

**VILLAGE OF PLEASANTVILLE**

**FAIRFIELD COUNTY**

**JANUARY 1, 2014 TO DECEMBER 31, 2015  
AGREED UPON PROCEDURES**





# Dave Yost • Auditor of State

Village Council  
Village of Pleasantville  
P.O. Box 193  
Pleasantville, Ohio 43148

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Village of Pleasantville, Fairfield County, prepared by Julian & Grube, Inc., for the period January 1, 2014 through December 31, 2015. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code

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 black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

June 28, 2016

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**Julian & Grube, Inc.**  
*Serving Ohio Local Governments*

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**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

Village of Pleasantville  
Fairfield County  
P.O. Box 193  
Pleasantville, Ohio 43148

We have performed the procedures enumerated below, with which the Village Council and Mayor, and the management of the Village of Pleasantville (the Village) and the Auditor of State have agreed, solely to assist the Council and Mayor in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2015 and 2014, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management, the Mayor, and / or the Council are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

**Cash**

1. We tested the mathematical accuracy of the December 31, 2015 and December 31, 2014 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2014 beginning fund balances recorded in the Cash Summary by Fund Report to the December 31, 2013 balances in the prior year audited statements. We noted fund balances did not agree in the Special Revenue Fund and the Enterprise Fund in the amount of \$104 and \$98, respectively. We also agreed the January 1, 2015 beginning fund balances recorded in the Cash Summary by Fund Report to the December 31, 2014 balances in the Cash Summary by Fund Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2015 and 2014 fund cash balances reported in the Fund Status Reports. The amounts agreed.
4. We confirmed the December 31, 2015 bank account balance with the Village's financial institution. We found no exception. We also agreed the confirmed balance to the amount appearing in the December 31, 2015 bank reconciliation without exception.

5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2015 bank reconciliation:
  - a. We traced each debit to the subsequent January and February bank statements. We found no exceptions.
  - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.

#### **Property Taxes, Intergovernmental and Other Confirmable Cash Receipts**

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2015 and one from 2014:
  - a. We traced the gross receipts from the *Statement* to the amount recorded in the Revenue Ledger Report. The amounts agreed.
  - b. We determined whether the receipt was allocated to the proper funds as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
  - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Revenue Ledger Report to determine whether it included two real estate tax receipts for 2015 and 2014. We noted the Revenue Ledger Report included the proper number of tax receipts for each year.
3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2015 and five from 2014.
  - a. We compared the amount from the above reports to the amount recorded in the Revenue Ledger Report. The amounts agreed.
  - b. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
  - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
4. We agreed the amounts paid from the Ohio Public Works Commission (OPWC) on behalf of the Village during 2014 to the OPWC distribution transaction ledger. We found no exceptions.
  - a. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
  - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

#### **Income Tax Receipts**

We obtained the December 31, 2015 and 2014 Monthly Distribution Reports submitted by the Regional Income Tax Agency (RITA), the agency responsible for collecting income taxes on behalf of the Village. We agreed the total gross income taxes per year to the Village's Revenue Ledger Report. The amounts agreed.

#### **Water and Sewer Fund**

1. We haphazardly selected 10 Water and Sewer Fund collection cash receipts from the year ended December 31, 2015 and 10 Water and Sewer Fund collection cash receipts from the year ended 2014 recorded in the Receipt Register Report and determined whether the:
  - a. Receipt amount per the Receipt Register Report agreed to the amount recorded to the credit of the customer's account in the Billing Journal Report. The amounts agreed.
  - b. Amount charged for the related billing period:
    - i. Agreed with the debit to accounts receivable in the Billing Journal Report for the billing period. We found no exceptions.
    - ii. Complied with rates in force during the audit period multiplied by the consumption amount recorded for the billing period, plus any applicable late penalties, plus unpaid prior billings. We found no exceptions.
  - c. Receipt was posted to the proper funds, and was recorded in the year received. We found no exceptions.

2. The Village's utility software was unable to provide archived balances for account receivable adjustments and accounts receivable as of December 31, 2015 and 2014. Without an accounts receivable system that is able to provide archived accounts receivable reports, the Village is limited in their ability to review past operations. We recommend the Village acquire a system that is able to generate archived information.
3. We noted no non-cash receipt adjustments were made by the Village for the years ended December 31, 2015 and 2014.

**Debt**

1. From the prior audit documentation, we noted the following loans outstanding as of December 31, 2013. These amounts agreed to the Villages January 1, 2014 balances on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2013:
OPWC Summit Street Sewer Project	\$18,528
OPWC Water Tower Design and Construction	\$21,762
OPWC N. Main Street Waterline Replacement	\$15,928
OPWC S. Main Street Waterline Replacement	\$37,205
OPWC Water System Improvements	\$58,005

2. We inquired of management, and scanned the Revenue Ledger Report and Payment Listing Report for evidence of debt issued during 2015 or 2014 or debt payment activity during 2015 or 2014. We noted a new loan issued during 2014 with the Ohio Public Works Commission for Summit Street Improvements. All debt agreed to the summary schedule used in step 3.
3. We obtained a summary of loan activity for 2015 and 2014 and agreed principal and interest payments from the related debt amortization schedules to debt service fund payments reported in the Appropriation Ledger Report. We also compared the date the debt service payments were due to the date the Village made the payments. We found no exceptions.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Water Operating Fund per the Revenue Ledger Report. The amounts agreed.
5. For new debt issued during 2015 and 2014, we inspected the debt legislation, noting the Village must use the proceeds to improve and maintain infrastructure on Summit Street between Main Street and Second Street. We scanned the Appropriation Ledger Report and noted the Village used proceeds for improvement and maintenance of infrastructure.

**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2015 and one payroll check for five employees from 2014 from the Wages Withholding Detail Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Wages Withholding Detail to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We determined whether the fund and account codes to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files and minute record. We also determined whether the payment was posted to the proper year. We found no exceptions.

2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2015 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period during 2015. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2016	January 15, 2016	\$792.00	\$792.00
State income taxes	January 31, 2016	January 27, 2016	\$590.70	\$590.70
RITA	January 30, 2016	January 27, 2016	\$276.69	\$276.69
OPERS retirement	January 30, 2016	January 27, 2016	\$1,786.66	\$1,786.66

#### Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Payment Listing Report for the year ended December 31, 2015 and ten from the year ended 2014 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Payment Listing Report and to the names and amounts on the supporting invoices. We found no exceptions.
  - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
  - d. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found one instance where a disbursement requiring certification was not certified and one instance where the certification date was after the vendor invoice date, and there was also no evidence that a *Then and Now Certificate* was issued. Ohio Rev. Code Section 5705.41(D) requires certifying at the time of a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not test all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

#### Compliance – Budgetary

1. We compared the total estimated receipts from the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Revenue Status Report for the General, Street and Water funds for the years ended December 31, 2015 and 2014. The amounts agreed.
2. We scanned the appropriation measures adopted for 2015 and 2014 to determine whether, for the General, Street and Water funds, the Council appropriated separately for “each office, department, and division, and within each, the amount appropriated for personal services,” as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.

3. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Appropriation Status Report for 2015 and 2014 for the following funds: General, Street and Water funds. The amounts in the appropriation resolutions agreed to the amounts recorded in the Appropriation Status Report, except for, in 2014, the amounts in the General fund, Street fund and Water fund appropriation resolutions were in excess of the Appropriation Status Report by \$1,570, \$1,112 and \$2,370, respectively. In 2015, the Street fund Appropriation Status Report was in excess of amounts approved in the appropriation resolutions in the amount of \$200.
4. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General, Street and Water funds for the years ended December 31, 2015 and 2014. We noted no funds for which appropriations exceeded certified resources.
5. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2015 and 2014 for the General, Water and Street fund, as recorded in the Appropriation Status Report. We noted no funds for which expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Revenue Ledger Report for evidence of new restricted receipts requiring a new fund during December 31, 2015 and 2014. We also inquired of management regarding whether the Village received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the Village to establish a new fund.
7. We scanned the 2015 and 2014 Revenue Ledger Report and Appropriation Ledger Report for evidence of interfund transfers exceeding \$5,000 which Ohio Rev. Code Sections 5705.14 - .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas.
8. We inquired of management and scanned the Appropriation Status Reports to determine whether the Village elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. We noted the Village did not establish these reserves.
9. We scanned the Cash Summary by Fund Report for the years ended December 31, 2015 and 2014 for negative cash fund balance. Ohio Rev. Code Section 5705.10(l) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. We noted no funds having a negative cash fund balance.

#### **Compliance - Contracts and Expenditures**

We inquired of management and scanned the Appropriation Ledger Report for the years ended December 31, 2015 and 2014 to determine if the Village proceeded by force accounts (i.e. used its own employees) to maintain or repair roads (cost of projects exceeding \$30,000) or to contract or reconstruct Village roads (cost of project \$30,000/per mile) for which Ohio Revised Code Section 117.16(A) and 723.52 requires the Village engineer, or officer having a different title, but the duties and functions of an engineer, to complete a force account project assessment form (i.e. cost estimate). We identified no projects requiring a completion of the force account assessment form.

### Other Compliance

1. Ohio Rev. Code Section 117.38 requires villages to file their financial information in the HINKLE system formerly known as the Annual Financial Data Reporting System (AFDRS) within 60 days after the close of the fiscal year. We reviewed AFDRS to verify the Village filed their financial information within the allotted timeframe for the years ended December 31, 2015 and 2014. No exceptions noted.
2. We inquired of the fiscal officer and/or scanned the Fiscal Integrity Act Portal (<http://www.ohioauditor.gov/fiscalintegrity/default.html> ) to determine whether the fiscal officer obtained the training required by Ohio Rev. Code Section 507.12 and 733.81. The Fiscal Officer has not obtained the required training.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Village's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance the Auditor of State, and others within the Village, and is not intended to be, and should not be used by anyone other than these specified parties.



Julian & Grube, Inc.  
June 2, 2016



# Dave Yost • Auditor of State

**VILLAGE OF PLEASANTVILLE**

**FAIRFIELD 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  
JULY 12, 2016**