	Status	Additional Information
2021-001	Posting Receipts and Disbursements	Partially Corrected	Repeated in Management Letter
2021-002	Ohio Revised Code Section 5705.41(D)	Partially Corrected	Repeated in Management Letter

OHIO AUDITOR OF STATE KEITH FABER



ELLSWORTH TOWNSHIP

MAHONING 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 6/24/2025

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

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