



OHIO AUDITOR OF STATE  
**KEITH FABER**





**CENTER TOWNSHIP  
COLUMBIANA COUNTY**

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## INDEPENDENT AUDITOR'S REPORT

Center Township  
Columbiana County  
38241 Industrial Park Rd  
Lisbon, Ohio 44432

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 Center Township, Columbiana County, Ohio (the Township), which comprises the cash balances, receipts and disbursements for each governmental fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements.

#### ***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2024 and 2023, 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, 2024 and 2023, or the changes in financial position thereof for the years then ended.

#### ***Basis for Opinions***

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

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

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

***Responsibilities of Management for the Financial Statements***

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

Center Township  
Columbiana County  
Independent Auditor's Report  
Page 3

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2026, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

KEITH FABER  
Ohio Auditor of State



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

January 12, 2026

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**Center Township**  
*Columbiana 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, 2024*

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	General	Special Revenue	Combined Total
<b>Cash Receipts</b>			
Property and Other Local Taxes	\$46,457	\$425,105	\$471,562
Licenses, Permits and Fees	18,587	0	18,587
Fines, Forfeitures and Settlements	15	0	15
Intergovernmental	69,286	225,046	294,332
Special Assessments	0	631	631
Earnings on Investments	34,917	11,649	46,566
Miscellaneous	5,234	1,111	6,345
<i>Total Cash Receipts</i>	<u>174,496</u>	<u>663,542</u>	<u>838,038</u>
<b>Cash Disbursements</b>			
Current:			
General Government	148,817	6,318	155,135
Public Safety	0	29,538	29,538
Public Works	0	417,637	417,637
Capital Outlay	0	105,961	105,961
<i>Total Cash Disbursements</i>	<u>148,817</u>	<u>559,454</u>	<u>708,271</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>25,679</u>	<u>104,088</u>	<u>129,767</u>
<i>Net Change in Fund Cash Balances</i>	<u>25,679</u>	<u>104,088</u>	<u>129,767</u>
<i>Fund Cash Balances, January 1</i>	<u>94,275</u>	<u>901,626</u>	<u>995,901</u>
<i>Fund Cash Balances, December 31</i>	<u><b>\$119,954</b></u>	<u><b>\$1,005,714</b></u>	<u><b>\$1,125,668</b></u>

*See accompanying notes to the basic financial statements*

**Center Township**  
*Columbiana County, Ohio*  
*Combined Statement of Additions, Deductions*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*All Fiduciary Fund Types*  
*For the Year Ended December 31, 2024*

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	Fiduciary Fund Types		
	Custodial	Other Custodial	Combined Total
	Private Purpose Trust		
<b>Additions</b>			
Other Amounts Collected for Distribution	\$0	\$28,320	\$28,320
<i>Total Additions</i>	<i>0</i>	<i>28,320</i>	<i>28,320</i>
<b>Deductions</b>			
Other Distributions	0	28,320	28,320
<i>Total Deductions</i>	<i>0</i>	<i>28,320</i>	<i>28,320</i>
<i>Net Change in Fund Balances</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Fund Cash Balances, January 1</i>	<i>16,000</i>	<i>0</i>	<i>16,000</i>
<i>Fund Cash Balances, December 31</i>	<i>\$16,000</i>	<i>\$0</i>	<i>\$16,000</i>

*See accompanying notes to the basic financial statements*

**Center Township**  
*Columbiana County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Center Township, Columbiana 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, and fire protection. The Township contracts with the Hanover Township Fire Department to provide fire services as needed to residents on our border. The Township Fire Dept is a Volunteer Fire Department and the Township signs a joint agreement with the Village of Lisbon and Elkrun Township.

**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 all organized on a fund type basis.

*Fund Accounting*

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

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

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

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

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

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

**Road Levy Fund** The road levy fund receives levy money for constructing, maintaining and repairing Township roads and bridges.

**Fire Levy Fund** The fire levy fund receives levy money for providing fire protection services.

**Center Township**  
*Columbiana County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Fiduciary Funds** Fiduciary funds include private purpose trust funds, investment trust funds, and custodial funds. Trust funds account for assets held under a trust agreement meeting certain criteria.

The Township's private purpose trust fund is required under an EPA landfill mandate.

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 fund accounts for the receipt and disbursement of insurance proceeds for property loss claims.

***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 expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

***Budgetary Process***

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

**Appropriations** Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund 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 2024 budgetary activity appears in Note 4.

***Deposits and Investments***

The Township did not maintain any investment accounts during this period.

***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.

**Center Township**  
*Columbiana County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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### ***Accumulated Leave***

Township employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

### ***Fund Balance***

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

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

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

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

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

There were no material budgetary violations noted during this period.

**Center Township**  
*Columbiana County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 4 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2024, follows:

2024 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$175,832	\$174,496	(\$1,336)
Special Revenue	594,700	663,542	68,842
Trust	1,000		(1,000)
<b>Total</b>	<b>\$771,532</b>	<b>\$838,038</b>	<b>\$66,506</b>

2024 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$267,188	\$148,846	\$118,342
Special Revenue	1,262,364	561,468	700,896
Trust	0	0	0
<b>Total</b>	<b>\$1,529,552</b>	<b>\$710,314</b>	<b>\$819,238</b>

**Note 5 – 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:

2024	
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$1,141,669

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.

**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.

**Note 6 – Property Taxes**

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

**Center Township**  
*Columbiana County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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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.

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

#### **Note 7 – Interfund Balances**

There were no outstanding advances at December 31, 2024.

#### **Note 8 – Risk Management**

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

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

##### ***Commercial Insurance***

The Township has obtained commercial insurance for the following risks:

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

#### **Note 9 – Defined Benefit Pension Plans**

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

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

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

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OPERS – Local</i>	<i>2012-2024</i>	<i>10.00%</i>	<i>14.00%</i>

**Center Township**  
*Columbiana County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 10 – Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

For calendar year 2024, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2024, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

**Note 11 – Fund Balances**

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

Fund Balances	General	Special Revenue	Total
Nonspendable:			
Unclaimed Monies	\$0	\$0	\$0
Corpus	0	0	0
Outstanding Encumbrances	29	2,014	2,043
Total	<u><u>\$29</u></u>	<u><u>\$2,014</u></u>	<u><u>\$2,043</u></u>

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. 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, debt service, capital projects, and permanent funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**Center Township**  
*Columbiana County, Ohio*  
*Combined Statement of Receipts, Disbursements*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*All Governmental Fund Types*  
*For the Year Ended December 31, 2023*

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	General	Special Revenue	Combined Total
<b>Cash Receipts</b>			
Property and Other Local Taxes	\$45,977	\$416,695	\$462,672
Licenses, Permits and Fees	19,840	0	19,840
Fines, Forfeitures and Settlements	65	0	65
Intergovernmental	65,593	185,145	250,738
Special Assessments	0	631	631
Earnings on Investments	23,748	10,550	34,298
Miscellaneous	3,558	14,910	18,468
<i>Total Cash Receipts</i>	<u>158,781</u>	<u>627,931</u>	<u>786,712</u>
<b>Cash Disbursements</b>			
Current:			
General Government	136,297	7,712	144,009
Public Safety	481	32,289	32,770
Public Works	1,726	376,115	377,841
<i>Total Cash Disbursements</i>	<u>138,504</u>	<u>416,116</u>	<u>554,620</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>20,277</u>	<u>211,815</u>	<u>232,092</u>
<b>Other Financing Receipts</b>			
Sale of Capital Assets	11,500	0	11,500
<i>Total Other Financing Receipts (Disbursements)</i>	<u>11,500</u>	<u>0</u>	<u>11,500</u>
<i>Net Change in Fund Cash Balances</i>	<u>31,777</u>	<u>211,815</u>	<u>243,592</u>
<i>Fund Cash Balances, January 1</i>	<u>62,498</u>	<u>689,811</u>	<u>752,309</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$94,275</u></u>	<u><u>\$901,626</u></u>	<u><u>\$995,901</u></u>

*See accompanying notes to the basic financial statements*

**Center Township**  
*Columbiana County, Ohio*  
*Combined Statement of Additions, Deductions*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*All Fiduciary Fund Types*  
*For the Year Ended December 31, 2023*

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	<u>Fiduciary Fund Type</u>
	<u>Private Purpose</u>
	<u>Trust</u>
<i>Fund Cash Balances, January 1</i>	<u>16,000</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$16,000</u></u>

*See accompanying notes to the basic financial statements*

**Center Township**  
*Columbiana County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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### **Note 1 – Reporting Entity**

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### **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 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:

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**Center Township**  
*Columbiana County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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The Township's private purpose trust fund is required under an EPA landfill mandate.

***Basis of Accounting***

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

***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 level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

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

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

A summary of 2023 budgetary activity appears in Note 4.

***Deposits and Investments***

The Township did not maintain any investment accounts during this period.

***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.

**Center Township**  
*Columbiana County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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### ***Fund Balance***

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

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

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

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

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

There were no material budgetary violations noted during this period.

**Center Township**  
*Columbiana County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 4 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2023, follows:

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$122,000	\$170,281	\$48,281
Special Revenue	551,150	627,931	\$76,781
Trust	1,000		(\$1,000)
Total	<u>\$674,150</u>	<u>\$798,212</u>	<u>\$124,062</u>

2023 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$171,407	\$139,012	\$32,395
Special Revenue	1,045,734	432,497	613,237
Trust	0	0	0
Total	<u>\$1,217,141</u>	<u>\$571,509</u>	<u>\$645,632</u>

**Note 5 – 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:

2023	
<i>Cash Management Pool:</i>	
Demand deposits	\$1,011,901
Total deposits	<u>1,011,901</u>

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings.

**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.

**Note 6 – Property Taxes**

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

**Center Township**  
*Columbiana County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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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.

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

**Note 7 – Interfund Balances**

There were no outstanding advances at December 31, 2023.

**Note 8 – Risk Management**

*Workers' Compensation*

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

*Commercial Insurance*

The Township has obtained commercial insurance for the following risks:

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

**Note 9 – Defined Benefit Pension Plans**

*Ohio Public Employees Retirement System*

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2023.

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OPERS – Local</i>	<i>2012-2023</i>	<i>10.00%</i>	<i>14.00%</i>

**Center Township**  
*Columbiana County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 10 – Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

**Note 11 – 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 facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Total
Nonspendable:			
Unclaimed Monies	\$0	\$0	\$0
Corpus	0		0
Outstanding Encumbrances	508	16,381	16,889
Total	<b>\$508</b>	<b>\$16,381</b>	<b>\$16,889</b>

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. 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, debt service, capital projects, and permanent funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.



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800-282-0370

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

Center Township  
Columbiana County  
38241 Industrial Park Rd  
Lisbon, Ohio 44432

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*, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2024 and 2023 and the related notes to the financial statements of the Center Township, Columbiana, Ohio (the Township) and have issued our report thereon dated January 12, 2026, 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings as items 2024-001 and 2024-002 that we consider to be material weaknesses.

Center Township  
Columbiana County  
Independent Auditor's Report on Internal Control Over  
Financial Reporting And On Compliance And Other Matters  
Required by *Government Auditing Standards*  
Page 2

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 is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2024-002.

***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 is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2024-002.

***Township's Response to Findings***

*Government Auditing Standards* requires the auditor to perform limited procedures on the Township's responses to the findings identified in our audit and described in the accompanying schedule of findings. The Township's response were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

***Purpose of This Report***

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

KEITH FABER  
Ohio Auditor of State



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

January 12, 2026

**CENTER TOWNSHIP  
COLUMBIANA COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2024 AND 2023**

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

**1. Financial Reporting**

**FINDING NUMBER 2024-001**

**MATERIAL WEAKNESS**

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

The following errors were noted within the original filed financial statements and adjustments are reflected within the accompanying financial statements and the Township's accounting system, where applicable:

- The Township improperly received the sale of an asset as intergovernmental revenue in the General Fund instead of Sale of Assets in the amount of \$11,500 in 2023.
- The Township improperly received homestead and rollback revenue as property taxes in the General Fund and Special Revenue Funds in 2023 in the amounts of \$2,782 and \$20,712, respectively. The Township also improperly received \$1,870 in the Road Levy Fund instead of the Fire Levy Fund.
- The Township improperly received homestead and rollback revenue as property taxes in the General Fund and Special Revenue Funds in 2024 in the amounts of \$8,155 and \$59,925, respectively.
- The Township improperly paid \$1,638 related to conference expenses, advertisement, and office supplies from the Gasoline Tax Fund. These expenditures are not allowable and were reclassified to the General Fund.
- The Township improperly received and disbursed \$28,320 in insurance proceeds held and paid to a resident in the General Fund in 2024. This receipt and disbursement should have been made out of the Custodial Fund.
- In 2023 and 2024, the Township improperly reported \$32,289 and \$29,538, respectively of Fire Levy Fund Public Safety expenses as General Government.
- In 2023 and 2024, the Township improperly reported \$48,033 and \$19,441, respectively of ARP Fund Public Works expenses as General Government.
- In 2023 and 2024, the Township improperly reported \$238 and \$1,042, respectively, of Street Lighting Fund Public Works expenses as General Government.

The following errors were noted within the original filed notes to the financial statements and adjustments are reflected within the accompanying notes to the financial statements:

- The Notes to the financial statements for 2023 or 2024 did not include the required Fund Balance Note disclosure.

- The 2023 Budgetary Activity Note Special Revenue budgeted receipts overstated by \$67,474, General Fund and Special Revenue appropriations were understated by \$500 and \$87,844 respectively. General Fund and Special Revenue expenditures were understated by \$508 and \$16,381 respectively.
- The 2024 Budgetary Activity Note General Fund budgeted receipts were understated by \$500 and General Fund and Special Revenue appropriations were understated by \$508 and \$16,381 respectively. General Fund actual receipts were overstated by \$28,320. General Fund expenditures were overstated by \$26,653 and Special Revenue expenditures were understated by \$374.

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

**Official's Response:** The Fiscal Officer understands the importance of properly posting receipts and expenditures for the Township. The Fiscal Officer will review funds, fund numbers and allowable expenditures to ensure entries are posted properly.

## 2. **Ohio Rev. Code § 5705.10 - Recording in Incorrect Fund**

### **FINDING NUMBER 2024-002**

#### NON-COMPLIANCE AND MATERIAL WEAKNESS

Ohio Rev. Code § 5705.10(C) states all revenue derived from a special levy shall be credited to a specific fund for the purpose for which the levy is made.

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.

Ohio Rev. Code § 5705.10(I) provides in part that money paid into any fund shall be used only for the purposes for which such fund is established.

During 2023, the Township recorded \$1,870 of property tax receipts in the Road Levy Fund rather than the Fire Levy Fund.

During 2024, the Township recorded \$28,320 of Insurance Escrow money in the General Fund. Given the source of the revenue, this should have been recorded in a custodial fund. Additionally, \$28,320 in disbursements were improperly recorded in the General Fund instead of a custodial fund.

During 2024, a disbursement of \$1,638 was made from the Gasoline Tax Fund that was not an allowable disbursement for that fund.

Audit adjustments are reflected in the financial statements.

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.

Center Township  
Columbiana County  
Schedule of Findings  
Page 3

**Official's Response:** The Fiscal Officer was unaware that fire insurance proceeds needed to be held in a separately created fund until demolition of the destroyed property was completed and funds could be paid out to the property owner. If this would occur in the future, permission to establish a new fund will be requested and the proceeds will be deposited and paid from this newly established fund.

# OHIO AUDITOR OF STATE KEITH FABER



CENTER TOWNSHIP

COLUMBIANA 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 2/5/2026

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)