



**VILLAGE OF SILVER LAKE
SUMMIT COUNTY
Regular Audit
For the Years Ended December 31, 2019 and 2018**

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Vienna, WV 26105
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KEITH FABER



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Village Council
Village of Silver Lake
2961 Kent Road
Silver Lake, Ohio 44224

We have reviewed the *Independent Auditor's Report* of the Village of Silver Lake, Summit County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2018 through December 31, 2019. 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.

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 Silver Lake is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

September 4, 2020

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VILLAGE OF SILVER LAKE
SUMMIT COUNTY

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INDEPENDENT AUDITOR'S REPORT

July 15, 2020

Village of Silver Lake
Summit County
2961 Kent Road
Silver Lake, Ohio 44224

To the Village Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of **Village of Silver Lake**, Summit County, (the Village) as of and for the years ended December 31, 2019 and 2018.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; 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.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

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

As described in Note 2 of the financial statements, the Village prepared these financial statements using 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), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Village does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

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* paragraph, the financial statements referred to above 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, 2019 and 2018, and the respective changes in financial position or cash flows thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of the Village of Silver Lake, Summit County as of December 31, 2019 and 2018, and for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

Emphasis of Matter

As discussed in Notes 11 and 12 to the financial statements, during 2019 and 2018, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village. We did not modify our opinion regarding this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 15, 2020, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on 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.



Perry & Associates
Certified Public Accountants, A.C.
Marietta, Ohio

**VILLAGE OF SILVER LAKE
SUMMIT COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$ 1,031,770	\$ 23,013	\$ -	\$ -	\$ 1,054,783
Municipal Income Tax	694,379	-	-	-	694,379
Intergovernmental	331,324	201,452	-	-	532,776
Special Assessments	479	-	-	15,401	15,880
Charges for Services	12,255	-	-	-	12,255
Fines, Licenses and Permits	98,346	767	-	-	99,113
Earnings on Investments	81,519	5,269	-	-	86,788
Miscellaneous	46,052	8,336	-	-	54,388
<i>Total Cash Receipts</i>	<u>2,296,124</u>	<u>238,837</u>	<u>-</u>	<u>15,401</u>	<u>2,550,362</u>
Cash Disbursements					
Current:					
Security of Persons and Property	1,058,523	25,907	-	-	1,084,430
Public Health Services	29,550	-	-	-	29,550
Leisure Time Activities	119,653	-	-	-	119,653
Community Environment	10,039	5,857	-	-	15,896
Transportation	581,603	284,976	-	-	866,579
General Government	403,847	-	-	1,047	404,894
Capital Outlay	-	-	-	21,829	21,829
<i>Total Cash Disbursements</i>	<u>2,203,215</u>	<u>316,740</u>	<u>-</u>	<u>22,876</u>	<u>2,542,831</u>
<i>Excess of Receipts Over Disbursements</i>	<u>92,909</u>	<u>(77,903)</u>	<u>-</u>	<u>(7,475)</u>	<u>7,531</u>
Other Financing Receipts and Disbursements					
Sale of Capital Assets	837	-	-	3,611	4,448
Transfers In	-	-	-	61,091	61,091
Transfers Out	(77,511)	-	-	-	(77,511)
Advances In	85,353	46,049	-	-	131,402
Advances Out	(46,049)	(46,049)	-	-	(92,098)
<i>Total Other Financing Receipts and Disbursements</i>	<u>(37,370)</u>	<u>-</u>	<u>-</u>	<u>64,702</u>	<u>27,332</u>
<i>Net Change in Fund Cash Balances</i>	55,539	(77,903)	-	57,227	34,863
<i>Fund Cash Balances, January 1</i>	<u>2,100,419</u>	<u>317,077</u>	<u>1,278</u>	<u>274,362</u>	<u>2,693,136</u>
Fund Cash Balances, December 31					
Restricted	-	235,272	1,278	331,589	568,139
Committed	84,740	3,902	-	-	88,642
Assigned	114,471	-	-	-	114,471
Unassigned	1,956,747	-	-	-	1,956,747
<i>Fund Cash Balances, December 31</i>	<u>\$ 2,155,958</u>	<u>\$ 239,174</u>	<u>\$ 1,278</u>	<u>\$ 331,589</u>	<u>\$ 2,727,999</u>

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

**VILLAGE OF SILVER LAKE
SUMMIT COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Proprietary Fund Type</u>
	<u>Enterprise</u>
Operating Cash Receipts	
Charges for Services	\$ 1,274,456
Deposits	9,300
Earnings on Investments (trust funds only)	<u>17,024</u>
<i>Total Operating Cash Receipts</i>	<u>1,300,780</u>
Operating Cash Disbursements	
Personal Services	262,592
Employee Fringe Benefits	80,071
Contractual Services	590,462
Supplies and Materials	102,675
Other	<u>8,074</u>
<i>Total Operating Cash Disbursements</i>	<u>1,043,874</u>
<i>Operating Income</i>	<u>256,906</u>
Non-Operating Receipts (Disbursements)	
Other Debt Proceeds	176,169
Sale of Capital Assets	5,006
Capital Outlay	(267,591)
Principal Retirement	(187,036)
Interest and Other Fiscal Charges	<u>(34,489)</u>
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(307,941)</u>
<i>Income before Capital Contributions and Transfers</i>	(51,035)
Transfers In	16,420
Advances Out	<u>(39,304)</u>
<i>Net Change in Fund Cash Balances</i>	(73,919)
<i>Fund Cash Balances, January 1</i>	<u>862,072</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 788,153</u></u>

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

Village of Silver Lake
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 1 – Reporting Entity

The Village of Silver Lake (the Village), Summit County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a seven-member Council, elected three (3) at large and four (4) by district for four year terms. The mayor is elevated to a four-year term and has no voting privileges. The Village provides general government services, water, sewer and storm water utilities, maintenance of Village roads, park operations, and police services. The Village appropriates general fund money to support a contract with the City of Cuyahoga Falls for fire and emergency medical services.

Related Organizations

The Village participates in one jointly governed organization, the Regional Council of Governments. This organization is presented in note 10 to the financial statements.

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 combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary and fiduciary 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 receives State gasoline tax and motor vehicle registration fees restricted for street maintenance and repair.

Police Pension Fund – This fund receives restricted property taxes levied for the payment of current employer contributions for police disability and pension benefits.

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:

Various Purpose Retirement –This fund receives assessments restricted for the payment of principal and interest and fiscal charges on debt.

Village of Silver Lake
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continuing)

Capital Project Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Village had the following significant capital project funds:

General Capital Improvements – This fund receives assessment and intergovernmental revenues restricted for capital equipment purchased and capital projects completed by the Village.

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 Operating – The water fund accounts for the provision of water to the residents and commercial users located within the Village.

Sewer Operating – The sewer fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

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 (except certain agency funds) be budgeted annually.

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The 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 2019 budgetary activity appears in Note 3.

Village of Silver Lake
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2019 follows:

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 2,387,802	\$ 2,382,314	\$ (5,488)
Special Revenue	266,714	284,887	18,173
Debt Service	-	-	-
Capital Projects	70,620	80,103	9,483
Enterprise	1,505,308	1,498,375	(6,933)
Total	\$ 4,230,444	\$ 4,245,679	\$ 15,235

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 2,595,614	\$ 2,405,548	\$ 190,066
Special Revenue	384,734	363,890	20,844
Debt Service	20	-	20
Capital Projects	28,705	23,377	5,328
Enterprise	1,786,113	1,722,179	63,934
Total	\$ 4,795,186	\$ 4,514,994	\$ 280,192

Note 4 – Deposits and Investments

The Village maintains a deposits 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:

	2019
Demand Deposits	\$ 191,114
Certificates of Deposit	742,012
Money Market	258,267
Total Deposits	1,191,393
Federal Securities	1,765,944
STAR Ohio	558,815
Total Investments	2,324,759
Total Deposits and Investments	\$ 3,516,152

Village of Silver Lake
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 4 – Deposits and Investments (Continued)

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; or 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.

Investments

The Federal Reserve holds the Village's U.S. Treasury Notes in book-entry form by, in the name of the Village's financial institution. The financial institution maintains records identifying the Village as owner of these securities.

US Bank's trust department holds the Village's equity securities in book-entry form in the Village's name.

Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

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 December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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

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

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

Income Taxes

The Village levies a municipal income tax of 2 percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

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

Village of Silver Lake
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 6 - Risk Management

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; Inland Marine;
- Cyber; and
- Errors and omissions.

Note 7 – Defined Benefit Pension Plans

The Village’s full-time Police Officers belong to the Police and Fire Pension Fund (OP&F). Other 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 these plans’ benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2019, OP&F participants contributed 12.25 percent of their wages. For 2019, the Village contributed to OP&F an amount equal to 19.5 percent of full-time police members’ wages. For 2019, OPERS members contributed 10 percent of their gross salaries and the Village contributed an amount equaling 14 percent of participants’ gross salaries. The Village has paid all contributions required through December 31, 2019.

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 2019. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2019. OP&F contributes 0.5 percent to fund these benefits.

Note 9 – Debt

Debt outstanding at December 31, 2019 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Bonds	\$190,000	4.22 - 6.10%
Ohio Water Development Authority Loan - 2508	4,669	3.00%
Ohio Water Development Authority Loan - 3339	25,932	3.00%
Ohio Water Development Authority Loan - 3540	30,260	3.00%
Ohio Water Development Authority Loan - 3883	45,080	3.00%
Ohio Water Development Authority Loan - 7802	175,685	3.28%
Ohio Water Development Authority Loan - 8105	830,585	1.65%
<i>Subtotal:</i>	<u>1,112,211</u>	
Ohio Public Works Commission Loans	579,273	0%
Summit County Department of Environmental Services - Mudbrook Improvements	105,709	6.10%
Total	<u>\$1,987,193</u>	

Village of Silver Lake
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 9 – Debt (Continued)

General Obligation Bonds:

The Village issued general obligation bonds in 2008 under the Ohio Capital Asset Financing Program as Fractionalized Interests which equals the aggregate of principal amounts of the separate series of Bonds issued by participating Political Subdivisions. This issue consists of five participants other than the Village of Silver Lake: City of Munroe Falls, Mifflin Township, City of Shelby, Village of Germantown and the City of Richmond Heights. The bonds issued on behalf of the Village of Silver Lake financed a water line replacement project on Graham Road. Although the debt service will be paid out of the water capital fund, the issue is considered a general obligation of the Village.

The Village issued general obligation bonds in 2011 that were also issued under the Ohio Capital Asset Financing Program as Fractionalized Interests. The participants in this issue, besides the Village of Silver Lake were: Village of Galena, City of Reading, Little Miami Joint Fire & Rescue District, City of Munroe Falls, City of Forest Park, and the Village of Ottawa. The bonds issued on behalf of the Village of Silver Lake financed a sewer relining and replacement project on Orchard Road and Kingston Circle. Although the debt service will be paid out of the sewer fund, the issue is considered a general obligation of the Village.

OWDA Loans:

The Ohio Water Development Authority (OWDA) loans relate to sanitary sewer improvement projects. The Village will repay the loans in semiannual installments over the next 29 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Village entered into loan agreement #8105 in 2018 with the OWDA to fund the replacement of Lee Road, North Park Dr., Lodge Ave., and Maiden Lane Sanitary Sewer Lines. The amounts due to the OWDA are payable solely from sewer consumer charges. The OWDA approved up to \$842,655 in loans to the Village for this project payable over 20 years with an interest rate of 1.65%. As of December 31, 2019, the total debt outstanding including capitalized interest is \$830,585. The Village's final drawdown against this lone occurred during 2019. The scheduled payment amount below assumes that \$830,585 will be borrowed and the semiannual installments on this amount are \$24,464. The OWDA will adjust scheduled payment to reflect any revisions in amounts the Village actually borrows. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

OPWC Loans:

The Ohio Public Works Commission loans were obtained for the purpose of paying for the costs of sanitary sewer improvements to the Village's sewer system. The loans will be repaid in semiannual installments over the next 1 to 23 years.

Summit County Department of Environmental Services Loans:

The Village is paying semiannual installments to the Summit County Department of Sanitary Sewer Services (DOSSS), for the village's pro-rata share of capital improvements made to the Mudbrook Trunk Sewer System which the Village utilizes as part of its wastewater treatment facilities contract. The loans are payable from the Village sewer receipts.

Village of Silver Lake
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 9 – Debt (Continued)

The annual requirements to retire the above debt, including interest, is scheduled as follows:

Year ending December 31:	General Obligation			Summit
	Bonds	OWDA Loans	OPWC Loans	County DOES
2020	\$ 43,765	\$ 99,184	\$ 48,426	\$ 57,286
2021	42,090	94,660	48,426	57,220
2022	40,490	81,197	48,428	-
2023	38,890	70,512	31,229	-
2024	17,250	58,462	31,229	-
2025-2029	37,475	291,520	111,200	-
2030-2034	-	292,310	111,200	-
2035-2039	-	292,319	111,200	-
2040-2044	-	47,675	37,935	-
2045-2049	-	33,373	-	-
Total	\$ 219,960	\$ 1,361,212	\$ 579,273	\$ 114,506

Note 10 - Jointly Governed Organization

In 1971, 38 municipalities joined together to organize a Regional Council of Governments (RCOG) under the authority of Chapter 167 of the Ohio Revised Code to administer tax collection and enforcement concerns facing the cities and villages. The purpose of the RCOG is to foster cooperation between the municipalities through sharing of facilities for their common benefit. This includes the establishment of a central collection facility for the purpose of administering the income tax laws of the various municipal corporations who are members of the RCOG and for the purpose of collecting income taxes on behalf of each member municipality, doing all things allowed by law to accomplish such purpose.

The first official act of the RCOG was to form the Regional Income Tax Agency (RITA). Today RITA serves as the income tax collection agency for over 323 municipalities throughout the State of Ohio. Each member municipality appoints its own delegate to the RCOG, including electing members to the RITA Board of Trustees. Regardless of the population or tax collections of member municipalities, each member of the RCOG has an equal say in the operations of RITA. The Council did not receive any funding from the Village during the current year.

Note 11 – Subsequent Events

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

**VILLAGE OF SILVER LAKE
SUMMIT COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$ 1,019,537	\$ 22,741	\$ -	\$ -	\$ 1,042,278
Municipal Income Tax	674,712	-	-	-	674,712
Intergovernmental	329,244	139,802	-	-	469,046
Special Assessments	-	-	-	14,334	14,334
Charges for Services	11,520	-	-	-	11,520
Fines, Licenses and Permits	114,942	-	-	-	114,942
Earnings on Investments	54,093	4,312	-	-	58,405
Miscellaneous	80,711	24,479	-	-	105,190
<i>Total Cash Receipts</i>	<u>2,284,759</u>	<u>191,334</u>	<u>-</u>	<u>14,334</u>	<u>2,490,427</u>
Cash Disbursements					
Current:					
Security of Persons and Property	1,114,097	23,408	-	-	1,137,505
Public Health Services	28,297	-	-	-	28,297
Leisure Time Activities	116,524	-	-	-	116,524
Community Environment	7,962	5,898	-	-	13,860
Transportation	455,920	212,340	-	-	668,260
General Government	422,718	-	-	208	422,926
Capital Outlay	-	5,000	-	28,579	33,579
<i>Total Cash Disbursements</i>	<u>2,145,518</u>	<u>246,646</u>	<u>-</u>	<u>28,787</u>	<u>2,420,951</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>139,241</u>	<u>(55,312)</u>	<u>-</u>	<u>(14,453)</u>	<u>69,476</u>
Other Financing Receipts and Disbursements					
Sale of Capital Assets	5,691	-	-	3,000	8,691
Transfers In	-	-	-	37,847	37,847
Transfers Out	(300,085)	-	-	-	(300,085)
Advances In	27,054	-	-	-	27,054
Advances Out	(50,862)	-	-	-	(50,862)
<i>Total Other Financing Receipts and Disbursements</i>	<u>(318,202)</u>	<u>-</u>	<u>-</u>	<u>40,847</u>	<u>(277,355)</u>
<i>Net Change in Fund Cash Balances</i>	<u>(178,961)</u>	<u>(55,312)</u>	<u>-</u>	<u>26,394</u>	<u>(207,879)</u>
<i>Fund Cash Balances, January 1</i>	<u>2,279,380</u>	<u>372,389</u>	<u>1,278</u>	<u>247,968</u>	<u>2,901,015</u>
Fund Cash Balances, December 31					
Restricted	-	314,028	1,278	274,362	589,668
Committed	84,740	3,049	-	-	87,789
Assigned	243,398	-	-	-	243,398
Unassigned	1,772,281	-	-	-	1,772,281
<i>Fund Cash Balances, December 31</i>	<u>\$ 2,100,419</u>	<u>\$ 317,077</u>	<u>\$ 1,278</u>	<u>\$ 274,362</u>	<u>\$ 2,693,136</u>

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

**VILLAGE OF SILVER LAKE
SUMMIT COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
PROPRIETARY AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Proprietary Fund Type	Fiduciary Fund Type	Totals
	Enterprise	Agency	(Memorandum Only)
Operating Cash Receipts			
Charges for Services	\$ 1,154,262	\$ -	\$ 1,154,262
Metro SWAT Dues	-	89,993	89,993
Deposits	9,000	-	9,000
Miscellaneous	40,735	-	40,735
<i>Total Operating Cash Receipts</i>	<u>1,203,997</u>	<u>89,993</u>	<u>1,293,990</u>
Operating Cash Disbursements			
Personal Services	251,283	-	251,283
Employee Fringe Benefits	85,476	-	85,476
Contractual Services	541,620	60,166	601,786
Supplies and Materials	50,852	14,636	65,488
Other	14,553	237	14,790
<i>Total Operating Cash Disbursements</i>	<u>943,784</u>	<u>75,039</u>	<u>1,018,823</u>
<i>Operating Income</i>	<u>260,213</u>	<u>14,954</u>	<u>275,167</u>
Non-Operating Receipts (Disbursements)			
Other Debt Proceeds	654,415	-	654,415
Capital Outlay	(970,497)	-	(970,497)
Principal Retirement	(176,166)	-	(176,166)
Interest and Other Fiscal Charges	(32,281)	-	(32,281)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(524,529)</u>	<u>-</u>	<u>(524,529)</u>
<i>Income (Loss) before Capital Contributions and Transfers</i>	(264,316)	14,954	(249,362)
Extraordinary Item	-	(216,308)	(216,308)
Transfers In	262,238	-	262,238
Advances In	50,862	-	50,862
Advances Out	(27,054)	-	(27,054)
<i>Net Change in Fund Cash Balances</i>	21,730	(201,354)	(179,624)
<i>Fund Cash Balances, January 1</i>	<u>840,342</u>	<u>201,354</u>	<u>1,041,696</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 862,072</u>	<u>\$ -</u>	<u>\$ 862,072</u>

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

Village of Silver Lake
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 1 – Reporting Entity

The Village of Silver Lake (the Village), Summit County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a seven-member Council, elected three (3) at large and four (4) by district for four year terms. The mayor is elevated to a four-year term and has no voting privileges. The Village provides general government services, water, sewer and storm water utilities, maintenance of Village roads, park operations, and police services. The Village appropriates general fund money to support a contract with the City of Cuyahoga Falls for fire and emergency medical services.

Related Organizations

The Village participates in one jointly governed organization, the Regional Council of Governments. This organization is presented in note 10 to the financial statements.

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 combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary and fiduciary 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 receives State gasoline tax and motor vehicle registration fees restricted for street maintenance and repair.

Police Pension Fund – This fund receives restricted property taxes levied for the payment of current employer contributions for police disability and pension benefits.

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:

Various Purpose Retirement – This fund receives assessments restricted for the payment of principal and interest and fiscal charges on debt.

Village of Silver Lake
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continuing)

Capital Project Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Village had the following significant capital project funds:

General Capital Improvements – This fund receives assessment and intergovernmental revenues restricted for capital equipment purchased and capital projects completed by the Village.

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 Operating – The water fund accounts for the provision of water to the residents and commercial users located within the Village.

Sewer Operating – The sewer fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

Fiduciary Funds Fiduciary funds include private purpose trust funds and agency funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Village's own programs.

Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government. The Village's agency fund accounts for the Metro SWAT.

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 (except certain agency funds) be budgeted annually.

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

Village of Silver Lake
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 2 – Summary of Significant Accounting Policies (Continued)

Budgetary Process (Continued)

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 2018 budgetary activity appears in Note 3.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2018 follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 2,321,054	\$ 2,317,504	\$ (3,550)
Special Revenue	191,218	191,334	116
Debt Service	-	-	-
Capital Projects	55,441	55,181	(260)
Enterprise	2,353,844	2,171,512	(182,332)
Fiduciary	92,000	89,993	(2,007)
Total	\$ 5,013,557	\$ 4,825,524	\$ (188,033)

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 2,638,216	\$ 2,567,928	\$ 70,288
Special Revenue	256,924	246,923	10,001
Debt Service	20	-	20
Capital Projects	29,075	28,787	288
Enterprise	2,450,567	2,403,030	47,537
Fiduciary	292,487	291,347	1,140
Total	\$ 5,667,289	\$ 5,538,015	\$ 129,274

Note 4 – Deposits and Investments

The Village maintains a deposits 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 Silver Lake
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 4 – Deposits and Investments (Continued)

	2018
Demand Deposits	\$ 512,557
Certificates of Deposit	496,000
Money Market	7,674
Total Deposits	<u>1,016,231</u>
Federal Securities	1,850,539
Commercial Paper	681,581
STAR Ohio	6,857
Total Investments	<u>2,538,977</u>
Total Deposits and Investments	<u>\$ 3,555,208</u>

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; or 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.

Investments

The Federal Reserve holds the Village's U.S. Treasury Notes in book-entry form by, in the name of the Village's financial institution. The financial institution maintains records identifying the Village as owner of these securities.

US Bank's trust department holds the Village's equity securities in book-entry form in the Village's name.

Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

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 December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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

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

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

Village of Silver Lake
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 5 – Taxes (Continued)

Income Taxes

The Village levies a municipal income tax of 2 percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

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

Note 6 - Risk Management

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; Inland Marine;
- Cyber; and
- Errors and omissions.

Note 7 – Defined Benefit Pension Plans

The Village's full-time Police Officers belong to the Police and Fire Pension Fund (OP&F). Other 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 these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2018, OP&F participants contributed 12.25 and 11.50 percent of their wages, respectively. For 2018, the Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages. For 2018, OPERS members contributed 10 percent of their gross salaries and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2018.

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 2018. OP&F contributes 0.5 percent to fund these benefits.

Village of Silver Lake
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 9 – Debt

Debt outstanding at December 31, 2018 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Bonds	\$ 225,000	4.22 - 6.10%
Ohio Water Development Authority Loans	980,837	1.65 - 3.28%
Ohio Public Works Commission Loans	637,731	0%
Summit County Department of Environmental Services - Mudbrook Improvements	154,491	6.10%
Total	<u>\$ 1,998,059</u>	

General Obligation Bonds:

The Village issued general obligation bonds in 2008 under the Ohio Capital Asset Financing Program as Fractionalized Interests which equals the aggregate of principal amounts of the separate series of Bonds issued by participating Political Subdivisions. This issue consists of five participants other than the Village of Silver Lake: City of Munroe Falls, Mifflin Township, City of Shelby, Village of Germantown and the City of Richmond Heights. The bonds issued on behalf of the Village of Silver Lake financed a water line replacement project on Graham Road. Although the debt service will be paid out of the water capital fund, the issue is considered a general obligation of the Village.

The Village issued general obligation bonds in 2011 that were also issued under the Ohio Capital Asset Financing Program as Fractionalized Interests. The participants in this issue, besides the Village of Silver Lake were: Village of Galena, City of Reading, Little Miami Joint Fire & Rescue District, City of Munroe Falls, City of Forest Park, and the Village of Ottawa. The bonds issued on behalf of the Village of Silver Lake financed a sewer relining and replacement project on Orchard Road and Kingston Circle. Although the debt service will be paid out of the sewer fund, the issue is considered a general obligation of the Village.

OWDA Loans:

The Ohio Water Development Authority (OWDA) loans relate to sanitary sewer improvement projects. The Village will repay the loans in semiannual installments over the next 29 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Village entered into loan agreement #8105 in 2018 with the OWDA to fund the replacement of Lee Road, North Park Dr., Lodge Ave., and Maiden Lane Sanitary Sewer Lines. The amounts due to the OWDA are payable solely from sewer consumer charges. The OWDA approved up to \$742,655 in loans to the Village for this project payable over 20 years with an interest rate of 1.65%. As of December 31, 2018 the Village has drawn down \$654,415. Repayment of this debt will not begin until January 1, 2020. At that time, an amortization schedule will be prepared. This OWDA loan (#8105) has been excluded from the following calculations because the loan is currently “open” meaning the final disbursements have not yet been made from OWDA. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirement.

OPWC Loans:

The Ohio Public Works Commission loans were obtained for the purpose of paying for the costs of sanitary sewer improvements to the Village’s sewer system. The loans will be repaid in semiannual installments over the next 1 to 26 years.

Summit County Department of Environmental Services Loans:

The Village is paying semiannual installments to the Summit County Department of Sanitary Sewer Services (DOSSS), for the village’s pro-rata share of capital improvements made to the Mudbrook Trunk Sewer System which the Village utilizes as part of its wastewater treatment facilities contract. The loans are payable from the Village sewer receipts.

Village of Silver Lake
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 9 – Debt (Continued)

The annual requirements to retire the above debt, including interest, is scheduled as follows. OWDA loan #8105 (above) is currently “open” meaning the final disbursements have not yet been made from OWDA; therefore, future debt service requirements have not been finalized and are not presented in the schedule of debt service below.

Year ending December 31:	General Obligation			Summit
	Bonds	OWDA Loans	OPWC Loans	County DOSSS
2019	\$ 45,440	\$ 54,755	\$ 58,457	\$ 57,280
2020	43,765	50,256	48,426	57,286
2021	42,090	45,732	48,426	57,220
2022	40,490	32,269	48,428	-
2023	38,890	21,584	31,229	-
2024-2028	54,725	47,675	120,189	-
2029-2033	-	47,675	111,200	-
2034-2038	-	47,675	111,200	-
2039-2043	-	47,675	60,176	-
2044-2048	-	42,908	-	-
Total	\$ 265,400	\$ 438,204	\$ 637,731	\$ 171,786

Note 10 - Jointly Governed Organization

In 1971, 38 municipalities joined together to organize a Regional Council of Governments (RCOG) under the authority of Chapter 167 of the Ohio Revised Code to administer tax collection and enforcement concerns facing the cities and villages. The purpose of the RCOG is to foster cooperation between the municipalities through sharing of facilities for their common benefit. This includes the establishment of a central collection facility for the purpose of administering the income tax laws of the various municipal corporations who are members of the RCOG and for the purpose of collecting income taxes on behalf of each member municipality, doing all things allowed by law to accomplish such purpose.

The first official act of the RCOG was to form the Regional Income Tax Agency (RITA). Today RITA serves as the income tax collection agency for over 323 municipalities throughout the State of Ohio. Each member municipality appoints its own delegate to the RCOG, including electing members to the RITA Board of Trustees. Regardless of the population or tax collections of member municipalities, each member of the RCOG has an equal say in the operations of RITA. The Council did not receive any funding from the Village during the current year.

Note 11 - Contingent Liabilities

The Village is defendant in one lawsuit. Although management cannot presently determine the outcome of this suit, management believes that the resolution of this matter will not materially adversely affect the Village's financial condition.

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Village of Silver Lake
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 12 – Subsequent Events

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

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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**

July 15, 2020

Village of Silver Lake
Summit County
2961 Kent Road
Silver Lake, Ohio 44224

To the Village Council:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts and disbursements by fund type of the **Village of Silver Lake**, Summit County, (the Village) as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements and have issued our report thereon dated July 15, 2020, wherein we noted the Village followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit and we noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Village's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Village's internal control. Accordingly, we have not opined on it.

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 a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Village's financial statements. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations
Members: American Institute of Certified Public Accountants
• Ohio Society of CPAs • West Virginia Society of CPAs • Association of Certified Fraud Examiners • Association of Certified Anti-Money Laundering Specialists •

Compliance and Other Matters

As part of reasonably assuring whether the Village's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF SILVER LAKE

SUMMIT 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 9/17/2020

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