



**Auditor of State
Betty Montgomery**

VILLAGE OF LOWELLVILLE
MAHONING COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types For the Year Ended December 31, 2003.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Proprietary Fund Type For the Year Ended December 31, 2003.....	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types For the Year Ended December 31, 2002.....	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Proprietary Fund Type For the Year Ended December 31, 2002.....	6
Notes to the Financial Statements	7
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	14

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**Auditor of State
Betty Montgomery**

REPORT OF INDEPENDENT ACCOUNTANTS

Village of Lowellville
Mahoning County
140 Liberty Street
Lowellville, Ohio 44436

To the Village Council:

We have audited the accompanying financial statements of the Village of Lowellville, Mahoning County (the Village) as of and for the years ended December 31, 2003 and 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.

The Village's financial transactions were processed using the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to conduct the audit of the Village because the Auditor of State designed, developed, implemented, and, as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments.

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 of the Village as of December 31, 2003 and 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 February 4, 2005 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 management, the 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.

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Betty Montgomery
Auditor of State

February 4, 2005

**VILLAGE OF LOWELLVILLE
MAHONING 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>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Project</u>	
Cash Receipts:					
Property Tax and Other Local Taxes	\$91,520	\$16,845			\$108,365
Municipal Income Tax	233,670				233,670
Intergovernmental Receipts	47,525	98,381		234,968	380,874
Charges for Services	44,894				44,894
Fines, Licenses, and Permits	16,790	251			17,041
Earnings on Investments	929	92			1,021
Miscellaneous	500	457		10,688	11,645
	<u>435,828</u>	<u>116,026</u>		<u>245,656</u>	<u>797,510</u>
Cash Disbursements:					
Current:					
Security of Persons and Property	215,199	4,069			219,268
Public Health Services	5,054				5,054
Community Environment	1,524				1,524
Transportation	41,071	97,102			138,173
General Government	163,374	62			163,436
Capital Outlay		3,071		198,075	201,146
Debt Service:					
Principal Payments	13,911		\$9,972		23,883
Interest Payments	3,270		1,314		4,584
	<u>443,403</u>	<u>104,304</u>	<u>11,286</u>	<u>198,075</u>	<u>757,068</u>
Total Cash Disbursements					
Total Receipts Over/(Under) Disbursements	(7,575)	11,722	(11,286)	47,581	40,442
Other Financing Receipts and (Disbursements):					
Other Financing Sources	20,494				20,494
Transfers-In		2,000	11,286		13,286
Transfers-Out	(13,286)				(13,286)
Other Financing Uses	(625)	(1,213)		(19,281)	(21,119)
	<u>6,583</u>	<u>787</u>	<u>11,286</u>	<u>(19,281)</u>	<u>(625)</u>
Total Other Financing Receipts/(Disbursements)					
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(992)	12,509		28,300	39,817
Fund Cash Balances, January 1	114,946	11,503		3,934	130,383
Fund Cash Balances, December 31	<u>\$113,954</u>	<u>\$24,012</u>	<u>\$0</u>	<u>\$32,234</u>	<u>\$170,200</u>

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

**VILLAGE OF LOWELLVILLE
MAHONING COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES
CHANGES IN FUND CASH BALANCE - PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2003**

	Proprietary Fund Type
	Enterprise
Operating Cash Receipts:	
Charges for Services	\$521,497
Total Operating Cash Receipts	521,497
Operating Cash Disbursements:	
Personal Services	51,242
Fringe Benefits	28,266
Contractual Services	120,918
Supplies and Materials	23,646
Other	166
Capital Outlay	19,379
Total Operating Cash Disbursements	243,617
Operating Income	277,880
Non-Operating Cash Receipts:	
Other Non-Operating Receipts	98,759
Total Non-Operating Cash Receipts	98,759
Non-Operating Cash Disbursements:	
Debt Service	384,902
Total Non-Operating Cash Disbursements	384,902
Net Receipts Over/(Under) Disbursements	(8,263)
Fund Cash Balances, January 1	48,448
Fund Cash Balances, December 31	\$40,185

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

**VILLAGE OF LOWELLVILLE
MAHONING 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>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Project</u>	
Cash Receipts:					
Property Tax and Other Local Taxes	\$94,130	\$19,428			\$113,558
Municipal Income Tax	260,069				260,069
Intergovernmental Receipts	57,065	77,857		\$233,244	368,166
Charges for Services	36,911	353			37,264
Fines, Licenses, and Permits	18,203	150			18,353
Earnings on Investments	2,427	240			2,667
Miscellaneous		479		5,000	5,479
Total Cash Receipts	468,805	98,507		238,244	805,556
Cash Disbursements:					
Current:					
Security of Persons and Property	217,940	8,745			226,685
Public Health Services	4,227				4,227
Community Environment	2,012				2,012
Transportation	22,474	124,167		59,661	206,302
General Government	169,221				169,221
Capital Outlay				257,316	257,316
Debt Service:					
Principal Payments	13,195		\$9,246		22,441
Interest Payments	3,985		2,040		6,025
Total Cash Disbursements	433,054	132,912	11,286	316,977	894,229
Total Receipts Under Disbursements	35,751	(34,405)	(11,286)	(78,733)	(88,673)
Other Financing Receipts and (Disbursements):					
Other Financing Sources	3,047				3,047
Transfers-In		800	11,257	68,257	80,314
Advances-In	1,400	1,400			2,800
Transfers-Out	(80,314)				(80,314)
Advances-Out	(1,400)	(1,400)			(2,800)
Other Financing Uses				(3,047)	(3,047)
Total Other Financing Receipts/(Disbursements)	(77,267)	800	11,257	65,210	0
Excess of Cash Receipts and Other Financing Receipts Under Cash Disbursements and Other Financing Disbursements	(41,516)	(33,605)	(29)	(13,523)	(88,673)
Fund Cash Balances, January 1	156,462	45,108	29	17,457	219,056
Fund Cash Balances, December 31	\$114,946	\$11,503	\$0	\$3,934	\$130,383

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

**VILLAGE OF LOWELLVILLE
MAHONING COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES
IN FUND CASH BALANCE - PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2002**

	Proprietary Fund Type
	Enterprise
Operating Cash Receipts:	
Charges for Services	\$556,421
Total Operating Cash Receipts	556,421
Operating Cash Disbursements:	
Personal Services	43,251
Fringe Benefits	17,302
Contractual Services	118,506
Supplies and Materials	17,286
Other	363
Capital Outlay	18,692
Total Operating Cash Disbursements	215,400
Operating Income	341,021
Non-Operating Cash Receipts:	
Other Non-Operating Receipts	98,832
Total Non-Operating Cash Receipts	98,832
Non-Operating Cash Disbursements:	
Debt Service	406,652
Other Non-Operating Disbursements	4,077
Total Non-Operating Cash Disbursements	410,729
Net Receipts Over/(Under) Disbursements	29,124
Fund Cash Balances, January 1	19,324
Fund Cash Balances, December 31	\$48,448

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

**VILLAGE OF LOWELLVILLE
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Lowellville, Mahoning 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 general governmental services including road maintenance, sewer utilities, park operations, and police services. The Village appropriates General Fund money to support a volunteer fire department.

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.

Repurchase agreements are valued at cost.

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 Funds

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 Township had the following significant Special Revenue Funds:

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

**VILLAGE OF LOWELLVILLE
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

Motor Vehicle License Fund – This fund receives motor vehicle license fees for constructing, maintaining, and repairing Village streets.

Senior Citizen Transportation Fund – This fund receives federal grant money to provide transportation for elderly citizens.

3. Debt Service Fund

This fund is used to accumulate resources for the payment of note indebtedness.

4. Capital Projects Funds

These funds are 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 projects funds:

Nature Works Grant Fund – This fund receives grant money to make improvements to the park.

CDBG Elevator Project Fund – This fund receives grant money to construct an elevator in the Village hall.

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:

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

Utility Improvement Fund – This fund receives loan proceeds from the Ohio Water Development Authority to finance a utility plant expansion.

Sanitary Sewer Revenue Bond Retirement Fund – This fund receives charges for services per an agreement with a local waste company. The proceeds are used to repay a revenue bond issue and an OWDA loan which financed improvements to the waste water treatment plant.

**VILLAGE OF LOWELLVILLE
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The Ohio Revised Code requires that each fund 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. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus 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 individual commitments are made. Encumbrances outstanding at year end are canceled and re-appropriated in the subsequent year.

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>2002</u>	<u>2003</u>
Demand deposits	(\$16,234)	(\$10,653)
Repurchase agreement	226,619	189,484
Total deposits and investments	<u>\$210,385</u>	<u>\$178,831</u>

**VILLAGE OF LOWELLVILLE
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

2. EQUITY IN POOLED CASH AND INVESTMENTS (Continued)

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

Investments: The Village's financial institution transfers securities to the Village's agent to collateralize repurchase agreements. The securities are not in the Village's name.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2003 and December 31, 2002 follows:

2003 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$580,145	\$456,322	(\$123,823)
Special Revenue	138,493	118,026	(20,467)
Debt Service	11,492	11,286	(206)
Capital Projects	532,301	245,656	(286,645)
Enterprise	681,951	620,256	(61,695)
Total	\$1,944,382	\$1,451,546	(\$492,836)

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$580,145	\$457,314	\$122,831
Special Revenue	114,976	105,517	9,459
Debt Service	11,492	11,286	206
Capital Projects	532,361	217,356	315,005
Enterprise	680,029	628,519	51,510
Total	\$1,919,003	\$1,419,992	\$499,011

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$455,592	\$471,852	\$16,260
Special Revenue	218,281	99,307	(118,974)
Debt Service	11,257	11,257	0
Capital Projects	331,962	306,501	(25,461)
Enterprise	669,516	655,253	(14,263)
Total	\$1,686,608	\$1,544,170	(\$142,438)

**VILLAGE OF LOWELLVILLE
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$614,880	\$513,368	\$101,512
Special Revenue	149,490	132,912	16,578
Debt Service	11,286	11,286	0
Capital Projects	458,687	320,024	138,663
Enterprise	697,588	626,129	71,459
Total	\$1,931,931	\$1,603,719	\$328,212

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 payment, the first half is due December 31. The second half payment is due the following June 20.

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

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. LOCAL INCOME TAX

The Village levies a municipal income tax of 1.5% on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Village either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

**VILLAGE OF LOWELLVILLE
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

6. DEBT

Debt outstanding at December 31, 2003 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Water Development Authority Loan	\$89,426	2.00%
Promissory Note	20,313	5.52%
Fire Truck Lease	46,421	5.42%
Mortgage Revenue Bonds	900,000	7.25%
Total	<u>\$1,056,160</u>	

The Mortgage Revenue Bonds and the Ohio Water Development Authority (OWDA) loan relate to construction and installation of certain improvements to the sanitary sewerage system that was mandated by the Ohio Environmental Protection Agency. The Mortgage Revenue Bonds were issued for \$3,200,000 in 1991. The principal is to be paid annually and the interest is to be paid semi-annually through 2006. The OWDA has approved up to a \$171,353 loan to the Village for this project. The loan will be repaid in semiannual installments of \$4,388, including interest, over the next 12 years.

In exchange for treating its leachate, Browning Ferris Industries of Ohio (BFIO) has agreed to pay all of the debt service on the Revenue Bonds and the OWDA Loan. BFIO's parent company will guarantee such debt service payments.

The promissory note was issued to retire a police pension liability that resulted because of a past court ruling. The note is collateralized by the Village's taxing authority.

The Village entered a capital lease agreement for the use and purchase of a fire truck. Principal and interest is to be paid annually through 2006. The lease is collateralized by the Village's taxing authority.

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

	<u>OWDA Loan</u>	<u>Promissory Note</u>	<u>Fire Truck Lease</u>	<u>Mortgage Revenue Bonds</u>
Year ending December 31:				
2004	\$8,777	\$11,286	\$17,181	\$354,375
2005	8,777	11,286	17,181	332,625
2006	8,777		17,181	310,875
2007	8,777			
2008	8,777			
Subsequent	57,049			
Total	<u>\$100,934</u>	<u>\$22,572</u>	<u>\$51,543</u>	<u>\$997,875</u>

**VILLAGE OF LOWELLVILLE
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

7. 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.

8. RISK MANAGEMENT

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles;
- Wrongful acts
- Inland marine, and
- Crime

The Village also provides health insurance with dental and vision coverage to full-time employees through a private carrier.

9. DEBT SERVICE TRUSTEED FUNDS

The Sanitary Sewerage System trust agreement required the Village to establish a debt service fund and a capital improvement fund to be maintained by a custodian bank. The Village has established these funds. At December 31, 2003 the custodian held \$245,741 in Village assets. These assets, and the related receipts and disbursements, are not reflected in the accompanying financial statements.

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Auditor of State Betty Montgomery

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

Village of Lowellville
Mahoning County
140 Liberty Street
Lowellville, Ohio 44436

To the Village Council:

We have audited the financial statements of the Village of Lowellville (the Village) as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated February 4, 2005 wherein we noted that the Village's financial transactions were processed using the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to conduct the audit of the Village because the Auditor of State designed, developed, implemented, and, as requested, operates UAN. 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*.

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.

Village of Lowellville
Mahoning 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 management and the 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

February 4, 2005



**Auditor of State
Betty Montgomery**

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VILLAGE OF LOWELLVILLE

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

MARCH 29, 2005