

**VILLAGE OF BEVERLY
WASHINGTON COUNTY**

AUDIT REPORT

YEAR ENDED DECEMBER 31, 2009

**Wolfe, Wilson, & Phillips, Inc.
37 South Seventh Street
Zanesville, Ohio 43701**



Mary Taylor, CPA
Auditor of State

Village Council
Village of Beverly
919 Mitchell Avenue
Beverly, Ohio 45715

We have reviewed the *Independent Auditors' Report* of the Village of Beverly, Washington County, prepared by Wolfe, Wilson & Phillips, Inc., for the audit period January 1, 2009 through December 31, 2009. 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. The Village of Beverly is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

July 20, 2010

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**VILLAGE OF BEVERLY
WASHINGTON COUNTY**

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**WOLFE, WILSON, & PHILLIPS, INC.
37 SOUTH SEVENTH STREET
ZANESVILLE, OHIO 43701**

INDEPENDENT AUDITORS' REPORT

Village of Beverly
Washington County
919 Mitchell Avenue
Beverly, Ohio 45715

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Beverly, Washington County as of and for the year ended December 31, 2009, which collectively comprised the Village's basic financial statements. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion 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 *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 that our audit provides a reasonable basis for our opinion.

As discussed in Note 2, the Village has prepared these financial statements and notes using the cash basis of accounting. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position-cash basis of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Village of Beverly, Washington County, as of December 31, 2009, and the respective changes in financial position-cash basis and the respective budgetary comparison for the General Fund, Street Construction, Maintenance & Repair Fund and Permissive Motor Vehicle License Fund, thereof for the years then ended in conformity with the basis of accounting Note 2 describes.

In accordance with *Government Auditing Standards*, we have also issued a report dated April 29, 2010, on our consideration of the Village of Beverly's internal control structure 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information the Government Accounting Standards Board 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.

Wolfe, Wilson, & Phillips, Inc.
Zanesville, Ohio
April 29, 2010

**VILLAGE OF BEVERLY, WASHINGTON COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
UNAUDITED**

This discussion and analysis of the Village of Beverly's financial performance provides an overall review of the Village's financial activities for the year ended December 31, 2009, within the limitations of the Village's cash basis accounting. The intent of this discussion and analysis is to look at the Village's financial performance as a whole; readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the Village's financial performance.

Highlights

Key highlights for 2009 are as follows:

Net assets of governmental activities decreased \$16,472, or 3.8percent, a significant change from the prior year. This was due to a decrease in loan proceeds.

The Village's general receipts are primarily property taxes, municipal taxes and intergovernmental receipts. These receipts represent respectively 6, 34, and 16 percent of total cash received for governmental activities.

The Village's business-type activities are water and sewer charges. Charges for services decreased by \$12,464 or 3 percent due to a decrease in collections. The Village's total receipts for business-type activities decreased by \$462,483 due to a decrease in debt proceeds.

Using the Basic Financial Statements

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

Report Components

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

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Village 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 basic 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.

**VILLAGE OF BEVERLY, WASHINGTON COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
UNAUDITED**

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Village has elected to present on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Village'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 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 Government as a Whole

This annual report includes all activities for which the Village is fiscally responsible. These activities, defined as the Village's reporting entity, are operated within separate legal entities that make up the primary government. The primary government consists of the Village.

The statements of net assets and statement of activities for 2009 reflect how the Village did financially within the limitations of the cash basis of accounting. The statement of net assets presents the cash balances and investments of the governmental and business-type activities of the Village at year-end. The statement of activities compares cash disbursements with program receipts for each governmental program and business-type activity. Program receipts include charges paid by the recipient of the programs services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General cash receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function and business-type activity draws from the Village's general receipts.

These statements report the Village'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 Village's financial health. Over time, increases or decreases in the Village's cash position is one indicator of whether the Village's financial health is improving or deteriorating. When evaluating the Village's financial condition, you should also consider other nonfinancial factors as well such as the Village's tax base, the extent of the Village's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property and real estate taxes.

In the statement of net assets and the statement of activities, we divide the government into two types of activities.

Governmental activities. Most of the Village's basic services are reported here, including human services, health, public safety, public works and general government activity. Real estate and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

**VILLAGE OF BEVERLY, WASHINGTON COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
UNAUDITED**

Business-Type Activities. The Village has two business-type activities, the provision of water and sewer. Business-type activities are financed by a fee charged to the customers receiving the service.

Reporting the Government's Most Significant Funds

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

Governmental Funds - Most of the Village's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Village'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 Village's programs. The Village'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. The Village's major governmental funds for 2009 are the General Fund, Street Construction Maintenance & Repair, Permissive Motor Vehicle License, Note Retirement-Fire Department. The programs reported in governmental funds are related to those reported in the governmental activities section of the entity-wide statements. There are no reconciliations between the two reports as the Village reports on the cash basis.

Proprietary Funds - When the Village charges customers for the services it provides, these services are generally reported in proprietary funds. When the services are provided to the general public, the activity is reported as an enterprise fund. The Village has four enterprise funds. The major enterprise funds are Water Operating Fund, Sewer Operating Fund, Utility Improvement Fund. The other enterprise fund is presented in total in a single column.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The Village's fiduciary fund is a agency fund.

**VILLAGE OF BEVERLY, WASHINGTON COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
UNAUDITED**

The Government as a Whole

Table 1 provides a summary of the Village's net assets for 2009 and 2008 on the cash basis:

Table 1
NET ASSETS

	Governmental Activities 2009	Business-Type Activities 2009	Governmental Activities 2008	Business-Type Activities 2008	Total 2009	Total 2008
Assets:						
Cash	\$ 422,123	\$ 452,003	\$ 438,595	\$ 364,028	\$ 874,126	\$ 802,623
Total Assets	<u>\$ 422,123</u>	<u>\$ 452,003</u>	<u>\$ 438,595</u>	<u>\$ 364,028</u>	<u>\$ 874,126</u>	<u>\$ 802,623</u>
Net Assets						
Restricted For:						
Other Purposes	\$ 149,191	\$ -	\$ 145,291	\$ -	\$ 149,191	\$ 145,291
Capital Projects	16,005	-	1,691	-	16,005	1,691
Debt Service	53,451	-	56,748	-	53,451	56,748
Unrestricted	<u>203,476</u>	<u>452,003</u>	<u>234,865</u>	<u>364,028</u>	<u>655,479</u>	<u>598,893</u>
Total Net Assets	<u>\$ 422,123</u>	<u>\$ 452,003</u>	<u>\$ 438,595</u>	<u>\$ 364,028</u>	<u>\$ 874,126</u>	<u>\$ 802,623</u>

The total net assets of the Village increased by \$71,503. Net assets of governmental activities decreased by \$16,472 or 3.8% from 2008 and net assets of business type activities increased by \$87,975 or 24.2%.

**VILLAGE OF BEVERLY, WASHINGTON COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
UNAUDITED**

Table 2 reflects the changes in net assets in 2009 and 2008:

Table 2
CHANGES IN NET ASSETS

	Governmental Activities 2009	Business-Type Activities 2009	Governmental Activities 2008	Business-Type Activities 2008	Totals 2009	Totals 2008
Receipts:						
Program Receipts						
Charges for Services	\$ 175,399	\$ 380,890	\$ 167,301	\$ 393,354	\$ 556,289	\$ 560,655
Operating Grants	95,798		64,726	-	95,798	64,726
Capital Grants	15,968	-	17,096	-	15,968	17,096
Total Program Receipts	287,165	380,890	249,123	393,354	668,055	642,477
General Receipts:						
Property and Other Tax	49,102	-	51,545	-	49,102	51,545
Municipal Income Tax	272,541	-	272,981	-	272,541	272,981
Grants and Entitlements not Restricted	125,200	-	111,458	-	125,200	111,458
Debt Proceeds	-	-	205,976	446,131	-	652,107
Sale of Assets	250	-	3,296	-	250	3,296
Interest Income	10,435	-	7,516	4,534	10,435	12,050
Miscellaneous	66,743	646	607	-	67,389	607
Total General Receipts	524,271	646	653,379	450,665	524,917	1,104,044
Total Receipts	811,436	381,536	902,502	844,019	1,192,972	1,746,521
Disbursements:						
Sec. of Persons & Prop.	225,831	-	230,780	-	225,831	230,780
Public Health Services	15,866	-	29,619	-	15,866	29,619
Leisure Time Activities	57,818	-	68,207	-	57,818	68,207
Community Environ.	700	-	5,160	-	700	5,160
Transportation	103,195	-	47,487	-	103,195	47,487
General Government	233,654	-	205,596	-	233,654	205,596
Capital Outlay	20,654	-	-	-	20,654	-
Miscellaneous	20,487	-	-	-	20,487	-
Debt Service:	149,703	-	351,900	-	149,703	-
Water	-	133,216	-	123,177	133,216	123,177
Sewer	-	156,865	-	593,854	156,865	593,854
Utility Improvement	-	-	-	15,880	-	15,880
Guaranteed Deposits	-	3,480	-	3,902	3,480	3,902
Total Disbursements	827,908	293,561	938,749	736,813	1,121,469	1,675,562
Increase/(Decrease) In Net Assets	(16,472)	87,975	(36,247)	107,206	71,503	70,959
Net Assets, January 1	438,595	364,028	474,842	256,822	802,623	731,664
Net Assets, December 31	\$ 422,123	\$ 452,003	\$ 438,595	\$ 364,028	\$ 874,126	\$ 802,623

Program receipts represent 56% and 37% of total receipts for 2009 and 2008. They are primarily comprised of water and sewer user fees. Intergovernmental receipts such as motor vehicle license and gas tax money, licenses and permits and charges to local governments are included.

General receipts represent 44% and 63% of the Village's total receipts for 2009 and 2008. Local taxes represent 52% and 25% of the general receipts for 2009 and 2008. Grants and entitlements make up the balance of general receipts. Other receipts are insignificant and somewhat unpredictable receipt sources.

**VILLAGE OF BEVERLY, WASHINGTON COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
UNAUDITED**

Disbursements for general government represent the overhead costs of running the Village and the support services provided for the other Village activities. These include the costs of council, mayor, village administrator, solicitor, clerk, and community environment departments as well as internal services such as payroll and purchasing.

Security of Persons and Property are the costs of police and fire protection; Leisure Time Activities are the costs of maintaining the parks; and Transportation is the cost of maintaining roads.

Governmental Activities

If you look at the Statement of Activities, you will see that the first column lists the major services provided by the Village of Beverly. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for transportation, security of persons and property and general government, which account for 12, 36, and 24 percent of all governmental disbursements. 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 Village of Beverly that must be used to provide a specific 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 service and the net cost for 2009 and 2008 is presented in Table 3.

	Total Cost of Services 2009	Net Cost of Services 2009	Total Cost of Services 2008	Net Cost of Services 2008
Security of Persons and Property	\$ 225,831	\$ 83,255	\$ 230,780	\$ 117,104
Public Health Services	15,866	6,916	29,619	21,817
Leisure Time Activities	57,818	33,814	68,207	24,504
Community Environment	700	(875)	5,160	4,275
Transportation	103,195	7,709	47,487	(8,452)
General Government	233,654	219,080	205,596	178,478
Other	20,487	20,487	-	-
Debt Service - Principal	140,965	140,965	339,834	339,834
Debt Service - Interest	8,738	8,738	12,066	12,066
Capital Outlay	20,654	20,654	-	-
Total Expenses	<u>\$ 827,908</u>	<u>\$ 540,743</u>	<u>\$ 938,749</u>	<u>\$ 689,626</u>

The dependence upon property and income tax is apparent as over 63% and 70% for 2009 and 2008 of governmental activities are supported through these general receipts.

**VILLAGE OF BEVERLY, WASHINGTON COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
UNAUDITED**

Business-Type Activities

The Water, Sewer and Utility Improvement funds of the Village of Beverly are the three major enterprise funds. These funds had cash receipts of \$127,567, \$214,145 and \$34,499, respectively, and cash disbursements of \$133,216, \$156,865 and \$0, respectively for 2009. The net cash assets of the Water, Sewer and Utility Improvement Fund increased/(decreased) \$(5,649), \$57,280 and \$34,499, respectively, from 2008 to 2009.

The Government's Funds

Total governmental funds had receipts of \$940,860 and \$1,031,923 for 2009 and 2008 and disbursements of \$972,191 and \$1,068,170 for 2009 and 2008. The most significant change from the prior year in receipts is the decrease in debt proceeds. The decrease in disbursements is a decrease in debt payments.

General Fund receipts were less than disbursements indicating the General Fund is not in a surplus in its spending situation.

Fund Budgeting Highlights

The Village'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 2009 and 2008, the Village made amendments to its appropriation budget and receipts budget to reflect changing circumstances. Final budgeted receipts were similar to original budgeted receipts for 2009 and 2008. The difference between final budgeted receipts and actual receipts was not significant after council certified to amend resources.

Final budgeted disbursements for 2009 and 2008 were \$829,555 and \$788,920. Actual disbursements for 2009 and 2008 were \$697,925 and \$651,960. The Village kept spending close to budgeted amounts.

Capital Assets and Debt Administration

Capital Assets

The Village of Beverly does not currently keep track of its capital assets and infrastructure in the accompanying financial statements, but records payments for capital assets as disbursements.

**VILLAGE OF BEVERLY, WASHINGTON COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
UNAUDITED**

Debt Administration

At December 31, 2009, the Village had \$540,114 in loans with the Ohio Public Works Commission, with \$19,730 due within one year for improvements to water and sewer utilities. The 2005 loan is paid from governmental activities and the 2007 loan from business-type activities. The Village had \$157,559 in loans with the Citizens National Bank, with \$19,167 due within one year for swimming pool improvements. The loan is paid from governmental activities. See footnote #11 for more detail.

Current Issues

The challenge for all governments 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 we are currently trying to increase the tax rate to help cover general expenses. The local industries have increased over the last five years and we predict that the increase will stay steady, if not grow even more.

Contacting the Government's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Village's finances and to reflect the Village'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 Pamela Jackson, Fiscal Officer, Village of Beverly, 919 Mitchell Avenue, Beverly, Ohio 45715.

**VILLAGE OF BEVERLY
WASHINGTON COUNTY**

**STATEMENT OF NET ASSETS-CASH BASIS
December 31, 2009**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS:			
Equity in Pooled Cash and Cash Equivalents	\$ 422,123	\$ 452,003	\$ 874,126
Total Assets	<u>\$ 422,123</u>	<u>\$ 452,003</u>	<u>\$ 874,126</u>
NET ASSETS:			
Restricted for:			
Other Purposes	149,191	-	149,191
Capital Projects	16,005	-	16,005
Debt Service	53,451	-	53,451
Unrestricted	<u>203,476</u>	<u>452,003</u>	<u>655,479</u>
Total Net Assets	<u><u>\$ 422,123</u></u>	<u><u>\$ 452,003</u></u>	<u><u>\$ 874,126</u></u>

See notes to basic financial statements.

**VILLAGE OF BEVERLY
WASHINGTON COUNTY**

**STATEMENT OF ACTIVITIES-CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Security of Persons and Property	\$ 225,831	\$ 126,608	\$ -	\$ 15,968	\$ (83,255)	\$ -	\$ (83,255)
Public Health Services	15,866	8,950	-	-	(6,916)	-	(6,916)
Leisure Time Activities	57,818	24,004	-	-	(33,814)	-	(33,814)
Community Environment	700	1,575	-	-	875	-	-
Transportation	103,195	132	95,354	-	(7,709)	-	(7,709)
General Government	233,654	14,130	444	-	(219,080)	-	(219,080)
Other	20,487	-	-	-	(20,487)	-	(20,487)
Debt Service - Principal	140,965	-	-	-	(140,965)	-	(140,965)
Debt Service-Interest	8,738	-	-	-	(8,738)	-	(8,738)
Capital Outlay	20,654	-	-	-	(20,654)	-	(20,654)
Total Governmental Activities	827,908	175,399	95,798	15,968	(540,743)	-	(540,743)
Business Type Activities							
Water	133,216	127,088	-	-	-	(6,128)	(6,128)
Sewer	156,865	213,978	-	-	-	57,113	57,113
Utility Improvement	-	34,499	-	-	-	34,499	34,499
Guaranteed Deposits	3,480	5,325	-	-	-	1,845	1,845
Total Business Type Activities	293,561	380,890	-	-	-	87,329	87,329
Total	\$ 1,121,469	\$ 556,289	\$ 95,798	\$ 15,968	(540,743)	87,329	(453,414)
General Receipts:							
					49,102	-	49,102
					272,541	-	272,541
					125,200	-	125,200
					250	-	250
					10,435	-	10,435
					66,743	646	67,389
					524,271	646	524,917
					(16,472)	87,975	71,503
					438,595	364,028	802,623
					\$ 422,123	\$ 452,003	\$ 874,126

See notes to the basic financial statements.

VILLAGE OF BEVERLY
WASHINGTON COUNTY

STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
December 31, 2009

	<u>General</u>	<u>Street Construction Maint. Rep.</u>	<u>Permissive Motor Vehicle License</u>	<u>Note Retirement Fire Department</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS:						
Equity in Pooled Cash and cash Equivalents	\$ 188,617	\$ 69,509	\$ 52,677	\$ 314	\$ 96,147	\$ 407,264
Total Assets	<u>\$ 188,617</u>	<u>\$ 69,509</u>	<u>\$ 52,677</u>	<u>\$ 314</u>	<u>\$ 96,147</u>	<u>\$ 407,264</u>
Fund Balances:						
Unreserved:						
General Fund	\$ 188,617	\$ -	\$ -	\$ -	\$ -	\$ 188,617
Special Revenue Fund	-	69,509	52,677	-	27,005	149,191
Debt Service	-	-	-	314	53,137	53,451
Capital Projects Fund	-	-	-	-	16,005	16,005
Total Fund Balances	<u>\$ 188,617</u>	<u>\$ 69,509</u>	<u>\$ 52,677</u>	<u>\$ 314</u>	<u>\$ 96,147</u>	<u>\$ 407,264</u>

See notes to basic financial statements.

VILLAGE OF BEVERLY
WASHINGTON COUNTY

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

	General	Street Construction Maint. Rep.	Permissive Motor Vehicle License	Note Retirement Fire Department	Other Governmental Funds	Total Governmental Funds
CASH RECEIPTS						
Property and Other Local Taxes	\$ 49,102	\$ -	\$ -	\$ -	\$ -	\$ 49,102
Municipal Income Tax	272,541	-	-	-	-	272,541
Intergovernmental	125,643	41,803	50,162	-	19,358	236,966
Special Assessment	-	-	-	-	-	-
Charges for Services	159,562	-	-	-	5,001	164,563
Fines, Licenses, Permits	10,814	-	-	-	22	10,836
Earnings on Investments	10,303	88	-	-	44	10,435
Miscellaneous	42,462	3,585	-	911	12,500	59,458
Total Receipts	670,427	45,476	50,162	911	36,925	803,901
CASH DISBURSEMENTS:						
Current:						
Security of Persons and Property	225,118	-	-	-	713	225,831
Public Health Services	15,866	-	-	-	-	15,866
Leisure Time Activities	57,818	-	-	-	-	57,818
Community Environment	700	-	-	-	-	700
Transportation	-	62,489	39,287	-	1,419	103,195
General Government	232,198	-	-	-	-	232,198
Debt Service						
Principal Retirement	-	-	-	100,000	40,965	140,965
Interest and Fiscal Charges	-	-	-	597	8,141	8,738
Capital Outlay	-	-	-	-	20,654	20,654
Total Disbursements	531,700	62,489	39,287	100,597	71,892	805,965
Excess of Receipts Over (Under) Disbursements	138,727	(17,013)	10,875	(99,686)	(34,967)	(2,064)
Other Cash Financing Sources (Uses)						
Sale of Fixed Asset	250	-	-	-	-	250
Transfers In	-	-	-	85,923	43,500	129,423
Advances In	-	-	-	-	19,000	19,000
Other Financing Sources	-	-	-	-	7,285	7,285
Transfers Out	(145,738)	-	-	-	-	(145,738)
Advances Out	(19,000)	-	-	-	-	(19,000)
Other Financing Uses	(20,487)	-	-	-	-	(20,487)
Total Other Financing Sources (Uses)	(184,975)	-	-	85,923	69,785	(29,267)
Net Change in Fund Balance	(46,248)	(17,013)	10,875	(13,763)	34,818	(31,331)
Cash Fund Balances Beginning of Year	234,865	86,522	41,802	14,077	61,329	438,595
Cash Fund Balances End of Year	\$ 188,617	\$ 69,509	\$ 52,677	\$ 314	\$ 96,147	\$ 407,264

See notes to basic financial statements.

**VILLAGE OF BEVERLY
WASHINGTON COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES
BUDGET AND ACTUAL - BUDGET BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
CASH RECEIPTS				
Property and Other Local Taxes	\$ 53,395	\$ 53,395	\$ 49,102	\$ (4,293)
Municipal Income Tax	275,000	275,000	272,541	(2,459)
Intergovernmental	111,605	111,605	125,643	14,038
Charges for Services	145,000	145,000	159,562	14,562
Fines, Licenses, Permits	10,000	10,000	10,814	814
Earnings on Investments	5,000	5,000	10,303	5,303
Miscellaneous	20,000	20,000	42,462	22,462
Total Receipts	<u>620,000</u>	<u>620,000</u>	<u>670,427</u>	<u>50,427</u>
CASH DISBURSEMENTS:				
Current:				
Security of Persons and Property	274,350	274,350	225,118	49,232
Public Health Services	20,525	20,525	15,866	4,659
Leisure Time Activities	74,530	74,530	57,818	16,712
Community Environment	5,000	5,000	700	4,300
General Government	278,150	278,150	232,198	45,952
Total Disbursements	<u>652,555</u>	<u>652,555</u>	<u>531,700</u>	<u>120,855</u>
Excess of Receipts Over (Under) Disbursements	(32,555)	(32,555)	138,727	171,282
Other Cash Financing Sources (Uses)				
Sale of Assets	-	-	250	250
Transfer Out	(152,000)	(152,000)	(145,738)	6,262
Advances Out	(19,000)	(19,000)	(19,000)	-
Other Financing (Uses)	(25,000)	(25,000)	(20,487)	4,513
Total Other Financing Sources (Uses)	<u>(196,000)</u>	<u>(196,000)</u>	<u>(184,975)</u>	<u>11,025</u>
Net Change in Fund Balance	(228,555)	(228,555)	(46,248)	182,307
Cash Fund Balances Beginning of Year	<u>234,865</u>	<u>234,865</u>	<u>234,865</u>	<u>-</u>
Cash Fund Balances End of Year	<u>\$ 6,310</u>	<u>\$ 6,310</u>	<u>\$ 188,617</u>	<u>\$ 182,307</u>

See notes to basic financial statements.

**VILLAGE OF BEVERLY
WASHINGTON COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES
BUDGET AND ACTUAL - BUDGET BASIS
STREET CONSTRUCTION, MAINTENANCE, REPAIR FUND
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
CASH RECEIPTS				
Intergovernmental	\$ 37,000	\$ 37,000	\$ 41,803	\$ 4,803
Earnings on Investments	-	-	88	88
Miscellaneous	3,000	3,000	3,585	585
Total Receipts	<u>40,000</u>	<u>40,000</u>	<u>45,476</u>	<u>5,476</u>
CASH DISBURSEMENTS:				
Current:				
Transportation	91,345	91,345	62,489	28,856
Total Disbursements	<u>91,345</u>	<u>91,345</u>	<u>62,489</u>	<u>28,856</u>
Net Change in Fund Balance	(51,345)	(51,345)	(17,013)	34,332
Cash Fund Balances Beginning of Year	<u>86,522</u>	<u>86,522</u>	<u>86,522</u>	<u>-</u>
Cash Fund Balances End of Year	<u><u>\$ 35,177</u></u>	<u><u>\$ 35,177</u></u>	<u><u>\$ 69,509</u></u>	<u><u>\$ 34,332</u></u>

See notes to basic financial statements.

**VILLAGE OF BEVERLY
WASHINGTON COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES
BUDGET AND ACTUAL - BUDGET BASIS
PERMISSIVE MOTOR VEHICLE LICENSE FUND
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
CASH RECEIPTS				
Intergovernmental	\$ 49,500	\$ 49,500	\$ 50,162	\$ 662
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
Total Receipts	<u>49,500</u>	<u>49,500</u>	<u>50,162</u>	<u>662</u>
CASH DISBURSEMENTS:				
Current:				
Security of Person and Property	-	-	-	-
Public Health Services	-	-	-	-
Transportation	45,287	45,287	39,287	6,000
Total Disbursements	<u>45,287</u>	<u>45,287</u>	<u>39,287</u>	<u>6,000</u>
Net Change in Fund Balance	4,213	4,213	10,875	6,662
Cash Fund Balances Beginning of Year	<u>41,802</u>	<u>41,802</u>	<u>41,802</u>	<u>-</u>
Cash Fund Balances End of Year	<u>\$ 46,015</u>	<u>\$ 46,015</u>	<u>\$ 52,677</u>	<u>\$ 6,662</u>

See notes to basic financial statements.

VILLAGE OF BEVERLY
WASHINGTON COUNTY

STATEMENT OF FUND NET ASSETS-CASH BASIS
PROPRIETARY FUNDS
December 31, 2009

	<u>Water</u>	<u>Sewer</u>	<u>Utility Improvement</u>	<u>Other Nonmajor Enterprise</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service</u>
ASSETS:						
Equity in Pooled Cash and cash Equivalents	\$ 87,685	\$ 270,504	\$ 76,996	\$ 16,818	\$ 452,003	\$ 14,858
Total Assets	<u>\$ 87,685</u>	<u>\$ 270,504</u>	<u>\$ 76,996</u>	<u>\$ 16,818</u>	<u>\$ 452,003</u>	<u>\$ 14,858</u>
Net Assets:						
Restricted for:						
Debt Service	-	-	-		-	-
Unrestricted	87,685	270,504	76,996	16,818	452,003	14,858
Total Net Assets	<u>\$ 87,685</u>	<u>\$ 270,504</u>	<u>\$ 76,996</u>	<u>\$ 16,818</u>	<u>\$ 452,003</u>	<u>\$ 14,858</u>

See notes to basic financial statements.

**VILLAGE OF BEVERLY
WASHINGTON COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN NET ASSETS-CASH BASIS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Water</u>	<u>Sewer</u>	<u>Utility Improvement</u>	<u>Other Nonmajor Enterprise</u>	<u>Enterprise Total</u>	<u>Governmental Activities Internal Service</u>
OPERATING CASH RECEIPTS						
Charges for Services	\$ 127,088	\$ 213,978	\$ 34,499	\$ 5,325	\$ 380,890	\$ -
Other Operating Receipts	479	167	-	-	646	-
Total Operating Receipts	<u>127,567</u>	<u>214,145</u>	<u>34,499</u>	<u>5,325</u>	<u>381,536</u>	<u>-</u>
OPERATING CASH DISBURSEMENTS:						
Personal Services	46,388	51,547	-	-	97,935	-
Employee Fringe Benefits	20,089	27,037	-	-	47,126	1,457
Contractual Services	38,356	25,235	-	-	63,591	-
Supplies and Materials	12,149	12,607	-	-	24,756	-
Other	-	-	-	3,480	3,480	-
Total Operating Disbursements	<u>116,982</u>	<u>116,426</u>	<u>-</u>	<u>3,480</u>	<u>236,888</u>	<u>1,457</u>
Operating Income (Loss)	10,585	97,719	34,499	1,845	144,648	(1,457)
Non-operating Cash Receipts (Disbursements)						
Transfers In	-	-	-	-	-	16,315
Debt Service	-	(15,856)	-	-	(15,856)	-
Capital Outlay	(16,234)	(24,583)	-	-	(40,817)	-
Total non-operating Cash Receipts (Disbursements)	<u>(16,234)</u>	<u>(40,439)</u>	<u>-</u>	<u>-</u>	<u>(56,673)</u>	<u>16,315</u>
Change in Net Assets	(5,649)	57,280	34,499	1,845	87,975	14,858
Cash Fund Balances Beginning of Year	<u>93,334</u>	<u>213,224</u>	<u>42,497</u>	<u>14,973</u>	<u>364,028</u>	<u>-</u>
Cash Fund Balances End of Year	<u>\$ 87,685</u>	<u>\$ 270,504</u>	<u>\$ 76,996</u>	<u>\$ 16,818</u>	<u>\$ 452,003</u>	<u>\$ 14,858</u>

See notes to basic financial statements.

**VILLAGE OF BEVERLY
WASHINGTON COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND NET CASH ASSETS
FIDUCIARY FUND
December 31, 2009**

	Other Nonmajor Enterprise
ASSETS:	
Cash in segregated account	<u>\$ 847</u>
Total Assets	<u><u>\$ 847</u></u>
Net Assets:	
Unrestricted	<u>847</u>
Total Net Assets	<u><u>\$ 847</u></u>

See notes to basic financial statements.

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 1 – Reporting Entity

The Village of Beverly, Washington County, Ohio, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a six-member Council elected at large for four year terms. The Mayor is elected to a four-year term, serves as the President of Council and votes only to break a tie.

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 Village. The Village provides general government services, water and sewer utilities, maintenance of Village roads and bridges, park operations, and police services. The Village enters into contract with Waterford Township and the 984 extension of Jackson Township in Noble County for providing fire protection for the amount provided by tax levy revenues.

B. Component Units

There are no component organizations for which the Village is financially accountable.

C. Joint Ventures

The Village of Beverly did not participate in any Joint Ventures in 2009.

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. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. The Village does not apply FASB statements issued after November 30, 1989, to its business-type activities and to its enterprise funds. Following are the more significant of the Village's accounting policies.

A. Basis of Presentation

The Village'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.

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 2 – Summary of Significant Accounting Policies (continued)

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the Village as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid “doubling up” receipts and disbursements. The statements distinguish between those activities of the Village that are governmental and those that are considered business-type. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of net assets presents the cash balance, *inventory, prepaids, interfund loan balances, capital assets and debt (modify as needed)* of the governmental and business-type activities of the Village at year end. The statement of activities compares disbursements with program receipts for each of the Village's governmental and business-type 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 Village is responsible. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of 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 Village's general receipts.

Fund Financial Statements

During the year, the Village segregates transactions related to certain Village 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 Village at this more detailed level. The focus of governmental and enterprise 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. The internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

Proprietary fund statements distinguish operating transactions from nonoperating transactions. Operating receipts generally result from exchange transactions such as charges for services directly relating to the funds' principal services. Operating disbursements include costs of sales and services and administrative costs. The fund statements report all other receipts and disbursements as nonoperating.

B. Fund Accounting

The Village 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. The funds of the Village are divided into three categories, governmental, proprietary and fiduciary.

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 2 – Summary of Significant Accounting Policies (continued)

Governmental Funds

The Village classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The Village's major governmental funds are the The General Fund, Street Construction, Maintenance & Repair Fund, Permissive Motor vehicle License Fund and the Note Retirement Fire Department Fund. The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio. The other governmental funds of the Village account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Funds

The Village classifies funds financed primarily from user charges for goods or services as proprietary. Proprietary funds are classified as either enterprise or internal service.

Enterprise Funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The Village's major enterprise funds are the water and sewer funds.

Water Fund - The water fund accounts for the provision of water to the residents and commercial users located within the Village.

Sewer Fund - The sewer fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

Swimming Pool Fund – The Swimming Pool Fund accounts for the operation of the Community Swimming Pool for residents and patrons in the Waterford Twp. Area.

Internal Service Fund - The Village Medical Insurance is the only Internal Service Fund.

Fiduciary Funds - Fiduciary funds include pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Village's own programs. The Village has no private purpose trust fund accounts for programs. Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Village's only agency fund is the Mayor's Court account.

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 2 – Summary of Significant Accounting Policies (continued)

C. Basis of Accounting

The Village's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Village'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 Village 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.

D. Budgetary Process

All funds, except agency 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 Village Council may appropriate.

The appropriations ordinance is the Village Council's authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the Village Council. 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 Village Clerk. 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 Village Council.

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 Village Council during the year.

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 2 – Summary of Significant Accounting Policies (continued)

E. Cash and Investments

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

Cash and cash equivalents that are held separately in accounts at a financial institution for retainage and bond reserves and debt service are reported as “Cash and Cash Equivalents with Fiscal Agents.”

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 2009, the Village invested in nonnegotiable certificates of deposit

Interest earnings are allocated to Village funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2009 was \$10,303 which includes \$0 assigned from other Village funds.

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 represent the Street Fund, the State Highway Fund, The Permissive Tax Fund, The Law Enforcement Fund, The Cemetery Trust Fund, All Debt Retirement and Capital Improvement Funds, and the Proprietary funds of the village.

G. Inventory and Prepaid Items

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

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 2 – Summary of Significant Accounting Policies (continued)

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 Village's cash basis of accounting.

K. Employer Contributions to Cost-Sharing Pension Plans

The Village recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid. As described in Notes 9 and 10, the employer contributions include portions for pension benefits and for postretirement health care benefits.

L. Long-Term Obligations

The Village'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.

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 Capital Improvements to the Community Swimming Pool donations.

The Village'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 Village reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Fund balances from fire contract services are transferred to the Fire Department Note Retirement Fund. 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.

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 2 – Summary of Significant Accounting Policies (continued)

O. Interfund Transactions

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general receipts.

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.

P. Extraordinary and Special Items

The Village has no extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence.

Q. Estimates

The village does not make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

Note 3 – Accountability and Compliance

A. Compliance

Contrary to ORC 5705.39, the Village had appropriations greater than estimated resources in the Drug Enforcement Fund.

Contrary to ORC 5705.41(D), a few disbursements were not properly certified.

Note 4 – 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 is *(and any major special revenue fund are)* prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference(s) between the budgetary basis and the cash basis is (are) outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis) (and outstanding year end advances are treated as an other financing source or use (budgetary basis) rather than as an interfund receivable or payable (cash basis)). The encumbrances outstanding at year end (budgetary basis) amounted to \$0.00 for the general fund. The outstanding advances at year end amounted to \$0.00 for the general fund.

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 5 – Deposits and Investments

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

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

Inactive deposits are public deposits that Council has 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.

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.

Interim monies held by the Village 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;
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).

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 5 - Deposits and Investments (continued)

Protection of the Village's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by collateral pledged to the Village by the financial institution, or by a collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

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 Village, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Village or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At year end, the Village had \$210 in undeposited cash on hand which is included as part of "Equity in Pooled Cash and Cash Equivalents".

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements".

At year end, the carrying amount of the Village's deposits was \$874,126 and the bank balance was \$887,756. Of the bank balance \$250,000 was covered by federal depository insurance and \$637,756 was uninsured and uncollateralized. Although all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the Village to a successful claim by the FDIC.

The Village's investments are required to be categorized to give an indication of the level of risk assumed by the Village at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the Village or its agent in the Village's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the Village's name. Category 3 includes uninsured and unregistered investments which are held by the counterparty, or by its trust department or agent but not in the Village's name. The investments in U.S. Treasury Bills are classified in category three. Investments in STAR Ohio and the money market mutual fund are not classified since they are not evidenced by securities that exist in physical or book-entry form.

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 5 - Deposits and Investments (continued)

Deposits

Custodial credit risk is the risk that in the event of bank failure, the Village will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$637,756 of the Village's bank balance of \$887,756 was 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 Village's name.

The Village 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 Village 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.

Investments

Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Village's investment policy addresses interest rate risk by requiring that the Village's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity, and by investing operating funds primarily in short-term investments.

The investments of the Village consist of \$273,568 in certificates of deposit.

Note 6 – Income Taxes

The Village levies a one percent income tax whose proceeds are placed into the General Fund. The Village levies and collects the tax on all income earned within the Village as well as on incomes of residents earned outside the Village. In the latter case, the Village allows a credit of the lesser of actual taxes paid to another city or one percent of the one percent tax rate on taxable income. Employers within the Village are required to withhold income tax on employee earnings and remit the tax to the Village at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually.

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 7 – Property Taxes

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Village. Real property tax receipts received in 2009 represent the collection of 2008 taxes. Real property taxes received in 2009 were levied after October 1, 2008, on the assessed values as of January 1, 2008, 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 2009 represent the collection of 2008 taxes. Public utility real and tangible personal property taxes received in 2008 became a lien on December 31, 2008, were levied after October 1, 2008, 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 2009 (other than public utility property) represent the collection of 2008 taxes. Tangible personal property taxes received in 2009 were levied after October 1, 2008, on the true value as of December 31, 2007. 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.

The full tax rate for all Village operations for the year ended December 31, 2008, was \$3.40 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2008 property tax receipts were based are as follows:

Real Property	
Residential	10,503,770
Agriculture	2,740
Commercial/Industrial/Mineral	4,683,360
Public Utility Property	
Real	
Personal	546,760
Tangible Personal Property	235,210
Total Assessed Value	<u><u>\$15,971,840</u></u>

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 8 – Risk Management

The Village belongs to the Ohio Plan, and is administered and operated by Hylant Group. Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is deemed a separate legal entity. The Plan provides a program of property and casualty insurance for its members. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty excess-of-loss contracts at December 31, 2008 generally protect against individual losses exceeding \$5,000.

Property coverage contracts protect against losses, subject to a deductible of \$5,000, limited to an annual aggregate loss of \$5,000.

Medical Mutual of Ohio was the Village health care insurance provider until August 1, 2009. The Village healthcare insurance provider is currently Anthem Blue Cross Blue Shield.

Note 9 – Defined Benefit Pension Plans

A. Ohio Public Employees Retirement System

The Village participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.

The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-6705 or (800) 222-7377.

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 9 – Defined Benefit Pension Plans (continued)

For the year ended December 31, 2009, all employees participated in the traditional plan, and were required to contribute 10 percent of their annual covered salaries. No employee participated in the in law enforcement or public safety plan. The Village's contribution rate for pension benefits for 2009 was 14 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Village's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2009, 2008, and 2007 were \$32,168, \$37,334, and \$29,740 respectively. The full amount has been contributed for 2009, 2008, and 2007. Contributions to the member-directed plan for 2009 were \$32,168 made by the Village and \$22,977 made by the plan members.

B. Ohio Police and Fire Pension Fund

The Village contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations while the Village is required to contribute 19.5 percent for police officers. Contributions are authorized by State statute. The Village's required contributions to the Fund for the years ended December 31, 2009, 2008, and 2007 were \$12,367, \$16,003, and \$11,372. The full amount has been contributed for 2009, 2008, and 2007. Contributions to the member-directed plan for 2009 were \$12,367 made by the Village and \$6,341 made by the plan members.

Note 10 - Postemployment Benefits

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2009 local government employer contribution rate was 14 percent of covered payroll (17.40 percent for public safety and law enforcement); 7.00 percent of covered payroll was the portion that was used to fund health care.

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 10 - Postemployment Benefits

A. Ohio Public Employees Retirement System

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2008, include a rate of return on investments of 6.50 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase between .50 and 4.00 percent annually for the next seven years and 4.00 percent annually after eight years.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 365,229 as of December 31, 2009.

OPERS net assets available for payment of benefits at December 31, 2008, (the latest information available) were \$10.7 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$29.6 billion and \$18.9 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs.

B. Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in *GASB Statement No. 12*. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis.

The total police employer contribution rate is 19.5 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during 2004 and 2003. In addition, since July 1, 1992, most retirees and survivors have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 10 - Postemployment Benefits (Continued)

B. Ohio Police and Fire Pension Fund (Continued)

The Village's actual contributions for 2009 that were used to fund postemployment benefits were \$15,856.85 for police. The OP&F's total health care expense for the year ended December 31, 2009 (the latest information available) was \$168,744,032, which was net of member contributions of \$15,308,042. The number of OP&F participants eligible to receive health care benefits as of December 31, 2009, was 32,394 for police and 24,490 for firefighters.

Note 11 - Debt

The Village's long-term debt activity for the year ended December 31, 2009, was as follows:

	Balance December 31, 2008	Additions	Reductions	Balance December 31, 2009	Due Within One Year
<u>Governmental Activities</u>					
2004 Backhoe Note	\$8,161	\$0	\$8,161	\$0	\$0
2005 OPWC Wellfield	84,083	0	3,797	80,286	3,874
2008 Swimming Pool Note	186,566	0	29,007	157,559	19,167
2007 Firehouse Note	100,000	0	100,000	0	0
Total Governmental Activities	<u>\$378,810</u>	<u>\$0</u>	<u>\$140,965</u>	<u>\$237,845</u>	<u>\$23,041</u>
<u>Business-type Activities</u>					
2007 OPWC WWTP Improvement	475,684	0	15,856	459,828	15,856
Total Business-type Activities	<u>475,684</u>	<u>0</u>	<u>15,856</u>	<u>459,828</u>	<u>15,856</u>

2005 Ohio Public Works Commission (OPWC) note for the financing of Wellfield Improvements, due in semi-annual payments of \$2,730 bearing interest of 2% due in 2027.

2007 Ohio Public Works Commission (OPWC) note for the financing of WWTP Improvements, due in semi-annual payments of \$7,928 bearing interest of 0% due in 2039.

2008 note for the purpose of refinancing 2006 notes issued for the improvements to the swimming pool in 2006, due in monthly installments of \$2,056 bearing interest of 3.7% due in 2018.

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 11 – Debt (Continued)

The following is the amortization of the above debt:

Year	2005 OPWC		2007 OPWC		Total OPWC	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 3,874	\$1,586	\$15,856	\$-	\$19,730	\$1,586
2011	3,952	1,508	15,856	-	19,808	1,508
2012	4,031	1,429	15,856	-	18,887	1,429
2013	4,112	1,348	15,856	-	19,968	1,348
2014	4,195	1,265	15,856	-	20,051	1,265
2015-2019	22,372	5,028	79,280	-	101,652	5,028
2020-2024	24,602	2,968	79,280	-	103,882	2,968
2025-2029	13,148	400	79,280	-	92,428	400
2030-2034	-	-	79,280	-	79,280	-
2035-2039	-	-	63,428	-	63,428	-
Total	<u>\$80,286</u>	<u>\$15,532</u>	<u>\$459,828</u>	<u>\$-</u>	<u>\$540,114</u>	<u>\$15,532</u>

Year	Swimming Pool Note	
	Principal	Interest
2010	\$ 19,167	\$5,511
2011	19,887	4,789
2012	20,636	4,041
2013	21,412	3,264
2014	22,218	2,458
2015-2019	54,239	2,427
2020-2024	-	-
2025-2029	-	-
2030-2034	-	-
2035-2039	-	-
Total	<u>\$157,559</u>	<u>\$22,490</u>

Note 12 - Leases

- The Village leases (non-exclusive) the building on 4th Street to the John Dodge Sr. Citizens' for \$1 annually.
- The Village also leases (non-exclusive) the 4th Street building to the Washington and Morgan Community Action Organization for \$150.00 per month.
- L & P Services rents the back office in the Village Municipal Building at 919 Mitchell Avenue for \$400.00 per month.

The Village of Beverly
Notes to the Financial Statements
For the Year Ended December 31, 2009

Note 13 – Interfund Transfers

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.

Note 14 – Construction and Contractual Commitments

The Village has no construction and contractual commitments.

Note 15 – Contingent Liabilities

The Village has no contingent Liabilities

**WOLFE, WILSON, & PHILLIPS, INC.
37 SOUTH SEVENTH STREET
ZANESVILLE, OHIO 43701**

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

Village of Beverly
Washington County
919 Mitchell Avenue
Beverly, Ohio 45715

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village of Beverly as of and for the years ended December 31, 2009, and have issued our report thereon dated April 29, 2010, wherein we noted the Village followed the cash basis of accounting, a comprehensive accounting basis other than accounting principles generally accepted in the United States of America. 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 *Government Auditing Standards*, issued by the comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control over financial reporting.

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 Village's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purposes described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Village of Beverly's financial statements are free of 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 Standard*. However, we noted certain immaterial instances of noncompliance that we have reported to the management of Village of Beverly in a separate letter dated April 29, 2010.

This report is intended for the information of the Village's management, fiscal officer, and Auditor of State, and is not intended to be and should not be used by anyone other than these specified parties.

Wolfe, Wilson, & Phillips, Inc.
Zanesville, Ohio
April 29, 2010

**VILLAGE OF BEVERLY
WASHINGTON COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
December 31, 2009**

Finding Number	Finding Summary	Fully Corrected	Not Corrected, Partially Corrected Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2008-VOB-001	<u>Material Weakness</u> Misstatements not caught by internal controls of the Village	Yes	Finding No Longer Valid



Mary Taylor, CPA
Auditor of State

VILLAGE OF BEVERLY

WASHINGTON 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
AUGUST 3, 2010