

# **VILLAGE OF PLEASANTVILLE**

**FAIRFIELD COUNTY, OHIO**

**REGULAR AUDIT**

**FOR THE YEARS ENDED  
DECEMBER 31, 2021 & 2020**



OHIO AUDITOR OF STATE  
KEITH FABER



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Members of the Village Council  
Village of Pleasantville  
101 S Main Street  
Pleasantville, OH 43148

We have reviewed the *Independent Auditor's Report* of the Village of Pleasantville, Fairfield County, prepared by Julian & Grube, Inc., for the audit period January 1, 2020 through December 31, 2021. 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 Pleasantville 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 21, 2022

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**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY, OHIO**

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## Independent Auditor's Report

Village of Pleasantville  
Fairfield County  
101 South Main Street  
Pleasantville, Ohio 43148

To the Members of the Village Council:

### Report on the Audit of the Financial Statements

#### *Unmodified and Adverse Opinions*

We have audited the accompanying financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total of the Village of Pleasantville, Fairfield County, Ohio, 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 and the fiduciary fund type combined total of the Village of Pleasantville, as of and for the years ended December 31, 2021 and 2020 in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) as described in Note 1.

#### *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 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 of Pleasantville, as of December 31, 2021 and 2020, or changes in financial position, and cash flows 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 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 of Pleasantville 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 1 of the financial statements, the financial statements are prepared by the Village of Pleasantville 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 a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP), to meet the requirements of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C). The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Though the Village of Pleasantville 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(C) permit. Our opinion on this accounting basis is in the “*Unmodified Opinion on Regulatory Basis of Accounting*” paragraph above.

***Emphasis of Matter***

As described in Note 11 and Note 12 to the financial statements for the years ended December 31, 2021 and 2020, respectively, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Village of Pleasantville. Our opinions are not modified with respect to this matter.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C). 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 misstatements, 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 of Pleasantville'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 generally accepted auditing standards and *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 generally accepted auditing standards 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 of Pleasantville'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 of Pleasantville'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 August 17, 2022 on our consideration of the Village of Pleasantville's internal control over financial reporting and on 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 of Pleasantville'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 of Pleasantville's internal control over financial reporting and compliance.



Julian & Grube, Inc.  
August 17, 2022

**Village of Pleasantville, Ohio**  
*Fairfield 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*

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts</b>			
Property and Other Local Taxes	\$ 49,436	\$ 50,593	\$ 100,029
Municipal Income Tax	133,107	-	133,107
Intergovernmental	269,312	103,705	373,017
Special Assessments	875	-	875
Charges for Services	9,056	27,758	36,814
Fines, Licenses and Permits	7,403	-	7,403
Earnings on Investments	337	68	405
Miscellaneous	8,419	-	8,419
<i>Total Cash Receipts</i>	<u>477,945</u>	<u>182,124</u>	<u>660,069</u>
<b>Cash Disbursements</b>			
Current:			
Security of Persons and Property	77,791	30,714	108,505
Public Health Services	33,648	-	33,648
Leisure Time Activities	10,927	44,219	55,146
Community Environment	5,000	-	5,000
Basic Utility Services	-	566	566
Transportation	-	35,624	35,624
General Government	88,145	21,618	109,763
Capital Outlay	254,963	1,601	256,564
Debt Service:			
Principal Retirement	15,692	-	15,692
<i>Total Cash Disbursements</i>	<u>486,166</u>	<u>134,342</u>	<u>620,508</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(8,221)</u>	<u>47,782</u>	<u>39,561</u>
<b>Other Financing Receipts (Disbursements)</b>			
Other Financing Uses	(6,736)	-	(6,736)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(6,736)</u>	<u>-</u>	<u>(6,736)</u>
<i>Net Change in Fund Cash Balances</i>	(14,957)	47,782	32,825
<i>Fund Cash Balances, January 1</i>	<u>337,317</u>	<u>153,145</u>	<u>490,462</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 322,360</u>	<u>\$ 200,927</u>	<u>\$ 523,287</u>

*See accompanying notes to the financial statements*

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

	Proprietary Fund Type
	Enterprise
<b>Operating Cash Receipts</b>	
Charges for Services	\$ 166,389
<i>Total Operating Cash Receipts</i>	<i>166,389</i>
<b>Operating Cash Disbursements</b>	
Personal Services	28,038
Employee Fringe Benefits	4,025
Contractual Services	67,467
Supplies and Materials	32,526
Other	2,100
<i>Total Operating Cash Disbursements</i>	<i>134,156</i>
<i>Operating Income (Loss)</i>	<i>32,233</i>
<b>Non-Operating Receipts (Disbursements)</b>	
Intergovernmental Receipts	91,590
Loans Issued	47,429
Capital Outlay	(140,269)
Principal Retirement	(23,623)
<i>Total Non-Operating Receipts (Disbursements)</i>	<i>(24,873)</i>
<i>Net Change in Fund Cash Balances</i>	<i>7,360</i>
<i>Fund Cash Balances, January 1</i>	<i>113,317</i>
<i>Fund Cash Balances, December 31</i>	<i>\$ 120,677</i>

*See accompanying notes to the financial statements*

**Village of Pleasantville, Ohio**  
*Fairfield County*  
*Combined Statement of Additions, Deductions*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*Fiduciary Fund Type*  
*For the Year Ended December 31, 2021*

	Fiduciary Fund Type
	Custodial
	Other Custodial
<b>Additions</b>	
Charges for Services	\$ 203,504
Special Assessment Collections for Distribution	33,245
	236,749
<b>Deductions</b>	
Distributions to Other Governments	215,996
	215,996
<i>Net Change in Fund Balances</i>	20,753
<i>Fund Cash Balances, January 1</i>	10,885
<i>Fund Cash Balances, December 31</i>	\$ 31,638

*See accompanying notes to the financial statements*

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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**Note 1 - Summary of Significant Accounting Policies**

**A. *Description of the Entity***

The Village of Pleasantville, Fairfield 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. A publicly-elected six-member Council directs the Village. The Village provides water and sewer utilities, park operations, fire/EMS service, and police service. The Village contracts with the Walnut Creek Sewer District for sewer service. The Village contracts with the Baltimore Police Department to provide police services. The Village contracts with Pleasant Township and Walnut Township Fire Departments to receive fire protection and emergency medical services.

The Village participates in two jointly governed organizations and a public entity risk pool. Notes 5 and 9 to the financial statements provide additional information for these entities. These organizations are:

***Public Entity Risk Pool:***

The Village belongs to the Public Entities Pool of Ohio (The Pool), a public entity risk pool. Note 5 to the financial statements provides additional information.

***Jointly Governed Organizations:***

The Village is a part of the Fairfield Regional Planning Commission and the Mid-Ohio Regional Planning Commission. Note 9 to the financial statements provides additional information.

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

**B. *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, a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for the proprietary fund type and a combined statement of additions, deductions and changes in fund balances (regulatory cash basis) for the fiduciary fund type which are all organized on a fund type basis.

**C. *Deposits***

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

**D. *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:

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

**1. 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.

**2. 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 gasoline tax and motor vehicle tax money for constructing, maintaining, and repairing Village streets.

**Police Fund** – This fund receives property taxes to pay for police services.

**Parks and Recreation Fund** – This Fund receives property taxes for maintaining and repairing the parks and swimming pool.

**3. 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 Fund:

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

**4. Fiduciary Funds**

Fiduciary funds include custodial funds.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Village's custodial funds account for the activity related to the Walnut Creek Sewer District.

**E. 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 (C). 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 (C) permit.

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

**F. Budgetary Process**

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

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, or object level of control, however; the Village appropriates at the fund 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.

**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 approve estimated resources.

**3. Encumbrances**

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

A summary of 2021 budgetary activity appears in Note 2.

**G. 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:

**1. Nonspendable**

The Village classifies assets as nonspendable when legally or contractually required to maintain the amounts intact. For regulatory purposes nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Village.

**2. 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.

**3. 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.

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

**4. Assigned**

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

**5. 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.

For regulatory purposes, limited disclosure related to the fund balance is included in Note 10.

**H. 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.

**I. Accumulated Leave**

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

**Note 2 - 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	\$496,271	\$477,945	(\$18,326)
Special Revenue	165,175	182,124	16,949
Enterprise	317,019	305,408	(11,611)
Fiduciary	247,000	236,749	(10,251)
Total	\$1,225,465	\$1,202,226	(\$23,239)



**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 2 - Budgetary Activity (Continued)**

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$543,667	\$523,275	\$20,392
Special Revenue	202,776	194,691	8,085
Enterprise	302,440	298,796	3,644
Fiduciary	248,857	215,996	32,861
Total	\$1,297,740	\$1,232,758	\$64,982

**Note 3 – Deposits**

To improve cash management, cash received by the Village is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits. The carrying amount of deposits at December 31 was as follows:

	<u><b>2021</b></u>
Demand deposits	\$473,033
Certificates of deposit	<u>202,569</u>
Total deposits	<u><u>\$675,602</u></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.

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2021, the Village is holding \$2,878 in unremitted employee payroll withholdings. These withholdings were remitted in 2022.

**Note 4 – 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 homestead and rollback deductions. The financial statements include homestead and rollback 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.

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

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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**Note 4 – Taxes (Continued)**

***Income Taxes***

The Village levies a municipal income tax of 1 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. The Village utilized the Regional Income Tax Authority (RITA) as their tax collecting agency.

**Note 5 - Risk Management**

***Risk Pool Membership***

The Village is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the (local entity's) policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2021</u>
Cash and investments	\$ 41,996,850
Actuarial liabilities	\$14,974,099

**Note 6 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Some Village 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.

***Social Security***

Some Village employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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**Note 6 - Defined Benefit Pension Plans (Continued)**

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 7 – Contingent Liabilities**

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.

**Note 8 – Debt**

Debt outstanding at December 31, 2021 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Public Works Commission (CQ21P)	\$34,803	0%
Ohio Public Works Commission (CQ25E)	\$7,254	0%
Ohio Public Works Commission (CQ25R)	\$18,457	0%
Ohio Public Works Commission (CQ07H)	\$4,848	0%
Ohio Public Works Commission (CQ13J)	\$15,945	0%
Ohio Public Works Commission (CQ05T)	\$22,601	0%
Ohio Public Works Commission (CQ12U)	\$9,503	0%
Ohio Public Works Commission (CQ07V)	\$47,429	0%
Vinton County Bank (Land Purchase)	<u>\$43,980</u>	3.19%
Total	<u><u>\$204,820</u></u>	

The Ohio Public Works Commission (OPWC) loan CQ21P relates to the Water System Improvements Project. The OPWC approved up to \$399,900 as a loan to the Village for this project. The Village will repay the loan in semiannual installments of \$1,450, over 20 years. However, the Village made three installment payments in 2021 because the Village opted to make a payment on the June 2020 installment even though this obligation was deferred due to the COVID-19 pandemic. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The OPWC loan CQ25E relates to the Water Tower Design and Construction Project. The OPWC approved up to \$72,460 as a loan to the Village for this project. The Village will repay the loan in semiannual installments of \$906 over 20 years. However, the Village made three installment payments in 2021 because the Village opted to make a payment on the June 2020 installment even though this obligation was deferred due to the COVID-19 pandemic. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The OPWC loan CQ25R relates to the Summit Street Improvements Project. The OPWC approved up to \$150,100 as a loan to the Village for this project. The Village will repay the loan in semiannual installments of \$527 over 20 years. However, the Village made three installment payments in 2021 because the Village opted to make a payment on the June 2020 installment even though this obligation was deferred due to the COVID-19 pandemic. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

**VILLAGE OF PLEASANTVILLE**  
**FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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**Note 8 – Debt (Continued)**

The OPWC loan CQ07H relates to the Water Distribution System Improvements Project. The OPWC approved up to \$110,226 as a loan to the Village for this project. The Village will repay the loan in semiannual installments of \$692, over 20 years. However, the Village made three installment payments in 2021 because the Village opted to make a payment on the June 2020 installment even though this obligation was deferred due to the COVID-19 pandemic. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The OPWC loan CQ13J relates to the South Main Street Waterline Replacement Project. The OPWC approved up to \$212,600 as a loan to the Village for this project. The Village will repay the loan in semiannual installments of \$1,328, over 20 years. However, the Village made three installment payments in 2021 because the Village opted to make a payment on the June 2020 installment even though this obligation was deferred due to the COVID-19 pandemic. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The OPWC loan CQ05T relates to the East Columbus Street Improvements Project. The OPWC approved up to \$153,900 as a loan to the Village for this project. The Village will repay the loan in semiannual installments of \$1,883, over 20 years. However, the Village made three installment payments in 2021 because the Village opted to make a payment on the June 2020 installment even though this obligation was deferred due to the COVID-19 pandemic. The debt is paid from the General fund.

The OPWC loan CQ12U relates to the Market and Foster Street Improvements Project. The OPWC approved up to \$117,515 as a loan to the Village for this project. The Village will repay the loan in semiannual installments of \$327, over 18 years. However, the Village made three installment payments in 2021 because the Village opted to make a payment on the June 2020 installment even though this obligation was deferred due to the COVID-19 pandemic. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The OPWC loan CQ07V relates to the Water Treatment Plan Improvements Project. The OPWC approved up to \$189,715 as a loan to the Village for this project. This loan is not yet closed so no amortization schedule is available. No payments were required in 2021. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

In 2020 the Village obtained a loan from Vinton County National Bank for the purchase of land to be used by the Water department. The original loan for the land was \$60,000. The loan will be repaid in monthly installments of \$1,084 and matures on July 22, 2025. Half the debt is paid from the General fund and half is paid from the water fund.

In 2016 the Village obtained a loan from Vinton County National Bank for the purchase of a truck to be used by the Street and Water departments. The original loan for the truck was \$40,490. The loan was paid in full in 2021 by a lump sum payment in the amount of \$3,568 from the General fund.

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 8 – Debt (Continued)**

***Amortization***

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

Year Ending December 31:	Land Loan	OPWC Loan CQ21P	OPWC Loan CQ25E	OPWC Loan CQ25R	OPWC Loan CQ07H	OPWC Loan CQ13J	OPWC Loan CQ05T	OPWC Loan CQ12U
2022	\$13,013	\$2,900	\$1,814	\$1,055	\$1,385	\$2,658	\$3,767	\$655
2023	13,013	2,900	1,814	1,055	1,385	2,658	3,767	655
2024	13,013	2,900	1,814	1,055	1,385	2,658	3,767	655
2025	7,591	2,900	1,812	1,055	693	2,658	3,767	655
2026	-	2,900	-	1,055	-	2,658	3,767	655
2027-2031	-	14,501	-	5,273	-	2,655	3,768	3,277
2032-2036	-	5,802	-	5,273	-	-	-	2,951
2037-2039	-	-	-	2,636	-	-	-	-
Total	<u>\$46,630</u>	<u>\$34,803</u>	<u>\$7,254</u>	<u>\$18,457</u>	<u>\$4,848</u>	<u>\$15,945</u>	<u>\$22,603</u>	<u>\$9,503</u>

**Note 9 – Jointly Governed Organizations**

**Fairfield Regional Planning commission:** The Village appoints a member of council to represent the Village on the 48 members board of the Fairfield Regional Planning Commission. The Village pays a small membership fee annually based on the per capita of the Village.

**Mid-Ohio Regional Planning Commission:** The Village appoints a member of council to represents the Village on the Board of the Mid-Ohio Regional Planning commission. The Village pays a small membership fee annually based on the per capita of the Village.

**Note 10 – 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 facilities effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Total
<b><i>Nonspendable:</i></b>			
Unclaimed Monies	\$ 353	\$ -	\$ 353
Outstanding Encumbrances	30,373	60,349	90,722
<i>Total</i>	<u>\$30,726</u>	<u>\$60,349</u>	<u>\$91,075</u>

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

**VILLAGE OF PLEASANTVILLE**  
**FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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**Note 11 – 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. During 2021, the Village received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Village. The impact on the Village's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated at this time.

**Note 12 – Postemployment Benefits**

OPERS offers 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.

**Note 13 - Compliance**

- A. The Village did not properly pass appropriations at the minimum legal level of budgetary control, in noncompliance with Ohio Revised Code Section 5705.38(C).
- B. The Village did not record on behalf payments made by the Ohio Public Works Commission (OPWC), in noncompliance with Ohio Revised Code Sections 5705.41 and 5705.42.

**Note 14 – Related Party Transactions**

A Village Council member's son provides periodic maintenance services for the Village. The related Village Council member abstains from any discussions and voting regarding the sons' work performed or payment for such services.

**Village of Pleasantville, Ohio**  
*Fairfield 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*

	Governmental Fund Types		Totals (Memorandum Only)
	General	Special Revenue	
<b>Cash Receipts</b>			
Property and Other Local Taxes	\$ 50,359	\$ 47,670	\$ 98,029
Municipal Income Tax	156,359	-	156,359
Intergovernmental	116,192	105,273	221,465
Special Assessments	1,614	-	1,614
Charges for Services	16,619	3,125	19,744
Fines, Licenses and Permits	6,100	-	6,100
Earnings on Investments	2,146	144	2,290
Miscellaneous	9,594	50	9,644
<i>Total Cash Receipts</i>	<u>358,983</u>	<u>156,262</u>	<u>515,245</u>
<b>Cash Disbursements</b>			
Current:			
Security of Persons and Property	68,325	27,033	95,358
Public Health Services	27,796	-	27,796
Leisure Time Activities	-	7,469	7,469
Community Environment	6,701	-	6,701
Basic Utility Services	-	280	280
Transportation	-	33,026	33,026
General Government	91,182	35,192	126,374
Capital Outlay	123,264	-	123,264
Debt Service:			
Principal Retirement	14,635	-	14,635
<i>Total Cash Disbursements</i>	<u>331,903</u>	<u>103,000</u>	<u>434,903</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>27,080</u>	<u>53,262</u>	<u>80,342</u>
<b>Other Financing Receipts (Disbursements)</b>			
Loans Issued	60,000	-	60,000
Transfers In	-	3,151	3,151
Transfers Out	(2,538)	(16,787)	(19,325)
Other Financing Uses	(5,214)	-	(5,214)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>52,248</u>	<u>(13,636)</u>	<u>38,612</u>
<i>Net Change in Fund Cash Balances</i>	79,328	39,626	118,954
<i>Fund Cash Balances, January 1</i>	<u>257,989</u>	<u>113,519</u>	<u>371,508</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 337,317</u>	<u>\$ 153,145</u>	<u>\$ 490,462</u>

See accompanying notes to the financial statements

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

	Proprietary Fund Type
	Enterprise
<b>Operating Cash Receipts</b>	
Charges for Services	\$ 196,011
Miscellaneous	508
	196,519
<i>Total Operating Cash Receipts</i>	<i>196,519</i>
<b>Operating Cash Disbursements</b>	
Personal Services	50,718
Employee Fringe Benefits	8,063
Contractual Services	51,430
Supplies and Materials	30,432
Other	2,048
	142,691
<i>Total Operating Cash Disbursements</i>	<i>142,691</i>
<i>Operating Income (Loss)</i>	<i>53,828</i>
<b>Non-Operating Receipts (Disbursements)</b>	
Intergovernmental Receipts	15,930
Miscellaneous Receipts	100
Capital Outlay	(15,930)
Principal Retirement	(6,557)
	(6,457)
<i>Total Non-Operating Receipts (Disbursements)</i>	<i>(6,457)</i>
<i>Income (Loss) before Transfers</i>	<i>47,371</i>
Transfers In	16,174
	63,545
<i>Net Change in Fund Cash Balances</i>	<i>63,545</i>
<i>Fund Cash Balances, January 1</i>	<i>49,772</i>
<i>Fund Cash Balances, December 31</i>	<i>\$ 113,317</i>

*See accompanying notes to the financial statements*



**Village of Pleasantville, Ohio**  
*Fairfield County*  
*Combined Statement of Additions, Deductions*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*Fiduciary Fund Type*  
*For the Year Ended December 31, 2020*

	Fiduciary Fund Type
	Custodial
	Other Custodial
<b>Additions</b>	
Charges for Services	\$ 217,070
Special Assessment Collections for Distribution	32,899
<i>Total Additions</i>	249,969
<b>Deductions</b>	
Distributions to Other Governments	258,144
<i>Total Deductions</i>	258,144
<i>Net Change in Fund Balances</i>	(8,175)
<i>Fund Cash Balances, January 1</i>	19,060
<i>Fund Cash Balances, December 31</i>	\$ 10,885

*See accompanying notes to the financial statements*

**VILLAGE OF PLEASANTVILLE**  
**FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**Note 1 - Summary of Significant Accounting Policies**

**A. Description of the Entity**

The Village of Pleasantville, Fairfield 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. A publicly-elected six-member Council directs the Village. The Village provides water and sewer utilities, park operations, fire/EMS service, and police service. The Village contracts with the Baltimore Police Department to provide police services. The Village contracts with Pleasant and Walnut Township Fire Departments to receive fire protection and emergency medical services. The Village contracts with Walnut Creek Sewer District for sewer services.

The Village participates in two jointly governed organizations and a public entity risk pool. Notes 5 and 9 to the financial statements provide additional information for these entities. These organizations are:

***Public Entity Risk Pool:***

The Village belongs to the Public Entities Pool of Ohio (The Pool), a public entity risk pool. Note 5 to the financial statements provides additional information.

***Jointly Governed Organizations:***

The Village is a part of the Fairfield Regional Planning Commission and the Mid-Ohio Regional Planning Commission. Note 9 to the financial statements provides additional information.

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

**B. 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, a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for the proprietary fund type and a combined statement of additions, deductions and changes in fund balances (regulatory cash basis) the fiduciary fund type which are organized on a fund type basis.

**C. Deposits**

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

**D. Fund Accounting**

The Village uses funds to maintain 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:

***1. 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.

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

**2. 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 gasoline tax and motor vehicle tax money for constructing, maintaining, and repairing Village streets.

**Police Fund** – This fund receives property taxes to pay for police services.

**Coronavirus Relief** – This fund accounts for and reports CARES monies received for combating the COVID-19 pandemic.

**Parks and Recreation Fund** – This Fund receives property taxes for maintaining and repairing the parks and swimming pool.

**3. Enterprise Funds**

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

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

**Swimming Pool Fund** - This fund receives charges for services from residents to cover swimming pool costs.

**4. Fiduciary Funds**

Fiduciary funds include custodial funds.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Village's custodial funds account for the activity related to the Walnut Creek Sewer District.

**E. 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 (C). 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 (C) permit.

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

**F. Budgetary Process**

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

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, or object level of control, however; the Village appropriates at the fund 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.

**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 approve estimated resources.

**3. Encumbrances**

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

A summary of 2020 budgetary activity appears in Note 2.

**G. 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:

**1. Nonspendable**

The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Village.

**2. 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.

**3. 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.

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

**4. Assigned**

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

**5. 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.

For regulatory purposes, limited disclosure related to the fund balance is included in Note 10.

**H. 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.

**I. Accumulated Leave**

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

**Note 2 - 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	\$325,764	\$418,983	\$93,219
Special Revenue	176,698	159,413	(17,285)
Enterprise	194,990	228,723	33,733
Fiduciary	260,000	249,969	(10,031)
Total	\$957,452	\$1,057,088	\$99,636

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

**Note 2 - Budgetary Activity (Continued)**

2020 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$351,821	\$344,496	\$7,325
Special Revenue	156,684	143,787	12,897
Enterprise	201,243	176,339	24,904
Fiduciary	260,000	260,000	-
Total	\$969,748	\$924,622	\$45,126

**Note 3 – Deposits**

To improve cash management, cash received by the Village is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits. The carrying amount of deposits at December 31 was as follows:

	<u><b>2020</b></u>
Demand deposits	\$412,095
Certificates of deposit	<u>202,569</u>
Total deposits	<u><u>\$614,664</u></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.

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2020, the Village is holding \$319 in unremitted employee payroll withholdings. These withholdings were remitted in 2021.

**Note 4 – 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 homestead and rollback deductions. The financial statements include homestead and rollback 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.

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

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**Note 4 – Taxes (Continued)**

***Income Taxes***

The Village levies a municipal income tax of 1 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. The Village utilized the Regional Income Tax Authority (RITA) as their tax collecting agency.

**Note 5 - Risk Management**

***Risk Pool Membership***

The Village is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the (local entity's) policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2020</u>
Cash and investments	\$ 40,318,971
Actuarial liabilities	\$14,111,510

**Note 6 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Some Village 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.

***Social Security***

Some Village employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**Note 6 - Defined Benefit Pension Plans (Continued)**

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 7 – Contingent Liabilities**

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.

**Note 8 – Debt**

Debt outstanding on December 31, 2020 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Public Works Commission (CQ22D)	\$1,323	0%
Ohio Public Works Commission (CQ21P)	\$39,153	0%
Ohio Public Works Commission (CQ25E)	\$9,975	0%
Ohio Public Works Commission (CQ25R)	\$20,039	0%
Ohio Public Works Commission (CQ07H)	\$6,925	0%
Ohio Public Works Commission (CQ13J)	\$19,931	0%
Ohio Public Works Commission (CQ05T)	\$28,251	0%
Ohio Public Works Commission (CQ12U)	\$10,486	0%
Vinton County Bank (Land Purchase)	\$55,368	3.19%
Vinton County Bank (Truck Loan)	\$3,568	2.50%
Total	<u>\$195,019</u>	

The Ohio Public Works Commission (OPWC) loan CQ22D relates to the Summit Street and Otte Park Storm Sewer Project. The OPWC approved up to \$55,165 as a loan to the Village for this project. The Village will repay the loan in semiannual installments of \$1,323, over 20 years. However, due to the COVID-19 pandemic, the July 2020 payment was deferred by OPWC and thus only one installment payment was made for the year. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The OPWC loan CQ21P relates to the Water System Improvements Project. The OPWC approved up to \$399,900 as a loan to the Village for this project. The Village will repay the loan in semiannual installments of \$1,450, over 20 years. However, due to the COVID-19 pandemic, the July 2020 payment was deferred by OPWC and thus only one installment payment was made for the year. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The OPWC loan CQ25E relates to the Water Tower Design and Construction Project. The OPWC approved up to \$72,460 as a loan to the Village for this project. The Village will repay the loan in semiannual installments of \$906 over 20 years. However, due to the COVID-19 pandemic, the July 2020 payment was deferred by OPWC and thus only one installment payment was made for the year. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.



**VILLAGE OF PLEASANTVILLE**  
**FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**Note 8 – Debt (Continued)**

The OPWC loan CQ25R relates to the Summit Street Improvements Project. The OPWC approved up to \$150,100 as a loan to the Village for this project. The Village will repay the loan in semiannual installments of \$527 over 20 years. However, due to the COVID-19 pandemic, the July 2020 payment was deferred by OPWC and thus only one installment payment was made for the year. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The OPWC loan CQ07H relates to the Water Distribution System Improvements Project. The OPWC approved up to \$110,226 as a loan to the Village for this project. The Village will repay the loan in semiannual installments of \$692, over 20 years. However, due to the COVID-19 pandemic, the July 2020 payment was deferred by OPWC and thus only one installment payment was made for the year. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The OPWC loan CQ13J relates to the South Main Street Waterline Replacement Project. The OPWC approved up to \$212,600 as a loan to the Village for this project. The Village will repay the loan in semiannual installments of \$1,328, over 20 years. However, due to the COVID-19 pandemic, the July 2020 payment was deferred by OPWC and thus only one installment payment was made for the year. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The OPWC loan CQ05T relates to the East Columbus Street Improvements Project. The OPWC approved up to \$153,900 as a loan to the Village for this project. The Village will repay the loan in semiannual installments of \$1,883, over 20 years. However, due to the COVID-19 pandemic, the July 2020 payment was deferred by OPWC and thus only one installment payment was made for the year. The debt is paid from the General fund.

The OPWC loan CQ12U relates to the Market and Foster Street Improvements Project. The OPWC approved up to \$117,515 as a loan to the Village for this project. The Village will repay the loan in semiannual installments of \$327, over 18 years. However, due to the COVID-19 pandemic, the July 2020 payment was deferred by OPWC and thus only one installment payment was made for the year. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

In 2016 the Village obtained a loan from Vinton County National Bank for the purchase of a truck to be used by the Street and Water departments. The original loan for the truck was \$40,490. The loan will be repaid in monthly installments of \$718 and matures on May 26, 2021. The debt is paid from the General fund.

In 2020 the Village obtained a loan from Vinton County National Bank for the purchase of land to be used by the Water department. The original loan for the land was \$60,000. The loan will be repaid in monthly installments of \$1,084 and matures on July 22, 2025. The debt is paid from the General fund.

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

**Note 8 – Debt (Continued)**

**Amortization**

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

Year Ending December 31:	Truck Loan	Land Loan	OPWC Loan CQ22D	OPWC Loan CQ21P	OPWC Loan CQ25E	OPWC Loan CQ25R	OPWC Loan CQ07H	OPWC Loan CQ13J	OPWC Loan CQ05T	OPWC Loan CQ12U
2021	\$3,574	\$13,013	\$1,323	\$2,900	\$1,814	\$1,055	\$1,385	\$2,658	\$3,767	\$655
2022	-	13,013	-	2,900	1,814	1,055	1,385	2,658	3,767	655
2023	-	13,013	-	2,900	1,814	1,055	1,385	2,658	3,767	655
2024	-	13,013	-	2,900	1,814	1,055	1,385	2,658	3,767	655
2025	-	7,591	-	2,900	1,814	1,055	1,385	2,658	3,767	655
2026-2030	-	-	-	14,501	905	5,273	-	6,641	9,416	3,277
2031-2035	-	-	-	10,152	-	5,273	-	-	-	3,277
2036-2039	-	-	-	-	-	4,218	-	-	-	657
<b>Total</b>	<b>\$3,574</b>	<b>\$59,643</b>	<b>\$1,323</b>	<b>\$39,153</b>	<b>\$9,975</b>	<b>\$20,039</b>	<b>\$6,925</b>	<b>\$19,931</b>	<b>\$28,251</b>	<b>\$10,486</b>

**Note 9– Jointly Governed Organizations**

**Fairfield Regional Planning commission:** The Village appoints a member of council to represent the Village on the 48 members board of the Fairfield Regional Planning Commission. The Village pays a small membership fee annually based on the per capita of the Village.

**Mid-Ohio Regional Planning Commission:** The Village appoints a member of council to represents the Village on the Board of the Mid-Ohio Regional Planning commission. The Village pays a small membership fee annually based on the per capita of the Village

**Note 10 – 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 facilities effective cash planning and control. At year end the balances of these amounts were as follows:

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
<b>Nonspendable:</b>			
Unclaimed Monies	\$ 353	\$ -	\$ 353
Outstanding Encumbrances	4,841	24,000	28,841
<b>Total</b>	<b>\$5,194</b>	<b>\$24,000</b>	<b>\$29,194</b>

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

**VILLAGE OF PLEASANTVILLE**  
**FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**Note 11 – Change in Accounting Principles**

For 2020, the Village has made changes to their cash basis reporting model. These changes include modifications to the definition of fiduciary funds, adding a separate Combined Statement of Additions, Deductions and Changes in Fund Balances (Regulatory Cash Basis) -- All Fiduciary Fund Types, and removing the fund balance classifications from the Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types.

**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 may impact subsequent periods of the Village. The Village's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the Village's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated. In addition, the impact on the Village's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

**Note 13 – Postemployment Benefits**

OPERS offers 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.

**Note 14 - Transfers**

The Village had transfers from the General Fund to the Community Center Fund (a special revenue fund type) and the Park Fund (a special revenue fund type). The Village also had transfers from the Parks and Recreation Fund (a special revenue fund type) to the Swimming Pool Fund (an enterprise fund type). The Village also had transfers from the Parks and Recreation Fund (a special revenue fund type) to the Park Fund (a special revenue fund type). The Parks and Recreation Fund receives levy dollars that can be utilized to support park and swimming pool operations.

**Note 15 - Compliance**

- A. The Village did not properly pass appropriations at the minimum legal level of budgetary control, in noncompliance with Ohio Revised Code Section 5705.38(C).
- B. The Village did not record on behalf payments made by the Ohio Public Works Commission (OPWC), in noncompliance with Ohio Revised Code Sections 5705.41 and 5705.42.

**Note 16 – Miscellaneous – Village Swimming Pool**

At December 31, 2020, the Village discontinued operating the Village Swimming Pool fund as an enterprise fund type and began operating it from the Parks and Recreation fund (a special revenue fund type) which accounts for the levy proceeds for the Village Parks and Recreation department.

**Note 17 – Related Party Transactions**

A Village Council member's son provides periodic maintenance services for the Village. The related Village Council member abstains from any discussions and voting regarding the sons' work performed or payment for such services.

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other  
Matters Based on an Audit of Financial Statements Performed in Accordance With  
*Government Auditing Standards***

Village of Pleasantville  
Fairfield County  
101 South Main Street  
Pleasantville, Ohio 43148

To the Members of the Village Council:

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, the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund types and the fiduciary fund type combined total of the Village of Pleasantville, Fairfield County, Ohio, as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements and have issued our report thereon dated August 17, 2022, wherein we noted as described in Note 1 to the financial statements, the Village of Pleasantville followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Furthermore, we noted as described in Note 11 and Note 12 to the financial statements for the years ended December 31, 2021 and 2020, respectively, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Village of Pleasantville'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 of Pleasantville's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Pleasantville's internal control.

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 of Pleasantville's financial statements will not be prevented, or detected and corrected, on a timely basis. 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 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. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2021-001 through 2021-003 that we consider to be material weaknesses.

Village of Pleasantville

Fairfield County

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

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

As part of obtaining reasonable assurance about whether the Village of Pleasantville'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2021-001 and 2021-003.

***Village of Pleasantville's Responses to Findings***

*Government Auditing Standards* requires the auditor to perform limited procedures on the Village of Pleasantville's responses to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Village of Pleasantville'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 of Pleasantville'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 of Pleasantville's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Julian & Grube, Inc.

August 17, 2022

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2021 AND 2020**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>	
Finding Number	2021-001

Material Weakness/Noncompliance

Ohio Revised Code Section 5705.38(C) requires the following minimum level of budgetary control for Villages: “Appropriation measures shall be classified so as to set forth separately the amounts appropriated for each office, department, and division, and, within each, the amount appropriated for personal services”. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted appropriation balances.

The Village’s appropriations for the years ended December 31, 2021 and 2020 were passed at the fund level, which is not at the detailed level required by Ohio Revised Code Section 5705.38(C). The Fiscal Officer maintains an appropriation spreadsheet at a more detailed level, however, this spreadsheet is not reviewed or approved by the Village Council.

By not appropriating at the level of control required by the Ohio Revised Code, the Village risks insufficient oversight over disbursements since the Village Council will not have sufficiently detailed budget vs. actual information available to them.

We recommend the Village pass their temporary appropriations, permanent appropriations, and any appropriation modifications at the minimum level of budgetary control, in accordance with the Ohio Revised Code. Further, all appropriations and subsequent amendments should be approved by Village Council prior to being posted to the Village’s system. This will aid the Village Council and the Fiscal Officer in their review of disbursements versus appropriations and help ensure appropriations are in place prior to disbursements.

Client Response: The Fiscal Officer has discussed with the auditors to better understand what is needed, and will consider in the future presenting at the minimum level the Ohio Revised Code requires.

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2021 AND 2020**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS – (Continued)</b>	
Finding Number	2021-002

Material Weakness - Financial Statement Presentation

Management is responsible for preparing complete and accurate financial statements in accordance with the applicable financial reporting framework. Control and monitoring activities typically associated with the period-end financial reporting process include reviewing and approving manual journal entries, consolidating entries, and any entries that are recorded directly to the financial statements. For the Village, this could also include reviewing the year-end UAN reports to ensure activity is reported in the correct line items and fund balances are properly classified.

Adjustments were made to the financial statements to properly record significant transactions during the audit period.

- During 2021, the Village did not record cash receipts and cash disbursements related to on-behalf grant/loan payments from OPWC. Capital outlay cash disbursements and intergovernmental cash receipts were both increased by \$252,971 in the General Fund and loans issued cash receipts were increased \$47,429, intergovernmental cash receipts were increased \$91,590, and capital outlay cash disbursements were increased \$139,019 in the Water Fund (enterprise fund type). See more detail at 2020-003.
- During 2021, the Village recorded cash receipts in special item cash receipts that should have been recorded in miscellaneous cash receipts in the General fund in the amount of \$3,577.
- During 2020, the Village did not record cash receipts and cash disbursements related to on-behalf grant payments from OPWC. Capital outlay cash disbursements and intergovernmental cash receipts were both increased by \$63,264 in the General Fund and by \$15,930 in the Water Fund (enterprise fund type). See more detail at 2020-003.
- During 2020, the Village entered into a loan to purchase land. This transaction was not recorded. Loans issued cash receipts and capital outlay cash disbursements were increased \$60,000 in the General Fund to properly record the activity.

A lack of proper policies and procedures for control and monitoring activities associated with the period-end financial reporting process could lead to financial statement and note disclosure adjustments, which if uncorrected, could lead to a misrepresentation of the Village’s activity.

We recommend the Village design and implement additional procedures to facilitate more accurate and detailed financial reporting. The Village should consider having an outside third-party, or Council member with financial experience, review the financial report prior to filing in the Hinkle System. Further, the Village should reach out to its auditor throughout the year if questions arise on how to properly account for receipts or disbursements.

Client Response: The Village Fiscal Officer will review OPWC Workwise in the future to help ensure that all OPWC activity is properly accounted for on a timely basis in the financial statements. Additionally, the Village will evaluate and post any on-behalf payments.

**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2021 AND 2020**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS – (Continued)</b>	
Finding Number	2021-003

Material Weakness/Noncompliance – OPWC On-Behalf Payments

Ohio Rev. Code § 5705.42 states when the United States government or the state or any department, division, agency, authority, or unit thereof makes a grant or loan of money to any political subdivision of this state to aid in paying the cost of any program, activity, or function of such subdivision, or enters into an agreement with the subdivision for the making of any such grant or loan of money, the amount thereof is deemed appropriated for such purpose by the taxing authority of the subdivision as provided by law and shall be recorded as such by the fiscal officer of the subdivision, and is deemed in process of collection within the meaning of section 5705.41 of the Revised Code. In addition, Auditor of State (AOS) Bulletin 2000-008 indicates that when a local government enters into an on-behalf-of program agreement with another local government or the state, whereby the local government or its residents are the beneficiaries under the agreement, the cash value benefit of the program received under the agreement should be recorded as memorandum receipts and disbursements in the year on-behalf-of disbursements are made.

The Village entered into agreements with the Ohio Public Works Commission (OPWC) for a grant/loan during the years ending December 31, 2021 and 2020. AOS Bulletin 2002-004 outlines the accounting requirements for OPWC grants. The OPWC will make payments to the contractor(s) for its share based on invoices submitted by the fiscal officer or to the local government as a reimbursement. For payments made to the contractor, the state will notify the fiscal officer of the amount disbursed. Upon receipt of this notice, each local government shall record a receipt and disbursement in the appropriate governmental and/or enterprise capital projects fund equal to the amount disbursed by the OPWC.

The Village did not record the payments made directly to contractors as part of OPWC projects. In 2021, the Village failed to report \$252,971 in OPWC intergovernmental cash receipts and capital outlay cash disbursements in the General Fund. Additionally, they failed to report \$91,590 in intergovernmental cash receipts, \$47,429 in loan proceeds cash receipts, and \$139,019 in capital outlay cash disbursements in the Water Fund (enterprise fund type). In 2020, the Village failed to report \$63,264 in OPWC intergovernmental cash receipts and capital outlay cash disbursements in the General Fund. Additionally, they failed to report \$15,930 in OPWC intergovernmental cash receipts and capital outlay cash disbursements in the Water Fund (enterprise fund type). The financial statements and notes have been adjusted to properly report the activity.

The failure to record grant activity results in understated receipts and disbursements on the financial statements and understated obligations in the financial statement notes.

To improve financial reporting, the Village should establish procedures to account for all payments made directly to contractors to ensure that the financial statements reflect the receipts and disbursements for all grant activity.

Client Response: The Village Fiscal Officer will review OPWC Workwise in the future to help ensure that all OPWC activity is properly accounted for on a timely basis in the financial statements.



**VILLAGE OF PLEASANTVILLE  
FAIRFIELD COUNTY, OHIO**

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

<u>Finding Number</u>	<u>Year Initially Occurred</u>	<u>Finding Summary</u>	<u>Status</u>	<u>Additional Information</u>
2019-001	2019	<u>Noncompliance/Material Weakness</u> – The Village’s appropriations were not at the level of control required by Ohio Revised Code § 5705.38(C). The Village legal level was at the fund level.	Not Corrected	Repeated as Finding 2021-001 as the Village’s appropriations were not approved at the appropriate legal level of control.
2019-002	2019	<u>Material Weakness/Financial Statement Presentation</u> – The Village’s lack of proper policies and procedures for control and monitoring activities associated with the period-end financial reporting process could lead to financial statement and note disclosure adjustments, which if uncorrected, could lead to a misrepresentation of the Village’s activity. The Village had adjustments to its financial statements and notes.	Not Corrected	Repeated as Finding 2021-002 as certain adjustments were made to the audited financial statements.
2019-003	2019	<u>Material Weakness/Noncompliance - OPWC On-Behalf Payments</u> – The Village did not record on-behalf grant activity and this results in understated receipts and disbursements on the financial statements and understated obligations in the financial statement notes. Ohio Revised Codes 5705.41 and 5705.42 requires a grant or loan of money to be recorded.	Not Corrected	Repeated as Finding 2021-003 as the Village did not properly record on-behalf grant and loan related activity.

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# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF PLEASANTVILLE**

**FAIRFIELD 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 10/4/2022**

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)