



**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**REGULAR AUDIT  
FOR THE YEARS ENDED  
DECEMBER 31, 2009 & 2008**





Mary Taylor, CPA  
Auditor of State

Village Council  
Village of Roaming Shores  
2500 Hayford Road  
P.O. Box 237  
Roaming Shores, Ohio 44084

We have reviewed the *Independent Accountants' Report* of the Village of Roaming Shores, Ashtabula County, prepared by Canter & Associates, for the audit period January 1, 2008 through December 31, 2009. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Accountants' Report* on your financial statements. While the Auditor of State does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Accountants' Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Village of Roaming Shores is responsible for compliance with these laws and regulations.

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

September 29, 2010

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**VILLAGE OF ROAMING SHORES**

*Ashtabula County*

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20 E. McKinley Way, Suite 4  
Poland, Ohio 44514  
Ph: 330.707.9035  
Fax: 888.516.1186

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WWW.CANTERCPA.NET

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## INDEPENDENT ACCOUNTANTS' REPORT

Village of Roaming Shores  
Ashtabula County  
P.O. 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, Ashtabula County, (the Village) as of and for the years ended December 31, 2009 and 2008. 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 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 opinion.

As described more fully in Note 1, the Village has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Village's larger (i.e. major) funds separately. While the Village does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require the Village to reformat their statements. The Village has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the year ended December 31, 2009 and 2008 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2009 and 2008, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Village of Roaming Shores, Ashtabula County, as of December 31, 2009 and 2008, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The Village has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2010, 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 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.



**Canter & Associates**

June 30, 2010

**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, 2009**

	<u>Governmental Fund Types</u>				<u>Totals (Memorandum Only)</u>
	<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	\$121,423	\$135,020	\$33,902	\$0	\$290,345
Intergovernmental Receipts	139,428	99,306	4,986	0	243,720
Fines, Licenses, and Permits	7,885	20,623	0	0	28,508
Earnings on Investments	4,319	912	0	0	5,231
Miscellaneous	12,146	1,287	0	0	13,433
<b>Total Cash Receipts</b>	<u>285,201</u>	<u>257,148</u>	<u>38,888</u>	<u>0</u>	<u>581,237</u>
<b>Cash Disbursements:</b>					
Current:					
Security of Persons and Property	43,240	133,292	0	0	176,532
Public Health Services	27,155	0	0	0	27,155
Community Environment	37,173	0	0	0	37,173
Transportation	0	34,049	0	0	34,049
General Government	189,177	0	0	0	189,177
Debt Service:					
Principal Payments	0	0	50,074	0	50,074
Interest Payments	0	0	28,421	0	28,421
Capital Outlay	7,445	0	0	0	7,445
<b>Total Cash Disbursements</b>	<u>304,190</u>	<u>167,341</u>	<u>78,495</u>	<u>0</u>	<u>550,026</u>
<b>Total Receipts Over/(Under) Disbursements</b>	<u>(18,989)</u>	<u>89,807</u>	<u>(39,607)</u>	<u>0</u>	<u>31,211</u>
<b>Other Financing Receipts and (Disbursements):</b>					
Sale of Fixed Assets	2,000	0	0	0	2,000
Sale of Notes	0	0	0	500,000	500,000
Transfers-In	0	0	27,123	0	27,123
<b>Total Other Financing Receipts/(Disbursements)</b>	<u>2,000</u>	<u>0</u>	<u>27,123</u>	<u>500,000</u>	<u>529,123</u>
<b>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</b>	<u>(16,989)</u>	<u>89,807</u>	<u>(12,484)</u>	<u>500,000</u>	<u>560,334</u>
<b>Fund Cash Balances, January 1</b>	<u>247,305</u>	<u>308,959</u>	<u>183,203</u>	<u>0</u>	<u>739,467</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$230,316</b></u>	<u><b>\$398,766</b></u>	<u><b>\$170,719</b></u>	<u><b>\$500,000</b></u>	<u><b>\$1,299,801</b></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, 2009**

	<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	\$800,110	\$0	\$800,110
Fees, Licenses, and Permits	19,866	0	19,866
Miscellaneous	1,200	0	1,200
	<u>821,176</u>	<u>0</u>	<u>821,176</u>
<b>Operating Cash Disbursements:</b>			
Personal Services	256,316	0	256,316
Contractual Services	159,870	0	159,870
Supplies and Materials	281,671	0	281,671
Capital Outlay	93,980	0	93,980
	<u>791,837</u>	<u>0</u>	<u>791,837</u>
Operating Income/(Loss)	<u>29,339</u>	<u>0</u>	<u>29,339</u>
<b>Non-Operating Cash Receipts:</b>			
Property Tax and Other Local Taxes	89,447	0	89,447
Intergovernmental Receipts	9,190	0	9,190
	<u>98,637</u>	<u>0</u>	<u>98,637</u>
<b>Non-Operating Cash Disbursements:</b>			
Debt Service			
Principal Payments	102,014	0	102,014
Interest Payments	118,047	0	118,047
	<u>220,061</u>	<u>0</u>	<u>220,061</u>
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers and Advances	(92,085)	0	(92,085)
Transfers-In	261,045	0	261,045
Transfers-Out	(288,168)	0	(288,168)
Net Receipts Over/(Under) Disbursements	(119,208)	0	(119,208)
Fund Cash Balances, January 1	<u>842,593</u>	<u>1,165</u>	<u>843,758</u>
<b>Fund Cash Balances, December 31</b>	<b><u><u>\$723,385</u></u></b>	<b><u><u>\$1,165</u></u></b>	<b><u><u>\$724,550</u></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 GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<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	\$112,562	\$134,100	\$31,290	\$277,952
Intergovernmental Receipts	29,849	111,587	4,554	145,990
Fines, Licenses, and Permits	10,483	16,094	0	26,577
Earnings on Investments	33,768	5,591	0	39,359
Miscellaneous	13,075	1,226	0	14,301
	<u>199,737</u>	<u>268,598</u>	<u>35,844</u>	<u>504,179</u>
<b>Total Cash Receipts</b>				
<b>Cash Disbursements:</b>				
Current:				
Security of Persons and Property	43,128	123,152	0	166,280
Public Health Services	26,302	0	0	26,302
Community Environment	48,772	0	0	48,772
Transportation	0	88,808	0	88,808
General Government	105,225	0	0	105,225
Capital Outlay	0	15,823	0	15,823
Debt Service:				
Principal Payments	0	0	48,096	48,096
Interest Payments	0	0	31,753	31,753
	<u>223,427</u>	<u>227,783</u>	<u>79,849</u>	<u>531,059</u>
<b>Total Cash Disbursements</b>				
Total Receipts Over/(Under) Disbursements	<u>(23,690)</u>	<u>40,815</u>	<u>(44,005)</u>	<u>(26,880)</u>
<b>Other Financing Receipts and (Disbursements):</b>				
Transfers-In	0	0	28,477	28,477
Advances-In	5,520	5,520	0	11,040
Advances-Out	(5,520)	(5,520)	0	(11,040)
	<u>0</u>	<u>0</u>	<u>28,477</u>	<u>28,477</u>
<b>Total Other Financing Receipts/(Disbursements)</b>				
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(23,690)	40,815	(15,528)	1,597
Fund Cash Balances, January 1	<u>270,995</u>	<u>268,144</u>	<u>198,731</u>	<u>737,870</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$247,305</b></u>	<u><b>\$308,959</b></u>	<u><b>\$183,203</b></u>	<u><b>\$739,467</b></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, 2008**

	<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	\$765,709	\$0	\$765,709
Fees, Licenses, and Permits	37,000	0	37,000
Miscellaneous	3,678	0	3,678
Total Operating Cash Receipts	<u>806,387</u>	<u>0</u>	<u>806,387</u>
<b>Operating Cash Disbursements:</b>			
Personal Services	313,958	0	313,958
Contractual Services	164,671	0	164,671
Supplies and Materials	282,516	0	282,516
Capital Outlay	25,027	0	25,027
Total Operating Cash Disbursements	<u>786,172</u>	<u>0</u>	<u>786,172</u>
Operating Income/(Loss)	<u>20,215</u>	<u>0</u>	<u>20,215</u>
<b>Non-Operating Cash Receipts:</b>			
Property Tax and Other Local Taxes	84,608	0	84,608
Intergovernmental Receipts	8,938	0	8,938
Total Non-Operating Cash Receipts	<u>93,546</u>	<u>0</u>	<u>93,546</u>
<b>Non-Operating Cash Disbursements:</b>			
Debt Service			
Principal Payments	98,099	0	98,099
Interest Payments	122,957	0	122,957
Total Non-Operating Cash Disbursements	<u>221,056</u>	<u>0</u>	<u>221,056</u>
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers and Advances	(107,295)	0	(107,295)
Transfers-In	261,322	0	261,322
Transfers-Out	(289,799)	0	(289,799)
Net Receipts Over/(Under) Disbursements	(135,772)	0	(135,772)
Fund Cash Balances, January 1	<u>978,365</u>	<u>1,165</u>	<u>979,530</u>
<b>Fund Cash Balances, December 31</b>	<b><u><u>\$842,593</u></u></b>	<b><u><u>\$1,165</u></u></b>	<b><u><u>\$843,758</u></u></b>

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

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Roaming Shores, Ashtabula County, (the Village) as a body corporate and politic. A publicly-elected six-member Council governs the Village. The Village provides water and sewer utilities, park operations, and police services. The Village contracts with the Rome and Morgan Townships to receive 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 accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. This basis recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 adequately disclose material matters the Auditor of State prescribes.

**C. Cash and Investments**

The Village's accounting basis includes investments as assets. This basis does not report disbursements for investment purchases or receipts for investment sales. The Village reports gains or losses at the time of sale as receipts or disbursements, respectively.

STAR Ohio funds are recorded at share values the mutual fund reports.

**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 reports all financial resources except those required to be accounted for in another fund.

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008**

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2. Special Revenue Funds

These funds 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.

3. Debt Service Fund

These funds account for resources the Village accumulates to pay bond and note debt. 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 Funds

These funds account for receipts restricted to acquiring or constructing 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 to recover the significant costs of providing certain goods or services through user charges. The Village had the following significant Enterprise Funds:

Water Fund - This fund receives charges for services from residents to cover water service costs.

Sewer Fund - This fund receives charges for services from residents to cover sewer service costs.

6. Fiduciary Funds (Agency Fund)

Funds for which the Village is acting in an agency capacity are classified as agency funds. The Village has established an Unclaimed Moneys Fund that accounts for stale-dated warrants that were removed from the reconciliation by the Fiscal Officer.

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008**

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**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. Village 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.

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 2009 and 2008 budgetary activity appears in Note 3.

**F. Property, Plant, and Equipment**

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**G. Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

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

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

	<u>2009</u>	<u>2008</u>
Demand deposits	\$120,019	\$82,312
Investments - STAR Ohio	1,904,332	1,500,913
Total deposits and investments	<u>\$2,024,351</u>	<u>\$1,583,225</u>

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008**

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.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending 2009 and 2008 follows:

2009 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$284,845	\$287,201	\$2,356
Special Revenue	258,500	257,148	(1,352)
Debt Service	67,237	66,011	(1,226)
Capital Projects	500,000	500,000	0
Enterprise	<u>1,176,513</u>	<u>1,180,858</u>	<u>4,345</u>
Total	<u><u>\$2,287,095</u></u>	<u><u>\$2,291,218</u></u>	<u><u>\$4,123</u></u>

2009 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$348,125	\$304,190	\$43,935
Special Revenue	221,000	167,341	53,659
Debt Service	78,575	78,495	80
Capital Projects	500,000	0	500,000
Enterprise	<u>1,660,215</u>	<u>1,300,066</u>	<u>360,149</u>
Total	<u><u>\$2,807,915</u></u>	<u><u>\$1,850,092</u></u>	<u><u>\$957,823</u></u>

2008 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$203,000	\$205,257	\$2,257
Special Revenue	258,500	274,118	15,618
Debt Service	66,730	64,321	(2,409)
Enterprise	<u>1,161,254</u>	<u>1,161,255</u>	<u>1</u>
Total	<u><u>\$1,689,484</u></u>	<u><u>\$1,704,951</u></u>	<u><u>\$15,467</u></u>

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008**

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$289,925	\$228,947	\$60,978
Special Revenue	253,000	233,304	19,696
Debt Service	81,645	79,849	1,796
Enterprise	1,426,611	1,297,027	129,584
Total	\$2,051,181	\$1,839,127	\$212,054

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which the Village Council adopts tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The State pays the Village amounts equaling these deductions. The Village includes these with Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half payment is due December 31. The second half payment is due the following June 20.

Property owners assess tangible personal property tax. They must file a list of tangible 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 the Village's behalf.

**5. DEBT**

Debt outstanding at December 31, 2009 was as follows:

	Principal	Interest Rate
Ohio Water Development Authority Loan	\$1,520,596	4.16-6.56%
General Obligation Bonds	614,000	4.99%-7.13%
Mortgage Revenue Bonds	847,000	7.13%
Total	\$2,981,596	

The Village has three Ohio Water Development Authority (OWDA) loans, two of which relate to water and sewer plant expansion projects the Ohio Environmental Protection Agency mandated and the third for an emergency dam waterline project. Water and sewer receipts collateralize the loans. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The General Obligation and Mortgage Revenue Bonds relate to acquiring and improving existing sanitary sewer and waterworks systems as well as construction of a new village administration building. General Obligation Bonds are for 30 years and Mortgage Revenue Bonds are for 40 years.

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008**

The Village's taxing authority collateralizes General Obligation Bonds. The Mortgage Revenue Bonds relate to financing improvements made to the Village's waterworks system. The Bonds are payable from revenues and properties of the Utility, after provisions for the reasonable operating and maintenance expenses thereof. The Bonds are to be secured by mortgaging all the properties of the Village used in and directly connected with the operation of the Utility.

Amortization of the above debt follows:

<u>Year ending December 31:</u>	<u>OWDA Loans</u>	<u>General Obligation Bonds</u>	<u>Mortgage Revenue Bonds</u>
2010	\$109,234	\$44,000	\$33,000
2011	114,646	44,000	35,000
2012	120,338	44,000	38,000
2013	126,326	44,000	40,000
2014	132,626	44,000	44,000
2015-2019	579,404	144,000	272,000
2020-2024	338,022	125,000	385,000
2025-2029	0	125,000	0
Total	<u>\$1,520,596</u>	<u>\$614,000</u>	<u>\$847,000</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 Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes the plans' retirement benefits, including postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2009 and 2008, OP&F participants contributed 10.0 percent of their wages. The Village contributed an amount equal to 19.5 percent of police participant wages. OPERS members contributed 10.0 percent of their wages for 2008 and 2009. The Village contributed an amount equal to 14.00 percent of participants' gross salaries for 2008 and 2009. The Village has paid all contributions required through December 31, 2009.

VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008

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**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.



20 E. McKinley Way, Suite 4  
Poland, Ohio 44514  
Ph: 330.707.9035  
Fax: 888.516.1186

CERTIFIED PUBLIC ACCOUNTANTS

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Village of Roaming Shores  
Ashtabula County  
P.O. Box 237  
2500 Hayford Road  
Roaming Shores, Ohio 44084

To the Village Council:

We have audited the financial statements of the Village of Roaming Shores (the Village) as of and for the years ended December 31, 2009 and December 31, 2008 and have issued our report thereon dated June 30, 2010, wherein we noted the Village followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and timely corrected.

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management of the Village in a separate letter dated June 30, 2010.

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

Canter & Associates

A handwritten signature in blue ink that reads "Canter & Assoc" with a stylized flourish at the end.

Poland, Ohio

June 30, 2010



**Mary Taylor, CPA**  
Auditor of State

**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  
OCTOBER 12, 2010**