



OHIO AUDITOR OF STATE
KEITH FABER



**COITSVILLE TOWNSHIP
MAHONING COUNTY**

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OHIO AUDITOR OF STATE KEITH FABER



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

INDEPENDENT AUDITOR'S REPORT

Coitsville Township
Mahoning County
3711 McCartney Road
Lowellville, OH 44436

To the Township Trustees:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of Coitsville Township, Mahoning County, Ohio (the Township), which comprises the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township, as of December 31, 2022 and 2021, or the changes in financial position thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *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 Township's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 14, 2025, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State

A handwritten signature in black ink, reading "Tiffany L. Ridenbaugh". The signature is written in a cursive, flowing style.

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

August 14, 2025

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Coitsville Township
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, 2022

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$82,452	\$429,817		512,269
Fines and Forfeitures		17,301		17,301
Intergovernmental	160,643	258,264	42,535	461,442
Fines, Licenses and Permits	17,540	755		18,295
Earnings on Investments	810	243		1,053
Miscellaneous	1,450	20,466		21,916
<i>Total Cash Receipts</i>	<u>262,895</u>	<u>726,846</u>	<u>42,535</u>	<u>1,032,276</u>
Cash Disbursements				
Current:				
General Government	149,563	19,595		169,158
Public Safety		535,897		535,897
Public Works		103,709		103,709
Capital Outlay		47,000	42,535	89,535
Debt Service:				
Principal Retirement		22,657		22,657
Interest and Fiscal Charges		1,517		1,517
<i>Total Cash Disbursements</i>	<u>149,563</u>	<u>730,375</u>	<u>42,535</u>	<u>922,473</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>113,332</u>	<u>(3,529)</u>	<u>0</u>	<u>109,803</u>
Other Financing Receipts (Disbursements)				
Loan Proceeds	0	42,000	0	42,000
<i>Total Other Financing Receipts (Disbursements)</i>	<u>0</u>	<u>42,000</u>	<u>0</u>	<u>42,000</u>
<i>Net Change in Fund Cash Balances</i>	<u>113,332</u>	<u>38,471</u>	<u>0</u>	<u>151,803</u>
<i>Fund Cash Balances, January 1</i>	<u>53,393</u>	<u>246,252</u>	<u>0</u>	<u>299,645</u>
<i>Fund Cash Balances, December 31</i>	<u>\$166,725</u>	<u>\$284,723</u>	<u>\$0</u>	<u>\$451,448</u>

See accompanying notes to the basic financial statements

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

Note 1 – Reporting Entity

Coitsville Township

The constitution and laws of the State of Ohio establish the rights and privileges of the Coitsville Township, Mahoning County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, police and fire protection and emergency medical services

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

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

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

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

Police Fund: The Police Fund's receipts generate from a restricted Township tax levy and are only to be utilized to assist in providing police protection for the residents of the township of Coitsville.

Fire Fund: The Fire Fund's receipts generate from a restricted Township tax levy and are only to be utilized to assist in providing fire protection for the residents of the township of Coitsville.

Coronavirus Relief Fund: The Township received \$110,652.73 in 2022 and purchased a Road Truck for \$27,750 with the Revenue Loss.

FEMA AG Grant- This fund was set up for a grant for fire equipment. The grant was awarded in 2021 but not received until 2022. The actual grant went through the Austintown Fire Department. The Township did not receive any funds or make any purchases. Austintown Township reported the total amount of the grant to FEMA including the equipment that was purchased for Coitsville Township.

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

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

Ohio Public Works Commission Fund: The Township received a grant from the state for capital projects. The proceeds are restricted for capital improvement and construction. The Township completed the 2021 OPWC Milligan Road Paving Project with the total estimated cost of the Project totaling \$110,427, with the OPWC grant of \$43,066 and Coitsville Township Gas Tax Fund appropriating the difference of \$67,361. The project was completed with a total grant from OPWC of \$42,535 and the township share being \$66,529 with the total project cost being \$109,064.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

Budgetary Process

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

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

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

Encumbrances The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and appropriated in the subsequent year.

A summary of 2022 budgetary activity appears in Note 3

Deposits and Investments

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

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

Fund Balance

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

Nonspendable The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

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

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

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

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

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

Note 3 – Budgetary Activity

Budgetary activity for the year ending 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$262,789	\$262,895	\$106
Special Revenue	768,846	768,846	0
Capital Projects		42,535	42,535
Total	<u>\$1,031,635</u>	<u>\$1,074,276</u>	<u>\$42,641</u>

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

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$262,894	\$150,387	\$112,507
Special Revenue	768,845	747,187	21,658
Capital Projects		42,535	(42,535)
Total	<u>\$1,031,739</u>	<u>\$940,109</u>	<u>\$91,630</u>

There was no violation since the negative variance shown above is due to an audit adjustment.

Note 4 – Deposits and Investments

A summary of the Township's deposit and investment accounts are as follows:

	2022
Cash Management Pool:	
Demand deposits	\$200,000
Total deposits	<u>200,000</u>
Sweep Account	
Total investments	<u>251,447</u>
<i>Total carrying amount of deposits and investments</i>	<u>\$451,447</u>

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2022, the Township is holding \$0 in unremitted employee payroll withholdings.

Deposits

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

Investments

The Township invests in a sweep account.

Note 5 – Property Taxes

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

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

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

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

Note 6– Interfund Balances

There were no outstanding advances at December 31, 2022.

Note 7 – Risk Management

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

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

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31, 2022:

Cash and investments	\$32,228,098
Actuarial liabilities	\$ 9,146,434

Workers' Compensation

Coitsville Township is a member of the Sedwig group rating program.

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants' gross salaries. OPERS Law members contributed 13 percent of their gross salaries and the Township contributed an amount equaling 18.10 percent of participants gross salaries. The Township has paid all contributions required through December 31, 2022.

Social Security

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

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2022.

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

Note 9 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2022.

Note 10 – Debt

Debt outstanding at December 31, 2022, was as follows:

	<u>Principal</u>		<u>Interest Rate</u>
Gen. Obligation Notes II- Fire Fund	\$15,470	\$	5.27
Gen.Obligation Notes IV- Fire Fund	<u>37,220</u>	\$	3.92
Total	<u><u>\$52,690</u></u>		

The Township issued a \$ 54,000 general obligation Note II to finance the construction of a concrete apron on the front of the Township Fire Station in July of 2018 at a 5.27 % interest rate with a principal balance of \$15,470 as of December 31, 2022. The Township issued a \$42,000 general obligation Note IV to finance a Brush Truck for the Fire Department in June of 2022 at a 3.92 interest rate with a principal balance of \$37,220 on December 31, 2022. Township's taxing authority collateralized the notes.

Amortization

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

Year Ending December 31:	General Obligation Notes II	General Obligation Notes IV
2023	10,086	11,372
2024	5,883	11,372
2025		11,372
2026		<u>5,686</u>
Total	<u><u>\$15,969</u></u>	<u><u>\$45,488</u></u>

Note 11 – Fund Balances

Included in fund balance are amounts the Township cannot spend, including the balance of unclaimed monies, which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilities effective cash planning and control. At year end the balances of these amounts were as follows:

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

		Special	
Fund Balances	General	Revenue	Total
Outstanding Encumbrances	\$825	\$16,815	\$17,640
Total	\$825	\$16,815	\$17,640

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

Note 12 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021. During 2022, the Township received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated. The Township received \$69,477 in ARP money in 2022 and of that amount, \$41,747 has not been spent as of December 31, 2022.

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Coitsville Township
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, 2021

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$77,036	\$410,629		487,665
Fines and Forfeitures		65,560		65,560
Intergovernmental	38,872	277,677	\$34,784	351,333
Fines, Licenses and Permits	20,876	2,602		23,478
Earnings on Investments	74	87		161
Miscellaneous	20,531	4,746		25,277
<i>Total Cash Receipts</i>	<u>157,389</u>	<u>761,301</u>	<u>34,784</u>	<u>953,474</u>
Cash Disbursements				
Current:				
General Government	150,563	15,604		166,167
Public Safety		488,026		488,026
Public Works		223,567		223,567
Capital Outlay			34,784	34,784
Debt Service:				
Principal Retirement and Interest		31,770		31,770
<i>Total Cash Disbursements</i>	<u>150,563</u>	<u>758,967</u>	<u>34,784</u>	<u>944,314</u>
<i>Net Change in Fund Cash Balances</i>	6,826	2,334	0	9,160
<i>Fund Cash Balances, January 1</i>	<u>46,567</u>	<u>243,918</u>	<u>0</u>	<u>290,485</u>
<i>Fund Cash Balances, December 31</i>	<u>\$53,393</u>	<u>\$246,252</u>	<u>\$0</u>	<u>\$299,645</u>

See accompanying notes to the basic financial statements

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Coitsville Township
Mahoning County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 1 – Reporting Entity

Coitsville Township

The constitution and laws of the State of Ohio establish the rights and privileges of the Coitsville Township, Mahoning County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, police and fire protection and emergency medical services.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

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

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

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

Police Fund: The Police Fund's receipts generate from a restricted Township tax levy and are only to be utilized to assist in providing police protection for the residents of the township of Coitsville.

Fire Fund: The Fire Fund's receipts generate from a restricted Township tax levy and are only to be utilized to assist in providing fire protection for the residents of the township of Coitsville.

Recycling Fund: This fund was set up in approximately 1996 as required by the Mahoning County Green Team in order to receive funds to pay for a recycling coordinator who would do maintenance on the recycling bins housed at the township for the MCGT. The position of recycling coordinator was eliminated in 1998. The township receives a yearly lease agreement from the MCGT that is not restricted in use. The lease money was inadvertently deposited into this fund in the 2000, 2001, and 2002 even though there was no longer a recycling coordinator and the MCGT no longer required the lease money be deposited into this fund. The fund has been used to purchase recycled and used materials for the township and to pay a small part of the secretary's salary since her job description includes promoting recycling and coordinating recycling programs and applying for funds received for having an electronics drive or tire drive. The funds received from those drives are not restricted. This fund has also been used for the township's spring clean-up drive in which

Coitsville Township
Mahoning County
Notes to the Financial Statements
For the Year Ended December 31, 2021

the township purchases bins to be used for residents to place large items that they are no longer using. This fund was deleted in 2021 because it is no longer in use.

Coronavirus Relief Fund: The township received \$68,926 from the ARP and did not spend any of the funds in 2021.

FEMA AG Grant- This fund was set up for a grant for fire equipment. The grant was awarded in 2021 but not received until 2022.

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

OPWC Issue II Fund: The Township received a grant from the state for capital improvements. The proceeds are restricted for capital improvement and construction began on the project in 2021. Houston-Begala road project in which the OPWC will provide a grant of 39% and Coitsville Township will provide the matching share of 61% from the Gas Tax Fund. The project was completed in the spring of 2021 with the total project cost of \$89,188, the final OPWC grant was \$34,784 with the final cost to the township share being \$54,404.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

Budgetary Process

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

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

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

Encumbrances The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and appropriated in the subsequent year. The Township did not encumber all commitments required by Ohio law.

A summary of 2021 budgetary activity appears in Note 3

Coitsville Township
Mahoning County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Deposits and Investments

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

Fund Balance

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

Nonspendable The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

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

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

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

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

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

Note 3 – Budgetary Activity

Budgetary activity for the year ending 2021 follows:

Coitsville Township
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Notes to the Financial Statements
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2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$157,388	\$157,388	\$0
Special Revenue	761,301	761,301	0
Capital Projects	77,319	34,784	(42,535)
Total	<u>\$996,008</u>	<u>\$953,473</u>	<u>(\$42,535)</u>

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$176,677	\$150,563	\$26,115
Special Revenue	925,877	758,967	166,910
Capital Projects	77,319	34,784	42,535
Total	<u>\$1,179,873</u>	<u>\$944,314</u>	<u>\$235,560</u>

Note 4 – Deposits and Investments

A summary of the Township's deposit and investment accounts are as follows:

	2022
Cash Management Pool:	
Demand deposits	<u>\$200,000</u>
Total deposits	<u>200,000</u>
Sweep Account	99,644
Total investments	<u>99,644</u>
<i>Total carrying amount of deposits and investments</i>	<u>\$299,644</u>

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2021, the Township is holding \$0 in unremitted employee payroll withholdings.

Deposits

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

Investments

The Township invests in a sweep account.

Note 5 – Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction

Coitsville Township
Mahoning County
Notes to the Financial Statements
For the Year Ended December 31, 2021

amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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

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

Note 6– Interfund Balances

There were no outstanding advances at December 31, 2021. All advances were repaid and were not included in total revenue or total appropriations at year end.

Note 7 – Risk Management

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

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

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31, 2021:

Cash and investments	\$34,880,599
Actuarial liabilities	\$ 10,601,444

Workers' Compensation

Coitsville Township is a member of the Sedwig group rating program.

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants' gross salaries. OPERS Law members contributed 13 percent of their gross salaries and the Township contributed an amount equaling 18.10 percent of participants gross salaries. The Township has paid all contributions required through December 31, 2021.

Coitsville Township
Mahoning County
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For the Year Ended December 31, 2021

Social Security

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

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2021.

Note 9 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2021. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2021.

Note 10 – Debt

Debt outstanding at December 31, 2021, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Gen. Obligation Notes II- Fire Fund	\$24,808	5.27%
Gen.Obligation Notes III- Police Fund	8,474	2.95%
Total	<u>\$33,282</u>	

The Township issued a \$40,000 general obligation Note to finance the purchase of a new police cruiser for the police department in July of 2018 at a 3.35% interest rate with the principal balance of \$7,017 as of December 31, 2021. The Township issued a \$ 54,000 general obligation Note II to finance the construction of a concrete apron on the front of the Township Fire Station in July of 2018 at a 5.27 % interest rate with a principal balance of \$35,301.00 as of December 31, 2021. The Township issued a \$42,000 general obligation Note III to finance the purchase of a new police cruiser for the police department in July of 2019 at 2.95% interest rate with the principal balance of \$23,211 as of December 31, 2021. Township's taxing authority collateralized the notes.

Amortization

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

Year Ending December 31:	General Obligation Notes II	General Obligation Notes III
2022	10,086	8,551
2023	10,086	
2024	5,883	
Total	<u>\$26,055</u>	<u>\$8,551</u>

Coitsville Township
Mahoning County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 11 – Fund Balances

Included in fund balance are amounts the Township cannot spend, including the balance of unclaimed monies, which cannot be spent for five years. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the Township had no balances to disclose.

Note 12 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2021, the Township received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated. The Township received \$68,926 in ARP money that has not been spent as of December 31, 2021.

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OHIO AUDITOR OF STATE KEITH FABER



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

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

Coitsville Township
Mahoning County
3711 McCartney Road
Lowellville, OH 44436

To the Township Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental fund type as of and for the years ended December 31, 2022 and 2021 and the related notes to the financial statements of Coitsville Township, Mahoning County, Ohio (the Township) and have issued our report thereon dated August 14, 2025, wherein we noted the Township followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

KEITH FABER
Ohio Auditor of State



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

August 14, 2025

OHIO AUDITOR OF STATE KEITH FABER



COITSVILLE TOWNSHIP

MAHONING COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 9/23/2025

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

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