



Mary Taylor, CPA
Auditor of State

**WESTERN RESERVE JOINT FIRE DISTRICT
MAHONING COUNTY**

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Western Reserve Joint Fire District
Mahoning County
111 South Main Street
Poland, Ohio 44514

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities and each major fund of Western Reserve Joint Fire District, Mahoning County, Ohio (the "Fire District"), as of and for the year ended December 31, 2007, which collectively comprise the Fire District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Fire District'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.

As discussed in Note 1, the accompanying financial statements and notes follow the cash accounting basis. 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 cash financial position of the governmental activities and each major fund of the Western Reserve Joint Fire District, Mahoning County, Ohio, as of December 31, 2007, and the respective changes in cash financial position and the respective budgetary comparison for the General, FEMA Generator, and FEMA Radio funds thereof for the year then ended in conformity with the basis of accounting Note 1 describes.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 1, 2010, on our consideration of the Fire District'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 and analysis is not a required part of the basic financial statements but is supplementary information the Governmental 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.

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

March 1, 2010

**WESTERN RESERVE JOINT FIRE DISTRICT
MAHONING COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
(UNAUDITED)**

This discussion and analysis of Western Reserve Joint Fire District, Mahoning County, (the "Fire District") financial performance provides an overall review of the Fire District's financial activities for the year ended December 31, 2007 within the limitations of the Fire District's cash basis accounting. The intent of this discussion and analysis is to look at the Fire District's financial activities as a whole; along with the review of the basic financial statements for the reader to enhance their understanding of the Fire District's financial activities.

Financial Highlights

Key highlights for 2007 are as follows:

- The Fire District's total net assets increased by \$273,072 (67%).
- The Fire District's cash receipts increased by \$361,997. This increase was largely due to funding received from the FEMA Generator grant and the local share of the FEMA Radio which accounted for \$187,785 and \$159,649 of the Fire District's gross receipts, respectively.
- Local taxes comprised approximately 64% of current year General fund cash receipts. Local tax receipts for 2007 changed very little as compared to 2006. The decrease in local tax receipts was \$1,797.

Using the Basic Financial Statements

The annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board No. 34, as applicable to the Fire District'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 Fire District. Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Fire District 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 Fire District 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 Fire District's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

**WESTERN RESERVE JOINT FIRE DISTRICT
MAHONING COUNTY**

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(UNAUDITED)**

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. 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 Fire District as a Whole

Statement of Net Assets and Statement of Activities

The Statement of Net Assets and the Statement of Activities display information about the Fire District as a whole. This statement includes the financial activities of the primary government. The statement distinguishes between those activities of the Fire District 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 Fire District has no business-type activities.

These two statements report the Fire District's net assets and changes in those assets. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Fire District's financial health. It tells the reader that, for the Fire District as a whole, the financial position of the Fire District has improved or diminished. However, in evaluating the overall position of the Fire District, nonfinancial information such as changes in property tax base and other local taxes, condition of assets, and the extent of any debt obligations will also need to be taken into consideration.

The Statement of Net Assets and the Statement of Activities present one type of activity:

Governmental activities: generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

Reporting the Fire District's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the Fire District's major funds – not the entity as whole. The Fire District 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 Fire District are split into three categories: governmental, proprietary and fiduciary.

Governmental Funds - All of the Fire District's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Fire District'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 Fire District's programs.

**WESTERN RESERVE JOINT FIRE DISTRICT
MAHONING COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
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(UNAUDITED)**

Reporting the Fire District's Most Significant Funds (Continued)

The Fire District'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 Fire District's major governmental funds were the General fund, the FEMA Generator fund, and the FEMA Radio fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements. The Fire District had no nonmajor funds to report.

Proprietary Funds – When the Fire District 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. When the services are provided to other departments of the Fire District, the service is reported as an internal service fund. The Fire District had no enterprise or internal service funds to report.

Fiduciary Funds – Fiduciary Funds are used to account for resources held for the benefit of parties outside the Fire District. Fiduciary funds are not reflected on the government-wide financial statements because the resources of these funds are not available to support the Fire District's programs. The Fire District had no fiduciary funds to report.

The Fire District as a Whole

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

(Table 1)
Net Assets

	Governmental Activities	
	2007	2006
Assets		
Equity in Pooled Cash and Cash Equivalents	\$ 679,897	\$ 406,825
Net Assets		
Unrestricted	679,897	406,825
Total Net Assets	\$ 679,897	\$ 406,825

The Fire District's net assets increased by \$273,072 in 2007. This is mainly due to the receipt of two grants during 2007.

Table 2 reflects the changes in net assets on a cash basis in 2007 for governmental activities.

**WESTERN RESERVE JOINT FIRE DISTRICT
MAHONING COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
(UNAUDITED)**

(Table 2)

Statement of Activities

	Governmental Activities	
	2007	2006
Cash Receipts:		
Local Taxes	\$ 520,385	\$ 522,182
Intergovernmental Revenue	268,297	71,640
Earnings on Investments	21,930	15,461
Miscellaneous	184,284	23,616
Total Cash Receipts	994,896	632,899
Cash Disbursements:		
Current:		
Security of Persons and Property	180,041	177,989
General Government	147,060	376,777
Capital Outlay	312,393	-
Other	82,330	71,104
Total Disbursements	721,824	625,870
Total Receipts Over/(Under) Disbursements	273,072	7,029
Change in Net Assets	273,072	7,029
Net Assets Beginning of Year	406,825	399,796
Net Assets End of Year	\$ 679,897	\$ 406,825

General receipts represent 81 percent of the Fire District's total receipts, and of this amount, 64 percent is from local taxes. The Fire District received \$187,785 in special revenue funding in the form of grants during 2007. Grant receipts will vary from year to year and are unpredictable.

Capital Outlay disbursements are the largest expenditures made during 2007 and make up 43% of total disbursements for 2007. These include disbursements for machinery and equipment. Security of Persons and Property are the second largest expenditure for 2007 and make up 25% of total disbursements for 2007. These expenditures are related to salaries and benefits. Disbursements for general government are the third largest expenditure made by the Fire District and make up 20% of total disbursements for 2007. These expenditures are mostly made up of utilities, supplies, repairs, insurance and purchases of tools. The final type of expenditures being made are for "Other" and make up 12% of the disbursements made for 2007.

Governmental Activities

If you look at the Statement of Activities on page 12, you will see that the first column lists the major services provided by the Fire District. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for Capital Outlay, which account for \$312,393 and 43% percent of all governmental disbursements, respectively. Security of persons and property also represents a significant cost of about 25%. The next column of the statement entitled "Program Cash Receipts" identify amounts paid by people who are directly charged for the service. The Net Receipt (Disbursement) column compares the program receipts to the cost of the service.

**WESTERN RESERVE JOINT FIRE DISTRICT
MAHONING COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
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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)

	Total Cost of Services 2007	Net Cost of Services 2007
	General Government	\$147,060
Security of Persons and Property	180,041	180,041
Capital Outlay	312,393	124,608
Other	82,330	82,330
Total Expenses	<u>\$721,824</u>	<u>\$534,039</u>

The dependence upon local tax receipts is apparent as over 72 percent of governmental activities are supported through these general receipts.

The Fire District's Funds

General

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 Fire District for any purpose provided it is expended or transferred according to the general laws of Ohio. General Fund receipts were more than disbursements by \$273,249.

Disbursements under Security of Persons and Property include, but are not limited to, payroll and employer-related contributions, and insurance. The Fire District's cash disbursement for Security of Persons and Property increased by \$2,052 during 2007 as compared to 2006.

FEMA Generator and FEMA Radio

These funds account for proceeds from specific sources (other than from trusts or for capital projects) restricted to expenditure for specific purposes. The Fire District had received notification that they would receive special revenue grants that totaled \$981,233 to be utilized for the purchase of generators and diesel exhaust equipment for its three buildings as well as other general government activities. The Fire District received \$187,785 of this funding during 2007 and expects to receive the balance of the funding during 2008.

Fire District Budgeting Highlights

The Fire District's board waived its budgetary requirements for the year ended December 31, 2007. However, the Fire District does utilize appropriations as a method of authorization to spend resources and set limits on disbursements.

**WESTERN RESERVE JOINT FIRE DISTRICT
MAHONING COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
(UNAUDITED)**

<u>Budgeted vs. Actual Receipts</u>	<u>General</u>	<u>FEMA Generator</u>	<u>FEMA Radio</u>
Budgeted Receipts	\$ 814,192	\$ 187,785	\$ 793,448
Actual Receipts	\$ 807,111	\$ 187,785	\$ -
Variance - (Unfavorable)	<u>\$ (7,081)</u>	<u>\$ -</u>	<u>(793,448)</u>
 <u>Budgeted vs. Actual Budgetary Basis Expenditures</u>			
Appropriation Authority	\$ 1,095,000	\$ 187,785	\$ 793,448
Budgetary Expenditures	\$ 533,862	\$ 187,785	\$ 177
Variance - Favorable	<u>\$ 561,138</u>	<u>\$ -</u>	<u>\$ 793,271</u>

The actual expenditures in the General fund for Security of Persons and Property were \$14,959 less than appropriations, actual expenditures for General Government were \$37,940 less than appropriations, actual expenditures for Capital Outlay were \$290,569 less than appropriations, and actual expenditures for Other disbursements were \$217,670 less than appropriations.

There were no variances noted for the FEMA Generator fund.

The FEMA Radio fund had no actual receipts for 2007 and had actual expenditures of \$177.

Capital Assets and Debt Administration

Capital Assets

The Fire District does not record capital assets in the accompanying basic financial statements, but records payments for capital assets (acquisitions of property, plant and equipment) as disbursements. The Fire District had capital outlay disbursements of \$312,393 during the fiscal year 2007.

Debt

As of year ended December 31, 2007, the Fire District had no debt.

Current Issues

The Fire District relies almost entirely on the tax levies approved by the voters. The Fire District also attempts to obtain grant funding that is available. The Fire District attempts to provide the best service to its citizens in the most cost effective manner.

**WESTERN RESERVE JOINT FIRE DISTRICT
MAHONING COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
(UNAUDITED)**

Contact Information

This financial report is designed to provide a general overview of the Fire District's finances and to reflect the accountability for the monies it receives. Questions concerning any of the information in the report or requests for additional information should be directed to Mr. Peter L. Johnson, Clerk, Western Reserve Joint Fire District, Mahoning County, 111 South Main Street, Poland, Ohio 44514.

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Western Reserve Joint Fire District
Mahoning County
Statement of Net Assets - Cash Basis
December 31, 2007

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$679,897</u>
<i>Total Assets</i>	<u><u>\$679,897</u></u>
Net Assets	
Unrestricted	<u>679,897</u>
<i>Total Net Assets</i>	<u><u>\$679,897</u></u>

See accompanying notes to the basic financial statements

Western Reserve Joint Fire District
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	Capital Grants and Contributions	Governmental Activities
Governmental Activities			
Security of Persons and Property	\$180,041		(\$180,041)
General Government	147,060		(147,060)
Capital Outlay	312,393	187,785	(124,608)
Other	82,330		(82,330)
<i>Total Governmental Activities</i>	<u>\$721,824</u>	<u>\$187,785</u>	(534,039)
General Receipts			
Local Taxes			520,385
Intergovernmental Revenue			80,512
Interest			21,930
Miscellaneous			184,284
<i>Total General Receipts</i>			807,111
Advances-In			245,000
Advances-Out			(245,000)
Change in Net Assets			273,072
<i>Net Assets Beginning of Year</i>			<u>406,825</u>
<i>Net Assets End of Year</i>			<u>\$679,897</u>

See accompanying notes to the basic financial statements

Western Reserve Joint Fire District
Mahoning County
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2007

	General	FEMA Radio	Total Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$575,074	\$104,823	\$679,897
<i>Total Assets</i>	<u>\$575,074</u>	<u>\$104,823</u>	<u>\$679,897</u>
Fund Balances			
Reserved:			
Reserved for Encumbrances	\$41,080		\$41,080
Unreserved:			
Undesignated (Deficit), Reported in:			
General Fund	533,994		533,994
Special Revenue Funds		104,823	104,823
<i>Total Fund Balances</i>	<u>\$575,074</u>	<u>\$104,823</u>	<u>\$679,897</u>

See accompanying notes to the basic financial statements

**Western Reserve Joint Fire District
Mahoning County**

Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances

Governmental Funds

For the Year Ended December 31, 2007

	General	FEMA Generator	FEMA Radio	Total Governmental Funds
Receipts				
Property and Other Local Taxes	\$520,385			\$520,385
Intergovernmental	80,512	187,785		268,297
Earnings on Investments	21,930			21,930
Miscellaneous	184,284			184,284
<i>Total Receipts</i>	<u>807,111</u>	<u>187,785</u>	<u>0</u>	<u>994,896</u>
Disbursements				
Current:				
Security of Persons and Property	180,041			180,041
General Government	147,060			147,060
Capital Outlay	124,431	187,785	177	312,393
Other	82,330			82,330
<i>Total Disbursements</i>	<u>533,862</u>	<u>187,785</u>	<u>177</u>	<u>721,824</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>273,249</u>	<u>0</u>	<u>(177)</u>	<u>273,072</u>
Other Financing Sources (Uses)				
Advances In	70,000	70,000	105,000	245,000
Advances Out	(175,000)	(70,000)		(245,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(105,000)</u>	<u>0</u>	<u>105,000</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	168,249	0	104,823	273,072
<i>Fund Balances Beginning of Year</i>	<u>406,825</u>			<u>406,825</u>
<i>Fund Balances End of Year</i>	<u>\$575,074</u>	<u>\$0</u>	<u>\$104,823</u>	<u>\$679,897</u>

See accompanying notes to the basic financial statements

**WESTERN RESERVE JOINT FIRE DISTRICT
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			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	532,976	532,976	520,385	(12,591)
Intergovernmental	66,216	66,216	80,512	14,296
Interest			21,930	21,930
Other	215,000	215,000	184,284	(30,716)
<i>Total receipts</i>	<u>814,192</u>	<u>814,192</u>	<u>807,111</u>	<u>(7,081)</u>
Disbursements				
Current:				
Security of Persons and Property	195,000	195,000	180,041	14,959
General Government	185,000	185,000	147,060	37,940
Capital Outlay	415,000	415,000	124,431	290,569
Other	300,000	300,000	82,330	217,670
<i>Total Disbursements</i>	<u>1,095,000</u>	<u>1,095,000</u>	<u>533,862</u>	<u>561,138</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(280,808)</u>	<u>(280,808)</u>	<u>273,249</u>	<u>554,057</u>
Other Financing Receipts/(Disbursements)				
Advances-In			70,000	(70,000)
Advances-Out			(175,000)	175,000
Total Other Financing Receipts/(Disbursements)			(105,000)	105,000
<i>Net Change in Fund Balance</i>	(280,808)	(280,808)	168,249	554,057
<i>Fund Balance Beginning of Year</i>	406,825	406,825	406,825	
Prior Year Encumbrances Appropriated	81,394	81,394	81,394	
<i>Fund Balance End of Year</i>	<u>207,411</u>	<u>207,411</u>	<u>656,468</u>	<u>554,057</u>

See accompanying notes to the basic financial statements

**WESTERN RESERVE JOINT FIRE DISTRICT
MAHONING COUNTY**
*Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
FEMA Generator Fund
For the Year Ended December 31, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Intergovernmental	187,785	187,785	187,785	
<i>Total receipts</i>	187,785	187,785	187,785	
Disbursements				
Current:				
Capital Outlay	187,785	187,785	187,785	
<i>Total Disbursements</i>	187,785	187,785	187,785	
<i>Excess of Receipts Over (Under) Disbursements</i>				
Other Financing Receipts/(Disbursements)				
Advances-In			70,000	(70,000)
Advances-Out			(70,000)	70,000
Total Other Financing Receipts/(Disbursements)				
<i>Net Change in Fund Balance</i>				
<i>Fund Balance Beginning of Year</i>				
Prior Year Encumbrances Appropriated				
<i>Fund Balance End of Year</i>				

See accompanying notes to the basic financial statements

**WESTERN RESERVE JOINT FIRE DISTRICT
MAHONING COUNTY**
*Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
FEMA Radio Fund
For the Year Ended December 31, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Intergovernmental	793,448	793,448		(793,448)
<i>Total receipts</i>	793,448	793,448		(793,448)
Disbursements				
Current:				
Capital Outlay	793,448	793,448	177	793,271
<i>Total Disbursements</i>	793,448	793,448	177	793,271
<i>Excess of Receipts Over (Under) Disbursements</i>			(177)	(177)
Other Financing Receipts/(Disbursements)				
Advances-In			105,000	(105,000)
Total Other Financing Receipts/(Disbursements)			104,823	(104,823)
<i>Net Change in Fund Balance</i>			104,646	(177)
<i>Fund Balance Beginning of Year</i>				
Prior Year Encumbrances Appropriated				
<i>Fund Balance End of Year</i>			104,646	(177)

See accompanying notes to the basic financial statements

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**WESTERN RESERVE FIRE DISTRICT
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007**

Note 1 – Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Western Reserve Joint Fire District, Mahoning County, (the "Fire District") as a body corporate and politic. A five-member Board of Trustees governs the Fire District. Each political subdivision within the Fire District appoints two members with the fifth member being appointed by each on alternating years. Those subdivisions are Poland Township and Poland Village.

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

The reporting entity is comprised of the primary government.

Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Fire District. The Fire District provides fire protection and rescue services within the Fire District and by contract to areas outside the Fire District.

Note 2 - Summary of Significant Accounting Policies

As discussed further in Note 2.C, the 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. Following are the more significant of the Fire District's accounting policies.

A. Basis of Presentation

The Fire District'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 Fire District as a whole. This statement includes the financial activities of the primary government. The statement distinguishes between those activities of the Fire District 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 Fire District has no business-type activities.

The Statement of Net Assets presents the cash balance of the governmental activities of the Fire District at year end. The Statement of Activities compares disbursements with program receipts for each of the Fire District's governmental activities.

**WESTERN RESERVE FIRE DISTRICT
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

Note 2 - Summary of Significant Accounting Policies (continued)

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 Fire District 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 is self-financing on a cash basis or draws from the Fire District's general receipts.

Fund Financial Statements

During the year, the Fire District segregates transactions related to certain Fire District functions or activities in one operating fund. Fund financial statements are designed to present financial information of the Fire District 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.

B. Fund Accounting

The Fire District 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 Fire District classifies its funds into the following category:

Governmental Funds

The Fire District classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The Fire District's major funds are the General, FEMA Generator, and the FEMA Radio. 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 Fire District for any purpose provided it is expended or transferred according to the general laws of Ohio. The FEMA Generator and the FEMA Radio funds were used to account for proceeds from specific sources (other than from trusts or for capital projects) restricted for expenditure for specific purposes. These funds were used to account for grant proceeds for the purchase of generators and equipment.

C. Basis of Accounting

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

**WESTERN RESERVE FIRE DISTRICT
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

Note 2 - Summary of Significant Accounting Policies (continued)

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 Fire District may appropriate.

Appropriations: The appropriations ordinance is the Fire District's authorization to spend resources and sets limits on disbursements plus encumbrances at the level of control selected by the Fire District. The legal level of control has been established at the fund, department, and object level for all funds. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

Estimated Resources: The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Fire District 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 Fire District.

Encumbrances: 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 Fire District during the year.

E. Cash and Investments

Fire District records identify the purchase of specific investments by specific funds.

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

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool 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, respectively.

**WESTERN RESERVE FIRE DISTRICT
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

Note 2 - Summary of Significant Accounting Policies (continued)

Interest earnings are allocated to the Fire District's General Fund according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2007 was \$21,930.

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. None of the Fire District's assets are restricted.

G. 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 Fire District's cash basis of accounting.

H. Employer Contributions to Cost-Sharing Pension Plans

The Fire District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 7 and 8, the employer contributions include portions for pension benefits and for postretirement health care benefits.

I. Long-Term Obligations

The Fire District'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 capital outlay expenditure are reported at inception. Lease payments are reported when paid.

J. 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.

The Fire District'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.

K. Fund Balance Reserves

The Fire District 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.

**WESTERN RESERVE FIRE DISTRICT
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

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 – Budget Basis presented for the General fund, FEMA Generator fund, and the FEMA Radio fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as 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 \$41,080 for the General fund.

Note 4 - Deposits and Investments

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

Active monies are public monies determined to be necessary to meet current demands upon the Fire District treasury. Active monies must be maintained either as cash in the Fire District 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 the Board 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 Fire District 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;

**WESTERN RESERVE FIRE DISTRICT
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

Note 4 - Deposits and Investments (continued)

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).

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 Fire District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the Fire District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$601,313 of the Fire District's bank balance of \$701,313 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 Fire District's name.

The Fire District 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 Fire District 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 Fire District. Property tax receipts received in 2007 for real and public utility property taxes represents collections of the 2006 taxes. Property tax payments received during 2007 for tangible personal property (other than public utility property) is for 2007 taxes.

2007 real property taxes are levied after October 1, 2007 on the assessed values as of January 1, 2007, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. 2007 real property taxes are collected in and intended to finance 2008.

Real property taxes are payable annually or semi-annually. 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.

**WESTERN RESERVE FIRE DISTRICT
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

Note 5 - Property Taxes (continued)

Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2007 public utility property taxes which became a lien on December 31, 2006, are levied after October 1, 2007, and are collected in 2008 with real property taxes.

2007 tangible property taxes are levied after October 1, 2006, on the value as of December 31, 2006. Collections are made in 2007. Tangible personal property assessments are being phased out – the assessment percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent for 2008, and zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 3, with the remainder due September 20.

The full tax rate for all Fire District operations for the year ended December 31, 2007, was \$2.8 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2007 property tax receipts were based are as follows:

Real Property		
Residential/Agricultural	\$	315,967,190
Commercial/Industrial/Mineral		19,351,600
Public Utility		10,742,150
Tangible Personal Property		<u>1,703,318</u>
Total Assessed Value	\$	<u>347,764,258</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Fire District. The County Auditor periodically remits to the Fire District its portion of the taxes collected.

Note 6 - Risk Management

The Fire District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. Covered risks include comprehensive property, general liability, automobile, crime, emergency apparatus, portable equipment, and umbrella.

There were no significant reductions in coverage from prior years and claims have not exceeded insurance coverage in any of the past three years. The Fire District is in a group rating plan administered by Comp Management for State Workers' Compensation. The Fire District's rate is based on accident history and administrative costs. At a minimum of every two years the Fire District reviews insurance coverage.

**WESTERN RESERVE FIRE DISTRICT
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

Note 7 - Defined Benefit Pension Plan

Ohio Public Employees Retirement System

Plan Description - The Fire District 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. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only in the traditional plans.

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) 222-5601 or (800) 222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2007, members in state and local classifications contributed 9.5 percent of covered payroll, public safety members contributed 9.75 percent and law enforcement members contributed 10.1 percent.

The Fire District's contribution rate for 2007 was 13.85 percent, except for those plan members in law enforcement or public safety, for whom the Fire District's contribution rate was 17.17 percent of covered payroll. For the period January 1, through June 30, 2007, a portion of the Fire District's contribution equal to 5 percent of covered payroll was allocated to fund the postemployment healthcare plan; for the period July 1 through December 31, 2007 this amount was increased to 6 percent. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the Fire District of 14 percent, except for public safety and law enforcement, where the maximum employer contribution rate is 18.1 percent.

The Fire District's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2007, 2006, and 2005 were \$17,267, \$16,958, and \$16,736 respectively. The full amount has been contributed for 2007, 2006 and 2005.

Social Security System

All employees not otherwise covered by the Ohio Public Employees Retirement System are required to contribute to Social Security. The Fire District's liability is 6.2% of wages paid.

**WESTERN RESERVE FIRE DISTRICT
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

Note 8 - Postemployment Benefits

Ohio Public Employees Retirement System

Plan Description - OPERS maintains a cost-sharing multiple-employer defined benefit postemployment healthcare plan for qualifying members of both the traditional and combined pension plans. Members of the member-directed plan do not qualify for ancillary benefits, including postemployment healthcare. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

To qualify for postemployment healthcare coverage, age and service retirees under the traditional and combined plans must have ten years or more of qualifying Ohio service credit. Healthcare coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised code permits, but does not require, OPERS to provide healthcare benefits to eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the healthcare plan are provided separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222 – 7377.

Funding Policy – The postemployment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code 401 (h). State statute requires that public employers fund postemployment healthcare through contributions to OPERS. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postemployment healthcare.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2007, local government employers contributed 13.85 percent of covered payroll (17.17 percent for public safety and law enforcement). Each year, The OPERS retirement board determines the portion of the employer contribution that will be set aside for funding postemployment healthcare benefits. The amount of the employer contributions which was allocated to fund postemployment healthcare was 5 percent of covered payroll from January 1 through June 30, 2007, and 6 percent from July 1 through December 31, 2007.

The retirement board is also authorized to establish rules for the payment of a portion of the healthcare benefits by the retiree or retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and selected coverage.

The Fire District's contributions allocated to fund postemployment healthcare benefits for the years ended December 31, 2007, 2006, and 2005 were \$15,580, \$16,958, and \$16,736 respectively; 100 percent has been contributed for 2007, 2006 and 2005.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) which was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

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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*

Western Reserve Joint Fire District
Mahoning County
111 South Main Street
Poland, Ohio 44514

To the Board of Trustees:

We have audited the financial statements of the governmental activities and each major fund of Western Reserve Joint Fire District (the "Fire District") as of and for the year ended December 31, 2007, which collectively comprise the Fire District's basic financial statements and have issued our report thereon dated March 1, 2010. 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 Fire District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the Fire District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Fire District'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 Fire District'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 Fire District'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 Fire District'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 a certain matter that we reported to the Fire District's management in a separate letter dated March 1, 2010.

Compliance and Other Matters

As part of reasonably assuring whether the Fire District'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 Fire District's management in a separate letter dated March 1, 2010.

We intend this report solely for the information and use of the audit committee, management, and the 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

March 1, 2010

WESTERN RESERVE JOINT FIRE DISTRICT
MAHONING COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2007

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

FINDING NUMBER 2007-001

Material Citation

Ohio Revised Code Section 5705.36 (A)(4) states that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency.

The Fire District's certified receipts were in excess of actual receipts, while the current appropriations exceeded the total actual receipts in the following fund:

2007 Fund	Certified Receipts Over Actual Receipts By	Current Appropriations Over Total Actual Receipts
FEMA Radio	\$793,448	\$793,448

We recommend the Fire District obtain a reduced amended certificate of estimated resources, and subsequently reduce appropriations, if needed, when it becomes apparent that actual receipts will become less than the amounts estimated.



Mary Taylor, CPA
Auditor of State

**WESTERN RESERVE JOINT FIRE DISTRICT
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
APRIL 1, 2010**