



**CANFIELD TOWNSHIP
MAHONING COUNTY**

REGULAR AUDIT

**FOR THE YEARS ENDED
DECEMBER 31, 2023 & 2022**

OHIO AUDITOR OF STATE
KEITH FABER



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Columbus, Ohio 43215
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Members of the Board
Canfield Township
21 S. Broad Street
Canfield, OH 44406

We have reviewed the *Independent Auditor's Report* of Canfield Township, Mahoning County, prepared by Canter & Associates, for the audit period January 1, 2022 through December 31, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Canfield Township is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads 'Keith Faber'.

Keith Faber
Auditor of State
Columbus, Ohio

December 13, 2024

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**CANFIELD TOWNSHIP
MAHONING COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Canfield Township
Mahoning County
21 S. Broad Street
Canfield, Ohio 44406

To the Board of Trustees:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of Canfield Township, Mahoning County, Ohio (the Township), which comprises the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the years ended December 31, 2023 and 2022, 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 combined total as of and for the years ended December 31, 2023 and 2022, 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, 2023 and 2022, 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 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 October 25, 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.



Canter & Associates

Poland, Ohio

October 25, 2024

Canfield Township
Mahoning 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

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts				
Property and Other Local Taxes	\$ 1,014,505	\$ 264,568	\$ -	\$ 1,279,073
Charges for Services	-	501	-	501
Licenses, Permits, and Fees	162,299	1,272	-	163,571
Fines and Forfeitures	11,403	-	-	11,403
Intergovernmental	223,751	611,034	94,345	929,130
Special Assessments	-	66,716	-	66,716
Earnings on Investments	335,993	36,907	-	372,900
Miscellaneous	19,117	12,143	-	31,260
<i>Total Cash Receipts</i>	<u>1,767,068</u>	<u>993,141</u>	<u>94,345</u>	<u>2,854,554</u>
Cash Disbursements				
Current:				
General Government	487,667	641	-	488,308
Public Safety	-	318,297	-	318,297
Public Works	101,500	789,912	-	891,412
Health	116,744	38,079	-	154,823
Conservation-Recreation	21,565	1,456	-	23,021
Capital Outlay	27,878	24,988	94,345	147,211
Debt Service:				
Principal Retirement	-	33,447	-	33,447
Interest and Fiscal Charges	-	3,820	-	3,820
<i>Total Cash Disbursements</i>	<u>755,354</u>	<u>1,210,640</u>	<u>94,345</u>	<u>2,060,339</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>1,011,714</u>	<u>(217,499)</u>	<u>-</u>	<u>794,215</u>
Other Financing Receipts/(Disbursements)				
Transfers In	-	175,000	-	175,000
Transfers Out	(175,000)	-	-	(175,000)
Other Financing Uses	(12,378)	-	-	(12,378)
<i>Total Other Financing Receipts/(Disbursements)</i>	<u>(187,378)</u>	<u>175,000</u>	<u>-</u>	<u>(12,378)</u>
<i>Net Change in Fund Cash Balances</i>	824,336	(42,499)	-	781,837
Fund Cash Balances, January 1	<u>5,371,688</u>	<u>1,505,594</u>	<u>-</u>	<u>6,877,282</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 6,196,024</u>	<u>\$ 1,463,095</u>	<u>\$ -</u>	<u>\$ 7,659,119</u>

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

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Canfield Township, Mahoning County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road maintenance, cemetery maintenance, zoning, and contracts with the Mahoning County Sheriff to provide police protection.

Joint Ventures, Jointly Governed Organizations and Public Entity Risk Pools

The Township participates in 3 joint ventures, 2 jointly governed organizations and 1 public entity risk pool. Notes 10 and 11 to the financial statements provide additional information for these entities, which are;

Joint Venture - Windsor House - Canfield Community Joint Economic Development District (JEDD) - In April 2015, the Canfield Township Board of Trustees approved the formation of this JEDD with the City of Canfield. The parties have entered into an agreement to create and provide for the operation of this JEDD in accordance with the Ohio Revised Code. The purpose of this JEDD is to facilitate economic development, to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in the State of Ohio, Mahoning County, Canfield Township and the City of Canfield.

Joint Venture - Millennial Moments Joint Economic Development District (JEDD) - In April 2019, the Canfield Township Board of Trustees approved the formation of this JEDD with the City of Canfield. The parties have entered into an agreement to create and provide for the operation of the JEDD in accordance with 715.72 of the Ohio Revised Code. The purpose of this JEDD is to facilitate economic development, to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in the State of Ohio, Mahoning County, Canfield Township and the City of Canfield.

Joint Venture – Mixed Use Overlay Zoning Joint Economic Development District (JEDD) - In February 2018, the Canfield Township Board of Trustees approved the formation of this JEDD with the City of Canfield. The parties have entered into an agreement to create and provide for the operation of the JEDD in accordance with the Ohio Revised Code. The purpose of this JEDD is to provide a variety of retail and business opportunities be expanding permitted uses.

Jointly Governed Organization - Cardinal Joint Fire District (CJFD) – Canfield Township and the City of Canfield by Joint Resolution in July 1989 created CJFD as a separate and distinct legal entity pursuant to ORC 505.371 for the purpose of providing fire protection and certain emergency services to the inhabitants of the Township and City. Providing for a five-person board comprised of a Trustee, resident of the Township, City Councilperson, resident of the City and those four select a fifth member who must be a resident of either entity to administer and govern CJFD. The Township maintains fire station III supported by a .10 outside levied millage.

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2023

Jointly Governed Organization - ABC Water and Stormwater District (ABC) - Canfield Township participates in a jointly governed water district with Boardman and Austintown Townships. The district formed in 2009 to efficiently provide for construction, operation, maintenance and financing of stormwater management facilities. Each Township appoints one member to the three-member board. Each Township is equally responsible for the funding and maintenance of the District.

Public Entity Risk Pool – Ohio Township Association Risk Management Authority (OTARMA) – The risk sharing pool, available to Ohio Townships provides property and casualty insurance for its members. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements, and other expenses resulting from covered claims that exceed the members’ deductibles.

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) for 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 Fund:

Road District Fund The road district fund receives property tax money for constructing, maintaining, and repairing Township roads and accounts for expenditures restricted to that particular purpose.

Permissive Motor Vehicle License Tax Fund The permissive 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.

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2023

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

Fire Levy Tax Fund The permissive 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.

Local Fiscal Recovery Fund The local fiscal recovery fund accounts for and reports American Rescue Plan Act funds for use in accordance with the act.

Basis of Accounting

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

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

Budgetary Process

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

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function 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 2023 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.

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2023

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 a percentage of their 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 last 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.

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2023

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

Note 3 – Budgetary Activity

Budgetary activity for the year ending 2023 follows:

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,767,066	\$1,767,068	\$2
Special Revenue	1,370,291	1,168,141	(202,150)
Capital Projects	94,345	94,345	0
Total	\$3,231,702	\$3,029,554	(\$202,148)

2023 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$955,730	\$946,517	\$9,213
Special Revenue	1,638,947	1,213,627	425,320
Capital Projects	94,345	94,345	0
Total	\$2,689,022	\$2,254,489	\$434,533

*The budgetary basis expenditures presented in the tables above include encumbrances outstanding at year-end.

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:

	2023
<i>Cash Management Pool:</i>	
Demand deposits	\$11,965
Sweep Account	6,069,672
Total deposits	6,081,637
STAR Ohio	1,577,482
Total investments	1,577,482
<i>Total carrying amount of deposits and investments held in the Pool</i>	\$7,659,119

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2023

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, 2023, the Township remitted all 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, 2023, all of the Townships deposits of \$6,094,672 were either insured or collateralized.

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

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

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

Note 6 – Risk Management

Workers' Compensation

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

Risk Pool Membership

Canfield 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 Canfield Township's policy. The Pool covers the following risks:

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2023

- 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>2023</u>
Cash and Investments	\$33,494,457
Actuarial liabilities	10,885,548

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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.

Note 8 – Postemployment Benefits

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

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 9 – Debt

Debt outstanding at December 31, 2023, was as follows:

	Principal	Interest Rate
2016 OPWC Loan - Starr Centre	\$23,108	0.00%
2022 Financed Purchase - Plow Truck	106,002	3.09%
Total	\$129,110	

The Township, in 2016, was a recipient of the Ohio Public Works Commission (OPWC) Project Grant/Loan for the purpose of financing the Starr Centre/Old Tippecanoe Storm/Rd Rehabilitation Phase I project. This project consisted of replacing and expanding the storm sewer system, full-depth pavement replacement and resurfacing of Starr Centre Drive.

Financed Purchase

During 2022, the Township entered into a Financed Purchase Agreement with Republic First National to finance the purchase of a plow truck in the amount of \$147,812 at a 3.09 interest rate for five (5) years. Principal and interest costs for the year ended December 31, 2023, were \$28,311 and \$3,820, respectively.

Amortization

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

Year Ended December 31,	2016 OPWC Loan - Starr Centre			2022 Financed Purchase - Plow Truck		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 5,135	\$ -	\$ 5,135	\$ 29,168	\$ 2,963	\$ 32,131
2025	5,135	-	5,135	30,049	2,082	32,131
2026	5,135	-	5,135	30,957	1,174	32,131
2027	5,135	-	5,135	15,828	238	16,066
2028	2,568	-	2,568	-	-	-
Total	\$ 23,108	\$ -	\$ 23,108	\$ 106,002	\$ 6,457	\$ 112,459

Note 10 – Joint Ventures

Windsor House - Canfield Community Joint Economic Development District (JEDD)

Canfield Township Board of Trustees entered into an agreement effective April 2015 with the City of Canfield to facilitate economic development, to create or preserve jobs and employment opportunities and to improve the economic welfare of the people of the State of Ohio, the Township and the JEDD.

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2023

The JEDD is administered by a five-member Board of Directors consisting of one member representing the City, one member representing the Township, one member representing the owners of businesses located in the JEDD, one member representing persons working within the JEDD, and one member who shall serve as the chairperson who is selected by the other four members. The initial term of the agreement is for a period of twenty-five years from the effective date.

The Board of Directors has entered into an agreement with the City of Canfield to administer, collect and enforce the income tax on behalf of the JEDD. In consideration of its services pertaining to income tax administration and collection, the City shall receive a service fee equal to one percent of gross income tax revenue based upon receipts. The City shall pay one percent of the gross income tax into escrow. Upon termination of the contractual agreement, any property, asset and obligations of the JEDD shall be divided equally between the parties, except that any items of infrastructure constructed by or for anybody shall be retained by that party.

Millennial Moments Joint Economic Development District (JEDD)

The JEDD is administered by a five-member Board of Directors consisting of an elected City official, an elected Township official, one member representing the owners of businesses located in the JEDD, one member representing persons working within the JEDD, and one member who shall serve as the chairperson who is selected by the other four members. The initial term of the agreement is for a period of twenty-five years from the effective date.

The Board of Directors has entered into an agreement with the City of Canfield to administer, collect and enforce the income tax on behalf of the JEDD. In consideration of its services pertaining to income tax administration and collection, the City shall receive a service fee equal to one percent of gross income tax revenue based upon receipts. The City shall pay one percent of the gross income tax into escrow. Upon termination of the contractual agreement, any property, asset and obligations of the JEDD shall be divided equally between the parties, except that any items of infrastructure constructed by or for anybody shall be retained by that party. During 2020, the Millennial Moments developer worked to acquire the necessary permits, finalize plans for installing sanitary, water and stormwater lines, as well as streets.

Mixed Use Overlay Zoning Joint Economic Development District (JEDD)

In February 2018, the Canfield Township Board of Trustees approved the formation of this JEDD with the City of Canfield. The parties have entered into an agreement to create and provide for the operation of the JEDD in accordance with the Ohio Revised Code. The purpose of this JEDD is to provide a variety of retail and business opportunities be expanding permitted uses.

Note 11 – Jointly Governed Organizations

Cardinal Joint Fire District (CJFD)

Canfield Township and the City of Canfield by Joint Resolution in July 1989 created CJFD as a separate and distinct legal entity pursuant to ORC 505.371 for the purpose of providing fire protection and certain emergency services to the inhabitants of the Township and City. Providing for a five-person board comprised of a Trustee, resident of the Township, City Councilperson, resident of the City and those four

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2023

select a fifth member who must be a resident of either entity to administer and govern CJFD. The Township maintains fire station III supported by a .10 outside levied millage.

ABC Water and Stormwater District

Canfield Township Trustees in conjunction with Austintown and Boardman Board of Trustees in 2009 and pursuant to ORC 6119 found it necessary and advisable and in the best interests of their residents to create a regional water and stormwater district in the Townships' indicated unincorporated areas. In 2012, Canfield Township's Trustees through resolution, included the remainder of its unincorporated areas to promote the general health, safety and welfare of its residents. Currently, each Township's Administrator represents its respective Township on the ABC Board. Canfield Township residents pay a stormwater fee as part of their County Real Estate Taxes and ABC has a procedure for the Township's Trustees to request these funds to improve infrastructure within the Township.

Note 12 – Fund Balances

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

	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
Outstanding Encumbrances	<u>3,785</u>	<u>2,987</u>	<u>6,772</u>
Total	<u><u>\$3,785</u></u>	<u><u>\$2,987</u></u>	<u><u>\$6,772</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. 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.

Note 13 – 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.

Canfield Township
Mahoning 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

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts				
Property and Other Local Taxes	\$ 967,033	\$ 269,249	\$ -	\$ 1,236,282
Licenses, Permits, and Fees	211,747	2,474	-	214,221
Fines and Forfeitures	6,950	-	-	6,950
Intergovernmental	193,198	735,575	41,760	970,533
Special Assessments	-	69,696	-	69,696
Earnings on Investments	106,352	8,719	-	115,071
Miscellaneous	31,384	19,428	-	50,812
<i>Total Cash Receipts</i>	<u>1,516,664</u>	<u>1,105,141</u>	<u>41,760</u>	<u>2,663,565</u>
Cash Disbursements				
Current:				
General Government	509,228	621	-	509,849
Public Safety	77,500	239,558	-	317,058
Public Works	83,724	624,365	-	708,089
Health	116,492	12,732	-	129,224
Conservation-Recreation	23,685	-	-	23,685
Capital Outlay	105,597	15,714	41,760	163,071
Debt Service:				
Principal Retirement	-	52,304	-	52,304
Interest and Fiscal Charges	-	3,047	-	3,047
<i>Total Cash Disbursements</i>	<u>916,226</u>	<u>948,341</u>	<u>41,760</u>	<u>1,906,327</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>600,438</u>	<u>156,800</u>	<u>-</u>	<u>757,238</u>
Other Financing Receipts/(Disbursements)				
Transfers In	-	175,000	-	175,000
Transfers Out	(175,000)	-	-	(175,000)
<i>Total Other Financing Receipts/(Disbursements)</i>	<u>(175,000)</u>	<u>175,000</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	425,438	331,800	-	757,238
Fund Cash Balances, January 1	4,946,250	1,173,794	-	6,120,044
<i>Fund Cash Balances, December 31</i>	<u>\$ 5,371,688</u>	<u>\$ 1,505,594</u>	<u>\$ -</u>	<u>\$ 6,877,282</u>

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

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Canfield Township, Mahoning County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road maintenance, cemetery maintenance, zoning, and contracts with the Mahoning County Sheriff to provide police protection.

Joint Ventures, Jointly Governed Organizations and Public Entity Risk Pools

The Township participates in 3 joint ventures, 2 jointly governed organizations and 1 public entity risk pool. Notes 10 and 11 to the financial statements provide additional information for these entities, which are;

Joint Venture - Windsor House - Canfield Community Joint Economic Development District (JEDD) - In April 2015, the Canfield Township Board of Trustees approved the formation of this JEDD with the City of Canfield. The parties have entered into an agreement to create and provide for the operation of this JEDD in accordance with the Ohio Revised Code. The purpose of this JEDD is to facilitate economic development, to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in the State of Ohio, Mahoning County, Canfield Township and the City of Canfield.

Joint Venture - Millennial Moments Joint Economic Development District (JEDD) - In April 2019, the Canfield Township Board of Trustees approved the formation of this JEDD with the City of Canfield. The parties have entered into an agreement to create and provide for the operation of the JEDD in accordance with 715.72 of the Ohio Revised Code. The purpose of this JEDD is to facilitate economic development, to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in the State of Ohio, Mahoning County, Canfield Township and the City of Canfield.

Joint Venture – Mixed Use Overlay Zoning Joint Economic Development District (JEDD) - In February 2018, the Canfield Township Board of Trustees approved the formation of this JEDD with the City of Canfield. The parties have entered into an agreement to create and provide for the operation of the JEDD in accordance with the Ohio Revised Code. The purpose of this JEDD is to provide a variety of retail and business opportunities be expanding permitted uses.

Jointly Governed Organization - Cardinal Joint Fire District (CJFD) – Canfield Township and the City of Canfield by Joint Resolution in July 1989 created CJFD as a separate and distinct legal entity pursuant to ORC 505.371 for the purpose of providing fire protection and certain emergency services to the inhabitants of the Township and City. Providing for a five-person board comprised of a Trustee, resident of the Township, City Councilperson, resident of the City and those four select a fifth member who must be a resident of either entity to administer and govern CJFD. The Township maintains fire station III supported by a .10 outside levied millage.

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2022

Jointly Governed Organization - ABC Water and Stormwater District (ABC) - Canfield Township participates in a jointly governed water district with Boardman and Austintown Townships. The district formed in 2009 to efficiently provide for construction, operation, maintenance and financing of stormwater management facilities. Each Township appoints one member to the three-member board. Each Township is equally responsible for the funding and maintenance of the District.

Public Entity Risk Pool – Ohio Township Association Risk Management Authority (OTARMA) – The risk sharing pool, available to Ohio Townships provides property and casualty insurance for its members. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements, and other expenses resulting from covered claims that exceed the members’ deductibles.

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) for 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 Fund:

Road District Fund The road district fund receives property tax money for constructing, maintaining, and repairing Township roads and accounts for expenditures restricted to that particular purpose.

Permissive Motor Vehicle License Tax Fund The permissive 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.

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2022

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

Fire Levy Tax Fund The permissive 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.

Local Fiscal Recovery Fund The local fiscal recovery fund accounts for and reports American Rescue Plan Act funds for use in accordance with the act.

Basis of Accounting

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

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

Budgetary Process

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

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

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

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

A summary of 2022 budgetary activity appears in Note 3.

Deposits and Investments

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

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2022

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 a percentage of their 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 last 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.

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2022

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

Note 3 – Budgetary Activity

Budgetary activity for the year ending 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,402,706	\$1,516,664	\$113,958
Special Revenue	1,778,705	1,280,141	(498,564)
Capital Projects	41,760	41,760	0
Total	\$3,223,171	\$2,838,565	(\$384,606)

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,527,826	\$1,094,906	\$432,920
Special Revenue	1,661,061	951,565	709,496
Capital Projects	0	41,760	(41,760)
Total	\$3,188,887	\$2,088,231	\$1,100,656

*The budgetary basis expenditures presented in the tables above include encumbrances outstanding at year-end.

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:

	2022
<i>Cash Management Pool:</i>	
Demand deposits	\$1,526,625
Sweep Account	5,350,657
Total deposits	6,877,282
<i>Total carrying amount of deposits held in the Pool</i>	\$6,877,282

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2022

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 remitted all 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, all of the Townships deposits of \$6,906,118 were either insured or collateralized.

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

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

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

Note 6 – Risk Management

Workers' Compensation

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

Risk Pool Membership

Canfield 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 Canfield Township's policy. The Pool covers the following risks:

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2022

- 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

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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, 2022.

Note 8 – Postemployment Benefits

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

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.

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 9 – Debt

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

	Principal	Interest Rate
2016 OPWC Loan - Starr Centre	\$28,243	0.00%
2022 Financed Purchase - Plow Truck	134,314	3.09%
Total	\$162,557	

The Township, in 2016, was a recipient of the Ohio Public Works Commission (OPWC) Project Grant/Loan for the purpose of financing the Starr Centre/Old Tippecanoe Storm/Rd Rehabilitation Phase I project. This project consisted of replacing and expanding the storm sewer system, full-depth pavement replacement and resurfacing of Starr Centre Drive.

Financed Purchases

During 2017, the Township entered into a Financed Purchase Agreement with Farmer’s National Bank to finance the purchase of an International plow truck in the amount of \$132,472 at a 2.37 interest rate for five (5) years. Final Principal and interest costs for the year ended December 31, 2022, were \$27,765 and \$377, respectively.

During 2019, the Township entered into a Financed Purchase Agreement with Farmer’s National Bank to finance the purchase of a 2019 Pick-up Truck. Bi-annual payments are made for a period of five years and final payment of \$5,906 in principal and \$102 in interest was made during 2022.

During 2022, the Township entered into a Financed Purchase Agreement with Republic First National to finance the purchase of a plow truck in the amount of \$147,812 at a 3.09 interest rate for five (5) years. Principal and interest costs for the year ended December 31, 2022, were \$13,498 and \$2,568, respectively.

Amortization

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

Year Ended December 31,	2016 OPWC Loan - Starr Centre			2022 Financed Purchase - Plow Truck		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 5,135	\$ -	\$ 5,135	\$ 28,311	\$ 3,820	\$ 32,131
2024	5,135	-	5,135	29,168	2,963	32,131
2025	5,135	-	5,135	30,049	2,082	32,131
2026	5,135	-	5,135	30,958	1,173	32,131
2027	5,135	-	5,135	15,828	238	16,066
2028	2,568	-	2,568	-	-	-
Total	\$ 28,243	\$ -	\$ 28,243	\$ 134,314	\$ 10,276	\$ 144,590

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 10 – Joint Ventures

Windsor House - Canfield Community Joint Economic Development District (JEDD)

Canfield Township Board of Trustees entered into an agreement effective April 2015 with the City of Canfield to facilitate economic development, to create or preserve jobs and employment opportunities and to improve the economic welfare of the people of the State of Ohio, the Township and the JEDD.

The JEDD is administered by a five-member Board of Directors consisting of one member representing the City, one member representing the Township, one member representing the owners of businesses located in the JEDD, one member representing persons working within the JEDD, and one member who shall serve as the chairperson who is selected by the other four members. The initial term of the agreement is for a period of twenty-five years from the effective date.

The Board of Directors has entered into an agreement with the City of Canfield to administer, collect and enforce the income tax on behalf of the JEDD. In consideration of its services pertaining to income tax administration and collection, the City shall receive a service fee equal to one percent of gross income tax revenue based upon receipts. The City shall pay one percent of the gross income tax into escrow. Upon termination of the contractual agreement, any property, asset and obligations of the JEDD shall be divided equally between the parties, except that any items of infrastructure constructed by or for anybody shall be retained by that party.

Millennial Moments Joint Economic Development District (JEDD)

The JEDD is administered by a five-member Board of Directors consisting of an elected City official, an elected Township official, one member representing the owners of businesses located in the JEDD, one member representing persons working within the JEDD, and one member who shall serve as the chairperson who is selected by the other four members. The initial term of the agreement is for a period of twenty-five years from the effective date.

The Board of Directors has entered into an agreement with the City of Canfield to administer, collect and enforce the income tax on behalf of the JEDD. In consideration of its services pertaining to income tax administration and collection, the City shall receive a service fee equal to one percent of gross income tax revenue based upon receipts. The City shall pay one percent of the gross income tax into escrow. Upon termination of the contractual agreement, any property, asset and obligations of the JEDD shall be divided equally between the parties, except that any items of infrastructure constructed by or for anybody shall be retained by that party. During 2020, the Millennial Moments developer worked to acquire the necessary permits, finalize plans for installing sanitary, water and stormwater lines, as well as streets.

Mixed Use Overlay Zoning Joint Economic Development District (JEDD)

In February 2018, the Canfield Township Board of Trustees approved the formation of this JEDD with the City of Canfield. The parties have entered into an agreement to create and provide for the operation of the JEDD in accordance with the Ohio Revised Code. The purpose of this JEDD is to provide a variety of retail and business opportunities be expanding permitted uses.

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 11 – Jointly Governed Organizations

Cardinal Joint Fire District (CJFD)

Canfield Township and the City of Canfield by Joint Resolution in July 1989 created CJFD as a separate and distinct legal entity pursuant to ORC 505.371 for the purpose of providing fire protection and certain emergency services to the inhabitants of the Township and City. Providing for a five-person board comprised of a Trustee, resident of the Township, City Councilperson, resident of the City and those four select a fifth member who must be a resident of either entity to administer and govern CJFD. The Township maintains fire station III supported by a .10 outside levied millage.

ABC Water and Stormwater District

Canfield Township Trustees in conjunction with Austintown and Boardman Board of Trustees in 2009 and pursuant to ORC 6119 found it necessary and advisable and in the best interests of their residents to create a regional water and stormwater district in the Townships' indicated unincorporated areas. In 2012, Canfield Township's Trustees through resolution, included the remainder of its unincorporated areas to promote the general health, safety and welfare of its residents. Currently, each Township's Administrator represents its respective Township on the ABC Board. Canfield Township residents pay a stormwater fee as part of their County Real Estate Taxes and ABC has a procedure for the Township's Trustees to request these funds to improve infrastructure within the Township.

Note 12 – Fund Balances

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

	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
Outstanding Encumbrances	3,680	3,224	6,904
Total	<u>\$3,680</u>	<u>\$3,224</u>	<u>\$6,904</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. 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.

Canfield Township
Mahoning County

Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 13 – 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 14 – 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 American Rescue Plan (ARPA) 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.



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Canfield Township
Mahoning County
21 S. Broad Street
Canfield, Ohio 44406

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, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type combined total as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements of Canfield Township, Mahoning County (the Township), and have issued our report thereon dated October 25, 2024, wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit.

Report 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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

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

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

Report 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



CANTER & ASSOCIATES

Poland, Ohio

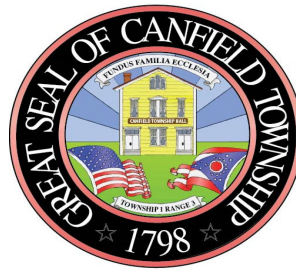
October 25, 2024

TRUSTEES
Joe Paloski
Brian Governor
Marie Izzo Cartwright

FISCAL OFFICER
Denise M. Joseph

TOWNSHIP ADMINISTRATOR
Keith Rogers

ZONING INSPECTOR
Traci DeCapua



OFFICE
21 S. Broad Street
Canfield, Ohio 44406
Phone: 330-533-4239
Fax: 330-533-1085

MEETINGS
The 2nd and 4th Tuesday
of each month at 7PM

CANFIELD TOWNSHIP

Mahoning County, Ohio
www.canfieldtownship.org

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS 2 CFR 200.511(b) FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Finding Number	Finding Summary	Status	Additional Information
2021-001	Posting Receipts	Corrected	

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OHIO AUDITOR OF STATE KEITH FABER



CANFIELD TOWNSHIP

MAHONING COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 12/26/2024

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