



OHIO AUDITOR OF STATE  
**KEITH FABER**





**AUSTINTOWN TOWNSHIP  
MAHONING COUNTY**

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**INDEPENDENT AUDITOR'S REPORT**

Austintown Township  
Mahoning County  
82 Ohltown Road  
Youngstown, Ohio 44515

To the Board of Trustees:

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

***Unmodified and Adverse Opinions***

We have audited the financial statements of Austintown Township, Mahoning County, Ohio (the Township), which comprises the cash balances, receipts and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the 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 and proprietary fund type and the fiduciary fund type combined total 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 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 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 the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

***Supplementary Information***

Our audit was conducted to opine on the financial statements as a whole.

The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the financial statements.

The schedule is the responsibility of management and derives from and relates directly to the underlying accounting and other records used to prepare the financial statements. We subjected this schedule to the auditing procedures we applied to the financial statements. We also applied certain additional procedures, including comparing and reconciling the schedule directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated in all material respects in relation to the financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 6, 2023, 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  
Auditor of State  
Columbus, Ohio

September 6, 2023

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**AUSTINTOWN TOWNSHIP  
MAHONING COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	General	Special Revenue	Capital Projects	Permanent	Totals (Memorandum Only)
<b>Cash Receipts</b>					
Property and Other Local Taxes	\$1,037,733	\$9,530,732			\$10,568,465
Charges for Services		39,312			39,312
Licenses, Permits and Fees	281,666	137,586			419,252
Fines and Forfeitures	26,118	4,400			30,518
Intergovernmental	663,884	4,392,594	\$60,501		5,116,979
Special Assessments			126,474		126,474
Earnings on Investments	19,862	1,717		\$19	21,598
Miscellaneous	105,833	463,393			569,226
<i>Total Cash Receipts</i>	<u>2,135,096</u>	<u>14,569,734</u>	<u>186,975</u>	<u>19</u>	<u>16,891,824</u>
<b>Cash Disbursements</b>					
Current:					
General Government	932,249	701,016	3,753		1,637,018
Public Safety	333	10,665,651			10,665,984
Public Works		2,174,177	1,724		2,175,901
Health	192,858	34,798			227,656
Human Services		338,432			338,432
Conservation-Recreation		405,694			405,694
Capital Outlay	56,902	763,626	185,739		1,006,267
Debt Service:					
Principal Retirement		75,715	106,700		182,415
Interest and Fiscal Charges			9,873		9,873
<i>Total Cash Disbursements</i>	<u>1,182,342</u>	<u>15,159,109</u>	<u>307,789</u>	<u>0</u>	<u>16,649,240</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>952,754</u>	<u>(589,375)</u>	<u>(120,814)</u>	<u>19</u>	<u>242,584</u>
<b>Other Financing Receipts (Disbursements)</b>					
Transfers In		85,000	189,100		274,100
Transfers Out	(489,100)				(489,100)
Advances In	920,000	595,000	65,000		1,580,000
Advances Out	(920,000)	(595,000)	(65,000)		(1,580,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(489,100)</u>	<u>85,000</u>	<u>189,100</u>	<u>0</u>	<u>(215,000)</u>
<i>Net Change in Fund Cash Balances</i>	463,654	(504,375)	68,286	19	27,584
<i>Fund Cash Balances, January 1</i>	<u>1,013,590</u>	<u>3,744,702</u>	<u>22,923</u>	<u>4,643</u>	<u>4,785,858</u>
<i>Fund Cash Balances, December 31</i>	<u>\$1,477,244</u>	<u>\$3,240,327</u>	<u>\$91,209</u>	<u>\$4,662</u>	<u>\$4,813,442</u>

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

**AUSTINTOWN TOWNSHIP  
MAHONING COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (CASH BASIS)  
ALL PROPRIETARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Proprietary Fund Types		Totals
	Enterprise	Internal Service	(Memorandum Only)
<b>Operating Cash Receipts</b>			
Miscellaneous	\$166,700	\$175,719	\$342,419
<i>Total Operating Cash Receipts</i>	<u>166,700</u>	<u>175,719</u>	<u>342,419</u>
<b>Operating Cash Disbursements</b>			
Salaries	1,750	436,339	438,089
Employee Fringe Benefits		444,635	444,635
Purchased Services	42,027	45,012	87,039
Supplies and Materials		11,694	11,694
Other	19,838	3,300	23,138
<i>Total Operating Cash Disbursements</i>	<u>63,615</u>	<u>940,980</u>	<u>1,004,595</u>
<i>Operating Income (Loss)</i>	<u>103,085</u>	<u>(765,261)</u>	<u>(662,176)</u>
<b>Non-Operating Receipts (Disbursements)</b>			
Intergovernmental		854,634	854,634
Miscellaneous Receipts	1,007	59,011	60,018
Capital Outlay	(65,938)		(65,938)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(64,931)</u>	<u>913,645</u>	<u>848,714</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	38,154	148,384	186,538
Transfers In		215,000	215,000
Advances In		260,000	260,000
Advances Out		(260,000)	(260,000)
<i>Net Change in Fund Cash Balances</i>	38,154	363,384	401,538
<i>Fund Cash Balances, January 1</i>	<u>439,210</u>	<u>73,750</u>	<u>512,960</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$477,364</u></u>	<u><u>\$437,134</u></u>	<u><u>\$914,498</u></u>

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

**AUSTINTOWN TOWNSHIP  
MAHONING COUNTY**

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

	Fiduciary Fund Type
	Custodial
<b>Additions</b>	
Amounts Received as Fiscal Agent	\$24,564
<i>Total Additions</i>	24,564
<b>Deductions</b>	
Distributions as Fiscal Agent	10,540
<i>Total Deductions</i>	10,540
<i>Net Change in Fund Balances</i>	14,024
<i>Fund Cash Balances, January 1</i>	20,457
<i>Fund Cash Balances, December 31</i>	\$34,481

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

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

**Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of Austintown 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, park and recreation and zoning services.

***Jointly Governed Organizations***

The Township participates in two jointly governed organizations. Notes 11 to the financial statements provide additional information for these entities.

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

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

***Basis of Presentation***

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

***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:

***Police District Fund*** The police district fund receives property tax money to provide police protection for Township residents.

***Fire District Fund*** The fire district fund receives property tax money to provide fire protection for Township residents.

***Road and Bridge Fund*** The road and bridge fund receives property tax money for constructing, maintaining and repairing Township roads.

***Park Fund*** The park fund receives property tax money for maintaining Township parks.

***Senior Center Fund*** The senior center fund receives property tax money for operating the Senior Center.

**Austintown 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:

**Lighting District Fund** The township received special assessments to maintain Township lights.

**Communications Equipment Fund** A joint communications district was established with Boardman Township and Mahoning County to provide communications equipment, personnel and services to the District. This fund received debt proceeds for equipment purchases.

**Permanent Funds** These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

**Cemetery Bequests Fund** The cemetery bequests fund accounts for and reports interest earned on the nonexpendable corpus from a trust agreement. These earnings are used for the general maintenance and upkeep of specific family plots/graves within the Township's cemeteries.

**Enterprise Funds** This fund accounts for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges.

**Westchester Building Fund** This fund collects rental income from the building to be used for parks and recreation purposes.

**Internal Service Fund** This fund accounts for services provided by one department to other departments of the government unit. The Township had the following Internal Service Fund:

**Communications Fund** This fund receives reimbursements from other funds to pay for the operation of the Fire and Police Dispatch which also services Emergency 911 operations.

**Maintenance Fund** This fund receives reimbursements from other funds based on the department utilization to pay for the maintenance of Township vehicles and equipment.

**Fiduciary Funds** Fiduciary funds include custodial funds.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Township's custodial funds account for unclaimed monies and custodial holdings such as fire loss insurance proceeds.

**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.

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

**Budgetary Process**

The Ohio Revised Code requires that each fund (except certain custodial funds) be budgeted annually.

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

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

**Encumbrances** The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2022 budgetary activity appears in Note 3.

**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.

Money market mutual funds are recorded at share values the mutual funds report.

**Capital Assets**

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**Leases**

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

**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.

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

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

**Assigned** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. 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 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 12.

**Note 3 – Budgetary Activity**

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

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$2,037,000	\$2,135,096	\$98,096
Special Revenue	17,541,779	14,654,734	(2,887,045)
Capital Projects	400,105	376,075	(24,030)
Permanent	0	19	19
Enterprise	100,000	167,707	67,707
Internal Service	2,061,000	1,304,364	(756,636)
Custodial	24,564	24,564	0
Total	\$22,164,448	\$18,662,559	(\$3,501,889)

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$3,044,000	\$1,677,596	\$1,366,404
Special Revenue	20,659,054	15,393,405	5,265,649
Capital Projects	420,105	307,789	112,316
Permanent	0	0	0
Enterprise	500,000	129,553	370,447
Internal Service	2,100,000	940,980	1,159,020
Custodial	24,356	10,540	13,816
Total	\$26,747,515	\$18,459,863	\$8,287,652



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

**Note 4 – Deposits and Investments**

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

	2022
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$1,206,707
Other time deposits (savings and NOW accounts)	1,195,726
Total deposits	2,402,433
Government Sweep Account	3,359,988
Total investments	3,359,988
<i>Total carrying amount of deposits and investments held in the Pool</i>	\$5,762,421

***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's investments are limited to a Government 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.

**Note 6 – Risk Management**

***Workers' Compensation***

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

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

**Risk Pool Membership**

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

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

**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

The Township’s certified Fire Fighters belong to the Police and Fire Pension Fund (OP&F). Full-time Police Officers and other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans’ benefits, which include postretirement healthcare and survivor and disability benefits. The Ohio Revised Code also prescribes contribution rates. For 2022, OP&F participants contributed 12.25% of their wages and the Township contributed to OP&F an amount equal to 24% of full-time fire fighters’ wages. For 2022 OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants’ gross salaries. For 2022 OPERS law enforcement members contributed 13% of their gross salaries and the Township contributed an amount equaling 18.1% of participants’ gross salaries. The Township has paid all contributions required through December 31, 2022.

**Note 8 – Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2022. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F was placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses.

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

**Note 9 – Debt**

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

	<u>Principal</u>	<u>Interest Rate</u>
OPWC SR 46 Sanitary Loan	\$27,423	0%
Communications Equipment Note	324,000	3.50%
2020 Freightliner/International	57,823	4.50%
2020 Pierce Saber Pumper Truck	446,097	2.64%
2021 OPWC Road Resurfacing	654,009	0%
Total	<u>\$1,509,352</u>	

The Township issued the Communications Equipment Note to finance the purchase of communication equipment for the Township's 911 system. The Township also has an OPWC Loan through the Mahoning County Sanitary Engineer's Office. Bi-annual payments are made to the County on this loan for the Sanitary Sewer Line to Fire Station #1. The Township also had an OPWC Loan for Road Resurfacing Projects.

**Leases**

The Township entered into a lease purchase agreement for the 2020 Freightliner and 2020 International dump trucks with plows for the road department.

**Amortization**

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

Year Ending December 31:	2020					2021 OPWC
	OPWC	Communications Equipment Note	Freightliner / International	2020 Pierce	2021 OPWC	
2023	\$3,047	\$71,272	\$30,918	\$62,588	\$72,668	
2024	3,047	71,103	30,919	62,588	72,668	
2025	3,047	70,862		62,588	72,668	
2026	3,047	70,553		62,588	72,668	
2027	3,047	69,190		62,588	72,668	
2028-2032	12,188			187,764	290,669	
Total	<u>\$27,423</u>	<u>\$352,980</u>	<u>\$61,837</u>	<u>\$500,704</u>	<u>\$654,009</u>	

**Note 10 – Contingent Liabilities**

The Township is one of about 40 Intervening Parties in the Court of Common Pleas of Stark County, Case No. 2017 CV 01438, concerning money owed to the defendants pursuant to the Township's self-insured group medical coverage from July 1, 2014 through December 31, 2017. Management believes pursuant to a settlement agreement, that the liability in this suit is limited to \$287,898 with \$275,039 paid in 2018 thereby leaving a balance payable in 2020 of \$12,859.

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

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

**Note 11 – Jointly Governed Organizations**

ABC Water and Storm Water District – Austintown Township participates in a jointly governed water district with Boardman Township and Canfield Township. The district formed in 2010 with the intent to deal with both storm water flooding and potable water source issues.

Austintown-Boardman-Mahoning County Joint Communications District was established pursuant to Chapter 167 of the Ohio Revised Code. This is a successor COG to the Austintown-Boardman Joint Communications District.

**Note 12 – Fund Balances**

Included in fund balance are amounts the Township cannot spend, including the balance of unclaimed monies, which cannot be spent for five years 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:

Fund Balances	General	Special Revenue	Capital Projects	Permanent	Total
Nonspendable:					
Corpus				4,000	4,000
Outstanding Encumbrances	6,154	234,296	0		240,450
Total	<u>\$6,154</u>	<u>\$234,296</u>	<u>\$0</u>	<u>\$4,000</u>	<u>\$244,450</u>

The fund balance of special revenue funds is either restricted or committed. The fund balance of capital projects funds are restricted, committed, or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These restricted, committed, and assigned amounts in the special revenue, capital projects, and permanent funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**Note 13 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Township. The Township’s investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the Township’s future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

During 2022, the Township received \$100 as an on-behalf of grant from another government. These amounts are recorded in the Cares Act Special Revenue Fund. In addition, the Township received \$3,761,562 in Coronavirus State and Local Fiscal Recovery Funds.

**AUSTINTOWN TOWNSHIP  
MAHONING COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	General	Special Revenue	Capital Projects	Permanent	Totals (Memorandum Only)
<b>Cash Receipts</b>					
Property and Other Local Taxes	\$1,015,888	\$9,618,663			\$10,634,551
Charges for Services		84,194			84,194
Licenses, Permits and Fees	287,249	132,588			419,837
Fines and Forfeitures	17,056	6,307			23,363
Intergovernmental	1,037,899	4,044,873	\$150,000		5,232,772
Special Assessments			125,023		125,023
Earnings on Investments	5,350	661		\$8	6,019
Miscellaneous	96,239	534,271			630,510
<i>Total Cash Receipts</i>	<u>2,459,681</u>	<u>14,421,557</u>	<u>275,023</u>	<u>8</u>	<u>17,156,269</u>
<b>Cash Disbursements</b>					
Current:					
General Government	1,304,735	253,193	4,170		1,562,098
Public Safety	5,604	9,219,119			9,224,723
Public Works		2,510,954	1,190		2,512,144
Health	191,194	40,531			231,725
Human Services		275,387			275,387
Conservation-Recreation		437,484			437,484
Capital Outlay	10,761	686,457	272,549		969,767
Debt Service:					
Principal Retirement		3,047	57,000		60,047
Interest and Fiscal Charges			16,072		16,072
<i>Total Cash Disbursements</i>	<u>1,512,294</u>	<u>13,426,172</u>	<u>350,981</u>	<u>0</u>	<u>15,289,447</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>947,387</u>	<u>995,385</u>	<u>(75,958)</u>	<u>8</u>	<u>1,866,822</u>
<b>Other Financing Receipts (Disbursements)</b>					
Sale of Capital Assets	2	36,061			36,063
Transfers In		618,000	73,072		691,072
Transfers Out	(818,672)				(818,672)
Advances In	882,000	782,000	25,000		1,689,000
Advances Out	(882,000)	(782,000)	(25,000)		(1,689,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(818,670)</u>	<u>654,061</u>	<u>73,072</u>	<u>0</u>	<u>(91,537)</u>
<i>Net Change in Fund Cash Balances</i>	128,717	1,649,446	(2,886)	8	1,775,285
<i>Fund Cash Balances, January 1</i>	<u>884,873</u>	<u>2,095,256</u>	<u>25,809</u>	<u>4,635</u>	<u>3,010,573</u>
<i>Fund Cash Balances, December 31</i>	<u>\$1,013,590</u>	<u>\$3,744,702</u>	<u>\$22,923</u>	<u>\$4,643</u>	<u>\$4,785,858</u>

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

**AUSTINTOWN TOWNSHIP  
MAHONING COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (CASH BASIS)  
ALL PROPRIETARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Proprietary Fund Types</u>		<u>Totals</u>
	<u>Enterprise</u>	<u>Internal Service</u>	<u>(Memorandum Only)</u>
<b>Operating Cash Receipts</b>			
Miscellaneous	\$117,584	\$216,719	\$334,303
<i>Total Operating Cash Receipts</i>	<u>117,584</u>	<u>216,719</u>	<u>334,303</u>
<b>Operating Cash Disbursements</b>			
Salaries	804	1,222,923	1,223,727
Employee Fringe Benefits	50	570,912	570,962
Purchased Services	46,784	102,973	149,757
Supplies and Materials		16,008	16,008
Other	76,135	8,455	84,590
<i>Total Operating Cash Disbursements</i>	<u>123,773</u>	<u>1,921,271</u>	<u>2,045,044</u>
<i>Operating Income (Loss)</i>	<u>(6,189)</u>	<u>(1,704,552)</u>	<u>(1,710,741)</u>
<b>Non-Operating Receipts (Disbursements)</b>			
Intergovernmental		652,619	652,619
Miscellaneous Receipts	2,706	58,439	61,145
Sale of Capital Assets		59	59
Capital Outlay	(80,144)	(59,733)	(139,877)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(77,438)</u>	<u>651,384</u>	<u>573,946</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	<u>(83,627)</u>	<u>(1,053,168)</u>	<u>(1,136,795)</u>
Transfers In		127,600	127,600
Advances In		75,000	75,000
Advances Out		(75,000)	(75,000)
<i>Net Change in Fund Cash Balances</i>	<u>(83,627)</u>	<u>(925,568)</u>	<u>(1,009,195)</u>
<i>Fund Cash Balances, January 1</i>	<u>522,837</u>	<u>999,318</u>	<u>1,522,155</u>
<i>Fund Cash Balances, December 31</i>	<u>\$439,210</u>	<u>\$73,750</u>	<u>\$512,960</u>

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

**AUSTINTOWN TOWNSHIP  
MAHONING COUNTY**

**COMBINED STATEMENT OF ADDITIONS, DEDUCTIONS  
AND CHANGES IN FUND BALANCES (CASH BASIS)  
FIDUCIARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Fiduciary Fund Type</u>
	<u>Custodial</u>
<b>Additions</b>	
Amounts Received as Fiscal Agent	\$24,357
<i>Total Additions</i>	24,357
<b>Deductions</b>	
Distributions as Fiscal Agent	182,418
<i>Total Deductions</i>	182,418
<i>Net Change in Fund Balances</i>	(158,061)
<i>Fund Cash Balances, January 1</i>	178,518
<i>Fund Cash Balances, December 31</i>	\$20,457

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

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

**Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of Austintown 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, park and recreation and zoning services.

***Jointly Governed Organizations***

The Township participates in two jointly governed organizations. Notes 11 to the financial statements provide additional information for these entities.

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

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

***Basis of Presentation***

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

***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:

***Police District Fund*** The police district fund receives property tax money to provide police protection for Township residents.

***Fire District Fund*** The fire district fund receives property tax money to provide fire protection for Township residents.

***Road and Bridge Fund*** The road and bridge fund receives property tax money for constructing, maintaining and repairing Township roads.

***Park Fund*** The park fund receives property tax money for maintaining Township parks.

***Senior Center Fund*** The senior center fund receives property tax money for operating the Senior Center.

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

**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:

**Lighting District Fund** The township received special assessments to maintain Township lights.

**Communications Equipment Fund** A joint communications district was established with Boardman Township and Mahoning County to provide communications equipment, personnel and services to the District. This fund received debt proceeds for equipment purchases.

**Permanent Funds** These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

**Cemetery Bequests Fund** The cemetery bequests fund accounts for and reports interest earned on the nonexpendable corpus from a trust agreement. These earnings are used for the general maintenance and upkeep of specific family plots/graves within the Township's cemeteries.

**Enterprise Funds** This fund accounts for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges.

**Westchester Building Fund** This fund collects rental income from the building to be used for parks and recreation purposes.

**Internal Service Fund** This fund accounts for services provided by one department to other departments of the government unit. The Township had the following Internal Service Fund:

**Communications Fund** This fund receives reimbursements from other funds to pay for the operation of the Fire and Police Dispatch which also services Emergency 911 operations.

**Maintenance Fund** This fund receives reimbursements from other funds based on the department utilization to pay for the maintenance of Township vehicles and equipment.

**Fiduciary Funds** Fiduciary funds include custodial funds.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Township's custodial funds account for unclaimed monies, custodial holdings such as fire loss insurance proceeds.

**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.

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

**Budgetary Process**

The Ohio Revised Code requires that each fund (except certain custodial funds) be budgeted annually.

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

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

**Encumbrances** The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2021 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.

Money market mutual funds are recorded at share values the mutual funds report.

**Capital Assets**

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**Leases**

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

**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.

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

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

**Assigned** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. 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 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 12.

**Note 3 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2021 follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,651,340	\$2,459,683	\$808,343
Special Revenue	14,485,281	15,075,618	590,337
Capital Projects	415,448	348,095	(67,353)
Permanent	0	8	8
Enterprise	0	120,290	120,290
Internal Service	1,698,658	1,055,436	(643,222)
Custodial	24,357	24,357	0
Total	\$18,275,084	\$19,083,487	\$808,403

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$2,500,000	\$2,359,388	\$140,612
Special Revenue	15,373,083	13,644,168	1,728,915
Capital Projects	376,669	352,171	24,498
Permanent	0	0	0
Enterprise	500,000	203,917	296,083
Internal Service	2,066,000	1,981,004	84,996
Custodial	182,418	182,418	0
Total	\$20,998,170	\$18,723,066	\$2,275,104

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

**Note 4 – Deposits and Investments**

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

	2021
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$1,256,130
Other time deposits (savings and NOW accounts)	856,630
Total deposits	2,112,760
Government Sweep Account	3,206,515
Total investments	3,206,515
<i>Total carrying amount of deposits and investments held in the Pool</i>	<u>\$5,319,275</u>

***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's investments are limited to a Government 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.

**Note 6 – Risk Management**

***Workers' Compensation***

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

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

**Risk Pool Membership**

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

	2021
Cash and investments	\$34,880,599
Actuarial liabilities	\$10,601,444

**Note 7 – Defined Benefit Pension Plans**

**Ohio Public Employees Retirement System**

The Township’s certified Fire Fighters belong to the Police and Fire Pension Fund (OP&F). Full-time Police Officers and other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans’ benefits, which include postretirement healthcare and survivor and disability benefits. The Ohio Revised Code also prescribes contribution rates. For 2021, OP&F participants contributed 12.25% of their wages and the Township contributed to OP&F an amount equal to 24% of full-time fire fighters’ wages. For 2021 OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants’ gross salaries. For 2021 OPERS law enforcement members contributed 13% of their gross salaries and the Township contributed an amount equaling 18.1% of participants’ gross salaries. The Township has paid all contributions required through December 31, 2021.

**Note 8 – 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. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F was placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses.

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

**Note 9 – Debt**

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

	<u>Principal</u>	<u>Interest Rate</u>
OPWC SR 46 Sanitary Loan	\$30,469	0%
Communications Equipment Note	430,700	3.50%
2020 Freightliner/International	84,844	4.50%
2020 Pierce Saber Pumper Truck	495,601	2.64%
2021 OPWC Road Resurfacing	726,677	0%
Total	<u>\$1,768,291</u>	

The Township issued the Communications Equipment Note to finance the purchase of communication equipment for the Township's 911 system. The Township also has an OPWC Loan through the Mahoning County Sanitary Engineer's Office. Bi-annual payments are made to the County on this loan for the Sanitary Sewer Line to Fire Station #1.

**Leases**

The Township entered into a lease purchase agreement for the 2020 Freightliner and 2020 International dump trucks with plows for the road department.

**Amortization**

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

	<u>2020</u>					
Year Ending December 31:	<u>OPWC</u>	<u>Communications Equipment Note</u>	<u>Freightliner / International</u>	<u>2020 Pierce</u>	<u>2021 OPWC</u>	
2022	\$3,047	\$119,073	\$30,919	\$62,588	72,668	
2023	3,047	71,272	30,918	62,588	72,668	
2024	3,047	71,103	30,919	62,588	72,668	
2025	3,047	70,862		62,588	72,668	
2026	3,047	70,553		62,588	72,668	
2027-2031	15,234	69,190		250,352	363,337	
Total	<u>\$30,469</u>	<u>\$472,053</u>	<u>\$92,756</u>	<u>\$563,292</u>	<u>\$726,677</u>	

**Note 10 – Contingent Liabilities**

The Township is one of about 40 Intervening Parties in the Court of Common Pleas of Stark County, Case No. 2017 CV 01438, concerning money owed to the defendants pursuant to the Township's self-insured group medical coverage from July 1, 2014 through December 31, 2017. Management believes pursuant to a settlement agreement, that the liability in this suit is limited to \$287,898 with \$275,039 paid in 2018 thereby leaving a balance payable in 2020 of \$12,859.

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

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

**Note 11 – Jointly Governed Organizations**

ABC Water and Storm Water District – Austintown Township participates in a jointly governed water district with Boardman Township and Canfield Township. The district formed in 2010 with the intent to deal with both storm water flooding and potable water source issues.

Austintown-Boardman-Mahoning County Joint Communications District was established pursuant to Chapter 167 of the Ohio Revised Code. This is a successor COG to the Austintown-Boardman Joint Communications District.

**Note 12 – Fund Balances**

Included in fund balance are amounts the Township cannot spend, including the balance of unclaimed monies, which cannot be spent for five years 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:

Fund Balances	General	Special Revenue	Capital Projects	Permanent	Total
Nonspendable:					
Corpus				4,000	4,000
Outstanding Encumbrances	28,422	217,996	1,190		247,608
<b>Total</b>	<b>\$28,422</b>	<b>\$217,996</b>	<b>\$1,190</b>	<b>\$4,000</b>	<b>\$251,608</b>

The fund balance of special revenue funds is either restricted or committed. The fund balance of capital projects funds are restricted, committed, or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These restricted, committed, and assigned amounts in the special revenue, capital projects, and permanent funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**Note 13 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Township. The Township’s investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the Township’s future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

During 2021, the Township received \$21,953 as an on-behalf of grant from another government. These amounts are recorded in the Cares Act Special Revenue Fund. In addition, the Township received \$23,366 in Coronavirus State and Local Fiscal Recovery Funds.



**AUSTINTOWN TOWNSHIP  
MAHONING COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i> Program / Cluster Title	<b>Federal AL Number</b>	<b>Total Federal Expenditures</b>
<b>U.S. DEPARTMENT OF TREASURY</b>		
<i>Passed Through the State of Ohio Office of Budget and Management:</i>		
Covid-19 ARP - Coronavirus State and Local Fiscal Recovery Funds	21.027	\$3,112,313
<i>Passed through the State of Ohio Office of Criminal Justice Services</i>		
Covid-19 ARP - Coronavirus State and Local Fiscal Recovery Funds - Retention Incentive Grant	21.027	<u>133,850</u>
Total Covid-19 American Rescue Plan - Coronavirus State and Local Fiscal Recovery Funds		3,246,163
<i>Passed Through Mahoning County Commissioners:</i>		
Covid-19 CARES Act Funding	21.019	<u>100</u>
<b>Total U.S. Department of Treasury</b>		<u><u>3,246,263</u></u>
<b>U.S. DEPARTMENT OF JUSTICE</b>		
<i>Passed Through the State of Ohio Office of Criminal Justice Services</i>		
COPS Grant	16.710	28,697
<i>Passed Through the State of Ohio Office of Criminal Justice Services</i>		
Cyber Security Upgrades	16.738	<u>19,425</u>
<b>Total U.S. Department of Justice</b>		<u>48,122</u>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>		
<i>Direct Program:</i>		
Covid-19 ARP Assistance to Firefighters Grant	97.044	<u>455,591</u>
<b>Total U.S. Department of Homeland Security</b>		455,591
<b>Total Federal Awards Expenditures</b>		<u><u><b>\$ 3,749,976</b></u></u>

*The accompanying notes are an integral part of this schedule.*

**AUSTINTOWN TOWNSHIP  
MAHONING COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Austintown Township (the Township's) under programs of the federal government for the year ended December 31, 2022. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Township, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Township.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

**NOTE C – INDIRECT COST RATE**

The Township has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

# OHIO AUDITOR OF STATE KEITH FABER



88 East Broad 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

Austintown Township  
Mahoning County  
82 Ohltown Road  
Youngstown, Ohio 44515

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2022 and 2021 and the related notes to the financial statements of Austintown Township, Mahoning County, (the Township) and have issued our report thereon dated September 6, 2023, 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

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  
Auditor of State  
Columbus, Ohio

September 6, 2023

# OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215  
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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Austintown Township  
Mahoning County  
82 Ohltown Road  
Youngstown, Ohio 44515

To the Board of Trustees:

### Report on Compliance for the Major Federal Program

#### ***Opinion on the Major Federal Program***

We have audited Austintown Township's, Mahoning County, (the Township) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Austintown Township's major federal program for the year ended December 31, 2022. Austintown Township's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Austintown Township complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2022.

#### ***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Township's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

The Township's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Township's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Township's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Township's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 Township's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Township's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio

September 6, 2023

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**AUSTINTOWN TOWNSHIP  
MAHONING COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2022**

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	<b>Dual Opinion – Unmodified under the regulatory basis, Adverse under GAAP</b>
<b>(d)(1)(ii)</b>	<b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>	<b>No</b>
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	<b>No</b>
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	<b>No</b>
<b>(d)(1)(iv)</b>	<b>Were there any material weaknesses in internal control reported for major federal programs?</b>	<b>No</b>
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	<b>No</b>
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	<b>Unmodified</b>
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>	<b>No</b>
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	<b>Covid-19 ARP-Coronavirus State and Local Fiscal Recovery Funds - (AL # 21.027)</b>
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	<b>Type A: &gt; \$750,000 Type B: all others</b>
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee under 2 CFR §200.520?</b>	<b>No</b>

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

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

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# OHIO AUDITOR OF STATE KEITH FABER



**AUSTINTOWN 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 9/28/2023**

88 East Broad 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)