

**VILLAGE OF PLEASANTVILLE**  
**FAIRFIELD COUNTY, OHIO**  
**JANUARY 1, 2016 TO DECEMBER 31, 2017**  
**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, 2016 through December 31, 2017. 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

April 6, 2018

**This page intentionally left blank.**



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

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

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

Village of Pleasantville  
Fairfield County  
207 West Columbus Street  
Post Office Box 193  
Pleasantville, Ohio 43148

We have performed the procedures enumerated below, which were agreed to by the Village Council, Mayor and the management of the Village of Pleasantville (the Village) and the Auditor of State, on the receipts, disbursements and balances recorded in the Village's cash basis accounting records for the years ended December 31, 2017 and 2016 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Village. The Village is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2017 and 2016 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Village. 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 recalculated the December 31, 2017 and December 31, 2016 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2016 beginning fund balances recorded in the Cash Summary by Fund Report to the December 31, 2015 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2017 beginning fund balances recorded in the Cash Summary by Fund Report to the December 31, 2016 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, 2017 and 2016 fund cash balances reported in the Cash Summary by Fund Report. The amounts agreed.
4. We observed the December 31, 2017 year-end bank balance on the financial institution's website. The balance agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2017 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2017 bank reconciliation:
  - a. We traced each debit to the subsequent January bank statement. 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. There were no exceptions.

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

1. We haphazardly selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2017 and one from 2016:
  - a. We traced the gross receipts from the *Statement* to the amount recorded in the Revenue Status Report. The amounts agreed.
  - b. We inspected the Receipt Detail Report to confirm 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 inspected the Receipt Detail Report to confirm whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We inspected the Revenue Status Report to determine whether it included two real estate tax receipts for 2017 and 2016. The Revenue Status Report included the proper number of tax receipts for each year.
3. We haphazardly selected five receipts from the State Distribution Transaction Lists (DTL) from 2017 and five from 2016. We also haphazardly selected five receipts from the County Auditor's Vendor Invoice List from 2017 and five from 2016.
  - a. We compared the amount from the above reports to the amount recorded in the Receipt Detail Report. The amounts agreed.
  - b. We inspected the Receipt Detail Report to determine that these receipts were allocated to the proper funds. We found no exceptions.
  - c. We inspected the Receipt Detail Report to determine whether the receipts were recorded in the proper year. We found no exceptions.
4. We confirmed the amounts paid from the Ohio Public Works Commission (OPWC) on behalf of the Village during 2016 and 2017 with OPWC. We found the Village did not record receipts totaling \$152,783 in 2016 and \$100,243 in 2017.
  - a. We inspected the Receipt Detail Report to determine whether these receipts were allocated to the proper funds. We found the Village did not record OPWC on behalf payments.
  - b. We inspected the Receipt Detail Report to determine whether the receipts were recorded in the proper year. We found the Village did not record the OPWC on behalf payments.

We recommend the Village record all on behalf payments received as well as budget accordingly.

### **Income Tax Receipts**

1. We obtained the December 31, 2017 and 2016 Year End 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 Status 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, 2017 and 10 Water and Sewer Fund collection cash receipts from the year ended 2016 recorded in the Receipt Detail Report and determined whether the:
  - a. Receipt amount per the Receipt Detail 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, 2017 and 2016. 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, 2017 and 2016.

**Debt**

1. From the prior agreed-upon procedures documentation, we observed the following loans were outstanding as of December 31, 2015. These amounts agreed to the Village's January 1, 2016 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of December 31, 2015:
OPWC Summit Street Sewer Project	\$13,234
OPWC Water Tower Design and Construction	\$18,136
OPWC Summit Street Waterline	\$24,784
OPWC N. Main Street Waterline Replacement	\$13,158
OPWC S. Main Street Waterline Replacement	\$31,890
OPWC Water System Improvements	\$52,204

2. We inquired of management, and inspected the Revenue Status Report and Appropriation Status Report for evidence of debt issued during 2017 or 2016 or debt payment activity during 2017 or 2016. We noted the Village did not record loan proceeds from the Ohio Public Works Commission in the amount of \$37,668 for E. Columbus Street Improvements and \$11,767 for Market and Foster Street Improvements. These loan proceeds occurred in 2017 and 2016.
3. We obtained a summary of loan debt activity for 2017 and 2016 and agreed principal and interest payments from the related debt amortization schedules to water operating fund and general fund payments reported in the Appropriation Status 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. For new debt issued during 2017 and 2016, we inspected the debt legislation, which stated the Village must use the proceeds to improve and maintain infrastructure on E. Columbus Street, Market Street, and Foster Street. We inspected the Appropriation Status Report and observed the Village did not record the spent loan proceeds from OPWC; however, we noted the on behalf payments were disbursed accordingly for the maintenance of infrastructure as required by OPWC.

We recommend the Village record all on behalf payments received from OPWC.

**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2017 and one payroll check for five employees from 2016 from the Wage Detail Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Wage Detail Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We inspected the fund and account codes to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the employees' personnel files and minute record. We also confirmed the payment was posted to the proper year. We found no exceptions.
2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2017 to confirm 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 2017. We observed the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare	January 31, 2018	January 12, 2018	\$669.25	\$669.25
State income taxes	January 15, 2018	January 17, 2018	\$195.19	\$195.19
RITA	January 30, 2018	January 29, 2018	\$284.92	\$284.92
OPERS retirement	January 30, 2018	February 6, 2018	\$1,946.98	\$1,946.98

As stated above, the Village did not pay State income taxes or OPERS by the date due as required by Ohio Rev. Code Sections 145.47 and 145.48. We will not notify the state or OPERS of this matter as the withholdings were eventually paid.

**Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Payment Register Report for the year ended December 31, 2017 and ten from the year ended 2016 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 Register 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 clerk treasurer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found five instances 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 commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not inspect 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, Parks and Recreation, and Swimming Pool funds for the years ended December 31, 2017 and 2016. The amounts agreed in all funds for 2016. In 2017 the General and Parks and Recreation funds agreed. For the Swimming Pool fund, total estimated receipts exceeded amounts recorded in the Revenue Status Report by \$500. The clerk treasurer should periodically compare amounts recorded in the Revenue Status Report to amounts recorded on the *Amended Official Certificate of Estimated Resources* to ensure they agree. If the amounts do not agree, the Council may be using inaccurate information for budgeting and monitoring expenditures.
2. We inspected the appropriation measures adopted for 2017 and 2016 to determine whether, for the General, Parks and Recreation, and Swimming Pool 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 2017 and 2016 for the following funds: General, Parks and Recreation, and Swimming Pool. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Status Report.
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, Parks and Recreation and Swimming Pool funds for the years ended December 31, 2017 and 2016. There were 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, 2017 and 2016 for the General, Parks and Recreation and Swimming Pool funds, as recorded in the Appropriation Status Report. We observed no funds for which expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We inspected the Revenue Status Report for evidence of new restricted receipts requiring a new fund during December 31, 2017 and 2016. We also inquired of management regarding whether the Village received new restricted receipts. The Village established the Other Special Revenue Fund (fund 2906) during 2017 to segregate the mayor's discretionary receipts and disbursements in compliance with Ohio Rev. Code Section 5705.09.
7. For funds existing in prior years, we inspected the fund activity to determine whether the fund is still being used for the statutorily approved purpose and that all the required funds were established. All the required funds were established and no funds for which the statutorily approved purpose was no longer valid were included in the accounting records.

8. We inspected the 2017 and 2016 Revenue Status Reports and Appropriation Status Reports 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 (effective after June 30, 2017) or Court of Common Pleas (effective through June 30, 2017).
9. We inquired of management and inspected the Appropriation Status Reports to determine whether the Village elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. The Village did not establish these reserves.

We inquired of management and inspected the Appropriation Status Report to determine whether the Village elected to establish a contingency, not designated for any particular purpose (contingency reserve balance – spending reserves) permitted by Ohio Rev. Code Section 5705.29(A)(1). The Village did not establish these reserves.

10. We inspected the Cash Summary by Fund Report for the years ended December 31, 2017 and 2016 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. There were no funds having negative cash fund balances.

#### **Compliance – Contracts & Expenditures**

We inquired of management and inspected the Appropriation Ledger Report for the years ended December 31, 2017 and 2016 to determine if the Village proceeded by force account (i.e. used its own employees) to maintain or repair roads (cost of project exceeding \$30,000) or to construct or reconstruct Village roads (cost of project \$30,000/per mile) for which Ohio Rev. Code Sections 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 the 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 within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, in addition to filing extensions granted for extenuating circumstances, allow for refile complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System for December 31, 2017 and 2016 fiscal year ends included in 2015-2016 or 2016-2017 agreed-upon procedure engagements, subsequent to the Village's deadline where the initial filing was filed on time but incomplete. We confirmed the Village filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended December 31, 2017 and 2016 in the Hinkle system. There were no exceptions for 2017. Financial information for 2016 was filed on February 12, 2018, which was not within the allotted timeframe.
2. We inquired of the clerk treasurer and inspected the Fiscal Integrity Act Portal (<http://www.ohioauditor.gov/fiscalintegrity/default.html>) to determine whether the clerk treasurer obtained the training required by Ohio Rev. Code Section 507.12 and 733.81. The clerk treasurer obtained the required training.

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

This report is to provide assistance in the evaluation of the Village's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2017 and 2016, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.  
March 15, 2018

**This page intentionally left blank.**



# 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  
APRIL 19, 2018