



**Auditor of State  
Betty Montgomery**



VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY

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# Auditor of State Betty Montgomery

## INDEPENDENT ACCOUNTANTS' REPORT

Village of Roaming Shores  
Ashtabula County  
PO Box 237  
2500 Hayford Road  
Roaming Shores, Ohio 44084

To the Village Council:

We have audited the accompanying financial statements of the Village of Roaming Shores (the Village), Ashtabula County as of and for the years ended December 31, 2003 and December 31, 2002. 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 1, the Village prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Village as of December 31, 2003 and December 31, 2002, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2004 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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.

This report is intended solely for the information and use of the audit committee, management, Village Council and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

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

**Betty Montgomery**  
Auditor of State

May 12, 2004

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2003**

	<u>Governmental Fund Types</u>			<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
<b>Cash Receipts:</b>				
Property Tax and Other Local Taxes	\$93,951		\$31,263	\$125,214
Intergovernmental Receipts	20,645	64,538		85,183
Fines, Licenses, and Permits	16,007			16,007
Earnings on Investments	11,629	1,047		12,676
Miscellaneous	60,171	670		60,841
	<u>202,403</u>	<u>66,255</u>	<u>31,263</u>	<u>299,921</u>
<b>Total Cash Receipts</b>				
<b>Cash Disbursements:</b>				
Current:				
Security of Persons and Property	168,045			168,045
Public Health Services	18,803			18,803
Community Environment	12,901			12,901
Transportation		48,758		48,758
General Government	51,023			51,023
Debt Service:				
Principal Payments			40,224	40,224
Interest Payments			46,393	46,393
Capital Outlay	1,497	2,350		3,847
	<u>252,269</u>	<u>51,108</u>	<u>86,617</u>	<u>389,994</u>
<b>Total Cash Disbursements</b>				
<b>Total Receipts Over/(Under) Disbursements</b>	<u>(49,866)</u>	<u>15,147</u>	<u>(55,354)</u>	<u>(90,073)</u>
<b>Other Financing Receipts and (Disbursements):</b>				
Transfers-In			35,245	35,245
Sale of Fixed Assets	1,800			1,800
	<u>1,800</u>		<u>35,245</u>	<u>37,045</u>
<b>Total Other Financing Receipts/(Disbursements)</b>				
<b>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</b>	<u>(48,066)</u>	<u>15,147</u>	<u>(20,109)</u>	<u>(53,028)</u>
<b>Fund Cash Balances, January 1</b>	<u>195,834</u>	<u>97,447</u>	<u>290,066</u>	<u>583,347</u>
<b>Fund Cash Balances, December 31</b>	<u><u>\$147,768</u></u>	<u><u>\$112,594</u></u>	<u><u>\$269,957</u></u>	<u><u>\$530,319</u></u>

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

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL PROPRIETARY AND SIMILAR FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2003**

	<u>Proprietary Fund Types</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
<b>Operating Cash Receipts:</b>			
Charges for Services	\$868,635		\$868,635
<b>Operating Cash Disbursements:</b>			
Personal Services	199,541		199,541
Contractual Services	66,449		66,449
Supplies and Materials	406,731		406,731
Capital Outlay	23,260		23,260
Total Operating Cash Disbursements	<u>695,981</u>		<u>695,981</u>
Operating Income/(Loss)	<u>172,654</u>		<u>172,654</u>
<b>Non-Operating Cash Receipts:</b>			
Property Tax and Other Local Taxes	56,997		56,997
Intergovernmental Receipts	7,409		7,409
Sale of Fixed Assets	1,276		1,276
Other Non-Operating Receipts		50	50
Total Non-Operating Cash Receipts	<u>65,682</u>	<u>50</u>	<u>65,732</u>
<b>Non-Operating Cash Disbursements:</b>			
Debt Service	205,294		205,294
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers and Advances	33,042	50	33,092
Transfers-In	245,133		245,133
Transfers-Out	<u>(280,378)</u>		<u>(280,378)</u>
Net Receipts Over/(Under) Disbursements	(2,203)	50	(2,153)
Fund Cash Balances, January 1	<u>709,214</u>	<u>786</u>	<u>710,000</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$707,011</u></b>	<b><u>\$836</u></b>	<b><u>\$707,847</u></b>
Reserve for Encumbrances, December 31	<u>\$90,092</u>		<u>\$90,092</u>

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



**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Governmental Fund Types</u>				<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>					
Property Tax and Other Local Taxes	\$84,336		\$75,325		\$159,661
Intergovernmental Receipts	28,891	64,316	9,746	18,985	121,938
Fines, Licenses, and Permits	11,747				11,747
Earnings on Investments	20,938	1,632			22,570
Miscellaneous	57,459	1,650			59,109
	<u>203,371</u>	<u>67,598</u>	<u>85,071</u>	<u>18,985</u>	<u>375,025</u>
<b>Cash Disbursements:</b>					
Current:					
Security of Persons and Property	167,472				167,472
Public Health Services	18,799				18,799
Leisure Time Activities					0
Community Environment	10,770				10,770
Transportation		84,524			84,524
General Government	45,606				45,606
Debt Service:					
Principal Payments			38,918		38,918
Interest Payments			49,053		49,053
Capital Outlay	25,531	665		18,985	45,181
	<u>268,178</u>	<u>85,189</u>	<u>87,971</u>	<u>18,985</u>	<u>460,323</u>
Total Receipts Over/(Under) Disbursements	<u>(64,807)</u>	<u>(17,591)</u>	<u>(2,900)</u>		<u>(85,298)</u>
<b>Other Financing Receipts and (Disbursements):</b>					
Transfers-In			36,599		36,599
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(64,807)	(17,591)	33,699		(48,699)
Fund Cash Balances, January 1	<u>260,641</u>	<u>115,038</u>	<u>256,367</u>		<u>632,046</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$195,834</u></b>	<b><u>\$97,447</u></b>	<b><u>\$290,066</u></b>		<b><u>\$583,347</u></b>

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

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL PROPRIETARY AND SIMILAR FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Proprietary Fund Types</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
<b>Operating Cash Receipts:</b>			
Charges for Services	\$800,775		\$800,775
<b>Operating Cash Disbursements:</b>			
Personal Services	170,868		170,868
Contractual Services	69,845		69,845
Supplies and Materials	357,188		357,188
Capital Outlay	153,524		153,524
Total Operating Cash Disbursements	<u>751,425</u>		<u>751,425</u>
Operating Income/(Loss)	<u>49,350</u>		<u>49,350</u>
<b>Non-Operating Cash Receipts:</b>			
Property Tax and Other Local Taxes	55,867		55,867
Intergovernmental Receipts	7,280		7,280
Proceeds from Notes and Bonds	133,553		133,553
Total Non-Operating Cash Receipts	<u>196,700</u>		<u>196,700</u>
<b>Non-Operating Cash Disbursements:</b>			
Debt Service	149,410		149,410
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers and Advances	96,640		96,640
Transfers-In	248,081		248,081
Transfers-Out	<u>(284,680)</u>		<u>(284,680)</u>
Net Receipts Over/(Under) Disbursements	60,041		60,041
Fund Cash Balances, January 1	<u>649,173</u>	<u>786</u>	<u>649,959</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$709,214</u></b>	<b><u>\$786</u></b>	<b><u>\$710,000</u></b>
Reserve for Encumbrances, December 31	<u>\$7,800</u>		<u>\$7,800</u>

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

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2003-2002**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Village of Roaming Shores, Ashtabula County, (the Village) is a body corporate and politic 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 publicly-elected six-member Council. The Village provides water and sewer utilities, park operations, and police. The Village contracts with Rome and Morgan Township's to provide fire protection services.

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash and 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 disbursements, respectively.

Investments in STAR Ohio are recorded at share values reported by the mutual fund.

**D. Fund Accounting**

The Village uses fund accounting to segregate cash and investments that are restricted as to use. The Village classifies its funds into the following types:

**1. General Fund**

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Fund**

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Village had the following significant Special Revenue Fund:

*Street Construction, Maintenance and Repair Fund* - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining and repairing Village streets.

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2003-2002  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Debt Service Funds**

These funds are used to accumulate resources for the payment of bonds and note indebtedness. The Village had the following significant debt service funds:

*General Obligation Fund* – This fund is used to pay the note for improving the Village's streets.

*General Obligation Fund #2* – This fund receives property taxes to improve the Village's waterworks system.

**4. Capital Project Fund**

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Village had the following significant capital project fund:

*OPWC Fund* – This fund receives money from the State to improve the Village's infrastructure.

**5. Enterprise Funds**

These funds account for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through user charges. The Village had the following significant Enterprise Funds:

*Water Fund* - This fund receives charges for services from residents to cover the cost of providing this utility.

*Sewer Fund* - This fund receives charges for services from residents to cover the cost of providing this utility.

**6. Fiduciary Funds (Agency Funds)**

Funds for which the Village is acting in an agency capacity are classified as agency funds. The Village has established an Unclaimed Money fund.

**E. Budgetary Process**

The Ohio Revised Code requires that each fund (except certain agency funds) be budgeted annually.

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Council 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.

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2003-2002  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**2. Estimated Resources**

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

**3. Encumbrances**

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

A summary of 2003 and 2002 budgetary activity appears in Note 3.

**F. Property, Plant and Equipment**

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

**G. Accumulated Leave**

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

**2. EQUITY IN POOLED CASH AND INVESTMENTS**

The Village maintains a cash and investments pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	<u>2003</u>	<u>2002</u>
Demand deposits	\$344,708	\$166,199
STAR Ohio (Investments)	893,458	1,127,148
Total deposits and investments	<u>\$1,238,166</u>	<u>\$1,293,347</u>

**Deposits:** Deposits are either (1) insured by the Federal Depository Insurance Corporation, or (2) collateralized by the financial institution's public entity deposit pool.

**Investments:** Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2003-2002  
(Continued)**

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending 2003 and 2002 follows:

2003 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$200,000	\$204,203	\$4,203
Special Revenue	65,000	66,255	1,255
Debt Service	66,250	66,508	258
Enterprise	1,410,875	1,179,450	(231,425)
Fiduciary		50	50
Total	<u>\$1,742,125</u>	<u>\$1,516,466</u>	<u>(\$225,659)</u>

2003 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$290,725	\$252,269	\$38,456
Special Revenue	102,200	51,108	51,092
Debt Service	86,618	86,617	1
Enterprise	1,505,272	1,271,745	233,527
Fiduciary	0	0	0
Total	<u>\$1,984,815</u>	<u>\$1,661,739</u>	<u>\$323,076</u>

2002 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$222,385	\$203,371	(\$19,014)
Special Revenue	66,700	67,598	898
Debt Service	105,600	121,670	16,070
Capital Projects	0	18,985	18,985
Enterprise	1,337,318	1,245,556	(91,762)
Total	<u>\$1,732,003</u>	<u>\$1,657,180</u>	<u>(\$74,823)</u>

2002 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$315,025	\$268,178	\$46,847
Special Revenue	121,700	85,189	36,511
Debt Service	87,972	87,971	1
Capital Projects	23,000	18,985	4,015
Enterprise	1,294,876	1,193,315	101,561
Total	<u>\$1,842,573</u>	<u>\$1,653,638</u>	<u>\$188,935</u>

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2003-2002  
(Continued)**

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Village Council. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

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

**5. DEBT**

Debt outstanding at December 31, 2003 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Water Development Authority Loan	\$1,859,169	4.16-6.56%
General Obligation Bonds	228,000	7.13%
Mortgage Revenue Bonds	1,003,000	7.13%
Total	<u>\$3,090,169</u>	

The Village has 2 Ohio Water Development Authority (OWDA) loans relating to water and sewer plant expansion projects that were mandated by the Ohio Environmental Protection Agency. The OWDA has approved up to \$527,230 and \$1,517,060 respectfully in loans to the Village for these projects. The loans will be repaid in semiannual installments of \$25,009 and \$56,238 including interest, over 20 years. The scheduled payments below will be adjusted to reflect any revisions in amounts actually borrowed. The loan is collateralized by water and sewer receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The General Obligation Bonds and Mortgage Revenue Bonds relate to acquiring and improving an existing sanitary sewer system and waterworks system, and are backed by the full faith of the taxing authority. General Obligation Bonds are for 30 years and the Mortgage Revenue Bonds are for 40 years.

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2003-2002  
(Continued)**

**5. DEBT (Continued)**

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

Year ending December 31:	OWDA Loan	General Obligation Bonds	Mortgage Revenue Bonds
2004	\$162,495	\$35,245	\$93,393
2005	162,495	33,891	93,825
2006	162,495	32,538	93,115
2007	162,495	31,184	93,334
2008	162,495	29,830	93,410
Subsequent Years	1,893,569	170,905	1,493,160
Total	<u>\$2,706,044</u>	<u>\$333,593</u>	<u>\$1,960,237</u>

**6. RETIREMENT SYSTEMS**

The Village's law enforcement officers belong to the Ohio Police and Fire Pension Funds (OP&F). Other full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. OP&F and PERS are cost-sharing, multiple-employer plans. These plans provide retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2003 and 2002, OP&F participants contributed 10% of their wages. The Village contributed an amount equal to 19.5% of police participant wages. PERS members contributed 8.5% of their wages. The Village contributed an amount equal to 13.55% of participants' gross salaries. The Village has paid all contributions required through December 31, 2003.

**7. RISK MANAGEMENT**

**Commercial Insurance**

The Village has obtained commercial insurance for the following risks:

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

The Village provides health insurance coverage for its full time employees through a private carrier.





## Auditor of State Betty Montgomery

### REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Village of Roaming Shores  
Ashtabula County  
PO Box 237  
2500 Hayford Road  
Roaming Shores, Ohio 44084

To the Village Council:

We have audited the accompanying financial statements of the Village of Roaming Shores (the Village), Ashtabula County as of and for the years ended December 31, 2003 and December 31, 2002, and have issued our report thereon dated May 12, 2004. 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.

#### Compliance

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*. However, we noted one immaterial instance of noncompliance that we have reported to management of the Village in a separate letter dated May 12, 2004.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Village in a separate letter dated May 12, 2004.

Village of Roaming Shores  
Ashtabula County  
Report of Independent Accountants on Compliance and on Internal Control  
Required by *Government Auditing Standards*  
Page 2

This report is intended solely for the information and use of the audit committee, management and Village Council, and is not intended to be and should not be used by anyone other than these specified parties.

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

**Betty Montgomery**  
Auditor of State

May 12, 2004



**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**VILLAGE OF ROAMING SHORES**

**ASHTABULA 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  
JUNE 3, 2004**