



OHIO AUDITOR OF STATE  
**KEITH FABER**





VILLAGE OF BELOIT  
MAHONING COUNTY

DOCUMENT CONTENTS

**TITLE**

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Regular Audit  
For the Year Ended December 31, 2024

Regular Audit  
For the Year Ended December 31, 2023





OHIO AUDITOR OF STATE  
**KEITH FABER**





VILLAGE OF BELOIT  
MAHONING COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report .....	1
Prepared by Management:	
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Cash Basis) All Governmental Fund Types For the Year Ended December 31, 2024 .....	5
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Cash Basis) All Proprietary Fund Types For the Year Ended December 31, 2024 .....	6
Notes to the Financial Statements For the Year Ended December 31, 2024 .....	7
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	19
Schedule of Findings.....	21

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# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

Village of Beloit  
Mahoning County  
P.O. Box 276  
17893 Fifth Street  
Beloit, Ohio 44609

To Village Council:

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

#### ***Unmodified, Qualified and Adverse Opinions***

We have audited the financial statements of the Village of Beloit, Mahoning County, Ohio (the Village), which comprises the cash balances, receipts and disbursements for each governmental and proprietary fund type 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 the General, Capital Project, and Proprietary Funds 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.

#### ***Additional Opinion Qualification on Regulatory Basis of Accounting***

In our opinion, except for the possible effects of the matter described in the *Basis for Additional Opinion Qualification* section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for the Special Revenue Funds as of and for the year ended December 31, 2024, and the related notes of the Village of Beloit, in accordance with the financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(C) permit, described in Note 2.

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

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village, as of December 31, 2024, or the changes in financial position or, where applicable, cash flows 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 qualified and adverse audit opinions.

### ***Basis for Additional Opinion Qualification***

EMT Fund Charges for Services are reported at \$34,873 for the year ended December 31, 2024 which is 16 percent of total Special Revenue Fund receipts for the year ended December 31, 2024. We were unable to obtain sufficient appropriate audit evidence supporting the amounts recorded as charges for services receipts. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

### ***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.

### ***Emphasis of Matter***

As discussed in Note 2 to the financial statements, during 2024, the Village changed from a cash basis of accounting to a regulatory basis, which impacts the comparability of the financial statements. Our opinion is not modified with respect to 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 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 January 12, 2026, 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

January 12, 2026

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

	General	Special Revenue	Capital Project	Combined Total
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$65,245	\$79,034	\$0	\$144,279
Intergovernmental	19,169	91,241	0	110,410
Special Assessments	0	2,586	0	2,586
Charges for Services	0	34,873	0	34,873
Licenses, Permits and Fees	14,613	0	0	14,613
Fines, Forfeitures and Settlements	0	1,461	0	1,461
Earnings on Investments	907	0	0	907
Miscellaneous	10,682	10,123	0	20,805
<i>Total Cash Receipts</i>	<u>110,616</u>	<u>219,318</u>	<u>0</u>	<u>329,934</u>
<b>Cash Disbursements</b>				
Current:				
Security of Persons and Property	8,376	147,543	0	155,919
Leisure Time Activities	0	11,815	0	11,815
Community Environment	0	6,590	0	6,590
Transportation	0	26,246	0	26,246
General Government	73,065	5,482	0	78,547
Capital Outlay	0	24,233	0	24,233
<i>Total Cash Disbursements</i>	<u>81,441</u>	<u>221,909</u>	<u>0</u>	<u>303,350</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>29,175</u>	<u>(2,591)</u>	<u>0</u>	<u>26,584</u>
Extraordinary Item - Disbursements	0	(15,100)	0	(15,100)
<i>Net Change in Fund Cash Balances</i>	<u>29,175</u>	<u>(17,691)</u>	<u>0</u>	<u>11,484</u>
<i>Fund Cash Balances, January 1</i>	<u>261,049</u>	<u>1,054,998</u>	<u>65,973</u>	<u>1,382,020</u>
<i>Fund Cash Balances, December 31</i>	<u>\$290,224</u>	<u>\$1,037,307</u>	<u>\$65,973</u>	<u>\$1,393,504</u>

*See accompanying notes to the basic financial statements*

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

	<u>Enterprise</u>
<b>Operating Cash Receipts</b>	
Charges for Services	<u>\$296,259</u>
<i>Total Operating Cash Receipts</i>	<u>296,259</u>
<b>Operating Cash Disbursements</b>	
Personal Services	19,200
Employee Fringe Benefits	2,966
Contractual Services	135,145
Supplies and Materials	13,510
Other	<u>2,457</u>
<i>Total Operating Cash Disbursements</i>	<u>173,278</u>
<i>Operating Income (Loss)</i>	122,981
<b>Non-Operating Receipts (Disbursements)</b>	
Special Assessments	28,791
Capital Outlay	(9,612)
Principal Retirement	(41,551)
Interest and Other Fiscal Charges	<u>(8,726)</u>
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(31,098)</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	<u>91,883</u>
<i>Net Change in Fund Cash Balances</i>	91,883
<i>Fund Cash Balances, January 1</i>	<u>576,425</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$668,308</u></u>

*See accompanying notes to the basic financial statements*

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 1 – Reporting Entity**

The Village of Beloit (the Village), Mahoning County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly elected six-member Council directs the Village. The Mayor is elected to a four-year term and votes only to break a tie vote. Council members appoint a President Pro Tem (a member of council) each year at the organizational meeting.

The Village provides water and sewer utilities, park operations and fire/EMS services.

***Primary Government***

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Village. The primary government of the Village of Beloit provides the following services to its citizens: Contract with Smith Township, Mahoning County for police protection services, fire and ems protection, parks and recreation, building/fire inspections, street maintenance and repair, and sewer services.

Council previously contracted with Goshen Township/Mahoning County for police protection, but made the difficult decision to change to Smith Township/Mahoning County effective May, 2024.

Council contracted with Village of Sebring, Mahoning County to provide water services for the Village of Beloit residents until December 2020 when the water contract was terminated by the Village of Sebring. The Village of Sebring and Village of Beloit were in litigation to rectify and negotiate a new agreement between the two entities. The Village of Sebring voluntarily dismissed the case in August 2022, but has not attempted negotiations since that time. The Village of Sebring is currently supplying water to the Village of Beloit in lieu of a contract and upcharges a 50% surcharge to the Village of Beloit customers. Residents are invoiced directly by the Village of Sebring.

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

***Basis of Presentation***

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

***Fund Accounting***

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

***General Fund*** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Village for any purpose provided it

***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.

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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The Village had the following significant Special Revenue Funds:

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

***Local Fiscal Recovery Fund*** The local fiscal recovery fund accounts for and reports the American Rescue Plan funding received and is restricted by the guidelines set forth in the American Rescue Plan outline.

***EMT Fund*** The EMT fund accounts for and reports that portion of revenue generated from EMS services provided and invoiced by the Village and is restricted for personnel and operating costs associated with operation of the EMS services for the Village of Beloit.

***Police Fund*** The Police Fund accounts for and reports that portion of revenue used to contract for police protection and is restricted for that purpose.

***Fire Apparatus Fund*** The Fire Apparatus fund accounts for and reports that portion of revenue generated for the purpose and/or maintenance of fire equipment/apparatus of the fire department and is restricted for the costs associated with fire department expenditures.

***Fire Operating Fund*** The Fire Operating fund accounts for and reports that portion of revenue generated for the operation of the fire department and is restricted for the cost of personnel and operating costs associated with fire department expenditures.

The other governmental funds of the Village account for and report grants and other resources whose use is restricted, committed or assigned for a particular purpose.

***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 charge. The Village had the following significant Enterprise Funds:

***Water Operating Fund*** The water operating fund accounts for the provision of water line maintenance for the residents and commercial users located within the Village.

***Sewer Operating Fund*** The sewer operating fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

***Basis of Accounting***

The Village's 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).

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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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.

The Village utilized the regulatory process of reporting for 2024 as the OCBOA process is no longer available on the accounting system.

***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, department, and object level of control, and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments.

***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. Management has included audit adjustments in the accompanying budgetary presentations for material items that should have been encumbered.

A summary of 2024 budgetary activity appears in Note 3.

***Deposits and Investments***

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

During 2024, The Village invested in a regular savings account and a money market account in addition to the regular checking account. The Village's money market account is recorded at the amount reported by Huntington National Bank on December 31, 2024.

Interest earnings are allocated to Village funds according to state statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2024 was \$ 906.66.

***Inventory and Prepaid Items***

The Village reports disbursements for inventory and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

***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.

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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***Settlement Monies***

Ohio has reached settlement agreements with various distributors of opioids which are subject to the OneOhio memorandum of understanding. The original settlement was reached in 2021 with annual payments anticipated through 2038. For 2024, distributions of \$1,460.63 are reflected as fines, forfeitures and settlements revenue in the OneOhio Special Revenue Fund in the accompanying financial statements.

***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

***Nonspendable*** The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Village and the nonexpendable portion of the corpus in permanent funds.

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

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

***Assigned*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

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

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

**Note 3 – Budgetary Activity**

Budgetary activity for the year ending 2024 follows:

2024 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$115,378	\$110,616	(\$4,762)
Special Revenue			
Street Const & Repair	54,136	57,621	\$3,485
State Highway	9,568	10,168	\$600
Parks & Recreation	16,781	15,934	(\$847)
Permissive MVL Tax	7,500	7,641	141
Ohio Opiod Settlement	1,461	1,461	0
Front Foot Assessment	2,585	2,585	0
EMT	62,650	34,873	(27,777)
Police	250	0	(250)
Fire Apparatus	26,918	26,127	(791)
Fire Operating	57,356	53,328	(4,028)
Recycling	9,582	9,582	0
Debt Service	0	0	0
Capital Projects	0	0	0
Enterprise			0
Water Operating	102,602	100,737	(1,865)
Sewer Operating	233,000	224,313	(8,687)
			0
Total	<u>\$699,766</u>	<u>\$654,986</u>	<u>(\$44,781)</u>

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

2024 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$185,853	\$81,441	\$104,412
Special Revenue			
Street Const & Repair	182,000	18,906	163,094
State Highway	35,000	0	35,000
Parks and Recreation	61,750	19,156	42,594
Permissive MVL Tax	15,000	0	15,000
Local Fiscal Recovery	24,233	24,233	0
Front Foot Assessment	15,000	0	15,000
EMT	239,875	58,551	181,324
Police	71,000	47,436	23,564
Fire Apparatus	52,000	3,382	48,618
Fire Operating	111,735	58,754	52,981
Recycling	7,200	6,590	610
Debt Service	0	0	0
Capital Projects	0	0	0
Enterprise			0
Water Operating	165,750	9,118	156,632
Sewer Operating	589,770	224,049	365,721
			0
Total	<u>\$1,756,166</u>	<u>\$551,616</u>	<u>\$1,204,550</u>

**Note 4 – Deposits and Investments**

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

	2024
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$1,751,484
Other time deposits (savings and NOW accounts)	310,327
Total deposits	<u>2,061,811</u>
Total carrying amount of deposits and investments held in the Pool (ties to FS)	<u>2,061,811</u>
 Total Deposits and Investments	 <u>\$2,061,811</u>

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation; and 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, 2024, \$ 1,841,810.23 of the Village's bank balance of \$2,091,810.23 was exposed to custodial credit risk because those deposits balances were uninsured and uncollateralized. The Village's financial institution, Huntington National Bank, is a member of the Ohio Pooled Collateral System.

**Note 5– Taxes**

***Property Taxes***

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

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 – Risk Management**

The Government belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management programs 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.

The Government belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), an unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management programs 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.

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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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.

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	( 16,692,162)
Members' Equity	<u>\$ 7,764,453</u>

You can read the complete audited financial statements for OPRM at the Plan's website, [www.ohioplan.org](http://www.ohioplan.org).

### ***Workers' Compensation***

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation. The intent of the GRP is to achieve the benefit of reduced premiums for the participants, foster safer working conditions and foster cost-effective claims management skills by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating entities is calculated as one experience and a common premium is applied to all entities in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for all entities in the GRP rather than its individual rate. Total savings are then calculated, and each participant's individual performance is compared to the overall savings of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement ensures that each participant shares equally in the overall performance of the GRP.

### **Note 7 – Defined Benefit Pension Plans**

#### ***Ohio Public Employees Retirement System***

Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

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

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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***Social Security***

The/Other/Several: Village fire and ems employees contributed to Social Security as all are considered part time paid per call volunteers. 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 8 – 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 o-pays incurred by eligible benefit recipients and their dependents. 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.

**Note 9 – Debt**

Debt outstanding at December 31, 2024, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
OWDA Loan (Community Assistance Fund)	\$527,809	1.50%
OWDA Loan (Freshwater Fund)	\$54,714	0.80%
Ohio Public Works Loan (Micro Screen Bldg)	\$45,000	0%
Ohio Public Works Loan (Standpipe Rehabilitation)	57,364	0%
Total	<u>\$684,887</u>	

In 2014, the Village entered into a low interest loan of 1.5% with the Ohio Water Development Authority (OWDA) to fund the Ohio Environmental Protection Agency (OEPA) required sewer plant upgrades. The loan with the OWDA was initially issued for a 25-year period with final payment due in 2040.

In 2016, the Village entered into a low interest loan of 0.8% with the Ohio Water Development Authority (OWDA) to fund the Ohio EPA required sewer plant upgrades. The loan with the OWDA was issued for a 24-year period with final payment due in 2040.

In 2016, the Village entered into a zero percent interest loan with the Ohio Public Works Commission (OPWC) to fund the construction of a micro screen building for the Ohio EPA required sewer plant upgrade. The loan with the OPWC was issued for \$71,999 for a 20-year period with the final payment due in 2036. Due to Covid-19 pandemic in 2020, the OPWC opted to defer loan payments due for July 2020.

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

In 2021, the Village entered into a zero percent interest loan with the Ohio Public Works Commission (OPWC) to fund the rehabilitation of the standpipe. The loan with the OPWC was issued for \$67,488 for a 20-year period with final payment due in 2041.

Ohio Public Works Loans				
Year	WWTP -Micro Screen Building		Sandpipe Rehabilitation	
	Principal	Interest	Principal	Interest
2025	3,600	0	1,687	0
2026	3,600	0	3,374	0
2027	3,600	0	3,374	0
2028	3,600	0	3,374	0
2029	3,600	0	3,374	0
2030-2034	18,000	0	16,872	0
2035-2039	9,000	0	16,872	0
2040-2042	0	0	8,436	0
Total	\$45,000	\$0	\$57,364	\$0

Ohio Water Development Authority Loans		
Year	Sewer Plant Upgrade	
	Principal	Interest
2025	\$17,474	\$4,177
2026	35,325	7,979
2027	35,832	7,471
2028	36,347	6,956
2029	36,870	6,434
2020-2034	192,458	24,060
2035-2039	206,720	9,797
2040	21,497	155
Total	\$582,523	\$67,030

**Note 10 – Construction and Contractual Commitments**

As of December 31, 2024, the Village did not have any outstanding construction of other contractual commitments.

**Note 11 – Public Entity Risk Pool**

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation. The pool's business and affairs are conducted by a twenty-six-member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance directors, and three law directors which are voted on by the members for staggered two-year terms. The Executive Director of

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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the Ohio Municipal League serves as the coordinator of the Program. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

**Note 12 – 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.

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, capital projects and permanent funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned. As of December 31, 2024, all encumbrances were cancelled for the Village.

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# OHIO AUDITOR OF STATE KEITH FABER

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Columbus, Ohio 43215  
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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Village of Beloit  
Mahoning County  
P.O. Box 276  
17893 Fifth Street  
Beloit, Ohio 44609

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 as of and for the year ended December 31, 2024 and the related notes to the financial statements of the Village of Beloit, Mahoning County, Ohio (the Village) and have issued our report thereon dated January 12, 2026, wherein we noted the Village changed their financial statement presentation to follow financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit. We qualified our opinion on Special Revenue Fund Charges for Services revenue because we were unable to obtain sufficient appropriate audit evidence supporting the amounts recorded as charges for services receipts.

### ***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 certain deficiencies in internal control, described in the accompanying schedule of findings as items 2024-001 and 2024-002 that we consider to be material weaknesses.

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

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed 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 responses to the findings identified in our audit and described in the accompanying schedule of findings. The Village's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

### ***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

January 12, 2026

VILLAGE OF BELOIT  
MAHONING 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

**Financial Reporting**

Material Weakness

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

The following errors were noted on the 2024 financial statements. The financial statements have been adjusted for these items:

- Charges for Services were overstated and Special Assessments were understated by \$28,791 in the Enterprise Funds due to the misposting of utility special assessment amounts.
- The Village received reimbursements from Norfolk Southern in a prior period for their assistance in the cleanup of a train derailment. The Village improperly recorded the remaining \$15,100 as Special Revenue Security of Persons and Property disbursements instead of Extraordinary Item disbursements.
- Intergovernmental Revenue was overstated \$1,461 and Fines, Forfeitures and Settlements were understated by the same amount due to improperly recording OneOhio Opioid Settlements for Special Revenue Funds.
- The Fire Operating Fund Appropriation Authority amounts were understated by \$17,735 due to omitting prior year outstanding encumbrances in the Budgetary Footnote

To help ensure the Village's financial statements are complete and accurate, the Village should adopt policies and procedures to identify and correct errors and omissions. In addition, the Village should review the financial statements and notes prior to submission for audit.

**Officials' Response**

Village of Beloit has noted the issue with special assessments in the Water Operating and Sewer Operating funds and has set up a special assessment account in each of those funds to ensure that the special assessments collected on past due sewer accounts gets posted correctly going forward.

The Norfolk Southern receipt for reimbursement of labor and damaged equipment was an extraordinary item that was recorded in the Fire Operating fund as opposed to listing it as an extraordinary item. In the future, a separate fund will be established to account for this special type of circumstance should the need arise.

The Village of Beloit will do it's best to review financial statements going forward prior to submission. While we take every precaution to make sure that information is recorded and reported to the best of our ability, it is necessary to take the proper steps to make sure that items verified prior to submission.

**FINDING NUMBER 2024-002**

**Maintaining Supporting Documentation**

Material Weakness

Maintaining organized documentation and support for financial transactions is essential in assuring the Village financial statements are not materially misstated and that all expenditures are made for a proper public purpose.

The Village did not maintain sufficient underlying documentation and support to verify the date, hours, and rate charged for 2 of 2 (100%) of Charges for Services - EMS Receipts totaling \$8,575 received from the Western Reserve Motorcycle Club. Alternative audit procedures were unable to be performed resulting in a modified opinion over Charges for Services - EMS Receipts.

The Village should maintain all invoices, receipts and other supporting documentation for all financial transactions and records be maintained in an orderly manner to support all transactions.

**Officials' Response**

Due to unanticipated changes in personnel within our fire/ems department during the course of the audit, the documentation could not be verified with any personnel still on staff at the time of the audit. In the future, the fiscal officer will make sure to contact the fire/ems officer in charge to ensure that they pass on the proper paperwork to the fiscal officer at the time that the monies are received for the service. While pay records for the hours worked at the Western Reserve Motorcycle Club were available, documentation for the payment should have also been attached. In the future, the fiscal officer will make sure to maintain this documentation and not rely on other village departments to do so should a personnel change of this magnitude happen in the future.



OHIO AUDITOR OF STATE  
**KEITH FABER**





**VILLAGE OF BELOIT  
MAHONING COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Auditor's Report .....	1
Prepared by Management:	
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position – Cash Basis	
For the Year Ended December 31, 2023 .....	5
Statement of Activities – Cash Basis	
For the Year Ended December 31, 2023 .....	6
Fund Financial Statements:	
Statement of Assets and Fund Balances – Cash Basis	
Governmental Funds	
For the Year Ended December 31, 2023 .....	8
Statement of Receipts, Disbursements, and Changes in Fund Balances - Cash Basis	
Governmental Funds	
For the Year Ended December 31, 2023 .....	11
Statement of Fund Net Position – Cash Basis	
Proprietary Funds	
For the Year Ended December 31, 2023 .....	13
Statement of Receipts, Disbursements, and Changes in Fund Net Position – Cash Basis	
Proprietary Funds	
For the Year Ended December 31, 2023 .....	14
Statement of Cash Flows – Cash Basis	
Proprietary Funds	
For the Year Ended December 31, 2023 .....	15
Statement of Receipts, Disbursements, and Changes in Fund Net Position	
Budget and Actual – Budget Basis – For the Year Ended December 31, 2023	
General Fund .....	16
Street Construction Maintenance and Repair Fund .....	17
Local Fiscal Recovery Fund (ARP Funding) .....	18
EMT Fund .....	19
Police Fund .....	20
Fire Apparatus Fund .....	21
Fire Operating Fund .....	22
Notes to the Financial Statements	
For the Year Ended December 31, 2023 .....	23
Independent Auditor's Report on Internal Control over Financial	
Reporting and on Compliance and Other Matters	
Required by <i>Government Auditing Standards</i> .....	46
Schedule of Findings.....	48

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# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

Village of Beloit  
Mahoning County  
P.O. Box 276  
17893 Fifth Street  
Beloit, Ohio 44609

To the Village Council:

### Report on the Audit of the Financial Statements

#### ***Qualified and Unmodified Opinions***

We have audited the cash-basis financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village of Beloit, Mahoning County, Ohio (the Village), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

#### ***Qualified Opinion on EMT Fund and Governmental Activities***

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified and Unmodified Opinions* section of the report the accompanying financial statements referred to above present fairly, in all material respects, the cash-basis financial position of the EMT fund and Governmental Activities of the Village, as of December 31, 2023, and the changes in cash-basis financial position thereof for the year then ended in accordance with the cash-basis of accounting described in Note 2.

#### ***Unmodified Opinions on Business-Type Activities, General Fund, Street Construction Maintenance and Repair Fund, Local Fiscal Recovery Fund, Police Fund, Fire Apparatus Fund, Fire Operating Fund, Water Operating, Sewer Operating, and Remaining Fund Information***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash-basis financial position of the business-type activities, each major fund other than the EMT fund, and the aggregate remaining fund information of the Village, as of December 31, 2023, and the respective changes in cash-basis financial position and where applicable cash flows thereof and the respective budgetary comparisons for the General, Street Construction Maintenance and Repair, Local Fiscal Recovery (ARP), Police, Fire Apparatus, and Fire Operating for the year then ended in accordance with the accounting basis described in Note 2.

#### ***Basis for Qualified and Unmodified 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*

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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.

***Matter Giving Rise to Qualified Opinions on Governmental Activities and EMT Fund***

EMT Fund Charges for Services are reported at \$43,833 for the years ended December 31, 2023 which is 98 percent of total EMT Fund receipts for the year ended December 31, 2023. Additionally, EMT Fund Charges for Services of \$43,833 is 11 percent of total Governmental Activities receipts for the year ended December 31, 2023. We were unable to obtain sufficient appropriate audit evidence supporting the amounts recorded as charges for services receipts. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

***Emphasis of Matter - Accounting Basis***

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash-basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to 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 cash-basis of accounting described in Note 2, and for determining that the cash-basis of accounting is an acceptable basis for preparation of the financial statements in the circumstances. 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 January 12, 2026, 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

January 12, 2026

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**Village of Beloit, Ohio**  
*Mahoning County*  
*Statement of Net Position - Cash Basis*  
*December 31, 2023*

	Governmental Activities	Business - Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$1,382,020	\$576,425	\$1,958,445
<i>Total Assets</i>	<u>\$1,382,020</u>	<u>\$576,425</u>	<u>\$1,958,445</u>
<b>Net Position</b>			
Restricted for:			
Capital Projects	\$65,973	\$0	\$65,973
Other Purposes	1,054,624	576,425	1,631,049
Unrestricted	<u>261,423</u>	<u>0</u>	<u>261,423</u>
<i>Total Net Position</i>	<u>\$1,382,020</u>	<u>\$576,425</u>	<u>\$1,958,445</u>

See accompanying notes to the basic financial statements

**Village of Beloit, Ohio**  
*Mahoning County*  
*Statement of Activities - Cash Basis*  
*For the Year Ended December 31, 2023*

	Program Cash Receipts			
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
Current:				
Security of Persons and Property	\$229,390	\$43,833	\$0	\$0
Public Health Services	105	0	0	0
Leisure Time Activities	9,369	0	0	0
Community Environment	2,771	0	0	0
Basic Utility Services	0	0	0	1,987
Transportation	25,374	0	0	0
General Government	74,516	0	686	0
Capital Outlay	73,045	0	0	0
<i>Total Governmental Activities</i>	<u>414,570</u>	<u>43,833</u>	<u>686</u>	<u>1,987</u>
<b>Business-Type Activities</b>				
Water Operating	21,629	94,372	0	6,842
Sewer Operating	<u>251,646</u>	<u>203,461</u>	<u>0</u>	<u>15,884</u>
<i>Total Business-Type Activities</i>	<u>273,275</u>	<u>297,833</u>	<u>0</u>	<u>22,726</u>
<i>Total Primary Government</i>	<u>\$687,845</u>	<u>\$341,666</u>	<u>\$686</u>	<u>\$24,713</u>
General Receipts:				
Property Taxes				
Other Local Taxes				
Grants and Entitlements not Restricted to Specific Programs				
Cable Franchise Fees				
Earnings on Investments				
Miscellaneous				
Extraordinary Item				
<i>Total General Receipts and Extraordinary Item</i>				
Change in Net Position				
<i>Net Position Beginning of Year</i>				
<i>Net Position End of Year</i>				

See accompanying notes to the basic financial statements

Net (Disbursements) Receipts and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$185,557)	\$0	(\$185,557)
(105)	0	(105)
(9,369)	0	(9,369)
(2,771)	0	(2,771)
1,987	0	1,987
(25,374)	0	(25,374)
(73,830)	0	(73,830)
(73,045)	0	(73,045)
(368,064)	0	(368,064)
0	79,585	79,585
0	(32,301)	(32,301)
0	47,284	47,284
(368,064)	47,284	(320,780)
140,526	0	140,526
7,650	0	7,650
97,912	0	97,912
15,254	0	15,254
927	0	927
21,522	5,526	27,048
51,972	0	51,972
335,763	5,526	341,289
(32,301)	52,810	20,509
1,414,321	523,615	1,937,936
\$1,382,020	\$576,425	\$1,958,445

**Village of Beloit, Ohio**  
*Mahoning County*  
*Statement of Assets and Fund Balances - Modified Cash Basis*  
*Governmental Funds*  
*December 31, 2023*

	<u>General</u>	<u>Street Construction Maint. &amp; Repair</u>
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	<u>\$261,049</u>	<u>\$207,296</u>
<i>Total Assets</i>	<u><u>\$261,049</u></u>	<u><u>\$207,296</u></u>
<b>Fund Balances</b>		
Restricted	0	207,296
Assigned	87,510	0
Unassigned (Deficit)	<u>173,539</u>	<u>0</u>
<i>Total Fund Balances</i>	<u><u>\$261,049</u></u>	<u><u>\$207,296</u></u>

See accompanying notes to the basic financial statements

Local Fiscal Recovery	EMT	Police	Fire Apparatus	Fire Operating
\$24,233	\$182,960	\$256,373	\$113,133	\$62,256
\$24,233	\$182,960	\$256,373	\$113,133	\$62,256
24,233	182,960	256,373	113,133	62,256
0	0	0	0	0
0	0	0	0	0
\$24,233	\$182,960	\$256,373	\$113,133	\$62,256

Other Governmental Funds	Total Governmental Funds
\$274,720	\$1,382,020
\$274,720	\$1,382,020
274,720	1,120,971
0	87,510
0	173,539
\$274,720	\$1,382,020

**Village of Beloit, Ohio**  
**Mahoning County**  
*Statement of Receipts, Disbursements and Changes Fund Balances - Modified Cash Basis*  
*Governmental Funds*  
*For the Year Ended December 31, 2023*

	General	Street Construction Maint. & Repair	Local Fiscal Recovery
<b>Receipts</b>			
Property Taxes	\$64,280	\$0	\$0
Other Local Taxes	0	0	0
Intergovernmental	18,828	54,263	0
Special Assessments	0	0	0
Charges for Services	0	0	0
Fines, Licenses, and Permits	15,254	0	0
Earnings on Investments	927	0	0
Miscellaneous	1,511	0	0
<i>Total Receipts</i>	<u>100,800</u>	<u>54,263</u>	<u>0</u>
<b>Disbursements</b>			
Current:			
Security of Persons and Property	7,826	0	0
Public Health Services	105	0	0
Leisure Time Activities	0	0	0
Community Environment	0	0	0
Transportation	0	16,992	0
General Government	69,408	0	0
Capital Outlay	0	0	73,045
<i>Total Disbursements</i>	<u>77,339</u>	<u>16,992</u>	<u>73,045</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>23,461</u>	<u>37,271</u>	<u>(73,045)</u>
<b>Special and Extraordinary Items</b>			
Extraordinary Item - Disbursements	0	0	0
Extraordinary Item - Receipts	0	0	0
<i>Net Change in Fund Balances</i>	23,461	37,271	(73,045)
<i>Fund Balances Beginning of Year</i>	<u>237,588</u>	<u>170,025</u>	<u>97,278</u>
<i>Fund Balances End of Year</i>	<u><u>\$261,049</u></u>	<u><u>\$207,296</u></u>	<u><u>\$24,233</u></u>

See accompanying notes to the basic financial statements

EMT	Police	Fire Apparatus	Fire Operating	Other Governmental Funds	Total Governmental Funds
\$0	\$0	\$24,385	\$39,668	\$12,193	140,526
0	0	0	0	7,650	7,650
730	0	7,579	5,547	15,751	102,698
0	0	0	0	1,987	1,987
43,833	0	0	0	0	43,833
0	0	0	0	0	15,254
0	0	0	0	0	927
0	0	14,822	1	1,088	17,422
44,563	0	46,786	45,216	38,669	330,297
56,986	45,508	27,966	53,858	0	192,144
0	0	0	0	0	105
0	0	0	0	9,369	9,369
0	0	0	0	2,771	2,771
0	0	0	0	8,382	25,374
5,482	0	0	0	0	74,890
0	0	0	0	0	73,045
62,468	45,508	27,966	53,858	20,522	377,698
(17,905)	(45,508)	18,820	(8,642)	18,147	(47,401)
0	0	0	(36,872)	0	(36,872)
0	0	0	51,972	0	51,972
(17,905)	(45,508)	18,820	6,458	18,147	(32,301)
200,865	301,881	94,313	55,798	256,573	1,414,321
\$182,960	\$256,373	\$113,133	\$62,256	\$274,720	\$1,382,020

**Village of Beloit, Ohio**  
*Mahoning County*  
*Statement of Fund Net Position - Cash Basis*  
*Proprietary Funds*  
*December 31, 2023*

	Business-Type Activities		
	Water Operating	Sewer Operating	Total Enterprise Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$219,406	\$357,019	\$576,425
<i>Total Assets</i>	<u>\$219,406</u>	<u>\$357,019</u>	<u>\$576,425</u>
<b>Net Position</b>			
Restricted for:			
Other Purposes	\$219,406	\$357,019	\$576,425
<i>Total Net Position</i>	<u>\$219,406</u>	<u>\$357,019</u>	<u>\$576,425</u>

See accompanying notes to the basic financial statements

**Village of Beloit, Ohio**  
*Mahoning County*  
*Statement of Receipts, Disbursements and Changes in Fund Net Position - Cash Basis*  
*Proprietary Funds*  
*For the Year Ended December 31, 2023*

	Business-Type Activities		
	Water Operating	Sewer Operating	Total Enterprise Funds
<b>Operating Receipts</b>			
Charges for Services	\$94,372	\$203,461	\$297,833
<i>Total Operating Receipts</i>	<u>94,372</u>	<u>203,461</u>	<u>297,833</u>
<b>Operating Disbursements</b>			
Personal Services	0	18,884	18,884
Employee Fringe Benefits	0	2,625	2,625
Contractual Services	8,352	125,094	133,446
Supplies and Materials	5,065	53,129	58,194
Other	4,838	2,028	6,866
<i>Total Operating Disbursements</i>	<u>18,255</u>	<u>201,760</u>	<u>220,015</u>
<i>Operating Income (Loss)</i>	<u>76,117</u>	<u>1,701</u>	<u>77,818</u>
<b>Non-Operating Receipts (Disbursements)</b>			
Special Assessments	6,842	15,884	22,726
Miscellaneous Receipts	0	5,526	5,526
Capital Outlay	0	(2,982)	(2,982)
Principal Retirement	(3,374)	(37,688)	(41,062)
Interest and Other Fiscal Charges	0	(9,216)	(9,216)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>3,468</u>	<u>(28,476)</u>	<u>(25,008)</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	79,585	(26,775)	52,810
<i>Change in Net Position</i>	79,585	(26,775)	52,810
<i>Net Position Beginning of Year</i>	<u>139,821</u>	<u>383,794</u>	<u>523,615</u>
<i>Net Position End of Year</i>	<u>\$219,406</u>	<u>\$357,019</u>	<u>\$576,425</u>

See accompanying notes to the basic financial statements

**Village of Beloit**  
*Mahoning County*  
*Statement of Cash Flows - Cash Basis*  
*Proprietary Funds*  
*For the Year Ended December 31, 2023*

	Business-Type Activities		
	Water Operating Fund	Sewer Operating Fund	Total Enterprise Funds
<b>Increase (Decrease) in Cash and Cash Equivalents</b>			
<b>Cash Flows from Operating Activities</b>			
Cash Received from Customers	\$94,372	\$203,461	\$297,833
Cash Payments to Employees for Services	0	(18,884)	(18,884)
Cash Payments for Employee Benefits	0	(2,625)	(2,625)
Cash Payments for Goods and Services	(13,417)	(178,223)	(191,640)
Special Assessments	6,842	15,884	22,726
Other Cash Payments	(4,838)	(2,028)	(6,866)
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>82,959</u>	<u>17,585</u>	<u>100,544</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Other Cash Receipts	<u>0</u>	<u>5,526</u>	<u>5,526</u>
<i>Net Cash Provided by (Used in) Noncapital Financing Activities</i>	<u>0</u>	<u>5,526</u>	<u>5,526</u>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Principal Paid on Debt	(3,374)	(37,688)	(41,062)
Interest Paid on Debt	0	(9,216)	(9,216)
Payments for Capital Acquisitions	<u>0</u>	<u>(2,982)</u>	<u>(2,982)</u>
<i>Net Cash Provided by (Used in) Capital and Related Financing Activities</i>	<u>(3,374)</u>	<u>(49,886)</u>	<u>(53,260)</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	79,585	(26,775)	52,810
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>139,821</u>	<u>383,794</u>	<u>523,615</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$219,406</u></u>	<u><u>\$357,019</u></u>	<u><u>\$576,425</u></u>

**Village of Beloit, Ohio**  
*Mahoning County*  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Major Fund - General*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Receipts</b>				
Property Taxes	\$56,962	\$64,279	\$64,280	\$1
Intergovernmental	18,881	19,510	18,828	(682)
Fines, Licenses and Permits	15,000	15,254	15,254	0
Earnings on Investments	500	848	927	79
Miscellaneous	7,000	7,000	1,511	(5,489)
<i>Total Receipts</i>	<u>98,343</u>	<u>106,891</u>	<u>100,800</u>	<u>(6,091)</u>
<b>Disbursements</b>				
Current:				
Security of Persons and Property	8,000	8,000	7,826	174
Public Health Services	3,000	2,980	105	2,875
General Government	162,503	162,523	69,408	93,115
<i>Total Disbursements</i>	<u>173,503</u>	<u>173,503</u>	<u>77,339</u>	<u>96,164</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(75,160)</u>	<u>(66,612)</u>	<u>23,461</u>	<u>90,073</u>
<i>Net Change in Fund Balance</i>	<u>(75,160)</u>	<u>(66,612)</u>	<u>23,461</u>	<u>90,073</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>237,588</u>	<u>237,588</u>	<u>237,588</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$162,428</u>	<u>\$170,976</u>	<u>\$261,049</u>	<u>\$90,073</u>

See accompanying notes to the basic financial statements

**Village of Beloit, Ohio**  
*Mahoning County*  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Major Fund - Street Construction Maintenance & Repair*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	(Optional) Variance with Final Budget
	Original	Final		
<b>Receipts</b>				
Intergovernmental	\$53,000	\$53,501	\$54,263	\$762
Miscellaneous	250	250	0	(250)
<i>Total Receipts</i>	<u>53,250</u>	<u>53,751</u>	<u>54,263</u>	<u>512</u>
<b>Disbursements</b>				
Current:				
Transportation	<u>176,000</u>	<u>176,000</u>	<u>16,992</u>	<u>159,008</u>
<i>Total Disbursements</i>	<u>176,000</u>	<u>176,000</u>	<u>16,992</u>	<u>159,008</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(122,750)</u>	<u>(122,249)</u>	<u>37,271</u>	<u>159,520</u>
<i>Net Change in Fund Balance</i>	<u>(122,750)</u>	<u>(122,249)</u>	<u>37,271</u>	<u>159,520</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	170,025	170,025	170,025	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$47,275</u>	<u>\$47,776</u>	<u>\$207,296</u>	<u>\$159,520</u>

See accompanying notes to the basic financial statements

**Village of Beloit, Ohio**  
*Mahoning County*  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Major Fund - Local Fiscal Recovery*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	(Optional) Variance with Final Budget
	Original	Final		
<b>Receipts</b>				
Intergovernmental	\$0	\$0	\$0	\$0
<i>Total Receipts</i>	0	0	0	0
<b>Disbursements</b>				
Intergovernmental	97,278	97,278	73,045	24,233
<i>Total Disbursements</i>	97,278	97,278	73,045	24,233
<i>Excess of Receipts Over (Under) Disbursements</i>	(97,278)	(97,278)	(73,045)	24,233
<i>Net Change in Fund Balance</i>	(97,278)	(97,278)	(73,045)	24,233
<i>Unencumbered Fund Balance Beginning of Year</i>	36,828	36,828	36,828	0
Prior Year Encumbrances Appropriated	60,450	60,450	60,450	0
<i>Unencumbered Fund Balance End of Year</i>	\$0	\$0	\$24,233	\$24,233

See accompanying notes to the basic financial statements

**Village of Beloit, Ohio**  
*Mahoning County*  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Major Fund - EMT*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts			(Optional) Variance with Final Budget
	Original	Final	Actual	
<b>Receipts</b>				
Intergovernmental	\$10,000	\$10,000	\$730	(\$9,270)
Charges for Services	50,000	50,000	43,833	(6,167)
Miscellaneous	2,650	2,650		(2,650)
<i>Total Receipts</i>	<u>62,650</u>	<u>62,650</u>	<u>44,563</u>	<u>(18,087)</u>
<b>Disbursements</b>				
Current:				
Security of Persons and Property	249,200	249,095	56,986	192,109
General Government	5,675	5,780	5,482	298
<i>Total Disbursements</i>	<u>254,875</u>	<u>254,875</u>	<u>62,468</u>	<u>192,407</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(192,225)</u>	<u>(192,225)</u>	<u>(17,905)</u>	<u>174,320</u>
<i>Net Change in Fund Balance</i>	<u>(192,225)</u>	<u>(192,225)</u>	<u>(17,905)</u>	<u>174,320</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	200,865	200,865	200,865	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unencumbered Fund Balance End of Year</i>	<u><u>\$8,640</u></u>	<u><u>\$8,640</u></u>	<u><u>\$182,960</u></u>	<u><u>\$174,320</u></u>

See accompanying notes to the basic financial statements

**Village of Beloit, Ohio**  
*Mahoning County*  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Major Fund - Police*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	(Optional) Variance with Final Budget
	Original	Final		
<b>Receipts</b>				
Miscellaneous	\$250	\$250	\$0	(\$250)
<i>Total Receipts</i>	<u>250</u>	<u>250</u>	<u>0</u>	<u>(250)</u>
<b>Disbursements</b>				
Current:				
Security of Persons and Property	87,000	87,000	45,508	41,492
<i>Total Disbursements</i>	<u>87,000</u>	<u>87,000</u>	<u>45,508</u>	<u>41,492</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(86,750)</u>	<u>(86,750)</u>	<u>(45,508)</u>	<u>41,242</u>
<i>Net Change in Fund Balance</i>	<u>(86,750)</u>	<u>(86,750)</u>	<u>(45,508)</u>	<u>41,242</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	301,881	301,881	301,881	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$215,131</u>	<u>\$215,131</u>	<u>\$256,373</u>	<u>\$41,242</u>

See accompanying notes to the basic financial statements

**Village of Beloit, Ohio**  
*Mahoning County*  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Major Fund - Fire Apparatus*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	(Optional) Variance with Final Budget
	Original	Final		
<b>Receipts</b>				
Property Taxes	\$21,760	\$24,385	\$24,385	\$0
Intergovernmental	3,600	3,600	7,579	3,979
Miscellaneous	500	18,922	14,822	(4,100)
<i>Total Receipts</i>	<u>25,860</u>	<u>46,907</u>	<u>46,786</u>	<u>(121)</u>
<b>Disbursements</b>				
Current:				
Security of Persons and Property	<u>52,000</u>	<u>73,000</u>	<u>27,966</u>	<u>45,034</u>
<i>Total Disbursements</i>	<u>52,000</u>	<u>73,000</u>	<u>27,966</u>	<u>45,034</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(26,140)</u>	<u>(26,093)</u>	<u>18,820</u>	<u>44,913</u>
<i>Net Change in Fund Balance</i>	<u>(26,140)</u>	<u>(26,093)</u>	<u>18,820</u>	<u>44,913</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	94,313	94,313	94,313	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$68,173</u>	<u>\$68,220</u>	<u>\$113,133</u>	<u>\$44,913</u>

See accompanying notes to the basic financial statements

**Village of Beloit, Ohio**  
*Mahoning County*  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Major Fund - Fire Operating*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	(Optional) Variance with Final Budget
	Original	Final		
<b>Receipts</b>				
Property Taxes	\$35,051	\$39,668	\$39,668	\$0
Intergovernmental	11,000	11,000	5,547	(5,453)
Charges for Services	1,000	1,000		(1,000)
Miscellaneous	3,000	53,972	1	(53,971)
<i>Total Receipts</i>	<u>50,051</u>	<u>105,640</u>	<u>45,216</u>	<u>(60,424)</u>
<b>Disbursements</b>				
Current:				
Security of Persons and Property	105,550	156,522	53,858	102,664
<i>Total Disbursements</i>	<u>105,550</u>	<u>156,522</u>	<u>53,858</u>	<u>102,664</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(55,499)</u>	<u>(50,882)</u>	<u>(8,642)</u>	<u>42,240</u>
<b>Special and Extraordinary Items</b>				
Extraordinary Item - Disbursements	0	0	(36,872)	(36,872)
Extraordinary Item - Receipts	0	0	51,972	51,972
<i>Net Change in Fund Balance</i>	<u>(55,499)</u>	<u>(50,882)</u>	<u>6,458</u>	<u>57,340</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>55,798</u>	<u>55,798</u>	<u>55,798</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$299</u>	<u>\$4,916</u>	<u>\$62,256</u>	<u>\$57,340</u>

See accompanying notes to the basic financial statements

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 1 – Reporting Entity**

The Village of Beloit (the Village), Mahoning County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a six-member council elected at large for four year terms. The Mayor is elected to a four-year term and votes only to break a tie. Council members appoint a President Pro Tem (a member of council) each year at the organizational meeting.

***Primary Government***

The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the Village. The primary government of the Village of Beloit provides the following services to its citizens: Contract with Goshen Township/Mahoning County for police protection services, Fire and EMS protection, parks and recreation, building fire inspections, street maintenance and repair, and sewer services.

Council contracted with the Village of Sebring, Mahoning County to provide water services for the Village of Beloit residents until December 2020 when the water contract was terminated by the Village of Sebring. The Village of Sebring and Village of Beloit were in litigation to rectify and negotiate a new agreement between the two entities. The Village of Sebring voluntarily dismissed the case in August 2022. The Village of Sebring is currently supplying water to the Village of Beloit in lieu of a contract. Residents are invoiced directly by the Village of Sebring.

Council contracts with Goshen Township, Mahoning County to provide police protection services for village residents.

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

As discussed further in the “Basis of Accounting” section of this note, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the Village’s accounting policies.

***Basis of Presentation***

The Village’s basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

***Government-Wide Financial Statements*** The statement of net position and the statement of activities display information about the Village as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the Village that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of net position presents the cash balance of the governmental and business-type activities of the Village at year end. The statement of activities compares disbursements with program receipts for each program or function of the Village's governmental activities and business-type activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Village is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program, and receipts of interest earned on grants required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental program or business activity is self-financing on a cash basis or draws from the general receipts of the Village.

***Fund Financial Statements*** During the year, the Village segregates transactions related to certain Village functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Village at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

Proprietary fund statements distinguish operating transactions from nonoperating transactions. Operating receipts generally result from exchange transactions such as charges for services directly relating to the funds' principal services. Operating disbursements include costs of sales and services and administrative costs. The fund statements report all other receipts and disbursements as nonoperating.

***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 in two categories: governmental and proprietary.

***Governmental Funds*** Governmental funds are those through which most governmental functions of the Village are financed. The following are the Village's major governmental funds:

***General*** 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.

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

***Local Fiscal Recovery Fund*** The local fiscal recovery fund accounts for and reports the American Rescue Plan funding received and is restricted by the guidelines set forth in the American Rescue Plan outline.

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

***EMT Fund*** The EMT fund accounts for and reports that portion of revenue generated from EMS Services provided and invoiced by the Village and is restricted for personnel and operating costs associated with operation of the EMS Services for the Village of Beloit.

***Police Fund*** The Police Fund accounts for and reports that portion of revenue generated to contract for police protection and is restricted for that purpose.

***Fire Apparatus Fund*** The Fire Apparatus Fund accounts for and reports that portion of revenue generated for the purchase and/or maintenance of fire equipment/apparatus of the fire department and is restricted for the costs associated with fire department expenditures.

***Fire Operating Fund*** The Fire Operating Fund accounts for and reports that portion of revenue generated for the operation of the fire department and is restricted for the cost of personnel and operating costs associated with fire department expenditures.

The other governmental funds of the Village account for and report grants and other resources whose use is restricted, committed or assigned to a particular purpose.

***Proprietary Funds*** The Village classifies funds financed primarily from user charges for goods or services as proprietary. Proprietary funds are classified as either enterprise funds.

***Enterprise Funds*** Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the Village's major enterprise funds:

***Water Operating Fund*** The water operating fund accounts for the provision of water line maintenance for the residents and commercial users located within the Village.

***Sewer Operating Fund*** The sewer operating fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

***Basis of Accounting***

The Village's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Village's financial records and reported in the financial statements when cash is received rather than when earned, and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Village are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

***Budgetary Process***

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Village Council may appropriate.

The appropriations ordinance is Village Council's authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by Village Council. The legal level of control has been established by Village Council at the fund, department, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Village Fiscal Officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificated of estimated resources in effect at the time final appropriations were passed by Village Council.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Village Council during the year.

***Cash and Investments***

To improve cash management, cash received by the Village is pooled and invested. Individual fund integrity is maintained through Village records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

During 2023, the Village invested in a regular savings account and a money market account in addition to the regular checking account. The Village's money market account is recorded at the amount reported by *Hunting National Bank* on December 31, 2023.

Interest earnings are allocated to Village funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2023 was \$926.75.

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

***Restricted Assets***

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

***Inventory and Prepaid Items***

The Village reports disbursements for inventory and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

***Capital Assets***

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

***Employer Contributions to Cost-Sharing Pension Plans***

The Village recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 9 and 10, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

***Long-Term Obligations***

The Village's cash basis financial statements do not report liabilities for bonds and other long-term obligations. Proceeds of debt are reported when cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a lease or financed purchase transaction is not the result of a cash transaction, neither another financing source nor a capital outlay expenditure is reported at inception. Lease payments and financed purchase payments are reported when paid.

***Net Position***

Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for capital projects and debt service.

The Village's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the Village is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

***Restricted*** Fund balance is reported as 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.

Enabling legislation authorizes the Village to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Village can be compelled by an external party, such as citizens, public interest groups, or the judiciary, to use resources created by enabling legislation only for the purposes specified by the legislation.

***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance or resolution, as both are equally binding) of Village Council. Those committed amounts cannot be used for any other purpose unless Village Council removes or changes the specified use by taking the same type of action (ordinance or resolution, as both are equally binding) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by Village Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the Village for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the Village Council or a Village official delegated that authority by resolution or by State Statute. State Statute authorizes the Village Auditor to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes amounts not contained 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.

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

***Internal Activity***

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general receipts.

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating receipts/disbursements in proprietary funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

***Extraordinary and Special Items***

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence.

On February 3, 2023, a Norfolk Southern Train containing hazardous materials derailed in the Village of East Palestine and the Village of Beloit Fire Department was contacted for mutual aid. In 2023, the Village received reimbursements from Norfolk Southern to cover wages, truck time, equipment and supplies as well as potential damages to equipment.

**Note 3 – Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis presented for the general fund, street/construction/maint. Fund, local fiscal recover fund, EMT fund, police operating fund, fire apparatus fund, and fire operating fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference(s) between the budgetary basis and the cash basis are as follows:

1. Outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance (cash basis).
2. Unreported interest is reported on the statement of receipts, disbursements, and changes in fund balances (cash basis), but not on the budgetary basis.
3. Unreported interest is reported on the statement of receipts, disbursements, and changes in fund balances (cash basis), but not on the budgetary basis.

**Note 4– Deposits and Investments**

State statutes classify monies held by the Village into three categories.

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 4– Deposits and Investments (continued)**

Active deposits are public monies determined to be necessary to meet current demands upon the Village treasury. Active monies must be maintained either as cash in the Village treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Protection of the Village's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in 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.

Interim monies held by the Village can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 4— Deposits and Investments (continued)**

7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Village, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At year end, the Village had \$ -0- in undeposited cash on hand.

***Deposits***

Custodial credit risk is the risk that in the event of bank failure, the Village will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$ 1,740,810.68 of the Village's bank balance of \$1,990,810.68 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. The Village's financial institution, Huntington National Bank, is a member of the Ohio Pooled Collateral System.

The Village has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by:

Eligible securities pledged to the Village and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

Participation in 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. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 4– Deposits and Investments (continued)**

***Investments***

As of December 31, 2023, the Village had the following investments:

	Measurement Value	Maturity
Huntington National Bank Premier MMA Public Funds	\$234,285	Not Applicable
Huntington National Bank Premier MMA Public Funds	75,135	Not Applicable
Total Portfolio	<u>\$309,420</u>	

***Interest Rate Risk*** Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Village’s investment policy addresses interest rate risk by requiring that the Village’s investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in short-term investments.

***Credit Risk*** The Village has no investment policy dealing with investment credit risk beyond the requirements in State statutes. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market mutual fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

***Custodial Credit Risk*** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The Village has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, “Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, governing board, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee.”

***Concentration of Credit Risk*** The Village places no limit on the amount it may invest in any one issuer. The following investments represent five percent or more of total investments as of December 31, 2023:

Investment Issuer	Percentage of Investments
Huntington National Bank Premier MMA Public Funds	100.00 %

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 5 – Taxes**

***Property Taxes***

Property taxes include amounts levied against all real and public utility property located in the Village. Property tax revenue received during 2023 for real and public utility property taxes represents collections of 2022 taxes.

2023 real property taxes are levied after October 1, 2023, on the assessed value as of January 1, 2023, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2023 real property taxes are collected in and intended to finance 2024.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2023 public utility property taxes which became a lien December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes.

The full tax rate for all Village operations for the year ended December 31, 2023, was \$15 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2023 property tax receipts were based are as follows:

Real Property	\$9,411,030
Public Utility Personal Property	787,900
Total	<u>\$10,198,930</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Village. The County Auditor periodically remits to the Village its portion of the taxes collected.

**Note 6 – Risk Management**

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2023, the Village contracted with Ohio Plan Risk Management for various types of insurance as follows:

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 6 – Risk Management (continued)**

Type of Coverage	Coverage	Deductible
Ohio Plan Risk Management Inc.		
Blanket Property and Contents, Replacement	\$3,897,579	\$1,000
Inland Marine	1,178,231	500
General Liability	3,000,000	0
Automobile Liability	3,000,000	0
Public Officials Liability	3,000,000	1,000
Employment Practice Liability	3,000,000	1,000
Computer - Hardware	12,624	250
Computer - Software	11,960	250
Public Employee Dishonesty	50,000	250
Money and Securities	50,000	250
Umbrella Excess Liability	5,000,000	0
Cyber Coverage	250,000	10,000

Settled claims have not exceeded this commercial coverage in any of the past three years and there was no significant reduction in coverage from the prior year.

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

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.

The Government belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management programs 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 has remain unchanged. OPRM had 801 members as of December 31, 2023.

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, 2023. Those premiums and fees should be earned pro-

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 6 – Risk Management (continued)**

rata over the individual coverage and membership periods of each policy. The financial statements reported the following assets, liabilities and equity at December 31, 2023.

Assets	\$ 23,113,696
Liabilities	<u>(16,078,587)</u>
Members' Equity	<u>\$ 7,035,109</u>

You can read the complete audited financial statements for OPRM at the Plan's website, [www.ohioplan.org](http://www.ohioplan.org).

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation. The intent of the GRP is to achieve the benefit of reduced premiums for the participants, foster safer working conditions and foster cost-effective claims management skills by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating entities is calculated as one experience and a common premium is applied to all entities in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for all entities in the GRP rather than its individual rate. Total savings are then calculated, and each participant's individual performance is compared to the overall savings of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP.

**Note 7 – Defined Benefit Pension Plans**

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

Plan Description - Village employees, participate in the Ohio Public Employees Retirement System (OPERS). The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35
<b>Public Safety</b>	<b>Public Safety</b>	<b>Public Safety</b>
<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Law Enforcement</b>	<b>Law Enforcement</b>	<b>Law Enforcement</b>
<b>Age and Service Requirements:</b> Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>
<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to

January 7, 2013, the cost-of-living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Effective January 1, 2022, the Combined Plan is no longer available for member selection.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
<b>2022 Statutory Maximum Contribution Rates</b>			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	**	***
<b>2022 Actual Contribution Rates</b>			
Employer:			
Pension ****	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits *****	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

- \* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.
- \*\* This rate is determined by OPERS' Board and has no maximum rate established by ORC.
- \*\*\* This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.
- \*\*\*\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For 2023, members in state and local divisions contributed 10% of covered payroll. The Village's 2023 contribution rate was 14.0 percent. These rates were determined by the OPERS Board and has no maximum rate established by ORC.

***Social Security***

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

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2023.

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 8 – Postemployment Benefits**

***Ohio Public Employees Retirement System***

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance. Those who retired prior to January 1, 2015, will have an allowance of at least 75 percent of the base allowance.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60. Members in Group A are eligible for coverage at any age with 30 or more years of qualifying service. Members in Group B are eligible at any age with 32 years of qualifying service, or at age 52 with 31 years of qualifying service. Members in Group C are eligible for coverage with 32 years of qualifying service and a minimum age of 55. Current retirees eligible (or who became eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements change for those retiring after January 1, 2022, with differing eligibility

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 8 – Postemployment Benefits (continued)**

requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2023 was 4.0 percent.

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 9 – Debt**

**Long Term Debt Obligations**

The changes in the Village's notes payable during 2023 were as follows:

	Outstanding 12/31/22	Issued	Retired	Outstanding 12/31/23
<b>Business Type Activities</b>				
1.5% OWDA Loan - Sewer Plant Upgrade	589,661	0	30,695	558,966
0.8% OWDA Loan - Sewer Plant Upgrade	61,527	0	3,393	58,134
0.0% OPWC Loan - Micro Screen Building	52,199	0	3,600	48,600
0.0% OPWC Loan - Standpipe Rehabilitation	64,114	0	3,374	60,739
<i>Total Business Type Activities</i>	767,501	0	41,062	726,439
<b>Total</b>	<b>\$767,501</b>	<b>\$0</b>	<b>\$41,062</b>	<b>\$726,439</b>

All note proceeds had been spent at December 31, 2023.

In 2014, the Village entered into a low interest loan of 1.5% with the Ohio Water Development Authority (OWDA) to fund the Ohio Environmental Protection Agency (OEPA) required sewer plant upgrades. The loan with the OWDA was initially issued for a 25-year period with the final payment due in 2040.

In 2016, the Village entered into a low interest loan of 0.8% with the Ohio Water Development Authority (OWDA) to fund the Ohio EPA required sewer plant upgrades. The loan with the OWDA was issued for a 24-year period with the final payment due in 2040.

In 2016, the Village entered into a zero percent interest loan with the Ohio Public Works Commission (OPWC) to fund the construction of a micro screen building for the Ohio EPA required sewer plant upgrade. The loan with the OPWC was issued for \$71,999 for a 20-year period with the final payment due in 2036. Due to the COVID 19 pandemic in 2020, the OPWC opted to defer the loan payments due for July 2020.

In 2021, the Village entered into a zero percent interest loan with the Ohio Public Works Commission (OPWC) to fund the rehabilitation of the standpipe. The loan with the OPWC was issued for \$67,488 for a 20-year period with final payment due in 2041.

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 9 – Debt (continued)**

Ohio Public Works Loans				
Year	WWTP -Micro Screen Building		Sandpipe Rehabilitation	
	Principal	Interest	Principal	Interest
2024	\$3,600	\$0	\$1,687	\$0
2025	3,600	0	3,374	0
2026	3,600	0	3,374	0
2027	3,600	0	3,374	0
2028	3,600	0	3,374	0
2029-2033	18,000	0	16,872	0
2034-2038	12,600	0	16,872	0
2039-2042	0	0	11,810	0
Total	<u>\$48,600</u>	<u>\$0</u>	<u>\$60,739</u>	<u>\$0</u>

Ohio Water Development Authority Loans		
Year	Sewer Plant Upgrade	
	Principal	Interest
2024	\$17,227	\$4,425
2025	34,825	8,479
2026	35,325	7,979
2027	35,832	7,471
2028	36,347	6,956
2029-2033	189,728	24,726
2034-2038	203,784	14,797
2039-2042	64,032	923
Total	<u>\$617,100</u>	<u>\$75,756</u>

**Note 10 – Public Entity Risk Pool**

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation. The pool's business and affairs are conducted by a twenty-six member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance directors, and three law directors which are voted on by the members for staggered two-year terms. The Executive Director of the Ohio Municipal League serves as the coordinator of the Program. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

**Village of Beloit, Ohio**  
**Mahoning County**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 11 – Fund Balances**

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

	General	Street Const	Local	EMT	Police	Fire	Fire	Other	
Fund Balances	Fund	Maint/Rpr	Fiscal	Fund	Fund	Apparatus	Operating	Governmental	Total
			Recovery					Funds	
<b>Nonspendable</b>									
Prepays									\$0
Inventory									0
Interfund Loans									0
Cemetery Endowment									0
<i>Total Nonspendable</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Restricted for</b>									
Road Improvements		207,296						115,820	323,116
American Rescue Funding			24,233						24,233
Capital Projects								65,973	65,973
Drug and Alcohol Education								1,011	1,011
Emergency Medical Services				182,960					182,960
FEMA Grant								737	737
Police Operations					256,373				256,373
Fire Apparatus/Equipment						113,133			113,133
Fire Operations							62,256		62,256
Other								43,723	43,723
Parks and Recreation								47,456	47,456
Debt Service									0
Issue II Projects									0
<i>Total Restricted</i>	<u>0</u>	<u>207,296</u>	<u>24,233</u>	<u>182,960</u>	<u>256,373</u>	<u>113,133</u>	<u>62,256</u>	<u>274,720</u>	<u>1,120,971</u>
<b>Committed to</b>									
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Assigned to</b>									
<i>Total Assigned</i>	<u>87,510</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>87,510</u>
<b>Unassigned (Deficits)</b>	<u>173,539</u>								<u>173,539</u>
<i>Total Fund Balances</i>	<u>\$261,049</u>	<u>\$207,296</u>	<u>\$24,233</u>	<u>\$182,960</u>	<u>\$256,373</u>	<u>\$113,133</u>	<u>\$62,256</u>	<u>\$274,720</u>	<u>\$1,382,020</u>

**Village of Beloit, Ohio**  
*Mahoning County*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 12 – Contingent Liabilities**

In 2021, the Village of Beloit was named as a defendant in litigation with the Village of Sebring over the water contract which was terminated by the Village of Sebring in December 2020. As of December 2022, the lawsuit has been dismissed voluntarily by the Village of Sebring.

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

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65 East State Street  
Columbus, Ohio 43215  
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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 Beloit  
Mahoning County  
P.O. Box 276  
17893 Fifth Street  
Beloit, Ohio 44609

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 the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the cash-basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Beloit, Mahoning County, Ohio (the Village) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements and have issued our report thereon dated January 12, 2026, wherein we noted the Village uses a special purpose framework other than generally accepted accounting principles. We qualified our opinion on EMT Fund Charges for Services revenue and Governmental Activities receipts because we were unable to obtain sufficient appropriate audit evidence supporting the amounts recorded as charges for services receipts.

***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 certain deficiencies in internal control, described in the accompanying schedule of findings as items 2023-001 and 2023-002 that we consider to be material weaknesses.

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

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed 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 responses to the findings identified in our audit and described in the accompanying schedule of findings. The Village's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

### ***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

January 12, 2026

**VILLAGE OF BELOIT  
MAHONING COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2023**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2023-001**

**Financial Reporting**

Material Weakness

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

The following errors were noted in 2023 and the Village's financial statements have been updated for these items:

- Intergovernmental Revenue was understated and Miscellaneous Revenue was overstated by \$4,100 in the Fire Apparatus Fund due to the misposting of the State Forest Grant revenue.
- Charges for Services were overstated and Special Assessments were understated by \$6,842 in the Water Operating Fund and \$15,884 in the Sewer Operating Fund due to the misposting of utility special assessment amounts.
- Assigned Fund Balance was understated and Unassigned Fund Balance was overstated by \$87,510 in the General Fund due to failure to assign subsequent year appropriations exceeding estimated resources.
- The Village improperly posted \$500 of water tap fees to the Front Foot Fund as Special Assessments rather than the Water Operating Fund. This also resulted in a \$500 overstatement of fund balance for the Governmental Activities and Remaining Fund Information and a \$500 understatement of fund balance for the Water Operating Fund and Business Type Activities.
- The Village assisted in the cleanup of the train derailment in a neighboring Village and received \$51,972 from Norfolk Southern for reimbursements for labor and damaged equipment. The Village improperly recorded these receipts as Miscellaneous Revenue in the Fire Operating Fund instead of recording this as an Extraordinary Item. Additionally, \$36,872 of disbursements were also reclassified as Extraordinary Item disbursements related to these reimbursements.
- Governmental Activities Public Health Services were overstated and Security of Persons and Property were understated by \$43,833 on the Statement of Activities due to the improper classification of EMS related receipts.
- Governmental Activities General Property Taxes were overstated and Grants and Entitlements were understated by \$20,121 on the Statement of Activities due to the improper inclusion of Homestead and Rollback revenue as Property Taxes.
- Governmental Activities Other Local Taxes were overstated and Grants and Entitlements were understated by \$63,914 due to the improper inclusion of intergovernmental revenue as Other Local Taxes.
- Other insignificant adjustments were also proposed and made to the accompanying financial statements.

To help ensure the Village's financial statements are complete and accurate, the Village should adopt policies and procedures to identify and correct errors and omissions. In addition, the Village should review the financial statements and notes prior to submission for audit.

**Officials' Response**

Village of Beloit has noted the issue with special assessments in the Water Operating and Sewer Operating funds and has set up a special assessment account in each of those funds to ensure that the special assessments collected on past due sewer accounts gets posted correctly going forward.

A fund balance adjustment has been made to the front foot fund and the Water Operating fund for Calendar Year 2023 in the amount of \$500 to account for the posting error on the referenced receipt. Going forward, the fiscal officer will make sure to double check prior to posting the receipt to make sure that the accounts are correct.

The Norfolk Southern receipt for reimbursement of labor and damaged equipment was an extraordinary item that was recorded in the Fire Operating fund as opposed to listing it as an extraordinary item. In the future, a separate fund will be established to account for this special type of circumstance should the need arise.

## **FINDING NUMBER 2023-002**

### **Maintaining Supporting Documentation**

#### **Material Weakness**

Maintaining organized documentation and support for financial transactions is essential in assuring the Village financial statements are not materially misstated and that all expenditures are made for a proper public purpose.

The Village did not maintain sufficient underlying documentation and support to verify the date, hours, and rate charged for 2 of 2 (100%) of Charges for Services - EMS Receipts totaling \$3,625 received from the Western Reserve Motorcycle Club. Alternative audit procedures were unable to be performed resulting in a modified opinion over Charges for Services - EMS Receipts.

Failure to maintain underlying documentation and support of financial transactions can increase the risk of fraud or result in financial statement misstatements.

The Village should maintain all invoices, receipts and other supporting documentation for all financial transactions and records be maintained in an orderly manner to support all transactions.

#### **Officials' Response**

Due to unanticipated changes in personnel within our fire/ems department during the course of the audit, the documentation could not be verified with any personnel still on staff at the time of the audit. In the future, the fiscal officer will make sure to contact the fire/ems officer in charge to ensure that they pass on the proper paperwork to the fiscal officer at the time that the monies are received for the service. While pay records for the hours worked at the Western Reserve Motorcycle Club were available, documentation for the payment should have also been attached. In the future, the fiscal officer will make sure to maintain this documentation and not rely on other village departments to do so should a personnel change of this magnitude happen in the future.

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# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF BELOIT**

**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 2/12/2026**

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](http://www.ohioauditor.gov)