



Mary Taylor, CPA
Auditor of State

**BEAVER TOWNSHIP
MAHONING COUNTY**

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Beaver Township
Mahoning County
11999 South Avenue
PO Box 598
North Lima, Ohio 44452

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Beaver Township, Mahoning County, Ohio (the Township), as of and for the years ended December 31, 2007 and 2006, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Beaver Township, Mahoning County, Ohio, as of December 31, 2007 and 2006, and the respective changes in financial position, thereof and the respective budgetary comparisons for the General, Federal Law Enforcement, Fire District, Gas Tax, Lighting District, Police District and Road and Bridge funds for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2008, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion & Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

December 16, 2008

**BEAVER TOWNSHIP
MAHONING COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
Unaudited**

This discussion and analysis of Beaver Township, Mahoning County, Ohio (the Township) financial performance provides an overall review of the Township's financial activities for the years ended December 31, 2007 and 2006, within the limitations of the Township's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Township's financial performance.

Highlights

Key highlights for 2007 are as follows:

Net assets of governmental activities decreased \$11,051, or .63% percent, from the prior year. The fund most affected by the decrease in cash and cash equivalents was the General Fund.

The Township's general receipts are primarily property taxes, with grants and entitlements fluctuating year to year. The general receipts represent respectively \$2,965,308 and 83.32% percent of the total cash received for governmental activities during the year. Property tax receipts for 2007 increased \$440,742 compared to 2006 as development within the Township has grown and collections from a new 3.6 mil Police District operating levy began.

The residents of the Township passed a 5 Year 1.5 Mills Renewal Levy for the benefit of Fire Department expenditures at the General Election in November. The Police Department purchased a 2006 Ford Taurus for its detective's use. The funds were spent thru the Federal Law Enforcement Fund. The Police Department also purchased two 2007 Ford Crown Victorias from its own fund, as well as a new data base system. The Fire Department purchased a 2006 Ford Ambulance with its operating funds. It also, through two separate grant programs, purchased new radios and pagers for our volunteer staff, and a new S & S Fire Light Brush Truck for grass fires. The Fire Station addition was completed with the aid of the General Fund. The General Fund purchased a new phone system for the administration office. Our Gas Tax, Motor Vehicle Tax and Permissive Tax Funds were used to tar, chip and pave a number of roads in the Township.

Key highlights for 2006 are as follows:

Net assets of governmental activities decreased \$168,357, or 8.74% percent, from the prior year. The fund most affected by the decrease in cash and cash equivalents was the Fire District Fund.

The Township's general receipts are primarily property taxes, with grants and entitlements fluctuating year to year. The general receipts represent respectively \$2,846,263 and 84.49% percent of the total cash received for governmental activities during the year. Property tax receipts for 2006 increased \$69,682 compared to 2005 as development within the Township has grown.

The residents of the Township passed a 5 Year 2.9 Mills Additional Levy for the benefit of Police Department expenditures at the General Election in November. The Ambulance & EMS Department purchased a remanufactured LifePak 12 monitor. The Police Department incurred various office improvements, including a new camera surveillance system. The Fire Department purchased a new Precision Fire Source Truck, a Power Pro ambulance cot, and embarked on a new building addition to house its vehicles and provide safer facilities for our volunteers who operate the equipment. The General Fund participated heavily in the new Fire Department addition, as well as purchasing the property for the addition. The General Fund also contracted and had built an open air pavilion at our nature park. The General Office added a new color copier to replace its older model. The Road Department added a replacement overhead door to its garage.

**BEAVER TOWNSHIP
MAHONING COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
Unaudited**

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board Statement No. 34, as applicable to the Township's cash basis of accounting.

Report Components

The statement of net assets and the statement of activities provide information about the cash activities of the Township as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Township as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Township has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Township's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the Township as a Whole

The statement of net assets and the statement of activities reflect how the Township did financially during 2007 and 2006, within the limitations of cash basis accounting. The statement of net assets presents the cash balances of the governmental activities of the Township at year end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Township's general receipts.

These statements report the Township's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Township's financial health. Over time, increases or decreases in the Township's cash position is one indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other nonfinancial factors as well such as the Township's property tax base, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property taxes.

**BEAVER TOWNSHIP
MAHONING COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
Unaudited**

In the statement of net assets and the statement of activities, the governmental activities include the Township's programs and services, including general government services and road and bridge maintenance. State grants and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Reporting the Township's Most Significant Funds

Fund financial statements provide detailed information about the Township's major governmental funds – not the Township as a whole. The Township establishes separate funds to better manage its activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose.

All of the Township's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Township's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Township's programs. The Township's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. For 2007 and 2006, the Township's major governmental funds are as follows: General Fund, Federal Law Enforcement Fund, Fire District Fund, Gasoline Tax Fund, Lighting District Fund, Police District Fund, and Road and Bridge Fund

The Township as a Whole

Table 1 provides a summary of the Township's net assets for 2007 compared to 2006 and 2005 on a cash basis:

(Table 1)
Net Assets

	Governmental Activities		
	2007	2006	2005
Assets			
Cash and Cash Equivalents	\$ 1,748,346	\$ 1,759,397	\$ 1,927,754
Net Assets			
Restricted for:			
Other Purposes	\$ 820,671	\$ 672,278	\$ 703,647
Unrestricted	927,674	1,087,119	\$1,224,107
Total Net Assets	\$1,748,346	\$1,759,397	\$1,927,754

Over time, net assets can serve as a useful indicator of the Township's financial position.

**BEAVER TOWNSHIP
MAHONING COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
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Table 2 reflects the changes in net assets on a cash basis in 2007, 2006 and 2005 for governmental activities.

(Table 2)
Changes in Net Assets

	Governmental Activities		
	2007	2006	2005
Receipts:			
Program Receipts:			
Charges for Services and Sales	\$225,552	\$290,189	\$224,826
Operating Grants and Contributions	231,871	222,963	234,564
Capital Grants and Contributions	136,027	9,230	136,549
Total Program Receipts	<u>593,450</u>	<u>522,382</u>	<u>595,939</u>
General Receipts:			
Property and Other Local Taxes	2,095,613	1,654,871	1,585,189
Other Taxes	72,345	79,157	45,376
Grants and Entitlements Not Restricted to Specific Programs	538,240	874,366	460,821
Notes Issued	172,000	150,000	0
Sale of Capital Assets	0	1,010	23,859
Interest	81,507	62,837	31,866
Miscellaneous	5,604	24,022	6,617
Total General Receipts	<u>2,965,309</u>	<u>2,846,263</u>	<u>2,153,728</u>
Total Receipts	<u>3,558,759</u>	<u>3,368,645</u>	<u>2,749,667</u>
Disbursements:			
General Government	523,843	545,576	484,449
Public Safety	1,629,563	1,579,228	1,484,642
Public Works	239,526	230,754	223,149
Health	47,386	45,397	39,842
Conservation-Recreation	51,217	42,047	29,960
Capital Outlay	913,745	1,025,573	420,963
Other-Recycle	12,741	12,102	11,230
Debt Service	151,789	56,322	85,301
Total Disbursements	<u>3,569,810</u>	<u>3,536,999</u>	<u>2,779,536</u>
Increase (Decrease) in Net Assets	(11,051)	(168,354)	(29,869)
Net Assets, January 1	<u>1,759,397</u>	<u>1,927,751</u>	<u>1,957,620</u>
Net Assets, December 31	<u>\$1,748,346</u>	<u>\$1,759,397</u>	<u>\$1,927,751</u>

Program receipts represent only 16.67 percent and 15.51 percent of total receipts for 2007 and 2006, respectively, and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money.

General receipts represent 83.33 percent and 84.49 percent of the Township's total receipts for 2007 and 2006, respectively, and of this amount, 60.92 percent and 51.47 percent, respectively, are local taxes.

**BEAVER TOWNSHIP
MAHONING COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
Unaudited**

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other Township activities. These include the costs of the fiscal officer and trustees as well as internal services such as payroll and purchasing.

Disbursements for Public Works and Capital Outlay are the costs of constructing, maintaining, and repairing Township roads and bridges.

Governmental Activities

If you look at the Statement of Activities on pages 10 and 21, you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. For 2007, the major program disbursements for governmental activities are for public safety, public works, and capital outlay, which account for \$3,045,965 and 85.32% percent of all governmental disbursements, respectively. General government also represents a significant cost, about 14.68% percent. For 2006, the major program disbursements for governmental activities are for public safety, public works, and capital outlay, which account for \$2,991,425 and 84.58% percent of all governmental disbursements, respectively. General government also represents a significant cost, about 15.42% percent. The next three columns of the Statement entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants received by the Government that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service, which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts, which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

(Table 3)
Governmental Activities

	Total Cost Of Services 2007	Total Cost Of Services 2006	Total Cost Of Services 2005	Net Cost of Services 2007	Net Cost of Services 2006	Net Cost of Services 2005
General Government	\$523,843	\$545,576	\$484,449	(\$407,305)	(\$393,084)	(\$344,155)
Public Safety	1,629,563	1,579,228	1,484,642	(1,348,000)	(1,369,550)	(1,312,321)
Public Works	239,526	230,754	223,149	(65,174)	(84,877)	(90,314)
Health	47,386	45,397	39,842	(47,386)	(45,397)	(39,842)
Conservation-Recreation	51,217	42,047	29,960	(41,159)	(35,712)	(24,020)
Capital Outlay	913,745	1,025,573	420,963	(913,745)	(1,025,573)	(284,414)
Other-Recycle	12,741	12,102	11,229	(1,802)	(4,102)	(3,230)
Debt Service	151,789	56,322	85,301	(151,789)	(56,322)	(85,301)
Total Expenses	\$3,569,810	\$3,536,999	\$2,779,535	(\$2,976,360)	(\$3,014,617)	(\$2,183,597)

The dependence upon property tax receipts is apparent as over 60.7 percent and 49.0 percent of governmental activities are supported through these general receipts for 2007 and 2006, respectively.

The Township's Funds

Total governmental funds had receipts of \$3,558,757 and disbursements of \$3,569,808. The greatest changes within governmental funds occurred within the General Fund and the Police District Fund. The fund balances decreased \$159,445 and increased \$149,566, respectively. The decrease in the General Fund was a result of increased costs for salaries and benefits and significant outlays in capital expenditures. The increase in the Police District Fund was primarily due to collection of a new tax levy.

**BEAVER TOWNSHIP
MAHONING COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
Unaudited**

The Fire District Fund receipts were less than disbursements by \$138,989, however, notes issued in the amount of \$172,000 and the prior year carry over balance helped to lessen the burden of deficit spending.

General Fund Budgeting Highlights

The Township's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During 2007 and 2006, the Township did not amend its General Fund budget to reflect changing circumstances. Final budgeted receipts were below actual receipts due to not budgeting for all anticipated intergovernmental receipts.

Final disbursements were budgeted at \$1,382,384 and \$1,832,315 for 2007 and 2006, respectively, while actual disbursements were \$1,300,499 and \$1,812,538 for 2007 and 2006, respectively.

Debt

At December 31, 2007, the Township's outstanding debt included \$113,399 and \$92,000 in note payable obligations issued for a new fire truck/fire station expansion and ambulance, respectively, and \$3,123 in capital leases for equipment. For further information regarding the Township's debt, refer to Note 8 and Note 9 to the basic financial statements.

Current Issues

The challenge for all Townships is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. We rely heavily on local taxes and have very little industry to support the tax base. The Fiscal Officer has reviewed various projections for the General Fund and anticipates new funding requirements in several years due to the loss in personal property tax revenue, the uncertainty of inheritance tax and increased costs within the fund. The Township transferred the majority of its investment holdings in 2008 from Huntington Bank to the Star Ohio Pooled Investment Account, operated by the Treasurer of the State of Ohio.

Contacting the Township's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Township's finances and to reflect the Township's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Richard R. Lotze, Fiscal Officer, Beaver Township, 11999 South Avenue Extension, North Lima, Ohio 44452.

Beaver Township, Mahoning County
Statement of Net Assets - Cash Basis
December 31, 2007

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$1,748,346</u>
<i>Total Assets</i>	<u><u>\$1,748,346</u></u>
Net Assets	
Restricted for:	
Other Purposes	\$820,671
Unrestricted	<u>927,675</u>
<i>Total Net Assets</i>	<u><u>\$1,748,346</u></u>

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2007

	Program Cash Receipts				Net (Disbursements) Receipts and Changes in Net Assets
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
General Government	\$523,843	\$116,538			(\$407,305)
Public Safety	1,629,563	69,199	\$86,337	\$126,027	(1,348,000)
Public Works	239,526	37,095	127,257	10,000	(65,174)
Health	47,386				(47,386)
Conservation-Recreation	51,217	2,720	7,338		(41,159)
Capital Outlay	913,745				(913,745)
Other-Recycle	12,741		10,939		(1,802)
Debt Service	151,789				(151,789)
<i>Total Governmental Activities</i>	<u>\$3,569,810</u>	<u>\$225,552</u>	<u>\$231,871</u>	<u>\$136,027</u>	<u>(2,976,360)</u>
		General Receipts			
		Property Taxes Levied for:			
		General Purposes			\$2,095,613
		Other Taxes			72,345
		Grants and Entitlements not Restricted to Specific Programs			538,240
		Notes Issued			172,000
		Interest			81,507
		Miscellaneous			5,604
		<i>Total General Receipts</i>			<u>2,965,309</u>
		Change in Net Assets			(11,051)
		<i>Net Assets Beginning of Year</i>			<u>1,759,397</u>
		<i>Net Assets End of Year</i>			<u>\$1,748,346</u>

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2007

	General	Federal Law Enforcement Fund	Fire District Fund	Gas Tax Fund	Lighting District Fund	Police District Fund	Road and Bridge Fund	Other Governmental Funds	Total Governmental Funds
Assets									
Equity in Pooled Cash and Cash Equivalents	\$927,674	\$83,021	\$79,137	\$87,475	\$97,714	\$247,497	\$101,966	\$123,862	\$1,748,346
<i>Total Assets</i>	<u>\$927,674</u>	<u>\$83,021</u>	<u>\$79,137</u>	<u>\$87,475</u>	<u>\$97,714</u>	<u>\$247,497</u>	<u>\$101,966</u>	<u>\$123,862</u>	<u>\$1,748,346</u>
Fund Balances									
Reserved:									
Reserved for Encumbrances	\$38,143	\$83	\$645	\$22,000		\$192	\$47		\$61,110
Unreserved:									
Undesignated (Deficit), Reported in:									
General Fund	889,531								889,531
Special Revenue Funds		82,938	78,492	65,475	\$97,714	247,305	101,919	123,862	797,705
<i>Total Fund Balances</i>	<u>\$927,674</u>	<u>\$83,021</u>	<u>\$79,137</u>	<u>\$87,475</u>	<u>\$97,714</u>	<u>\$247,497</u>	<u>\$101,966</u>	<u>\$123,862</u>	<u>\$1,748,346</u>

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
 Governmental Funds
 For the Year Ended December 31, 2007

	General	Federal Law Enforcement Fund	Fire District Fund	Gas Tax Fund	Lighting District Fund	Police District Fund	Road and Bridge Fund	Other Governmental Funds	Total Governmental Funds
Receipts									
Property and Other Local Taxes	\$442,073		\$316,177			\$1,166,754	\$242,953	\$26,683	\$2,194,640
Charges for Services	45,024							66,645	111,669
Licenses, Permits and Fees	52,737								52,737
Fines and Forfeitures	18,777							2,554	21,331
Intergovernmental	395,151	\$44,857	155,024	\$104,990		145,112	23,625	30,041	898,800
Special Assessments					\$10,412				10,412
Interest	66,681	4,539		6,835				3,453	81,508
Other	10,992					558	2,936	6	14,492
Total Receipts	1,031,435	49,396	471,201	111,825	10,412	1,312,424	269,514	129,382	3,385,589
Disbursements									
Current:									
General Government	523,843								523,843
Public Safety	188,402		186,501			1,193,489		53,871	1,622,263
Public Works					3,838		225,338	10,350	239,526
Health	47,386								47,386
Conservation-Recreation	51,217								51,217
Other		7,298						12,741	20,039
Capital Outlay	301,508	57,961	299,490	172,211		44,369	924	37,283	913,746
Debt Service:									
Principal Retirement			116,601				26,580		143,181
Interest and Fiscal Charges			7,598				1,010		8,608
Total Disbursements	1,112,356	65,259	610,190	172,211	3,838	1,237,858	253,852	114,245	3,569,809
<i>Excess of Receipts Over (Under) Disbursements</i>	<i>(80,921)</i>	<i>(15,863)</i>	<i>(138,989)</i>	<i>(60,386)</i>	<i>6,574</i>	<i>74,566</i>	<i>15,662</i>	<i>15,137</i>	<i>(184,220)</i>
Other Financing Sources (Uses)									
Notes Issued			172,000						172,000
Transfers In					2,693	75,000		2,000	79,693
Transfers Out	(79,693)								(79,693)
Advances In	150,000					150,000			300,000
Advances Out	(150,000)					(150,000)			(300,000)
Other Financing Sources	1,169								1,169
Total Other Financing Sources (Uses)	(78,524)	0	172,000	0	2,693	75,000	0	2,000	173,169
Net Change in Fund Balances	(159,445)	(15,863)	33,011	(60,386)	9,267	149,566	15,662	17,137	(11,051)
Fund Balances Beginning of Year	1,087,119	98,884	46,126	147,861	88,447	97,931	86,304	106,725	1,759,397
Fund Balances End of Year	\$927,674	\$83,021	\$79,137	\$87,475	\$97,714	\$247,497	\$101,966	\$123,862	\$1,748,346

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
General Fund
For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$409,182	\$440,262	\$442,073	\$1,811
Charges for Services	44,000	45,024	45,024	0
Licenses, Permits and Fees	100,000	52,722	52,737	15
Fines and Forfeitures	17,500	18,777	18,777	0
Intergovernmental	165,121	395,151	395,151	0
Interest	50,000	67,136	66,681	(455)
Other	6,600	10,987	10,992	5
<i>Total receipts</i>	<u>792,403</u>	<u>1,030,059</u>	<u>1,031,435</u>	<u>1,376</u>
Disbursements				
Current:				
General Government	551,280	566,990	524,220	42,770
Public Safety	181,200	188,700	188,402	298
Health	44,300	47,600	47,386	214
Conservation-Recreation	43,250	52,500	51,217	1,283
Capital Outlay	332,094	376,594	339,274	37,320
<i>Total Disbursements</i>	<u>1,152,124</u>	<u>1,232,384</u>	<u>1,150,499</u>	<u>81,885</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(359,721)</u>	<u>(202,325)</u>	<u>(119,064)</u>	<u>83,261</u>
Other Financing Sources (Uses)				
Transfers Out	(80,000)	(80,000)	(79,693)	307
Advances In		150,000	150,000	0
Advances Out		(150,000)	(150,000)	0
Other Financing Sources		1,169	1,169	0
<i>Total Other Financing Sources (Uses)</i>	<u>(80,000)</u>	<u>(78,831)</u>	<u>(78,524)</u>	<u>307</u>
<i>Net Change in Fund Balance</i>	(439,721)	(281,156)	(197,588)	83,568
<i>Fund Balance Beginning of Year</i>	798,918	798,918	798,918	0
Prior Year Encumbrances Appropriated	288,201	288,201	288,201	0
<i>Fund Balance End of Year</i>	<u>\$647,398</u>	<u>\$805,963</u>	<u>\$889,531</u>	<u>\$83,568</u>

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
*Statement of Receipts, Disbursements and Changes
 In Fund Balance - Budget and Actual -Budget Basis
 Federal Law Enforcement Fund
 For the Year Ended December 31, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Intergovernmental	\$20,000	\$44,857	\$44,857	\$0
Interest	3,500	4,528	4,539	11
<i>Total receipts</i>	<u>23,500</u>	<u>49,385</u>	<u>49,396</u>	<u>11</u>
Disbursements				
Current:				
Other	5,000	10,500	7,297	3,203
Capital Outlay	35,214	60,214	58,044	2,170
<i>Total Disbursements</i>	<u>40,214</u>	<u>70,714</u>	<u>65,341</u>	<u>5,373</u>
<i>Net Change in Fund Balance</i>	(16,714)	(21,329)	(15,945)	5,384
<i>Fund Balance Beginning of Year</i>	98,670	98,670	98,670	0
Prior Year Encumbrances Appropriated	214	214	214	0
<i>Fund Balance End of Year</i>	<u>\$82,170</u>	<u>\$77,555</u>	<u>\$82,939</u>	<u>\$5,384</u>

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Fire District Fund
For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$303,874	\$316,699	\$316,177	(\$522)
Intergovernmental	31,815	155,025	155,024	(1)
<i>Total receipts</i>	<u>335,689</u>	<u>471,724</u>	<u>471,201</u>	<u>(523)</u>
Disbursements				
Current:				
Public Safety	205,549	209,269	187,147	22,122
Capital Outlay	70,000	310,500	299,490	11,010
Debt Service:				
Principal Retirement	112,216	116,601	116,601	0
Interest and Fiscal Charges	11,983	7,598	7,598	0
<i>Total Disbursements</i>	<u>399,748</u>	<u>643,968</u>	<u>610,836</u>	<u>33,132</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(64,059)</u>	<u>(172,244)</u>	<u>(139,635)</u>	<u>32,609</u>
Other Financing Sources (Uses)				
Notes Issued	80,000	172,000	172,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>80,000</u>	<u>172,000</u>	<u>172,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	15,941	(244)	32,365	32,609
<i>Fund Balance Beginning of Year</i>	45,997	45,997	45,997	0
Prior Year Encumbrances Appropriated	129	129	129	0
<i>Fund Balance End of Year</i>	<u>\$62,067</u>	<u>\$45,882</u>	<u>\$78,491</u>	<u>\$32,609</u>

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Gas Tax Fund
For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Intergovernmental	\$85,000	\$104,990	\$104,990	\$0
Interest	2,500	6,750	6,835	85
<i>Total receipts</i>	87,500	111,740	111,825	85
Disbursements				
Current:				
Public Works	15,000	15,000	0	15,000
Capital Outlay	202,000	202,000	194,210	7,790
<i>Total Disbursements</i>	217,000	217,000	194,210	22,790
<i>Net Change in Fund Balance</i>	(129,500)	(105,260)	(82,385)	22,875
<i>Fund Balance Beginning of Year</i>	125,861	125,861	125,861	0
Prior Year Encumbrances Appropriated	22,000	22,000	22,000	0
<i>Fund Balance End of Year</i>	\$18,361	\$42,601	\$65,476	\$22,875

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Lighting District Fund
For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Special Assessments	\$10,500	\$10,412	\$10,412	\$0
<i>Total receipts</i>	10,500	10,412	10,412	0
Disbursements				
Current:				
Public Works	7,050	7,050	3,839	3,211
<i>Total Disbursements</i>	7,050	7,050	3,839	3,211
<i>Excess of Receipts Over (Under) Disburse.</i>	3,450	3,362	6,573	3,211
Other Financing Sources (Uses)				
Transfers In		2,693	2,693	0
<i>Total Other Financing Sources (Uses)</i>	0	2,693	2,693	0
<i>Net Change in Fund Balance</i>	3,450	6,055	9,266	3,211
<i>Fund Balance Beginning of Year</i>	88,447	88,447	88,447	0
Prior Year Encumbrances Appropriated				0
<i>Fund Balance End of Year</i>	\$91,897	\$94,502	\$97,713	\$3,211

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Police District Fund
For the Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
Property and Other Local Taxes	\$1,150,141	\$1,167,813	\$1,166,754	(\$1,059)
Intergovernmental	141,360	145,112	145,112	0
Other	200	557	557	0
<i>Total receipts</i>	<u>1,291,701</u>	<u>1,313,482</u>	<u>1,312,423</u>	<u>(1,059)</u>
Disbursements				
Current:				
Public Safety	1,156,952	1,199,952	1,193,681	6,271
Capital Outlay	44,579	44,579	44,369	210
<i>Total Disbursements</i>	<u>1,201,531</u>	<u>1,244,531</u>	<u>1,238,050</u>	<u>6,481</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>90,170</u>	<u>68,951</u>	<u>74,373</u>	<u>5,422</u>
Other Financing Sources (Uses)				
Transfers In	75,000	75,000	75,000	0
Advances In		150,000	150,000	0
Advances Out		(150,000)	(150,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	165,170	143,951	149,373	5,422
<i>Fund Balance Beginning of Year</i>	76,600	76,600	76,600	0
Prior Year Encumbrances Appropriated	21,331	21,331	21,331	0
<i>Fund Balance End of Year</i>	<u>\$263,101</u>	<u>\$241,882</u>	<u>\$247,304</u>	<u>\$5,422</u>

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Road and Bridge Fund
For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$240,215	\$243,184	\$242,953	(\$231)
Intergovernmental	23,979	23,625	23,625	0
Other	500	2,936	2,936	0
<i>Total receipts</i>	<u>264,694</u>	<u>269,745</u>	<u>269,514</u>	<u>(231)</u>
Disbursements				
Current:				
Public Works	215,569	232,069	225,385	6,684
Capital Outlay	5,000	4,000	924	3,076
Debt Service:				
Principal Retirement	26,580	26,581	26,580	1
Interest and Fiscal Charges	986	1,010	1,010	0
<i>Total Disbursements</i>	<u>248,135</u>	<u>263,660</u>	<u>253,899</u>	<u>9,761</u>
<i>Net Change in Fund Balance</i>	16,559	6,085	15,615	9,530
<i>Fund Balance Beginning of Year</i>	86,135	86,135	86,135	0
Prior Year Encumbrances Appropriated	<u>169</u>	<u>169</u>	<u>169</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$102,863</u>	<u>\$92,389</u>	<u>\$101,919</u>	<u>\$9,530</u>

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Net Assets - Cash Basis
December 31, 2006

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$1,759,397</u>
<i>Total Assets</i>	<u><u>\$1,759,397</u></u>
Net Assets	
Restricted for:	
Other Purposes	\$672,278
Unrestricted	<u>1,087,119</u>
<i>Total Net Assets</i>	<u><u>\$1,759,397</u></u>

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2006

	Program Cash Receipts				Net (Disbursements) Receipts and Changes in Net Assets
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
General Government	\$545,576	\$152,492			(\$393,084)
Public Safety	1,579,228	98,630	\$101,818	\$9,230	(1,369,550)
Public Works	230,754	36,917	108,960		(84,877)
Health	45,397				(45,397)
Conservation-Recreation	42,047	2,150	4,185		(35,712)
Capital Outlay	1,025,573				(1,025,573)
Other-Recycle	12,102		8,000		(4,102)
Debt Service	56,322				(56,322)
<i>Total Governmental Activities</i>	<u>\$3,536,999</u>	<u>\$290,189</u>	<u>\$222,963</u>	<u>\$9,230</u>	<u>(3,014,617)</u>
		General Receipts			
		Property Taxes Levied for:			
		General Purposes			\$1,654,871
		Other Taxes			79,157
		Grants and Entitlements not Restricted to Specific Programs			874,366
		Notes Issued			150,000
		Sale of Capital Assets			1,010
		Interest			62,836
		Miscellaneous			24,023
		<i>Total General Receipts</i>			<u>2,846,263</u>
		Change in Net Assets			(168,354)
		<i>Net Assets Beginning of Year</i>			<u>1,927,751</u>
		<i>Net Assets End of Year</i>			<u>\$1,759,397</u>

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2006

	General	Federal Law Enforcement Fund	Fire District Fund	Gas Tax Fund	Lighting District Fund	Police District Fund	Road and Bridge Fund	Other Governmental Funds	Total Governmental Funds
Assets									
Equity in Pooled Cash and Cash Equivalents	\$1,087,119	\$98,884	\$46,126	\$147,861	\$88,447	\$97,931	\$86,304	\$106,725	\$1,759,397
<i>Total Assets</i>	<u>\$1,087,119</u>	<u>\$98,884</u>	<u>\$46,126</u>	<u>\$147,861</u>	<u>\$88,447</u>	<u>\$97,931</u>	<u>\$86,304</u>	<u>\$106,725</u>	<u>\$1,759,397</u>
Fund Balances									
Reserved:									
Reserved for Encumbrances	\$288,201	\$214	\$129	\$22,000		\$21,331	\$169	\$2,924	\$334,968
Unreserved:									
Undesignated (Deficit), Reported in:									
General Fund	798,918								798,918
Special Revenue Funds		98,670	45,997	125,861	\$88,447	76,600	86,135	103,801	625,511
<i>Total Fund Balances</i>	<u>\$1,087,119</u>	<u>\$98,884</u>	<u>\$46,126</u>	<u>\$147,861</u>	<u>\$88,447</u>	<u>\$97,931</u>	<u>\$86,304</u>	<u>\$106,725</u>	<u>\$1,759,397</u>

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
 Governmental Funds
 For the Year Ended December 31, 2006

	General	Federal Law Enforcement Fund	Fire District Fund	Gas Tax Fund	Lighting District Fund	Police District Fund	Road and Bridge Fund	Other Governmental Funds	Total Governmental Funds
Receipts									
Property and Other Local Taxes	\$440,983		\$312,882			\$741,780	\$238,383	\$26,466	\$1,760,494
Charges for Services	43,745							95,189	138,934
Licenses, Permits and Fees	90,249								90,249
Fines and Forfeitures	18,498							3,441	21,939
Intergovernmental	756,851	\$44,424	36,918	\$95,238		117,368	22,853	28,722	1,102,374
Special Assessments					\$10,450				10,450
Interest	53,641	3,387		3,740				2,068	62,836
Other	7,378	1,774	1,500			13,759	4,933	11	29,355
Total Receipts	1,411,345	49,585	351,300	98,978	10,450	872,907	266,169	155,897	3,216,631
Disbursements									
Current:									
General Government	545,576								545,576
Public Safety	175,600		215,169			1,092,467		89,340	1,572,576
Public Works				10,500	5,438		202,006	12,811	230,755
Health	45,397								45,397
Conservation-Recreation	42,047								42,047
Other		6,653						12,104	18,757
Capital Outlay	565,718	31,968	395,764			3,411	2,348	26,364	1,025,573
Debt Service:									
Principal Retirement			27,760				25,606		53,366
Interest and Fiscal Charges			994				1,962		2,956
Total Disbursements	1,374,338	38,621	639,687	10,500	5,438	1,095,878	231,922	140,619	3,537,003
<i>Excess of Receipts Over (Under) Disbursements</i>	<i>37,007</i>	<i>10,964</i>	<i>(288,387)</i>	<i>88,478</i>	<i>5,012</i>	<i>(222,971)</i>	<i>34,247</i>	<i>15,278</i>	<i>(320,372)</i>
Other Financing Sources (Uses)									
Sale of Capital Assets							1,010		1,010
Notes Issued			150,000						150,000
Transfers In						175,000			175,000
Transfers Out	(175,000)								(175,000)
Advances In	150,000		150,000						300,000
Advances Out	(150,000)		(150,000)						(300,000)
Other Financing Sources	1,005								1,005
Total Other Financing Sources (Uses)	(173,995)	0	150,000	0	0	175,000	1,010	0	152,015
Net Change in Fund Balances	(136,988)	10,964	(138,387)	88,478	5,012	(47,971)	35,257	15,278	(168,357)
Fund Balances Beginning of Year	1,224,107	87,920	184,513	59,383	83,435	145,902	51,047	91,447	1,927,754
Fund Balances End of Year	\$1,087,119	\$98,884	\$46,126	\$147,861	\$88,447	\$97,931	\$86,304	\$106,725	\$1,759,397

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
General Fund
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$401,768	\$440,983	\$440,983	\$0
Charges for Services	44,000	43,745	43,745	0
Licenses, Permits and Fees	100,000	90,249	90,249	0
Fines and Forfeitures	17,000	18,498	18,498	0
Intergovernmental	157,681	756,851	756,851	0
Interest	29,000	53,463	53,641	178
Other	6,400	7,378	7,377	(1)
<i>Total receipts</i>	755,849	1,411,167	1,411,344	177
Disbursements				
Current:				
General Government	515,322	561,215	546,683	14,532
Public Safety	170,800	176,800	175,600	1,200
Health	40,800	45,450	45,397	53
Conservation-Recreation	25,900	43,850	42,047	1,803
Capital Outlay	140,000	855,000	852,811	2,189
<i>Total Disbursements</i>	892,822	1,682,315	1,662,538	19,777
<i>Excess of Receipts Over (Under) Disbursements</i>	(136,973)	(271,148)	(251,194)	19,954
Other Financing Sources (Uses)				
Transfers Out	(150,000)	(175,000)	(175,000)	0
Advances In		150,000	150,000	0
Advances Out		(150,000)	(150,000)	0
Other Financing Sources		1,005	1,005	0
<i>Total Other Financing Sources (Uses)</i>	(150,000)	(173,995)	(173,995)	0
<i>Net Change in Fund Balance</i>	(286,973)	(445,143)	(425,189)	19,954
<i>Fund Balance Beginning of Year</i>	1,223,505	1,223,505	1,223,505	0
Prior Year Encumbrances Appropriated	602	602	602	0
<i>Fund Balance End of Year</i>	\$937,134	\$778,964	\$798,918	\$19,954

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
*Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Federal Law Enforcement Fund
For the Year Ended December 31, 2006*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
Intergovernmental	\$20,000	\$44,424	\$44,424	\$0
Interest	1,650	3,408	3,387	(21)
Other		1,774	1,774	0
<i>Total receipts</i>	<u>21,650</u>	<u>49,606</u>	<u>49,585</u>	<u>(21)</u>
Disbursements				
Current:				
Other	6,700	7,200	6,653	547
Capital Outlay	30,000	35,000	32,182	2,818
<i>Total Disbursements</i>	<u>36,700</u>	<u>42,200</u>	<u>38,835</u>	<u>3,365</u>
<i>Net Change in Fund Balance</i>	(15,050)	7,406	10,750	3,344
<i>Fund Balance Beginning of Year</i>	86,220	86,220	86,220	0
Prior Year Encumbrances Appropriated	1,700	1,700	1,700	0
<i>Fund Balance End of Year</i>	<u>\$72,870</u>	<u>\$95,326</u>	<u>\$98,670</u>	<u>\$3,344</u>

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Fire District Fund
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$301,121	\$312,882	\$312,882	\$0
Intergovernmental	31,152	36,918	36,918	0
Other	1,000	1,500	1,500	0
<i>Total receipts</i>	<u>333,273</u>	<u>351,300</u>	<u>351,300</u>	<u>0</u>
Disbursements				
Current:				
Public Safety	205,720	232,220	215,298	16,922
Capital Outlay	330,000	397,000	395,764	1,236
Debt Service:				
Principal Retirement	27,768	27,768	27,760	8
Interest and Fiscal Charges	1,005	1,005	994	11
<i>Total Disbursements</i>	<u>564,493</u>	<u>657,993</u>	<u>639,816</u>	<u>18,177</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(231,220)</u>	<u>(306,693)</u>	<u>(288,516)</u>	<u>18,177</u>
Other Financing Sources (Uses)				
Notes Issued	150,000	150,000	150,000	0
Advances In		150,000	150,000	0
Advances Out		(150,000)	(150,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(81,220)</u>	<u>(156,693)</u>	<u>(138,516)</u>	<u>18,177</u>
<i>Fund Balance Beginning of Year</i>	184,513	184,513	184,513	0
Prior Year Encumbrances Appropriated				0
<i>Fund Balance End of Year</i>	<u>\$103,293</u>	<u>\$27,820</u>	<u>\$45,997</u>	<u>\$18,177</u>

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Gas Tax Fund
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Intergovernmental	\$80,000	\$95,238	\$95,238	\$0
Interest	825	3,655	3,740	85
<i>Total receipts</i>	<u>80,825</u>	<u>98,893</u>	<u>98,978</u>	<u>85</u>
Disbursements				
Current:				
Public Works	15,000	15,000	10,500	4,500
Capital Outlay	80,000	80,000	22,000	58,000
<i>Total Disbursements</i>	<u>95,000</u>	<u>95,000</u>	<u>32,500</u>	<u>62,500</u>
<i>Net Change in Fund Balance</i>	(14,175)	3,893	66,478	62,585
<i>Fund Balance Beginning of Year</i>	59,383	59,383	59,383	0
Prior Year Encumbrances Appropriated				0
<i>Fund Balance End of Year</i>	<u>\$45,208</u>	<u>\$63,276</u>	<u>\$125,861</u>	<u>\$62,585</u>

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Lighting District Fund
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Special Assessments	\$10,000	\$10,450	\$10,450	\$0
<i>Total receipts</i>	10,000	10,450	10,450	0
Disbursements				
Current:				
Public Works	3,630	5,650	5,438	212
<i>Total Disbursements</i>	3,630	5,650	5,438	212
<i>Net Change in Fund Balance</i>	6,370	4,800	5,012	212
<i>Fund Balance Beginning of Year</i>	83,435	83,435	83,435	0
Prior Year Encumbrances Appropriated				0
<i>Fund Balance End of Year</i>	\$89,805	\$88,235	\$88,447	\$212

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Police District Fund
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$716,764	\$741,780	\$741,780	\$0
Intergovernmental	102,463	117,368	117,368	0
Other	2,000	13,758	13,759	(1)
<i>Total receipts</i>	<u>821,227</u>	<u>872,906</u>	<u>872,907</u>	<u>(1)</u>
Disbursements				
Current:				
Public Safety	1,115,358	1,120,608	1,093,219	27,389
Capital Outlay	24,000	24,000	23,990	10
<i>Total Disbursements</i>	<u>1,139,358</u>	<u>1,144,608</u>	<u>1,117,209</u>	<u>27,399</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(318,131)</u>	<u>(271,702)</u>	<u>(244,302)</u>	<u>27,398</u>
Other Financing Sources (Uses)				
Transfers In	150,000	175,000	175,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>150,000</u>	<u>175,000</u>	<u>175,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(168,131)	(96,702)	(69,302)	27,398
<i>Fund Balance Beginning of Year</i>	145,844	145,844	145,844	0
Prior Year Encumbrances Appropriated	58	58	58	0
<i>Fund Balance End of Year</i>	<u>(\$22,229)</u>	<u>\$49,200</u>	<u>\$76,600</u>	<u>\$27,398</u>

See accompanying notes to the basic financial statements

Beaver Township, Mahoning County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Road and Bridge Fund
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$233,145	\$238,383	\$238,383	\$0
Intergovernmental	23,091	22,853	22,853	0
Other	500	4,932	4,932	0
<i>Total receipts</i>	<u>256,736</u>	<u>266,168</u>	<u>266,168</u>	<u>0</u>
Disbursements				
Current:				
Public Works	215,500	216,800	202,174	14,626
Capital Outlay	5,000	5,000	2,348	2,652
Debt Service:				
Principal Retirement	25,800	25,800	25,606	194
Interest and Fiscal Charges	1,750	2,000	1,962	38
<i>Total Disbursements</i>	<u>248,050</u>	<u>249,600</u>	<u>232,090</u>	<u>17,510</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>8,686</u>	<u>16,568</u>	<u>34,078</u>	<u>17,510</u>
Other Financing Sources (Uses)				
Sale of Capital Assets		1,010	1,010	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>1,010</u>	<u>1,010</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	8,686	17,578	35,088	17,510
<i>Fund Balance Beginning of Year</i>	51,047	51,047	51,047	0
Prior Year Encumbrances Appropriated				0
<i>Fund Balance End of Year</i>	<u>\$59,733</u>	<u>\$68,625</u>	<u>\$86,135</u>	<u>\$17,510</u>

See accompanying notes to the basic financial statements

BEAVER TOWNSHIP
MAHONING COUNTY

Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006

Note 1 – Reporting Entity

The Beaver Township, Mahoning County, Ohio (the Township), is a body politic and corporate established in 1811 to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer.

The reporting entity is comprised of the primary government, component units and other organizations that were included to ensure that the financial statements are not misleading.

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, ambulance, fire protection, police protection and maintenance of Township roads and bridges.

The Township participates in a public entity risk pool. Note 6 to the financial statements provides additional information for this entity. This organization is:

Ohio Township Association Risk Management Authority (OTARMA) - a risk sharing pool that provides the Township with casualty and property insurance.

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

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the Township's accounting policies.

A. Basis of Presentation

The Township's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government.

BEAVER TOWNSHIP
MAHONING COUNTY

Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006

Note 2 – Summary of Significant Accounting Policies - (Continued)

The statement of net assets presents the cash balance of the governmental activities of the Township at year-end. The statement of activities compares disbursements with program receipts for the Township's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Township is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program and receipts of interest earned on grants that is required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function or business-type activity is self-financing on a cash basis or draws from the Township's general receipts.

Fund Financial Statements

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

B. Fund Accounting

The Township uses fund accounting 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. Funds are used to segregate resources that are restricted as to use.

Governmental Funds

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The Township's major governmental funds are the General Fund, Federal Law Enforcement Fund (Police department resources), Fire District Fund (Fire department resources), Gas Tax Fund (Road department resources), Lighting District Fund (Street lighting resources), Police District Fund (Police department resources) and the Road & Bridge Fund (Road department resources). The General Fund is used to account for all financial resources, except those required to be accounted for in another fund such as those indicated above. 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. The other governmental funds of the Township account for grants and other resources whose use is restricted to a particular purpose.

C. Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Township are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

BEAVER TOWNSHIP
MAHONING COUNTY

Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006

Note 2 – Summary of Significant Accounting Policies - (Continued)

D. Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Township may appropriate. The 2007 tax budget requirement was waived by the Board of Trustees under the authority granted it by the Mahoning County Budget Commission, however, the Township developed an annual budget for projection purposes.

The appropriations ordinance is the Township's authorization to spend resources and sets limits on disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established at the fund, department, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Township Fiscal Officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificated of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

E. Cash and Investments

To improve cash management, cash received by the Township is pooled and invested. Individual fund integrity is maintained through Township records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments. Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

During 2007 and 2006, the Township's cash management pool was collateralized by various authorized federal government securities. The Township's pooled sweep-investment account and Public Funds Account were recorded at the amounts reported by Huntington Bank and Sky Bank on December 31, 2007 and 2006, respectively.

Interest earnings are allocated to Township funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2007 was \$81,507, which includes \$14,826 assigned from other Township funds. Interest receipts credited to the General Fund during 2006 was \$62,837, which includes \$9,196 assigned from other Township funds.

BEAVER TOWNSHIP
MAHONING COUNTY

Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006

Note 2 – Summary of Significant Accounting Policies - (Continued)

F. Restricted Assets

Cash, cash equivalents and investments are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. Restricted assets are comprised of those fund balances in the Township's major funds and other funds, excluding the General Fund. Those assets are restricted for use within the respective funds. The total restricted amount for all funds under these constraints was \$820,671 and \$672,278 for 2007 and 2006, respectively.

G. Inventory and Prepaid Items

The Township reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

H. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

I. Interfund Receivables/Payables

The Township reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

J. Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township's cash basis of accounting.

K. Employer Contributions to Cost-Sharing Pension Plans

The Township recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Note 7, the employer contributions include portions for pension benefits and for postretirement health care benefits.

L. Long-Term Obligations

The Township's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure are reported at inception. Lease payments are reported when paid.

BEAVER TOWNSHIP
MAHONING COUNTY

Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006

Note 2 – Summary of Significant Accounting Policies - (Continued)

M. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for ambulance, fire and police protection, road improvements and maintenance, recycling and street lighting.

The Township's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net assets are available.

N. Fund Balance Reserves

The Township reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance, which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances.

O. Interfund Transactions

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating receipts/disbursements in proprietary funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

Note 3 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the General Fund, Federal Law Enforcement Fund, Fire District Fund, Gas Tax Fund, Lighting District Fund, Police District Fund and the Road & Bridge fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the cash basis are outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at December 31, 2007 (budgetary basis) amounted to \$38,143 for the General Fund, \$22,000 for the Gas Tax Fund, \$83 for the Federal Law Enforcement Fund, \$645 for the Fire District Fund, \$192 for the Police District Fund and \$47 for the Road & Bridge Fund. The encumbrances outstanding at December 31, 2006 (budgetary basis) amounted to \$288,201 for the General Fund, \$22,000 for the Gas Tax Fund, \$214 for the Federal Law Enforcement Fund, \$129 for the Fire District Fund, \$21,331 for the Police District Fund and \$169 for the Road & Bridge Fund.

BEAVER TOWNSHIP
MAHONING COUNTY

Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006

Note 4 – Deposits and Investments

Monies held by the Township are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Township treasury. Active monies must be maintained either as cash in the Township treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, interest checking sweep accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Trustees have identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts interest checking sweep accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies, which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts and interest checking sweep accounts.

Interim monies held by the Township can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts, interest checking sweep accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio).

BEAVER TOWNSHIP
MAHONING COUNTY

Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006

Note 4 – Deposits and Investments - (Continued)

Investments in stripped principal or interest obligations reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

At December 31, 2007 and 2006, the Township had no un-deposited cash on hand which is included as part of "Equity in Pooled Cash and Cash Equivalents".

Deposits

Custodial credit risk is the risk that in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2007 and 2006, \$1,648,346 and \$1,659,397, respectively, of the Township's bank balances of \$1,748,346 and \$1,759,397, respectively, were exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Township's name. The securities are held at the Federal Reserve Bank in Cleveland, Ohio.

The Township has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Township or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Note 5 - Property Taxes

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. Real property tax receipts received in 2006 and 2007 represent the collection of 2005 and 2006 taxes, respectively. Real property taxes received in 2006 and 2007 were levied after October 1, 2005 and 2006, on the assessed values as of January 1, 2005 and 2006, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax receipts received in 2006 and 2007 represent the collection of 2005 and 2006 taxes. Public utility real and tangible personal property taxes received in 2006 and 2007 became a lien on December 31, 2005 and 2006, were levied after October 1, 2005 and 2006, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax receipts received in 2006 and 2007 (other than public utility property) represent the collection of 2006 and 2007 taxes. Tangible personal property taxes received in 2006 and 2007 were levied after October 1, 2005 and 2006, on the true value as of December 31, 2005 and 2006. Tangible personal property is currently assessed at 25 percent of true value for capital assets and 23 percent for inventory. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

BEAVER TOWNSHIP
MAHONING COUNTY

Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006

Note 5 - Property Taxes – (Continued)

The full tax rate for all Township operations for the years ended December 31, 2007 and 2006, were \$5.60 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2007 and 2006 property tax receipts were based are as follows:

	<u>2007</u>	<u>2006</u>
Real Property	\$114,030,340	\$114,030,340
Residential/Agriculture	\$32,624,120	\$32,643,760
Tangible Personal Property	\$3,596,648	\$5,301,315
Public Utility	\$4,974,728	\$6,214,640
Total Assessed Value	<u>\$155,225,293</u>	<u>\$158,190,055</u>

Note 6 – Risk Management

The Township is exposed to various risks of property and casualty losses, and injuries to employees.

The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

For an occurrence prior to January 1, 2006, OTARMA retains casualty risks up to \$250,000 per occurrence, including claim adjustment expenses. OTARMA pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$10,000,000 in the aggregate per year. For an occurrence on or subsequent to January 1, 2006, the Pool retains casualty risk up to \$350,000 per occurrence. Claims exceeding \$350,000 are reinsured with APEEP in an amount not to exceed \$2,650,000 for each claim and \$10,000,000 in the aggregate per year. Governments can elect up to \$10,000,000 in additional coverage with the General Reinsurance Corporation, through contracts with OTARMA.

If losses exhaust PEP's retained earnings, APEEP provides *excess of funds available* coverage up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000 (prior to January 1, 2006) or \$3,000,000 (on or subsequent to January 1, 2006).

Property Coverage

Through 2004, OTARMA retained property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsured losses exceeding \$100,000 up to \$500 million per occurrence.

Beginning in 2005, Travelers reinsures specific losses exceeding \$250,000 up to \$600 million per occurrence. This amount increased to \$300,000 in 2007. For 2007, APEEP reinsures members for specific losses exceeding \$100,000 up to \$300,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined members' total insurable values. If the stop loss is reached by payment of losses between \$100,000 and \$250,000 in 2006, or \$100,000 and \$300,000 in 2007, Travelers will reinsure specific losses exceeding \$100,000 up to their \$600 million per occurrence limit. The aggregate stop-loss limit for 2007 was \$2,014,548.

BEAVER TOWNSHIP
MAHONING COUNTY

Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006

Note 6 – Risk Management – (Continued)

The aforementioned casualty and property reinsurance agreements do not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Assets	\$43,210,703	\$42,042,275
Liabilities	<u>(13,357,837)</u>	<u>(12,120,661)</u>
Net Assets	<u>\$29,852,866</u>	<u>\$29,921,614</u>

At December 31, 2007 and 2006, respectively, liabilities above include approximately \$12.5 million and \$11.3 million of estimated incurred claims payable. The assets and retained earnings above also include approximately \$11.6 million and \$10.8 million of unpaid claims to be billed to approximately 950 member governments in the future, as of December 31, 2007 and 2006, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Township's share of these unpaid claims collectible in future years is approximately \$40,283. This payable includes the subsequent year's contribution due if the Township terminates participation, as described in the last paragraph below.

Based on discussions with OTARMA, the expected rates OTARMA charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership.

<u>Contributions to OTARMA</u>	
2005	\$49,885
2006	\$54,063
2007	\$42,854

After completing one year of membership, members may withdraw on each anniversary of the date they joined OTARMA provided they provide written notice to OTARMA 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's budgetary contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

BEAVER TOWNSHIP
MAHONING COUNTY

Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006

Note 7 – Retirement Systems

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

The Ohio Revised Code also prescribes contribution rates. For 2007 and 2006, OPERS local members contributed 9.5 and 9%, respectively, of their gross salaries and the Township contributed an amount equaling 13.85 and 13.7%, respectively, of participants' gross salaries. For 2007 and 2006, OPERS law enforcement members contributed 10.1 and 10.1%, respectively, of their gross salaries and the Township contributed an amount equaling 17.17 and 16.93%, respectively, of participants' gross salaries. For 2007 and 2006, OPERS public safety members contributed 9.75 and 9%, respectively, of their gross salaries and the Township contributed an amount equaling 17.17 and 16.93%, respectively, of participants' gross salaries. The Township has paid all contributions required through December 31, 2007.

Note 8 – Debt

Debt outstanding at December 31, 2007 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
2006 Freightline TK Model Fire Truck / Fire Station Expansion	\$113,399	5.21%
Ambulance	<u>92,000</u>	5.03%
Total Debt Outstanding	<u><u>\$205,399</u></u>	

The 2006 Freightliner TK Model Fire Truck / Fire Station Expansion note was entered into for \$230,000 at an interest rate of 5.21% for the purchase of a new fire truck and expansion of the fire station. The note was approved on December 14, 2006 for a period of 3 years. The promissory note is backed by a note secured by a business security agreement.

The ambulance note was entered into for \$72,000 at an interest rate of 5.03% for the purchase of a new ambulance. The note was approved on August 15, 2007 for a period of 3 years. The promissory note is backed by a note secured by a business security agreement.

BEAVER TOWNSHIP
MAHONING COUNTY

Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006

Note 8 – Debt - (Continued)

Amortization of the above debt is scheduled as follows:

Year ending December 31:	Fire Truck / Fire Station Expansion	Ambulance
2008	\$119,103	\$33,851
2009		33,851
2010		34,291
Total	\$119,103	\$101,993

Note 9 – Leases

The Township had the following leases outstanding at December 31, 2007:

	Principal	Interest Rate
Ford Explorer	\$3,123	5.80%

The Township entered into a lease with the Ford Motor Credit Company for the use of a Ford Explorer for the police department.

Amortization of the above lease is scheduled as follows:

Year ending December 31:	Ford Explorer
2008	\$3,169
Total	\$3,169

Note 10 - Transfers

During 2007 the following transfers were made:

Transfers from the General Fund to:	
Lighting District Fund	\$ 2,693
Police District Fund	\$ 75,000
Recycling	\$ 2,000
Total Transfers from the General Fund	\$ 79,693

During 2006 the following transfers were made:

Transfers from the General Fund to:	
Police District Fund	\$175,000
Total Transfers from the General Fund	\$175,000

Transfers represent the allocation of unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

BEAVER TOWNSHIP
MAHONING COUNTY

Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006

Note 11 – Contingent Liabilities

The Township is a defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, they believe the resolution of these matters will not materially adversely affect the Township's financial condition.

Amounts grantor agencies pay to the Township are subject to audit and adjustment by the grantor, principally the federal government. Grantors 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.



Mary Taylor, CPA

Auditor of State

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

Beaver Township
Mahoning County
11999 South Avenue
PO Box 598
North Lima, Ohio 44452

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Beaver Township, Mahoning County, (the Township) as of and for the years ended December 31, 2007 and 2006, which collectively comprise the Township's basic financial statements and have issued our report thereon dated December 16, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Township's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Township's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Township's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the Township's management in a separate letter dated December 16, 2008.

Voinovich Government Center / 242 Federal Plaza W. / Suite 302 / Youngstown, OH 44503-1293

Telephone: (330) 797-9900 (800) 443-9271 Fax: (330) 797-9949

www.auditor.state.oh.us

Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain noncompliance or other matters that we reported to the Township's management in a separate letter dated December 16, 2008.

We intend this report solely for the information and use of the management and Board of Trustees. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

December 16, 2008



Mary Taylor, CPA
Auditor of State

BEAVER TOWNSHIP

MAHONING COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 13, 2009**