



OHIO AUDITOR OF STATE
KEITH FABER



**NIMISHILLEN TOWNSHIP
STARK COUNTY
DECEMBER 31, 2022 AND 2021**

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INDEPENDENT AUDITOR'S REPORT

Nimishillen Township
Stark County
8000 Columbus Rd.
Louisville, Ohio 44641

To the Board of Trustees:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Nimishillen Township, Stark County, Ohio (the Township), which comprises the cash balances, receipts and disbursements for each governmental and the fiduciary fund type combined total as of and for the year ended December 31, 2022 and the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the year ended December 31, 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 the fiduciary fund type combined total as of and for the year ended December 31, 2022 and the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the year ended December 31, 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.

Efficient • Effective • Transparent

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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2024, 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

January 8, 2024

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Nimishillen Township
Stark County, Ohio
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2022

	General	Special Revenue	Debt Service	Capital Projects	Combined Total
Cash Receipts					
Property and Other Local Taxes	\$230,631	\$1,802,249	\$180,833	\$0	\$2,213,713
Charges for Services	0	986,983	0	0	986,983
Licenses, Permits and Fees	38,082	0	0	0	38,082
Intergovernmental	183,333	1,101,588	0	0	1,284,921
Special Assessments	0	20,121	0	0	20,121
Earnings on Investments	16,840	3,506	0	0	20,346
Miscellaneous	16,275	41,302	0	0	57,577
Total Cash Receipts	485,161	3,955,749	180,833	0	4,621,743
Cash Disbursements					
Current:					
General Government	469,329	52,398	0	0	521,727
Public Safety	0	2,029,203	0	0	2,029,203
Public Works	12,933	1,196,186	0	0	1,209,119
Other	10,512	0	0	0	10,512
Capital Outlay	125,926	185,241	0	0	311,167
Debt Service:					
Principal Retirement	0	151,938	167,000	0	318,938
Interest and Fiscal Charges	0	39,494	13,833	0	53,327
Total Cash Disbursements	618,700	3,654,460	180,833	0	4,453,993
Excess of Receipts Over (Under) Disbursements	(133,539)	301,289	0	0	167,750
Fund Cash Balances, January 1	324,072	2,069,703	0	2,333	2,396,108
Fund Cash Balances, December 31	\$190,533	\$2,370,992	\$0	\$2,333	\$2,563,858

See accompanying notes to the basic financial statements

Nimishillen Township
 Stark County
 Combined Statement of Additions, Deductions
 and Changes in Fund Balances (Regulatory Cash Basis)
 All Fiduciary Fund Types
 For the Year Ended December 31, 2022

	Fiduciary Fund Types
	Custodial
	Other Custodial
Additions	
Deposits Received	\$33,880
<i>Total Additions</i>	<u>33,880</u>
<i>Total Deductions</i>	<u>0</u>
<i>Net Change in Fund Balances</i>	33,880
<i>Fund Cash Balances, January 1</i>	<u>0</u>
<i>Fund Cash Balances, December 31</i>	<u>\$33,880</u>

See accompanying notes to the basic financial statements

Nimishillen Township
Stark 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 Nimishillen Township, Stark County, Ohio, (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, fire protection and emergency medical services.

Public Entity Risk Pool

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA), a public entity risk pool available to Ohio Townships. Note 6 to the financial statements provides additional information for this entity.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fire District Fund The fire district fund accounts for the collection of property taxes collected for the purpose of providing fire and emergency medical services within the Township. This also includes collection of dispatching receipts associated with the Township dispatching unit.

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

Nimishillen Township
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 2 – Summary of Significant Accounting Policies (continued)

General Bond Note Retirement Fund The general bond note retirement fund accounts for and reports property tax revenue restricted for the retirement of principal and interest issued to finance public improvements.

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 Fund:

FEMA '20 Turnout Gear Fire Fund This fund accounts for and receives intergovernmental grants for the acquisition of fixed assets for the purpose of providing fire and emergency medical services.

Fiduciary Funds Fiduciary funds include a custodial fund. Custodial funds are purely custodial in nature and used to report fiduciary activity that is not required to be reported in a trust fund. The Township's custodial fund accounts for funds used to pay out claims to residents and businesses that have suffered losses as a result of fires.

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

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 Township 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 disbursements 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 (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.

Nimishillen Township
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 2 – Summary of Significant Accounting Policies (continued)

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.

Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

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.

Financed Purchases

The Township is the lessee in various leases (as defined by GASB 87) related to vehicles 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. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Township and the nonspendable portion of the corpus in permanent funds.

Nimishillen Township
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 2 – Summary of Significant Accounting Policies (continued)

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

Committed The 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 11.

Note 3 – Budgetary Activity

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

Fund Type	2022 Budgeted vs. Actual Receipts		
	Budgeted Receipts	Actual Receipts	Variance
General	\$422,512	\$485,161	\$62,649
Special Revenue	3,443,412	3,955,749	512,337
Debt Service	180,833	180,833	0
Capital Projects	0	0	0
Total	\$4,046,757	\$4,621,743	\$574,986

Nimishillen Township
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 3 – Budgetary Activity (continued)

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$700,444	\$622,323	\$78,121
Special Revenue	4,289,809	4,013,245	276,564
Debt Service	180,833	180,833	0
Capital Projects	0	0	0
Total	\$5,171,086	\$4,816,401	\$354,685

Note 4 – Deposits and Investments

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

Demand deposits	2022 \$1,388,202
Total deposits	1,388,202
STAR Ohio	1,209,536
Total investments	1,209,536
Total deposits and investments	\$2,597,738

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 does not have any unremitted employee payroll withholdings.

Deposits

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

At December 31, 2022, \$411,658 of deposits were not insured or collateralized, contrary to Ohio law.

Investments

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

Nimishillen Township
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2022

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 rollback deductions. The financial statements include homestead exception credits and/or homestead rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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

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

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

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.

Nimishillen Township
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 7 - Defined Benefit Pension Plan

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 healthcare and survivor and disability benefits.

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

Ohio Police and Fire Retirement System

The Township's certified firefighters belong to the Ohio Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F members contributed 12.25% of their gross salaries, and the Township contributed an amount equaling 24% of participants' gross salaries. The Township has paid all contributions required through December 31, 2022.

Social Security

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

Employees contributed 6.2% of their gross salaries. The Township contributed an amount equal to 6.2% 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% during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4% during calendar year 2022. OP&F contributes 0.5% to fund these benefits.

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

Nimishillen Township
Stark 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:

	Principal	Interest Rate
2016 Fire Obligation Bonds	\$355,000	2.65%
2019 Fire Truck Lease	932,323	3.60%
2020 Snow Plow Truck Lease	37,487	2.40%
Total	\$1,324,810	

Amortization

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

Year Ending	2016 Fire Obligation Bonds	2019 Fire Truck Lease	2020 Snow Plow Truck Lease
December 31:			
2023	\$189,408	\$153,046	\$38,387
2024	179,637	153,046	0
2025	0	153,046	0
2026	0	153,046	0
2027	0	153,046	0
2028-2029	0	306,090	0
Total	\$369,045	\$1,071,320	\$38,387

In 2006, the Township issued Fire Improvement Bonds, Series 2006, to finance the construction of Fire Station 3, Repairs to Fire Station 2, and the purchase of two advance life support ambulances. In December 2016, the Township issued Fire Improvement Bonds, Series 2016, in the amount of \$1,295,000 at a rate of 2.65% to refinance the Fire Improvement Bonds, Series 2006. The bonds have a term of eight years and mature on December 1, 2024. The Fire Improvement Bonds, Series 2006, were retired on June 1, 2017.

Financed Purchases

The Township has entered into financed purchases agreements for vehicles and other equipment where ownership of the underlying asset transfers to the Township by the end of the contract. The Township disbursed \$191,432 to pay these costs for the fiscal year ended December 31, 2022.

In 2019, the Township approved the purchase of three fire trucks with a purchase price of \$1,868,021. Of this purchase price, the Township entered into a financed purchase agreement with Huntington Public Capital Corporation in the amount of \$1,268,021 at a rate of 3.60%. The financed purchase matures on March 1, 2029.

Nimishillen Township
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 9 – Debt (continued)

In 2020, the Township approved the purchase of a Kenworth snow plow truck with a purchase price of \$115,159. The financed purchase has a three-year term at rate of 2.40% and matures on November 1, 2023.

Note 10 – Contingent Liabilities

Amounts grantor agencies pay to the township are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs.

Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 11 – Fund Balances

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 balances of these amounts were as follows:

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
Outstanding Encumbrances	\$ 3,623	\$358,785	\$362,408

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

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 2022, the Township received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.

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Nimishillen Township
Stark County, Ohio
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2021

	General	Special Revenue	Debt Service	Capital Projects	Combined Total
Cash Receipts					
Property and Other Local Taxes	\$205,300	\$1,751,796	\$181,153	\$0	\$2,138,249
Charges for Services	0	814,410	0	0	814,410
Licenses, Permits and Fees	43,628	0	0	0	43,628
Intergovernmental	177,380	1,150,007	0	0	1,327,387
Special Assessments	0	14,737	0	0	14,737
Earnings on Investments	806	161	0	0	967
Miscellaneous	3,012	37,238	0	0	40,250
<i>Total Cash Receipts</i>	<u>430,126</u>	<u>3,768,349</u>	<u>181,153</u>	<u>0</u>	<u>4,379,628</u>
Cash Disbursements					
Current:					
General Government	446,046	50,394	0	0	496,440
Public Safety	0	1,982,573	0	0	1,982,573
Public Works	5,569	1,125,912	0	0	1,131,481
Other	18,643	0	0	0	18,643
Capital Outlay	0	358,165	0	0	358,165
Debt Service:					
Principal Retirement	0	147,080	163,000	0	310,080
Interest and Fiscal Charges	0	44,352	18,153	0	62,505
<i>Total Cash Disbursements</i>	<u>470,258</u>	<u>3,708,476</u>	<u>181,153</u>	<u>0</u>	<u>4,359,887</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(40,132)</u>	<u>59,873</u>	<u>0</u>	<u>0</u>	<u>19,741</u>
Other Financing Receipts					
Sale of Capital Assets	24,307	0	0	0	24,307
<i>Total Other Financing Receipts</i>	<u>24,307</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>24,307</u>
<i>Net Change in Fund Cash Balances</i>	(15,825)	59,873	0	0	44,048
<i>Fund Cash Balances, January 1</i>	<u>339,897</u>	<u>2,009,830</u>	<u>0</u>	<u>2,333</u>	<u>2,352,060</u>
<i>Fund Cash Balances, December 31</i>	<u>\$324,072</u>	<u>\$2,069,703</u>	<u>\$0</u>	<u>\$2,333</u>	<u>\$2,396,108</u>

See accompanying notes to the basic financial statements

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Nimishillen Township
Stark 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 Nimishillen Township, Stark County, Ohio, (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, 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 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 Fund:

Fire District Fund The fire district fund accounts for the collection of property taxes collected for the purpose of providing fire and emergency medical services within the Township. This also includes collection of dispatching receipts associated with the Township dispatching unit.

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

General Bond Note Retirement Fund The general bond note retirement fund accounts for and reports property tax revenues restricted for the retirement of principal and interest issued to finance public improvements.

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 Fund:

FEMA '20 Turnout Gear Fire Fund This fund accounts for and receives intergovernmental grants for the acquisition of fixed assets for the purpose of providing fire and emergency medical services.

Nimishillen Township
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 2 – Summary of Significant Accounting Policies (continued)

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 Township 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 disbursements when a commitment is made (i.e., when an encumbrance is approved).

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

Budgetary Process

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

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

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

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

A summary of 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.

Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

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.

Nimishillen Township
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 2 – Summary of Significant Accounting Policies (continued)

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.

Financed Purchases

The Township is the lessee in various leases (as defined by GASB 87) related to vehicles 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. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Township and the nonspendable portion of the corpus in permanent funds.

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

Committed The 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 11.

Nimishillen Township
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 3 – Budgetary Activity

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

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$450,570	\$454,433	\$3,863
Special Revenue	4,011,682	3,768,349	(243,333)
Debt Service	181,153	181,153	0
Capital Projects	0	0	0
Total	\$4,643,405	\$4,403,935	(\$239,470)

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$560,413	\$471,620	\$88,793
Special Revenue	3,957,257	3,816,898	140,359
Debt Service	181,153	181,153	0
Capital Projects	0	0	0
Total	\$4,698,823	\$4,469,671	\$229,152

Note 4 – Deposits and Investments

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

Demand deposits	2021 \$1,206,918
Total deposits	1,206,918
STAR Ohio	1,189,190
Total investments	1,189,190
Total deposits and investments	\$2,396,108

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 does not have any unremitted employee payroll withholdings.

Nimishillen Township
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 4 – Deposits and Investments (continued)

Deposits

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

At December 31, 2021, \$280,505 of deposits were not insured or collateralized, contrary to Ohio law.

Investments

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

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 nonbusiness, owner occupancy, and homestead exemption credits and/or rollback deductions. The financial statements include homestead exception credits and/or homestead rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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.

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

Coverage limits were not decreased from last year and settled claims have not exceeded coverages for the past three years.

Nimishillen Township
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 7 - Defined Benefit Pension Plan

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 healthcare and survivor and disability benefits.

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

Ohio Police and Fire Retirement System

The Township's certified firefighters belong to the Ohio Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F members contributed 12.25% of their gross salaries, and the Township contributed an amount equaling 24% of participants' gross salaries. The Township has paid all contributions required through December 31, 2021.

Social Security

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

Employees contributed 6.2% of their gross salaries. The Township contributed an amount equal to 6.2% 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% during calendar year 2021. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4% during calendar year 2021. OP&F contributes 0.5% 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.

Nimishillen Township
Stark 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:

	Principal	Interest Rate
2016 Fire Obligation Bonds	\$522,000	2.65%
2019 Fire Truck Lease	1,047,653	3.60%
2020 Snow Plow Truck Lease	74,095	2.40%
Total	\$1,643,748	

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

	2016 Fire Obligation Bonds	2019 Fire Truck Lease	2020 Snow Plow Truck Lease
Year Ending December 31:			
2022	\$180,833	\$153,046	\$38,386
2023	189,408	153,046	38,387
2024	179,637	153,046	0
2025	0	153,046	0
2026	0	153,046	0
2027-2029	0	459,136	0
Total	\$549,878	\$1,224,366	\$76,773

In 2006, the Township issued Fire Improvement Bonds, Series 2006, to finance the construction of Fire Station 3, Repairs to Fire Station 2, and the purchase of two advance life support ambulances. In December 2016, the Township issued Fire Improvement Bonds, Series 2016, in the amount of \$1,295,000 at a rate of 2.65% to refinance the Fire Improvement Bonds, Series 2006. The bonds have a term of eight years and mature on December 1, 2024. The Fire Improvement Bonds, Series 2006, were retired on June 1, 2017.

Financed Purchased

The Township has entered into financed purchases agreements for vehicles and other equipment where ownership of the underlying asset transfers to the Township by the end of the contract. The Township disbursed \$191,432 to pay these costs for the fiscal year ended December 31, 2021.

In 2019, the Township approved the purchase of three fire trucks with a purchase price of \$1,868,021. Of this purchase price, there was a lease taken out with Huntington Public Capital Corporation in the amount of \$1,268,021 at a rate of 3.60%. The lease matures on March 1, 2029.

In 2020, the Township approved the purchase of a Kenworth snow plow truck with a purchase price of \$115,159. The lease has a three-year term at rate 2.40% and matures on November 1, 2023.

Nimishillen Township
Stark County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 10 – Contingent Liabilities

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

Note 11 – Fund Balances

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 balances of these amounts were as follows:

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
Outstanding Encumbrances	\$ 1,362	\$ 108,422	\$ 109,784

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

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 will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

OHIO AUDITOR OF STATE KEITH FABER



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

Nimishillen Township
Stark County
8000 Columbus Rd
Louisville, Ohio 44641

To the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Nimishillen Township, Stark County, (the Township) as of and for the year ended December 31, 2022 and 2021, and the related notes to the financial statements, and have issued our report thereon dated January 8, 2024, 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(s) 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 an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2022-001.

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

January 8, 2024

**NIMISHILLEN TOWNSHIP
STARK COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2022 AND 2021**

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

FINDING NUMBER 2022-001

NONCOMPLIANCE

Ohio Rev. Code § 5705.10(D) provides in part that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose, shall be paid into a special fund for such purpose.

- During 2022, the Township inappropriately recorded \$2,718 of motor vehicle license fee receipts in the Gas Tax Fund. Given the source of the revenue, this should have been recorded in the Motor Vehicle License Tax Fund.
- During 2022, the Township inappropriately recorded \$908 of Excess IRP receipts in the General Fund. Given the source of the revenue, this should have been recorded in the Motor Vehicle License Tax Fund.
- During 2022, the Township inappropriately recorded \$3,841 of liquor permit fee receipts in the Fire and Rescue, Ambulance and EMS Fund. Given the source of the revenue, this should have been recorded in the General Fund.
- During 2022, the Township inappropriately recorded \$1,981 of American Rescue Plan Act intergovernmental receipts in the General Fund. Given the source of the revenue, this should have been recorded in the American Rescue Plan Act Fund.
- During 2022, the Township inappropriately recorded \$1,490 of County Auditor tax collection fees in the General Fund. Given the source of the revenue, this should have been recorded in the Road and Bridge Fund.
- During 2022, the Township inappropriately recorded \$7,637 of County Auditor tax collection fees in the General Fund. Given the source of the revenue, this should have been recorded in the Fire District Fund.
- During 2022, the Township inappropriately recorded \$2,997 of County Auditor tax collection fees in the General Fund. Given the source of the revenue, this should have been recorded in the Road District Fund.
- During 2021, the Township inappropriately recorded \$9,700 of property and other local taxes in the General (Bond) (Note) Retirement Fund. Given the source of the revenue, this should have been recorded in the Road District Fund.

Audit adjustments are reflected in the financial statements and in the accounting records correcting the misstatements.

The lack of controls over the posting of financial transactions decreases the reliability of financial data at year-end and can result in undetected errors and irregularities. The Township should implement controls to help ensure all transactions are reviewed to help ensure posting to the proper funds.

Official's Response:

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

2. OTHER – FINDINGS FOR RECOVERY

In addition, we identified the following other issue related to a Finding for Recovery. This issue did not impact our GAGAS Compliance and Internal Controls reports.

FINDING NUMBER 2022-002

Termination Payment - Finding for Recovery

Section III of the Nimishillen Township Employee Handbook (the Handbook) provides that employees retiring after ten years of service are entitled to payment for one quarter of their accumulated but unused sick leave, up to the equivalent of thirty days pay.

Kelsey Westfall, a full-time dispatcher that was hired on November 16, 2015 and resigned effective March 19, 2022, had less than six years of service with the Township upon termination. However, Kelsey Westfall was paid for 100% of her sick balance of 30 hours at an hourly rate of \$18.20 per hour. As a result, Kelsey Westfall was overpaid \$546.

In accordance with the forgoing facts, and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public money illegally expended is hereby issued against Kelsey Westfall in the amount of \$546, and in favor of Nimishillen Township's Fire District and Fire and Rescue, Ambulance and EMS Funds in the amounts of \$417 and \$129, respectively.

Todd Bosley, Fiscal Officer, George Kiko, President, and Jennifer Leone, Vice President, authorized the expenditure. Under Ohio law, any public official who either authorizes an illegal expenditure of public funds or supervises the accounts of a public office from which such illegal expenditure is made is strictly liable for the amount of the expenditure. *Seward v. National Surety Corp.*, 120 Ohio St. 47 (1929); 1980 Op. Att'y. Gen. No. 80-074; Ohio Rev. Code Â§ 9.39; *State ex rel. Village of Linndale v. Masten*, 18 Ohio St. 3d 228 (1985). Public officials controlling public funds or property are liable for the loss incurred should such funds or property be fraudulently obtained by another, converted, misappropriated, lost or stolen to the extent that recovery or restitution is not obtained from the persons who unlawfully obtained such funds or property. See 1980 Op. Att'y. Gen. No. 80-074.

Todd Bosley and his bonding company, Hylant Group Inc., George Kiko and Jennifer Leone and their bonding company, West American Insurance Company, will be jointly and severally liable in the amount of \$546 and in favor of Nimishillen Township.

The Township should ensure termination payments are paid in accordance with the Handbook.

Nimishillen Township

Trustees:
 George Kiko, President
 Jennifer Leone, Vice President
 Don Keefe, Trustee

"Nimishillen Township Proud"
 P.O. Box 181
 Louisville, Ohio 44641-0181

Fiscal Officer
 Todd D. Bosley

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
 2 CFR 200.511(b)
 DECEMBER 31, 2022 AND 2021**

Finding Number	Finding Summary	Status	Additional Information
2020-001	Ohio Rev. Code § 5705.10(D) – Recording revenue in improper funds	Partially Corrected	Planned Corrections – The Township will refer to the Ohio Township Handbook to ensure receipts and expenditures are accurately recorded.
2020-002	Ohio Rev. Code § 5705.39 – Appropriations exceed estimated revenue	Corrective Action Taken and Finding is Fully Corrected	N/A
2020-003	Ohio Rev. Code § 117.38(A) – Financial reporting errors related to debt note disclosures	Corrective Action Taken and Finding is Fully Corrected	N/A
2020-004	Ohio Rev. Code § 149.351(A) - Destruction of public records	Finding No Longer Valid	N/A
2020-005	Financial statement reporting errors	Corrective Action Taken and Finding is Fully Corrected	N/A
2020-006	Failure to accurately record appropriations and estimated resources into the accounting system and note disclosures	Corrective Action Taken and Finding is Fully Corrected	N/A

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OHIO AUDITOR OF STATE KEITH FABER



NIMISHILLEN TOWNSHIP

STARK COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 2/13/2024

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