



OHIO AUDITOR OF STATE  
**KEITH FABER**





VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY

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**INDEPENDENT AUDITOR'S REPORT**

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

To the Village Council and Mayor:

***Report on the Audit of the Financial Statements***

***Unmodified and Adverse Opinions***

We have audited the financial statements of the Village of Roaming Shores, Ashtabula County, Ohio (the Village), which comprises the cash balances, receipts and disbursements for each governmental and proprietary fund type combined total as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements.

***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental and proprietary fund type combined total as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village, as of December 31, 2021 and 2020, or the changes in financial position thereof for the years then ended.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 2 of the financial statements, the financial statements are prepared by the Village on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2023, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio

November 27, 2023

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**Village of Roaming Shores**  
*Ashtabula County*  
**Combined Statement of Receipts, Disbursements**  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
**All Governmental Fund Types**  
*For the Year Ended December 31, 2021*

	General	Special Revenue	Debt Service	Totals (Memorandum Only)
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$168,604	\$426,643	\$0	\$595,247
Intergovernmental	35,014	331,954		366,968
Fines, Licenses and Permits	10,953			10,953
Earnings on Investments	809	278		1,087
Miscellaneous	13,531	14,542		28,073
<i>Total Cash Receipts</i>	<u>228,911</u>	<u>773,417</u>	<u>0</u>	<u>1,002,328</u>
<b>Cash Disbursements</b>				
Current:				
Security of Persons and Property		415,387		415,387
Public Health Services	36,879			36,879
Community Environment	12,816			12,816
Transportation		51,236		51,236
General Government	113,567	2,184		115,751
Capital Outlay		146,831		146,831
Debt Service:				
Principal Retirement		18,356	40,000	58,356
Interest and Fiscal Charges		234	10,836	11,070
<i>Total Cash Disbursements</i>	<u>163,262</u>	<u>634,228</u>	<u>50,836</u>	<u>848,326</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>65,649</u>	<u>139,189</u>	<u>(50,836)</u>	<u>154,002</u>
<b>Other Financing Receipts (Disbursements)</b>				
Transfers In			50,840	50,840
Transfers Out	(50,840)			(50,840)
Advances Out	(11,811)			(11,811)
Other Financing Uses	(2,188)			(2,188)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(64,839)</u>	<u>0</u>	<u>50,840</u>	<u>(13,999)</u>
<i>Net Change in Fund Cash Balances</i>	810	139,189	4	140,003
<i>Fund Cash Balances, January 1</i>	<u>80,818</u>	<u>512,261</u>	<u>16,615</u>	<u>609,694</u>
<i>Fund Cash Balances, December 31</i>	<u>\$81,628</u>	<u>\$651,450</u>	<u>\$16,619</u>	<u>\$749,697</u>

**Village of Roaming Shores**  
*Ashtabula County, Ohio*  
**Statement of Receipts, Disbursements**  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
**Proprietary Fund Type**  
*For the Year Ended December 31, 2021*

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	<u>Enterprise</u>
<b>Operating Cash Receipts</b>	
Charges for Services	\$1,104,158
Fines, Licenses and Permits	24,100
Miscellaneous	4,500
	<u>1,132,758</u>
<i>Total Operating Cash Receipts</i>	<i>1,132,758</i>
<b>Operating Cash Disbursements</b>	
Personal Services	271,700
Contractual Services	167,753
Supplies and materials	421,317
	<u>860,770</u>
<i>Total Operating Cash Disbursements</i>	<i>860,770</i>
<i>Operating Income (Loss)</i>	<i>271,988</i>
<b>Non-Operating Receipts (Disbursements)</b>	
Intergovernmental	258
Miscellaneous Receipts	8,667
Capital Outlay	(29,836)
Principal Retirement	(244,917)
Interest and Other Fiscal Charges	(28,930)
Other Financing Sources	363
	<u>(294,395)</u>
<i>Total Non-Operating Receipts (Disbursements)</i>	<i>(294,395)</i>
<i>Income (Loss) before</i>	
<i>Transfers and Advances</i>	<i>(22,407)</i>
Transfers In	279,510
Transfers Out	(279,510)
Advances In	11,811
	<u>11,811</u>
<i>Net Change in Fund Cash Balances</i>	<i>(10,596)</i>
<i>Fund Cash Balances, January 1</i>	<i>960,138</i>
	<u>960,138</u>
<i>Fund Cash Balances, December 31</i>	<i>\$949,542</i>
	<u>\$949,542</u>

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 1 - Reporting 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 general governmental services, including maintenance of roads, police services and water and sewer utilities.

***Public Entity Risk Pool and Jointly Governed Organizations***

The Village participates in a Public Entity Risk Pool and is part of Jointly Governed Organizations. Notes 6 and 10 to the financial statements provides additional information for these entities. These organizations are:

**Public Entity Risk Pool:**

Ohio Government Risk Management Plan - Note 6

**Jointly Governed Organizations:**

South Central Ambulance District (SCAD) - Note 10

Northeast Ohio Public Energy Council (NOPEC) – Note 10

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

**Note 2 - Summary of Significant Accounting Policies**

***Basis of Presentation***

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types which are organized on a fund type basis.

***Fund Accounting***

The Village uses funds 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. The funds of the Village are presented below:

**General Fund** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Special Revenue Funds** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Funds:

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

**Recycling/Compost Fund** – This fund was originally established to form a Recycling/Compost site.

**Commemorative Garden** – This fund was established to accept contributions to purchase plantings in the Village Hall gardens to remember loved ones.

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Police Levy Fund** - This fund receives funding from the passage of the Police Levies which is collected thru the County Real Estate taxes.

**Debt Service Funds** - These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Village had the following significant Debt Service Funds:

**General Obligation Bond Fund** – This fund is used to accumulate resources for payment of the loan for the original purchase of the water and sewer system.

**Village Hall Debt Fund** – This fund is used to accumulate resources for payment of the construction of the Village Hall.

**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 the cost of providing this utility.

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

**Water Debt Fund** - This fund accounts for the payment of any and all water debt. Money is transferred monthly from the Water Fund to pay the debt payment for the upcoming year.

**Sewer Debt Fund** - This fund accounts for the payment of any and all sewer debt. Money is transferred monthly from the Sewer Fund to pay the debt payment for the upcoming year.

**Water Reserve Fund** - This fund was set up to make monthly transfers from the Water Fund to make the original debt payment (the purchase of the water plant) if the Village should go into default.

**Sewer Reserve Fund** - This fund was set up to make monthly transfers from the Sewer Fund to make the original debt payment (the purchase of the Sewer Treatment plant) if the Village should go into default.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board 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 include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

***Budgetary Process***

The Ohio Revised Code requires that each fund be budgeted annually.

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Appropriations** Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund - personal services level, and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

**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 approve estimated resources.

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

A summary of 2021 budgetary activity appears in Note 3.

**Deposits and Investments**

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

Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

**Capital Assets**

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

**Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**Nonspendable** The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

**Restricted** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

**Committed** Council can *commit* amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**Assigned** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

**Unassigned** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**Note 3 - Budgetary Activity**

Budgetary activity for the year ending December 31, 2021 follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$220,000	\$228,911	\$8,911
Special Revenue	578,258	773,417	195,159
Debt Service	50,940	50,840	(100)
Proprietary	1,361,284	1,433,367	72,083
Total	\$2,210,482	\$2,486,535	\$276,053

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$311,445	\$241,841	\$69,604
Special Revenue	647,156	724,384	(77,228)
Debt Service	50,950	50,836	114
Proprietary	1,713,150	1,443,963	269,187
Total	\$2,722,701	\$2,461,024	\$261,677

**Note 4 – Deposits and Investments**

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

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

	2021
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$183,431
Total deposits	183,431
STAR Ohio	1,515,808
Total investments	1,515,808
Total carrying amount of deposits and investments held in the Pool	\$1,699,239
 <b><i>Segregated Accounts - Not held in the Pool:</i></b>	
Payroll Clearing Account (Not held in Pool) **	\$10,085
Retainage Accounts (Not held in Pool)**	46,250
Total Outside Accounts **	\$56,335

The Village has a payroll clearing account that is held outside of the deposit pool where gross payroll is held for distribution. The expenditures included in the accompanying financial statements reflect gross payroll. The balance in the Village's payroll clearing account represent unremitted employee payroll withholdings.

The Village also has accounts held outside of the deposit pool for retainage related to construction contracts and for monies held in accordance with debt agreements.

***Deposits***

Deposits are collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

At December 31, 2021, all deposits were collateralized.

**Note 5 – Taxes**

***Property Taxes***

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by the second Wednesday in February. If the property owner elects to pay semiannually, the first half is due the second Wednesday in February and the second half payment is due the second Wednesday in July.

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

**Note 6 - Risk Management**

The Village is exposed to various risks of property and casualty losses, and injuries to employees.

The Village insures against injuries to employees through the Ohio Bureau of Workers' Compensation.

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

Effective November 1, 2010 (through October 31, 2017), the corridor is for losses paid is between 60% and 70% of casualty premiums earned in the first \$250,000. Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and remain unchanged effective November 1, 2021 and November 1, 2020. OPRM had 769 members as of December 31, 2021.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2021.

Assets	\$ 21,777,439
Liabilities	<u>( 15,037,383)</u>
Members' Equity	<u>\$ 6,740,056</u>

You can read the complete audited financial statements for OPRM at the Plan's website, [www.ohioplan.org](http://www.ohioplan.org).

**Note 7 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Seventeen employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10%, of their gross salaries and the Village contributed an amount equaling 14%, of participants' gross salaries. The Village has paid all contributions required through December 31, 2021.

***Ohio Police and Fire Retirement System***

Four full-time Police Officers belong to the Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages.

***Social Security***

One employee contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.



**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2021.

**Note 8 - Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2021. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2021. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

**Note 9 – Debt**

Debt outstanding at December 31, 2021 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Berkadia - Water System Revenue Bond	\$110,000	7.13%
Berkadia - Wastewater Revenue Bond	135,000	7.13%
Andover Bank - Village Hall (GOB)	316,000	4.95%
OWDA - 3986 Waterline	49,471	4.51%
OWDA - 3377 Sewer Plant Expansion	52,654	4.61%
OPWC - Morningstar Drive 1 & 2	42,017	0.00%
OPWC - Watermeter	94,538	0.00%
OPWC - Lift Stations	466,771	0.00%
OPWC - Relocation	224,640	0.00%
OPWC - Plum Creek	87,613	0.00%
Sewer Loan	73,383	3.24%
Total	<u><u>\$1,652,087</u></u>	

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

**Amortization**

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

Year Ending December 31:	General Obligation Bonds	Revenue Bonds	OWDA Loans	OPWC Loans	Sewer Loan
2022	\$55,840	\$93,456	\$74,363	\$56,866	\$11,811
2023	53,860	94,041	21,018	56,866	11,811
2024	51,900	186,420	10,547	56,866	11,811
2025	49,900	-	-	56,866	11,811
2026	47,920	-	-	56,866	11,811
2027-2031	131,887	-	-	284,330	23,621
2032-2036	-	-	-	234,136	-
2037-2041	-	-	-	54,543	-
2042-2046	-	-	-	41,600	-
2047-2048	-	-	-	16,640	-
Total	<u>\$391,307</u>	<u>\$373,917</u>	<u>\$105,928</u>	<u>\$915,579</u>	<u>\$82,676</u>

The Berkadia Revenue Bonds were originally issued by United States Administration Farmers Home Loan for the purpose of purchasing the water/sewer system from the original developer of the community in 1979. The 1985 Revenue Bonds will be paid in annual installments over 40 years and cannot be repaid prior to the maturity date. 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.

The Ohio Water Development Authority (OWDA) loan #3377 was taken out to pay for the needed expansion of the sewer treatment plant. The loan will be paid in semi-annual installments over 20 years. The Village is required to adjust rates and charges for the services and facilities of its sanitary sewer in the amounts sufficient to pay these bonds. Water and sewer receipts collateralize these loans. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The OWDA loans # 3986 relates to the re-routing of the water line which traveled through the earthen dam which contains the water for Lake Roaming Rock. It is a 20 year loan at 4.51% interest, payable in semi-installments. Water receipts also collateralize this loan. The Village has agreed to set utility rates sufficient to cover debt service requirements.

The Andover Bank General Obligation Bonds Series 2009 \$500,000 and Series B (2010) 300,000 were issued for the construction of the Village Hall. They are 20 year bonds which are repaid bi-annually. The Village's taxing authority collateralizes General Obligation Bonds.

The OPWC Morningstar Phase I Loans were received in 2013 for improvements for draining along Morningstar Roadway. The Morningstar Phase II \$17,119 loan was received in 2017. Both are 20 year 0% interest loan which is repaid bi-annually. The street fund receipts are used to collateralize this loan.

The OWPC Watermeter and Lift Station Loans were issued in 2013 for improvements to various lifts stations and for the purchase of new water meter reading equipment. These are 20 year 0% loans which are repaid bi-annually. The utility rates are set sufficiently to cover the debt service requirements.

The OWPC Water Relocation Loans were issued in 2018 for relocation of water lines. These are 30 year 0% loans which are repaid bi-annually. The utility rates are set sufficiently to cover the debt service requirements.

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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The OWPC Plum Creek Forcemain and Water Relocations Loans were issued in 2019 for relocation of water lines. These are 20 year 0% loans which are repaid bi-annually. The utility rates are set sufficiently to cover the debt service requirements.

The General Fund on October 16, 2018 issued manuscript debt in the amount of \$100,000 bearing an interest rate of 3.24% payable over ten years in equal installments. The issue was purchased by the Sewer Reserve fund. The specific purpose of the proceeds was to repay the Street Construction Maintenance and Repair Fund for improper transfers made to the Village Hall Debt Service Fund.

The Andover Bank Loan was issued on July 18, 2018 in the amount of \$75,000 for the purchase of police cruisers. The loan has an interest rate of 3.125% payable and matured on May 5, 2021.

**Note 10 – Jointly Governed Organizations**

**Northeast Ohio Public Energy Council**

The Village is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of over 100 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight member NOPEC Board of Directors. The board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The Village did not contribute to NOPEC during 2021. Financial information may be obtained by contacting Chuck Keiper, Executive Director, 31360 Solon Road, Suite 33, Solon, Ohio 44139.

**South Central Ambulance District**

The constitution and laws of the State of Ohio establish the rights and privileges of the South Central Ambulance District, Ashtabula County (the District), as a body corporate and politic. Eleven Board members govern the District. Each political subdivision with the District appoints one member. Those subdivisions are Colebrook Township, Dorset Township, Hartsgrove Township, Lenox Township, Morgan Township, New Lyme Township, Orwell Township, Rome Township, Orwell Village, Rock Creek Village, and Roaming Shores Village, in Ashtabula County. The District provides ambulance services within the District and by contract to areas outside the District.

Financial information can be obtained by contacting Shaun Buehner, Director, 3100 US Highway 6 Rome, Ohio 44085.

**Note 11 – Construction and Contractual Commitments**

The Village is currently under contract with Severino Construction for Morningstar/Flame Lake Phase III project to improve drainage and the condition of the road itself.

**Note 12 – Contingent Liabilities**

The Village is a defendant in a lawsuit. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the Village's financial condition.

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 13 – Fund Balances**

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Total
Outstanding Encumbrances	\$13,740	\$90,156	\$103,896
<i>Total</i>	\$13,740	\$90,156	\$103,896

The fund balance of special revenue and debt service funds are either restricted or committed. These restricted, committed and assigned amounts in the special revenue funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**Note 14 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June, 2021 while the national state of emergency continues. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Village. The impact on the Village’s future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.

**Village of Roaming Shores**  
*Ashtabula County*  
**Combined Statement of Receipts, Disbursements**  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
**All Governmental Fund Types**  
*For the Year Ended December 31, 2020*

	General	Special Revenue	Debt Service	Totals (Memorandum Only)
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$148,781	\$328,873	\$0	\$477,654
Intergovernmental	29,367	244,548		273,915
Fines, Licenses and Permits	11,031			11,031
Earnings on Investments	5,330	2,116		7,446
Miscellaneous	58,197	10,848		69,045
<i>Total Cash Receipts</i>	<u>252,706</u>	<u>586,385</u>	<u>0</u>	<u>839,091</u>
<b>Cash Disbursements</b>				
Current:				
Security of Persons and Property		331,101		331,101
Public Health Services	36,110			36,110
Community Environment	19,194			19,194
Transportation		42,885		42,885
General Government	192,780	64,144		256,924
Capital Outlay		102,390		102,390
Debt Service:				
Principal Retirement		31,678	41,000	72,678
Interest and Fiscal Charges		1,172	19,635	20,807
<i>Total Cash Disbursements</i>	<u>248,084</u>	<u>573,370</u>	<u>60,635</u>	<u>882,089</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>4,622</u>	<u>13,015</u>	<u>(60,635)</u>	<u>(42,998)</u>
<b>Other Financing Receipts (Disbursements)</b>				
Transfers In			59,850	59,850
Transfers Out	(59,850)			(59,850)
Advances Out	(11,811)			(11,811)
Other Financing Sources	2,080			2,080
Other Financing Uses	(4,000)			(4,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(73,581)</u>	<u>0</u>	<u>59,850</u>	<u>(13,731)</u>
<i>Net Change in Fund Cash Balances</i>	(68,959)	13,015	(785)	(56,729)
<i>Fund Cash Balances, January 1</i>	<u>149,777</u>	<u>499,246</u>	<u>17,400</u>	<u>666,423</u>
<i>Fund Cash Balances, December 31</i>	<u>\$80,818</u>	<u>\$512,261</u>	<u>\$16,615</u>	<u>\$609,694</u>

**Village of Roaming Shores**  
*Ashtabula County, Ohio*  
*Statement of Receipts, Disbursements*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*Proprietary Fund Type*  
*For the Year Ended December 31, 2020*

	<u>Enterprise</u>
<b>Operating Cash Receipts</b>	
Charges for Services	\$1,086,565
Fines, Licenses and Permits	20,300
Miscellaneous	3,900
	<u>1,110,765</u>
<i>Total Operating Cash Receipts</i>	<i>1,110,765</i>
<b>Operating Cash Disbursements</b>	
Personal Services	278,453
Contractual Services	153,345
Supplies and materials	336,204
	<u>768,002</u>
<i>Total Operating Cash Disbursements</i>	<i>768,002</i>
<i>Operating Income (Loss)</i>	<i>342,763</i>
<b>Non-Operating Receipts (Disbursements)</b>	
Miscellaneous Receipts	6,833
Capital Outlay	(26,835)
Principal Retirement	(208,245)
Interest and Other Fiscal Charges	(37,310)
Other Financing Sources	1,354
	<u>(264,203)</u>
<i>Total Non-Operating Receipts (Disbursements)</i>	<i>(264,203)</i>
<i>Income (Loss) before</i> <i>Transfers and Advances</i>	<i>78,560</i>
Transfers In	388,834
Transfers Out	(388,834)
Advances In	11,811
	<u>90,371</u>
<i>Net Change in Fund Cash Balances</i>	<i>90,371</i>
<i>Fund Cash Balances, January 1</i>	<i>869,767</i>
<i>Fund Cash Balances, December 31</i>	<i><u><u>\$960,138</u></u></i>

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

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**Note 1 - Reporting 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 general governmental services, including maintenance of roads, police services and water and sewer utilities.

***Public Entity Risk Pools and Jointly Governed Organizations***

The Village participates in a Public Entity Risk Pool and is part of Jointly Governed Organizations. Notes 6 and 10 to the financial statements provides additional information for these entities. These organizations are:

**Public Entity Risk Pool:**

Ohio Government Risk Management Plan - Note 6

**Jointly Governed Organizations:**

South Central Ambulance District (SCAD) - Note 10

Northeast Ohio Public Energy Council (NOPEC) – Note 10

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

**Note 2 - Summary of Significant Accounting Policies**

***Basis of Presentation***

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types which are organized on a fund type basis.

***Fund Accounting***

The Village uses funds 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. The funds of the Village are presented below:

***General Fund*** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Special Revenue Funds*** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Funds:

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

***Recycling/Compost Fund*** – This fund was originally established to form a Recycling/Compost site.

***Commemorative Garden*** – This fund was established to accept contributions to purchase plantings in the Village Hall gardens to remember loved ones.

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

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**Police Levy Fund** - This fund receives funding from the passage of the Police Levies which is collected thru the County Real Estate taxes.

**Debt Service Funds** - These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Village had the following significant Debt Service Funds:

**General Obligation Bond Fund** – This fund is used to accumulate resources for payment of the loan for the original purchase of the water and sewer system.

**Village Hall Debt Fund** – This fund is used to accumulate resources for payment of the construction of the Village Hall.

**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 the cost of providing this utility.

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

**Water Debt Fund** - This fund accounts for the payment of any and all water debt. Money is transferred monthly from the Water Fund to pay the debt payment for the upcoming year.

**Sewer Debt Fund** - This fund accounts for the payment of any and all sewer debt. Money is transferred monthly from the Sewer Fund to pay the debt payment for the upcoming year.

**Water Reserve Fund** - This fund was set up to make monthly transfers from the Water Fund to make the original debt payment (the purchase of the water plant) if the Village should go into default.

**Sewer Reserve Fund** - This fund was set up to make monthly transfers from the Sewer Fund to make the original debt payment (the purchase of the Sewer Treatment plant) if the Village should go into default.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board 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 include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

***Budgetary Process***

The Ohio Revised Code requires that each fund be budgeted annually.



**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

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**Appropriations** Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund - personal services level, and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

**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 approve estimated resources.

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

A summary of 2020 budgetary activity appears in Note 3.

**Deposits and Investments**

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

Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

**Capital Assets**

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

**Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**Nonspendable** The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

**Restricted** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

**Committed** Council can *commit* amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**Assigned** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

**Unassigned** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**Note 3 - Budgetary Activity**

Budgetary activity for the year ending December 31, 2020 follows:

2020 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$215,400	\$254,786	\$39,386
Special Revenue	505,850	586,385	80,535
Debt Service	59,850	59,850	0
Proprietary	1,388,113	1,519,597	131,484
Total	\$2,169,213	\$2,420,618	\$251,405

2020 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$376,795	\$326,165	\$50,630
Special Revenue	960,236	677,272	282,964
Debt Service	61,000	60,635	365
Proprietary	1,560,075	1,445,340	114,735
Total	\$2,958,106	\$2,509,412	\$448,694

**Note 4 – Deposits and Investments**

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

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

	2020
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$210,087
Total deposits	210,087
STAR Ohio	1,359,745
Total investments	1,359,745
Total carrying amount of deposits and investments held in the Pool	\$1,569,832
 <b><i>Segregated Accounts - Not held in the Pool:</i></b>	
Payroll Clearing Account (Not held in Pool) **	\$24,503
Retainage Accounts (Not held in Pool)**	19,000
Total Outside Accounts **	\$43,503

The Village has a payroll clearing account that is held outside of the deposit pool where gross payroll is held for distribution. The expenditures included in the accompanying financial statements reflect gross payroll. The balance in the Village's payroll clearing account represent unremitted employee payroll withholdings.

The Village also has accounts held outside of the deposit pool for retainage related to construction contracts and for monies held in accordance with debt agreements.

***Deposits***

Deposits are collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

At December 31, 2020, all deposits were collateralized.

**Note 5 – Taxes**

***Property Taxes***

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by the second Wednesday in February. If the property owner elects to pay semiannually, the first half is due the second Wednesday in February and the second half payment is due the second Wednesday in July.

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

**Note 6 - Risk Management**

The Village is exposed to various risks of property and casualty losses, and injuries to employees.

The Village insures against injuries to employees through the Ohio Bureau of Workers' Compensation.

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

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The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss. Effective November 1, 2017, the OPRM retained 47% of the premium and losses on the first \$250,000 casualty treaty and 30% of the first \$1,000,000 property treaty. The OPRM is also participated in a property primary excess of loss treaty. This treaty reimbursed the OPRM 30% for losses between \$200,000 and \$1,000,000. The reimbursement is based on the amount of loss between \$200,000 and \$1,000,000. Effective November 1, 2018, the OPRM the property retention remained unchanged, however, the Plan assumed 100% of the first \$250,000 casualty treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. Effective November 1, 2019, the OPRM's property retention increased from 30% to 33%, while the casualty treaty remains unchanged and still assumes 100% of the first \$250,000 casualty treaty. Effective November 1, 2020, the OPRM's property retention increased from 33% to 55%, while the casualty treaty remains unchanged and still assumes 100% of the first \$250,000 casualty treaty. OPRM had 771 members as of December 31, 2020.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2020.

Assets	\$ 18,826,974
Liabilities	<u>( 13,530,267)</u>
Members' Equity	<u>\$ 5,296,707</u>

You can read the complete audited financial statements for OPRM at the Plan's website, [www.ohioplan.org](http://www.ohioplan.org).

**Note 7 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Ten employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10%, of their gross salaries and the Village contributed an amount equaling 14%, of participants' gross salaries. The Village has paid all contributions required through December 31, 2020.

***Ohio Police and Fire Retirement System***

Four full-time Police Officers belong to the Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages.

**Social Security**

One employee contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2020.

**Note 8 - Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2020. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2020. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

**Note 9 – Debt**

Debt outstanding at December 31, 2020 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Berkadia - Water System Revenue Bond	\$142,000	7.13%
Berkadia - Wastewater Revenue Bond	174,000	7.13%
Andover Bank - Village Hall (GOB)	356,000	4.95%
OWDA - 3986 Waterline	67,768	4.51%
OWDA - 3377 Sewer Plant Expansion	154,762	4.61%
OPWC - Morningstar Drive 1 & 2	45,373	0.00%
OPWC - Watermeter	102,101	0.00%
OPWC - Lift Stations	499,392	0.00%
OPWC - Relocation	232,960	0.00%
OPWC - Plum Creek	92,620	0.00%
Sewer Loan	82,575	3.24%
Cruiser Loan	15,000	3.12%
Total	<u>\$1,964,551</u>	

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

**Amortization**

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

Year Ending December 31:	General Obligation Bonds	Revenue Bonds	OWDA Loans	OPWC Loans	Sewer Loan	Cruiser Loan
2021	\$57,820	\$94,055	\$126,821	\$56,866	\$11,811	\$15,234
2022	55,840	93,456	74,363	56,866	11,811	-
2023	53,860	94,041	21,018	56,866	11,811	-
2024	51,900	186,420	10,547	56,866	11,811	-
2025	49,900	-	-	56,866	11,811	-
2026-2030	179,807	-	-	284,330	35,432	-
2031-2035	-	-	-	251,939	-	-
2036-2040	-	-	-	85,287	-	-
2041-2045	-	-	-	41,600	-	-
2046-2048	-	-	-	24,960	-	-
Total	<u>\$449,127</u>	<u>\$467,972</u>	<u>\$232,749</u>	<u>\$972,446</u>	<u>\$94,487</u>	<u>\$15,234</u>

The Berkadia Revenue Bonds were originally issued by United States Administration Farmers Home Loan for the purpose of purchasing the water/sewer system from the original developer of the community in 1979. The 1985 Revenue Bonds will be paid in annual installments over 40 years and cannot be repaid prior to the maturity date. 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.

The Ohio Water Development Authority (OWDA) loan #3377 was taken out to pay for the needed expansion of the sewer treatment plant. The loan will be paid in semi-annual installments over 20 years. The Village is required to adjust rates and charges for the services and facilities of its sanitary sewer in the amounts sufficient to pay these bonds. Water and sewer receipts collateralize these loans. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The OWDA loans # 3986 relates to the re-routing of the water line which traveled through the earthen dam which contains the water for Lake Roaming Rock. It is a 20 year loan at 4.51% interest, payable in semi-installments. Water receipts also collateralize this loan. The Village has agreed to set utility rates sufficient to cover debt service requirements.

The Andover Bank General Obligation Bonds Series 2009 \$500,000 and Series B (2010) 300,000 were issued for the construction of the Village Hall. They are 20 year bonds which are repaid bi-annually. The Village's taxing authority collateralizes General Obligation Bonds.

The OPWC Morningstar Phase I Loans were received in 2013 for improvements for draining along Morningstar Roadway. The Morningstar Phase II \$17,119 loan was received in 2017. Both are 20 year 0% interest loan which is repaid bi-annually. The street fund receipts are used to collateralize this loan.

The OWPC Watermeter and Lift Station Loans were issued in 2013 for improvements to various lifts stations and for the purchase of new water meter reading equipment. These are 20 year 0% loans which are repaid bi-annually. The utility rates are set sufficiently to cover the debt service requirements.

The OWPC Water Relocation Loans were issued in 2018 for relocation of water lines. These are 30 year 0% loans which are repaid bi-annually. The utility rates are set sufficiently to cover the debt service requirements.

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

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The OWPC Plum Creek Forcemain and Water Relocations Loans were issued in 2019 for relocation of water lines. These are 20 year 0% loans which are repaid bi-annually. The utility rates are set sufficiently to cover the debt service requirements.

The General Fund on October 16, 2018 issued manuscript debt in the amount of \$100,000 bearing an interest rate of 3.24% payable over ten years in equal installments. The issue was purchased by the Sewer Reserve fund. The specific purpose of the proceeds was to repay the Street Construction Maintenance and Repair Fund for improper transfers made to the Village Hall Debt Service Fund.

The Andover Bank Loan was issued on July 18, 2018 in the amount of \$75,000 for the purchase of police cruisers. The loan has an interest rate of 3.125% payable and matures on May 5, 2021.

**Note 10 – Jointly Governed Organizations**

**Northeast Ohio Public Energy Council**

The Village is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of over 100 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight member NOPEC Board of Directors. The board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The Village did not contribute to NOPEC during 2020. Financial information may be obtained by contacting Chuck Keiper, Executive Director, 31360 Solon Road, Suite 33, Solon, Ohio 44139.

**South Central Ambulance District**

The constitution and laws of the State of Ohio establish the rights and privileges of the South Central Ambulance District, Ashtabula County (the District), as a body corporate and politic. Eleven Board members govern the District. Each political subdivision with the District appoints one member. Those subdivisions are Colebrook Township, Dorset Township, Hartsgrove Township, Lenox Township, Morgan Township, New Lyme Township, Orwell Township, Rome Township, Orwell Village, Rock Creek Village, and Roaming Shores Village, in Ashtabula County. The District provides ambulance services within the District and by contract to areas outside the District.

Financial information can be obtained by contacting Shaun Buehner, Director, 3100 US Highway 6 Rome, Ohio 44085.

**Note 11 – Fund Balances**

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

**Village of Roaming Shores, Ohio**  
*Ashtabula County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

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Fund Balances	General	Special Revenue	Total
Outstanding Encumbrances	\$2,420	\$103,902	\$106,322
<i>Total</i>	\$2,420	\$103,902	\$106,322

The fund balance of special revenue and debt service funds are either restricted or committed. These restricted, committed and assigned amounts in the special revenue funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**Note 12 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Village. The impact on the Village’s future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.



# OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215  
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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

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

To the Village Council and Mayor:

We have audited, in accordance with the 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 (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type combined total as of and for the years ended December 31, 2021 and 2020 and the related notes to the financial statements of the Village of Roaming Shores, Ashtabula County, (the Village) and have issued our report thereon dated November 27, 2023, wherein we noted the Village followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

### ***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings we identified certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings as item 2021-001 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings as item 2021-002 to be a significant deficiency.

### ***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Village's financial statements are free from 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 financial statements. 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*.

### ***Village's Response to Findings***

*Government Auditing Standards* requires the auditor to perform limited procedures on the Village's responses to the findings identified in our audit and described in the accompanying schedule of findings. The Village's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

### ***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio

November 27, 2023

VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY

SCHEDULE OF FINDINGS  
DECEMBER 31, 2021 AND 2020

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

**On-Behalf Transactions**

**FINDING NUMBER 2021-001**

MATERIAL WEAKNESS

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

For the year ended December 31, 2021, the Street Construction, Maintenance and Repair Funds' (Special Revenue) intergovernmental receipts and capital outlay disbursements were each understated \$98,371, due to the failure to record an on-behalf Ohio Public Works Commission (OPWC) grant in the financial statements. This item was adjusted to the financial statements as agreed to by management.

The failure to record on-behalf receipts and payments can result in errors in financial reporting.

The Village should ensure on-behalf grants are recorded in the financial statements as required.

**Officials' Response:** Management is aware of the above finding and will work to correct the oversights in the future. The Clerk/Treasurer will work with the Administrator, OPWC, and the State Auditor to ensure all receipts are recorded correctly.

**VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2021 AND 2020  
(CONTINUED)**

**Bank Reconciliations**

**FINDING NUMBER 2021-002**

SIGNIFICANT DEFICIENCY

Sound accounting practices require that when designing the public office's system of internal control and the specific control activities, management should ensure adequate security of assets and records, and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

The reconciliation of cash (bank) balances to accounting system records (book) to the accounting system is the most basic and primary control process performed. Lack of completing an accurate and timely reconciliation may allow for accounting errors, theft and fraud to occur without timely detection.

The Fiscal Officer is responsible for reconciling the book (fund) balance to the total bank balance on a monthly basis, and the Village Council are responsible for reviewing the reconciliations and related support.

The December 31, 2021 and 2020 bank reconciliations indicated the Village's bank balances exceeded the book balance by \$56,335 and \$43,503 respectively. The variances were due to the Bond/Construction bank account being left off the book in the amounts of \$46,250 and \$19,000 at December 31, 2021 and 2020, respectively. Additionally, the Payroll and Health Insurance bank accounts were left off the book balance in the amounts of \$10,085 and \$24,503 at December 31, 2021 and 2020, respectively. These accounts are zeroing accounts and were left with account balances from prior transfers, receipts and disbursements; however, the amounts should zero out and/or balance every month to a set amount determined by the Village. The above amounts were considered immaterial and not reflected on the financial statements by management for the years ended December 31, 2021 and 2020.

Failure to reconcile monthly increases the possibility that the Village will not be able to identify, assemble, analyze, classify, and record its transactions correctly or to document compliance with finance related legal and contractual requirements. Further, the lack of accurate monthly reconciliations increases the risk of theft/fraud over the cash cycle and could lead to inaccurate reporting in the annual financial statements.

The Fiscal Officer should record all transactions and prepare monthly bank to book cash reconciliations, which include all bank accounts and all fund balances. Variances should be investigated, documented and corrected. In addition, the Village Council should review the monthly cash reconciliations including the related support (such as reconciling items) and document the reviews.

**Officials' Response:** Management is aware of the above finding and has worked to correct the recommendation. The Fiscal Officer records all transactions and prepares monthly bank to book cash reconciliations which include all bank accounts and fund balances. The Finance Committee reviews monthly cash reconciliations, supporting documentation, and documents the reviews. Monthly reconciliations are done every month. The Fiscal Officer will be training with UAN and will inquire about placing those accounts on the books.

# VILLAGE OF ROAMING SHORES

VILLAGE OF ROAMING SHORES  
ASHTABULA COUNTY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2021 AND 2020

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2019-001	Bank Reconciliations	Not Corrected	Repeated as Finding 2021-002

# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF ROAMING SHORES**

**ASHTABULA COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 12/14/2023**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)