



**VILLAGE OF SILVER LAKE
SUMMIT COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999-1998



**JIM PETRO
AUDITOR OF STATE**

STATE OF OHIO

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW
Fourth Floor
Canton, Ohio 44702
Telephone 330-438-0617
800-443-9272
Facsimile 330-471-0001
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

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

To the Village Council:

We have audited the accompanying financial statements of the Village of Silver Lake, Summit County, Ohio, (the Village) as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1, the Village prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Village as of December 31, 1999 and 1998, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2000 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

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

A handwritten signature in black ink, appearing to read "Jim Petro".

Jim Petro
Auditor of State

March 30, 2000

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL AND SIMILAR FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Cash Receipts:						
Property Tax and Other Local Taxes	\$812,935				\$409,624	\$1,222,559
State Shared Taxes and Permits				\$334,374	2,427	336,801
Special Assessments			\$26,494	10,857		37,351
Intergovernmental	436,997	\$62,926				499,923
Charges for Services	10,496					10,496
Fines, Licenses, and Permits	35,664	279				35,943
Earnings on Investments	129,170	3,003	2,955			135,128
Miscellaneous	3,235			6,728	26,151	36,114
Total Cash Receipts	1,428,497	66,208	29,449	351,959	438,202	2,314,315
Cash Disbursements:						
Current:						
Security of Persons and Property	794,378				53,878	848,256
Public Health Services	23,995					23,995
Leisure Time Activities	68,642					68,642
Community Environment	3,717					3,717
Transportation	249,185					249,185
General Government	224,802		1,060		14,363	240,225
Debt Service:						
Principal Payments			18,692			18,692
Interest Payments			12,322			12,322
Capital Outlay		56,635		441,066		497,701
Total Cash Disbursements	1,364,719	56,635	32,074	441,066	68,241	1,962,735
Total Cash Receipts Over/(Under) Cash Disbursements	63,778	9,573	(2,625)	(89,107)	369,961	351,580
Other Financing Receipts/(Disbursements):						
Transfers-In			3,692	336,708	43,541	383,941
Transfers-Out	(212,011)			(57,960)	(150,000)	(419,971)
Other Uses	(555)					(555)
Total Other Financing Receipts/(Disbursements)	(212,566)		3,692	278,748	(106,459)	(36,585)
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(148,788)	9,573	1,067	189,641	263,502	314,995
Fund Cash Balances, January 1	711,170	63,376	49,898	432,564	537,997	1,795,005
Fund Cash Balances, December 31	\$562,382	\$72,949	\$50,965	\$622,205	\$801,499	\$2,110,000
Reserves for Encumbrances, December 31	\$0	\$0	\$0	\$0	\$0	\$0

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

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - PROPRIETARY AND SIMILIAR FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
Operating Cash Receipts:			
Charges for Services	\$991,336	\$0	\$991,336
Operating Cash Disbursements:			
Personal Services	250,529		250,529
Fringe Benefits	369		369
Contractual Services	404,546		404,546
Supplies and Materials	48,696		48,696
Capital Outlay	44,032		44,032
Total Operating Cash Disbursements	748,172		748,172
Operating Income	243,164		243,164
Non-Operating Cash Receipts:			
Miscellaneous	7,975	1,445	9,420
Non-Operating Cash Disbursements:			
Debt Service	5,016		5,016
Other Non-Operating Cash Disbursements	3,904	1,549	5,453
Total Non-Operating Cash Disbursements	8,920	1,549	10,469
Excess of Cash Receipts Over/(Under) Cash Disbursements Before Interfund Transfers	242,219	(104)	242,115
Transfers-In	39,722		39,722
Transfers-Out	(3,692)		(3,692)
Net Receipts Over/(Under) Disbursements	278,249	(104)	278,145
Fund Cash Balances, January 1	674,712	18,048	692,760
Fund Cash Balances, December 31	<u>\$952,961</u>	<u>\$17,944</u>	<u>\$970,905</u>
Reserves for Encumbrances, December 31	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - GOVERNMENTAL AND SIMILAR FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1998**

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Cash Receipts:						
Property Tax and Other Local Taxes	\$809,252				\$403,796	\$1,213,048
State Shared Taxes and Permits					2,394	2,394
Special Assessments			\$31,007	\$9,352		40,359
Intergovernmental	394,384	\$61,445				455,829
Charges for Services	39,539					39,539
Fines, Licenses, and Permits	48,680	1,054				49,734
Earnings on Investments	112,109		3,033			115,142
Miscellaneous	8,092	2,767		19,000		29,859
Total Cash Receipts	1,412,056	65,266	34,040	28,352	406,190	1,945,904
Cash Disbursements:						
Current:						
Security of Persons and Property	741,204	2,525			20,341	764,070
Public Health Services	24,348					24,348
Leisure Time Activities	46,381					46,381
Community Environment	7,305					7,305
Transportation	230,572	52,761				283,333
General Government	225,942		1,383		11,720	239,045
Debt Service:						
Principal Payments			18,692			18,692
Interest Payments			13,012			13,012
Capital Outlay				149,833		149,833
Total Cash Disbursements	1,275,752	55,286	33,087	149,833	32,061	1,546,019
Total Cash Receipts Over/(Under) Cash Disbursements	136,304	9,980	953	(121,481)	374,129	399,885
Other Financing Receipts/(Disbursements):						
Transfers-In			3,692	243,403		247,095
Transfers-Out	(133,638)			(90,000)	(100,000)	(323,638)
Total Other Financing Receipts/(Disbursements)	(133,638)		3,692	153,403	(100,000)	(76,543)
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	2,666	9,980	4,645	31,922	274,129	323,342
Fund Cash Balances, January 1	708,504	53,396	45,253	400,642	263,868	1,471,663
Fund Cash Balances, December 31	\$711,170	\$63,376	\$49,898	\$432,564	\$537,997	\$1,795,005
Reserves for Encumbrances, December 31	\$0	\$0	\$0	\$0	\$0	\$0

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

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - PROPRIETARY AND SIMILAR FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
Operating Cash Receipts:			
Charges for Services	\$717,770	\$0	\$717,770
Miscellaneous	20		20
Total Operating Cash Receipts	<u>717,790</u>	<u>0</u>	<u>717,790</u>
Operating Cash Disbursements:			
Personal Services	220,583		220,583
Fringe Benefits	64		64
Contractual Services	390,770		390,770
Supplies and Materials	37,784		37,784
Capital Outlay	111,580	929	112,509
Total Operating Cash Disbursements	<u>760,781</u>	<u>929</u>	<u>761,710</u>
Operating (Loss)	<u>(42,991)</u>	<u>(929)</u>	<u>(43,920)</u>
Non-Operating Cash Receipts:			
Miscellaneous	6,300	2,269	8,569
Non-Operating Cash Disbursements:			
Other Non-Operating Cash Disbursements	40,208	103	40,311
Excess of Cash Receipts Over/(Under) Cash Disbursements Before Interfund Transfers	(76,899)	1,237	(75,662)
Transfers-In	122,816		122,816
Transfers-Out	<u>(46,273)</u>		<u>(46,273)</u>
Net Receipts Over/(Under) Disbursements	(356)	1,237	881
Fund Cash Balances, January 1	<u>675,068</u>	<u>16,811</u>	<u>691,879</u>
Fund Cash Balances, December 31	<u>\$674,712</u>	<u>\$18,048</u>	<u>\$692,760</u>
Reserves for Encumbrances, December 31	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Silver Lake, Summit County, Ohio, (the Village) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a publicly-elected six-member Council. The Village provides general governmental services, including water and sewer utilities, park operations (leisure time activities), and police services. The Village contracts with the City of Stow Fire Department to provide fire protection and emergency medical services.

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

B. Basis of Accounting

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

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

C. Cash and Investments

The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

D. Fund Accounting

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

1. General Fund

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

2. Special Revenue Fund

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

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

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

3. Debt Service Fund

This fund is used to accumulate resources for and the payment of bonds indebtedness. The Village's only Debt Service Fund is the Various Purpose Bond Retirement Fund. This fund is used to accumulate resources for the payment of principal and interest on the Village's special assessment bonds.

4. Capital Project Funds

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

General Capital Improvement Fund - This fund receives a portion of income tax revenue to help pay for capital improvements of the Village.

Issue 2 Millboro/Bellaire Fund - This fund receives Issue II monies from the Ohio Public Works Commission which is used for the Sanitary Sewer project.

5. Enterprise Funds

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

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

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

6. Fiduciary Funds (Trust and Agency Funds)

Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Village to maintain the corpus of the trust, the fund is classified as a nonexpendable trust fund. Other trust funds are classified as expendable. Funds for which the Village is acting in an agency capacity are classified as agency funds. The Village had the following significant fiduciary fund:

Income Tax Fund - This fund is used to record the collection of self assessed taxes, the cost of collecting such tax and the distribution to various other funds in accordance with Village.

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

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

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed 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. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

2. Estimated Resources

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

3. Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 1999 and 1998 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

G. Unpaid Vacation

Employees are entitled to cash payments for unused vacation in certain circumstances, such as upon leaving employment. Unpaid vacation is not reflected as liabilities under the cash basis of accounting used by the Village.

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	<u>1999</u>	<u>1998</u>
Demand deposits	\$ 300,655	\$ 228,029
Star Ohio	2,780,250	2,259,736
Total deposits and investments	\$3,080,905	\$2,487,765

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

2. EQUITY IN POOLED CASH AND INVESTMENTS (Continued)

Deposits: Deposits are either insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool

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

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 1999 and 1998 follows:

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,413,481	\$1,428,497	\$7,516
Special Revenue	61,350	66,208	4,858
Debt Service	38,693	33,141	(5,552)
Capital Projects	1,424,760	688,667	(744,093)
Enterprise	946,200	1,174,033	227,833
Fiduciary	433,152	483,188	50,036
Total	\$4,317,636	\$3,873,734	\$(459,402)

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,842,384	\$1,577,285	\$265,099
Special Revenue	67,152	56,635	10,517
Debt Service	33,015	32,074	941
Capital Projects	1,846,960	499,026	1,347,934
Enterprise	1,170,067	895,784	274,283
Fiduciary	432,350	219,790	212,560
Total	\$5,391,928	\$3,280,594	\$2,111,334

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

3. BUDGETARY ACTIVITY (Continued)

1998 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,416,561	\$1,412,056	\$(4,505)
Special Revenue	60,750	65,266	4,516
Debt Service	34,667	37,732	3,065
Capital Projects	850,000	271,755	(578,245)
Enterprise	712,000	846,906	134,906
Fiduciary	353,872	408,459	54,587
Total	\$3,427,850	\$3,042,174	\$(385,676)

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,511,274	\$1,409,390	\$101,884
Special Revenue	69,899	55,286	14,613
Debt Service	33,705	33,087	618
Capital Projects	859,965	239,833	620,132
Enterprise	1,099,634	847,262	252,372
Fiduciary	355,205	133,093	222,112
Total	\$3,929,682	\$2,717,951	\$1,211,731

4. PROPERTY TAX

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

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.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

5. DEBT

Debt outstanding at December 31, 1999 was as follows:

	Principal	Interest Rate
Ohio Public Works Commission	\$60,920	0%
Ohio Public Works Commission	195,608	0%
Special Assessment Bonds	<u>205,000</u>	4.35-6.15%
Total	<u>\$461,528</u>	

The Ohio Public Works Commission loans relates to a sanitary sewer system construction project for Silver Lake Boulevard and Millboro/Bellaire. The OPWC has approved up to \$387,799 in loans to the Village for these projects. The loans will be repaid in semiannual installments of \$13,723, with no interest, over 20 years. The scheduled payment amount below assumes that \$387,799 will be borrowed. The scheduled payments will be adjusted to reflect any revisions in amounts actually borrowed. The loan is collateralized by water and sewer receipts. The Village has agreed to set utility rates sufficient to cover OPWC debt service requirements. The special assessment bonds will be repaid in annual installments over 20 years.

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

Year ending December 31:	OPWC Loan	OPWC Loan	Special Assessment Bonds
2000	\$ 3,692	\$ 10,031	\$ 26,610
2001	3,692	10,031	25,883
2002	3,692	10,031	25,133
2003	3,692	10,031	29,360
2004	3,692	10,031	28,310
Subsequent	<u>42,460</u>	<u>145,452</u>	<u>163,525</u>
Total	<u>\$ 60,920</u>	<u>\$ 195,607</u>	<u>\$ 298,821</u>

6. RETIREMENT SYSTEMS

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

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

6. RETIREMENT SYSTEMS (Continued)

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, members of PFDPF contributed 10% of their wages to the PFDPF. The Village contributed an amount equal to 19.5% of their wages. PERS members contributed 8.5% of their gross salaries. The Village contributed an amount equal to 13.55% of participants' gross salaries. The Village has paid all contributions required through December 31, 1999.

7. RISK MANAGEMENT

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Commercial Inland Marine
- General liability
- Public officials' liability
- Employer's liability
- Employee benefits liability

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

8. CONTINGENT LIABILITIES

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

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the state government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW
Fourth Floor
Canton, Ohio 44702
Telephone 330-438-0617
800-443-9272
Facsimile 330-471-0001
www.auditor.state.oh.us

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

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

To the Village Council:

We have audited the accompanying financial statements of the Village of Silver Lake, Summit County, Ohio, (the Village) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated March 30, 2000. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

However, we noted a matter involving the internal control over compliance that do not require inclusion in this report, that we have reported to management of the Village in a separate letter dated March 30, 2000.

Internal Control Over Financial Reporting

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

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Village in a separate letter dated March 30, 2000.

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

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

Jim Petro
Auditor of State

March 30, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

VILLAGE OF SILVER LAKE

SUMMIT COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MAY 9, 2000**