

**VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY**

**REGULAR AUDIT
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**



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Village Council
Village of Pleasantville
PO Box 193
Pleasantville, OH 43148

We have reviewed the *Independent Auditor's Report* of the Village of Pleasantville, Fairfield County, prepared by Gueye & Associates, CPA, for the audit period January 1, 2022 through December 31, 2023. 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.

Keith Faber
Auditor of State
Columbus, Ohio

March 13, 2025

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**VILLAGE OF
PLEASANTVILLE
FAIRFIELD COUNTY**

DECEMBER 31, 2023 AND 2022

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INDEPENDENT AUDITOR'S REPORT

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

To the Village Council:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Village of Pleasantville, Fairfield County, Ohio (the Village), which comprises the cash balances, receipts and disbursements for each governmental and proprietary fund type, and the fiduciary fund type combined total as of and for the years ended December 31, 2023, and December 31, 2022, 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 as of and for the years ended December 31, 2023 and December 31, 2022, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

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 do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village, as of December 31, 2023, and December 31, 2022, or the changes in financial position thereof, or where applicable, 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 (GAAS) 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, 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 2 of the financial statements, the financial statements are prepared by Village 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 an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. 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 misstatement, 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'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 GAAS and the financial audit standards in the Comptroller General of the United States' *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.

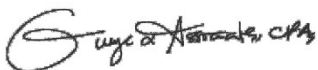
In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- 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'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'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 December 31, 2024, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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'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's internal control over financial reporting and compliance.



Columbus, Ohio
December 31, 2024

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, 2023

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$ 58,391	\$ 54,389	\$ -	\$ 112,780
Municipal Income Tax	152,466	-	-	152,466
Intergovernmental	18,179	95,306	834,000	947,485
Special Assessments	524	-	-	524
Charges for Services	8,784	27,600	-	36,384
Fines, Licenses and Permits	6,075	-	-	6,075
Earnings on Investments	2,215	576	-	2,791
Miscellaneous	1,341	1,700	-	3,041
Total Cash Receipts	247,975	179,571	834,000	1,261,546
Cash Disbursements				
Current:				
Security of Persons and Property	108,078	33,401	-	141,479
Public Health Services	61,033	-	-	61,033
Community Environment	10,312			
Leisure Time Activities	27,101	57,822	-	84,923
Basic Utility Services	-	716	-	716
Transportation	-	60,530	-	60,530
General Government	114,517	64,048	-	178,565
Capital Outlay	109,976	-	461,744	571,720
Debt Service:				
Principal Retirement	11,903	-	-	11,903
Total Cash Disbursements	442,920	216,517	461,744	1,121,181
Excess of Cash Receipts Over (Under) Cash Disbursements	(194,945)	(36,946)	372,256	140,365
Non-Operating Receipts (Disbursements)				
Loan Proceeds	28,453	-	-	28,453
Other Financing Uses	(7,623)	(60,758)	-	(68,381)
Total Non-Operating Receipts (Disbursements)	20,830	(60,758)	-	(39,928)
Special Item	25,629	-	-	25,629
Net Change in Fund Cash Balances	(148,486)	(97,704)	372,256	126,066
Fund Cash Balances, January 1 (Restated)	304,844	224,823	-	529,667
Fund Cash Balances, December 31	\$ 156,358	\$ 127,119	\$ 372,256	\$ 655,733

See accompanying notes to the basic financial statements

Village of Pleasantville, Ohio
Fairfield County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Proprietary Fund Types
For the Year Ended December 31, 2023

	<u>Proprietary Fund Type</u>
	<u>Enterprise</u>
Operating Cash Receipts	
Charges for Services	\$179,418
<i>Total Operating Cash Receipts</i>	179,418
Operating Cash Disbursements	
Personal Services	73,585
Employee Fringe Benefits	11,550
Contractual Services	49,370
Supplies and Materials	29,482
Other	797
<i>Total Operating Cash Disbursements</i>	164,784
<i>Operating Income (Loss)</i>	<u>14,634</u>
Non-Operating Receipts (Disbursements)	
Intergovernmental Receipts	8,501
Intergovernmental Disbursements	(8,501)
Capital Outlay	(24,859)
Principal Retirement	(17,804)
Interest and Other Fiscal Charges	(843)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(43,506)</u>
<i>Net Change in Fund Cash Balances</i>	(28,872)
<i>Fund Cash Balances, January 1</i>	<u>145,146</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 116,274</u></u>

See accompanying notes to the basic financial statements

Village of Pleasantville, Ohio
Fairfield County
Combined Statement of Additions, Deductions
and Changes in Fund Balances (Regulatory Cash Basis)
Fiduciary Fund Types
For the Year Ended December 31, 2023

	Fiduciary Funds Type
	Custodial
	Other Custodial
Additions	
Charges for Services	\$ 229,711
Special Assessment Collections for Distribution	41,854
<i>Total Additions</i>	<u>271,565</u>
 Deductions	
Other Distributions	878
Distributions to Other Governments	288,339
Total Deductions	<u>289,217</u>
 Net Change in Fund Balances	 (17,652)
 Fund Cash Balances, January 1	 <u>34,179</u>
Fund Cash Balances, December 31	<u><u>\$ 16,527</u></u>

See accompanying notes to the basic financial statements

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1 – Reporting 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 utilities, park operations, and police service. The Village contracts with Walnut Creek Sewer District for sewer service. The Village contracts with the Baltimore Police Department to provide security of persons and property. The Village contracts with Pleasant Township and Walnut Township Fire Department to receive fire protection and emergency medical services.

Joint Ventures, Jointly Governed Organizations, Public Entity Risk Pools and Related Organizations

The Village belongs to the Public Entities Pool of Ohio (The Pool), a public entity risk pool. Note 7 to the financial statements provides additional information.

The Village is a part of the Fairfield Regional Planning Commission and the Mid-Ohio Regional Planning Commission. Note 11 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.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types and a combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types which are all organized on a fund type basis.

Fund Accounting

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Village are presented below:

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 Village 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.

Fund Accounting

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

General Fund - The general fund accounts for and reports all financial resources not accounted for and reported in another fund.

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2023

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.

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

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

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

Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government. The Village's custodial funds account for the activity related to the Walnut Creek Sewer District.

Budgetary Process

The Ohio Revised Code requires that each fund (except certain agency funds) be budgeted annually.

Appropriations

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

Estimated Resources

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

Encumbrances

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

A summary of 2023 budgetary activity appears in Note 4.

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Deposits and Investments

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

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.

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.

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:

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 and the nonexpendable portion of the corpus in permanent funds.

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.

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.

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.

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.

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 3 – Compliance

Contrary to Ohio law, 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), also 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 4 - Budgetary Activity

Budgetary activity for the year ending December 31, 2023, follows:

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	255,400	276,428	\$21,028
Special Revenue	256,436	179,571	(76,865)
Capital Projects	834,000	834,000	0
Enterprise	192,501	187,919	(4,582)
Total	<u>\$1,538,337</u>	<u>\$1,477,918</u>	<u>(\$60,419)</u>
General	464,846	453,218	\$11,628
Special Revenue	283,408	278,330	5,078
Capital Projects	834,000	834,000	0
Enterprise	252,555	228,532	24,023
Total	<u>\$1,834,809</u>	<u>\$1,794,080</u>	<u>\$40,729</u>

Note 5 – Deposits and Investments

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

	2023
Demand deposits	<u>\$788,534</u>
Total deposits	<u>\$788,534</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.

Note 6 – 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 homesteads and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts.

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2023

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.

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.

Note 7 - Risk Management

Risk Pool Membership

The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management programs and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and has remain unchanged. OPRM had 801 members as of December 31, 2023.

The Pool's audited financial statements conform with accounting principles generally accepted in the United States of America, with the exception of a qualified opinion related to recording premiums and membership fees earned in full as of December 31, 2023. Those premiums and fees should be earned pro-rata over the individual coverage and membership periods of each policy. The financial statements reported the following assets, liabilities and equity at December 31, 2023.

Assets	\$ 23,113,696
Liabilities	(16,078,587)
Members' Equity	<u>\$ 7,035,109</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 8 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Seventeen (17) 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, 2023.

Social Security

Nine (9) Village employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

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, 2023.

Note 9 – Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Note 10 – Debt

Debt outstanding at December 31, 2023 was as follows:

Description	Principal	Interest Rate
OPWC Loan - CQ21P	\$ 29,002	0%
OPWC Loan - CQ25E	3,627	0%
OPWC Loan - CQ25R	16,347	0%
OPWC Loan - CQ07H	2,078	0%
OPWC Loan - CQ13J	10,630	0%
OPWC Loan - CQ05T	15,067	0%
OPWC Loan - CQ12U	8,192	0%
OPWC Loan - CQ07V	44,267	0%
OPWC Loan - CQ33Y	67,215	0%
OPWC Loan - CQ12X	85,714	0%
Vint County Bank (Land Purchase)	20,073	3%
Total	\$ 302,213	

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2023

The Ohio Public Works Commission (OPWC) loan CQ21P relates to the Water System Improvements. The OPWC approved up to \$399,900.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$1,450.12, over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ25E relates to the Water Tower Design and construction. The OPWC approved up to \$72,460.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$906.79 over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ25R relates to the Summit Street Improvements Project. The OPWC approved up to \$150,100.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$527.33 over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ07H relates to the North Main Street Waterline Replacements. The OPWC approved up to \$110,226.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$692.50, over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ13J relates to the South Main Street Waterline Replacement. The OPWC approved up to \$212,600.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$1,328.75, over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ05T relates to the East Columbus Street Improvements. The OPWC approved up to \$153,900.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$1,883.42, over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ12U relates to the Market and Foster Street Improvements. The OPWC approved up to \$117,515.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$327.68, over 18 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ33Y relates to the West Columbus Street Improvements. The OPWC approved up to \$68,938.88 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$1,723.47, over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ06V relates to the Water Treatment Plant Improvements. The OPWC approved up to \$189,715.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$790.48, over 30 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ12X relates to the Lincoln Avenue Paving and Drainage Improvements. The OPWC approved up to \$85,714 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$1,428.56, over 30 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2023

In 2020 the Village obtained a loan from Vinton County National Bank for the purchase of a land to be used by the Water departments. The original loan for the land was \$60,000.00. The loan will be repaid in monthly installments of \$1,084.45 and matures in July 22, 2025. Debt is paid from half from the General fund and half from water fund.

Amortization

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

Year Ending December 31:	OPWC Loans	Vinton County Bank Loan
2024	\$ 22,118	\$ 13,310
2025	22,118	7,810
2026	19,826	-
2027	18,920	-
2028	15,707	-
2029-2033	62,476	-
2034-2038	48,115	-
2039-2043	38,756	-
2044-2048	22,190	-
2049-2053	11,913	-
2054-2058	-	-
2059-2063	-	-
2064-2068	-	-
Total	<u>\$ 282,140</u>	<u>\$ 21,120</u>

Note 11– 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 12 – 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 and the unexpendable corpus of the permanent funds. 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 facilitate effective cash planning and control.

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2023

At year end the balances of these amounts were as follows:

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Enterprise</u>	<u>Total</u>
Nonspendable:						
Unclaimed Monies	\$ 353	\$ -	\$ -	\$ -	\$ -	\$ 353
Corpus						0
Outstanding Encumbranc	2,675	1,055	-	372,256	20,242	396,228
<i>Total</i>	<u>\$ 3,028</u>	<u>\$ 1,055</u>	<u>\$ -</u>	<u>\$ 372,256</u>	<u>\$ 20,242</u>	<u>\$ 396,581</u>

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects fund are restricted committed or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These restricted, committed and assigned amounts in the special revenue, debt service, capital projects and permanent funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 13 – Restatement of Prior Year Balance

In 2023, the Village voided a payment issued in the prior year. The effect on the fund balance was as follows:

<u>Description</u>	<u>Ending Fund Balance 12/31/2022</u>	<u>Debit</u>	<u>Credit</u>	<u>Restated Fund Balance 12/31/2022</u>
General Fund	\$ 304,704	\$ -	\$ 140	\$ 304,844

Note 14 – 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 ended in April 2023. The Village will continue to spend available COVID-19 funding consistent with the applicable program guidelines

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, 2022

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	51,438	52,290	\$ -	\$ 103,728
Municipal Income Tax	140,889	-	-	140,889
Intergovernmental	17,307	106,107	215,710	339,124
Special Assessments	8,514	-	-	8,514
Charges for Services	19,463	31,391	-	50,854
Fines, Licenses and Permits	6,461	-	-	6,461
Earnings on Investments	847	128	-	975
Miscellaneous	8,296	-	-	8,296
Total Cash Receipts	253,215	189,916	215,710	658,841
Cash Disbursements				
Current:				
Security of Persons and Property	72,130	29,025	-	101,155
Public Health Services	43,035	-	-	43,035
Leisure Time Activities	18,989	44,564	-	63,553
Community Environment	7,979	-	-	7,979
Basic Utility Services	-	624	-	624
Transportation	-	48,159	-	48,159
General Government	108,932	43,648	-	152,580
Capital Outlay	131,750	-	215,710	347,460
Debt Service:				
Principal Retirement	10,180	-	-	10,180
Total Cash Disbursements	392,995	166,020	215,710	774,725
Excess of Cash Receipts Over (Under) Cash Disbursements	(139,780)	23,896	-	(115,884)
Non-Operating Receipts (Disbursements)				
Loan Proceeds	126,200	-	-	126,200
Other Financing Uses	(20,140)	-	-	(20,140)
Total Non-Operating Receipts (Disbursements)	106,060	-	-	106,060
Special Item	16,064			16,064
Net Change in Fund Cash Balances	(17,656)	23,896	-	6,240
Fund Cash Balances, January 1	322,360	200,927	-	523,287
Fund Cash Balances, December 31	\$ 304,704	\$ 224,823	\$ -	\$ 529,527

See accompanying notes to the basic financial statements

Village of Pleasantville, Ohio
FAIRFIELD COUNTY
*Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Proprietary Fund Types
For the Year Ended December 31, 2022*

	Proprietary Funds Type
	<u>Enterprise</u>
Operating Cash Receipts	
Charges for Services	178,079
<i>Total Operating Cash Receipts</i>	<u>178,079</u>
Operating Cash Disbursements	
Personal Services	57,148
Employee Fringe Benefits	8,735
Contractual Services	42,854
Supplies and Materials	25,042
Other	1,184
<i>Total Operating Cash Disbursements</i>	<u>134,963</u>
<i>Operating Income (Loss)</i>	43,116
Non-Operating Receipts (Disbursements)	
Principal Retirement	(17,370)
Interest and Other Fiscal Charges	(1,277)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(18,647)</u>
<i>Net Change in Fund Cash Balances</i>	24,469
<i>Fund Cash Balances, January 1</i>	<u>120,677</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 145,146</u></u>

See accompanying notes to the basic financial statements

Village of Pleasantville, Ohio
Fairfield County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
Fiduciary Fund Types
For the Year Ended December 31, 2022

	Fiduciary Funds Type
	Custodial
	Other Custodial
Additions	
Charges for Services	\$ 212,344
Special Assessment Collections for Distribution	32,729
<i>Total Additions</i>	245,073
 Deductions	
Distributions to Other Governments	242,182
Other Distributions	350
Total Deductions	242,532
 Net Change in Fund Balances	2,541
 Fund Cash Balances, January 1	31,638
Fund Cash Balances, December 31	\$ 34,179

See accompanying notes to the basic financial statements

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 1 – Reporting 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 utilities, park operations, and police service. The Village contracts with Walnut Creek Sewer District for sewer service. The Village contracts with the Baltimore Police Department to provide security of persons and property. The Village contracts with Pleasant Township and Walnut Township Fire Department to receive fire protection and emergency medical services.

Joint Ventures, Jointly Governed Organizations, Public Entity Risk Pools and Related Organizations

The Village belongs to the Public Entities Pool of Ohio (The Pool), a public entity risk pool. Note 7 to the financial statements provides additional information. The Village is a part of the Fairfield Regional Planning Commission and the Mid-Ohio Regional Planning Commission. Note 11 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.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types and a combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types which are all organized on a fund type basis.

Fund Accounting

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Village are presented below:

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 Village 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.

Fund Accounting

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

General Fund - The general fund accounts for and reports all financial resources not accounted for and reported in another fund.

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2022

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.

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

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

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

Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government. The Village's custodial funds account for the activity related to the Walnut Creek Sewer District.

Budgetary Process

The Ohio Revised Code requires that each fund (except certain agency funds) be budgeted annually.

Appropriations

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

Estimated Resources

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

Encumbrances

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

A summary of 2023 budgetary activity appears in Note 4.

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Deposits and Investments

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

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.

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.

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:

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 and the nonexpendable portion of the corpus in permanent funds.

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.

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.

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.

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.

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 3 – Compliance

Contrary to Ohio law, 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), also 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 4 - Budgetary Activity

Budgetary activity for the year ending December 31, 2022, follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted	Actual	Variance
	Receipts	Receipts	
General	347,200	379,415	\$32,215
Special Revenue	166,379	189,916	23,537
Capital Projects	215,710	215,710	0
Enterprise	183,000	178,079	(4,921)
Total	<u>\$912,289</u>	<u>\$963,120</u>	<u>\$50,831</u>

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation	Budgetary	Variance
	Authority	Expenditures	
General	434,341	415,194	\$19,147
Special Revenue	294,347	226,003	68,344
Capital Projects	215,710	215,710	(0)
Enterprise	190,072	154,960	35,112
Total	<u>\$1,134,470</u>	<u>\$1,011,867</u>	<u>\$122,603</u>

Note 5 – Deposits and Investments

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

	2022
Demand deposits	<u>\$708,852</u>
Total deposits	<u>\$708,852</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.

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 6 – 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 homesteads 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.

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.

Note 7 - Risk Management

Risk Pool Membership

The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management programs and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and has remain unchanged. OPRM had 801 members as of December 31, 2023.

The Pool's audited financial statements conform with accounting principles generally accepted in the United States of America, with the exception of a qualified opinion related to recording premiums and membership fees earned in full as of December 31, 2023. Those premiums and fees should be earned pro-rata over the individual coverage and membership periods of each policy. The financial statements reported the following assets, liabilities and equity at December 31, 2023.

Assets	\$ 23,113,696
Liabilities	(16,078,587)
Members' Equity	<u>\$ 7,035,109</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 8 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Seventeen (17) 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, 2022.

Social Security

Nine (9) Village employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

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, 2022.

Note 9 – Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2022, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves

Note 10 – Debt

Debt outstanding at December 31, 2022 was as follows:

Description	Principal	Interest Rate
OPWC Loan - CQ21P	\$ 31,903	0%
OPWC Loan - CQ25E	5,441	0%
OPWC Loan - CQ25R	17,402	0%
OPWC Loan - CQ07H	3,463	0%
OPWC Loan - CQ13J	13,287	0%
OPWC Loan - CQ05T	18,834	0%
OPWC Loan - CQ12U	8,847	0%
OPWC Loan - CQ07V	45,848	0%
OPWC Loan - CQ33Y	40,486	0%
OPWC Loan - CQ12X	85,714	0%
Vint County Bank (Land Purchase)	32,244	3%
Total	\$ 303,469	

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2022

The Ohio Public Works Commission (OPWC) loan CQ21P relates to the Water System Improvements. The OPWC approved up to \$399,900.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$1,450.12, over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ25E relates to the Water Tower Design and construction. The OPWC approved up to \$72,460.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$906.79 over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ25R relates to the Summit Street Improvements Project. The OPWC approved up to \$150,100.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$527.33 over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ07H relates to the North Main Street Waterline Replacements. The OPWC approved up to \$110,226.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$692.50, over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ13J relates to the South Main Street Waterline Replacement. The OPWC approved up to \$212,600.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$1,328.75, over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ05T relates to the East Columbus Street Improvements. The OPWC approved up to \$153,900.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$1,883.42, over 20 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ12U relates to the Market and Foster Street Improvements. The OPWC approved up to \$117,515.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$327.68, over 18 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ06V relates to the Water Treatment Plant Improvements. The OPWC approved up to \$189,715.00 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$790.48, over 30 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the debt service requirements.

The Ohio Public Works Commission (OPWC) loan CQ12X relates to the Lincoln Avenue Paving and Drainage Improvements. The OPWC approved up to \$85,714 in loans to the Village for this project. The amortization for this loan is not yet available

The Ohio Public Works Commission (OPWC) loan CQ33Y relates to the West Columbus Street Improvements. The OPWC approved up to \$68,938.88 in loans to the Village for this project. The amortization for this loan is not yet available.

In 2020 the Village obtained a loan from Vinton County National Bank for the purchase of a land to be used by the Water departments. The original loan for the land was \$60,000.00. The loan will be repaid in monthly installments of \$1,084.45 and matures in July 22, 2025. Debt is paid from half from the General fund and half from water fund.

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Amortization

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

Year Ending December 31:	OPWC Loans	Vinton County Bank Loan
2023	\$ 15,814	\$ 13,013
2024	15,814	13,013
2025	13,522	7,810
2026	12,616	-
2027	9,403	-
2028-2032	30,956	-
2033-2037	16,596	-
2038-2042	17,955	-
2043-2047	7,905	-
2048-2052	4,443	-
Total	\$ 145,025	\$ 33,836

Note 11– 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 12 – 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 and the unexpendable corpus of the permanent funds. 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 facilitate effective cash planning and control.

At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Total
Nonspendable:						
Unclaimed Monies	\$ 353	\$ -	\$ -	\$ -	\$ -	\$ 353
Corpus						0
Outstanding Encumbranc	2,059	59,983	-	0	1,350	63,392
Total	\$ 2,412	\$ 59,983	\$ -	\$ -	\$ 1,350	\$ 63,745

Village of Pleasantville, Ohio
Fairfield County
Notes to the Financial Statements
For the Year Ended December 31, 2022

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects funds are restricted committed or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These restricted, committed and assigned amounts in the special revenue, debt service, capital projects and permanent funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 13 – 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 ended in April 2023. The Village will continue to spend available COVID-19 funding consistent with the applicable program guidelines



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

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 auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund types, and the fiduciary fund type combined total as of and for the years ended December 31, 2023 and 2022, and related notes of the Village of Pleasantville, Fairfield County, (the Village) and have issued our report thereon dated December 31, 2024, wherein we noted the Village followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village'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 Entity'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.

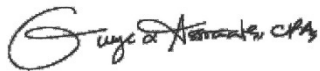
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings as item No. 2023-001, 2023-003, and 2021-004 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village'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 as item 2023-002, 2023-003, and 2023-004.

Purpose of this Report

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



Columbus, Ohio
December 31, 2024

**VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023 AND 2022**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2023-001

Material Weakness - Accuracy of Financial Reporting

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs. A14 & .A16.

The following errors were identified in December 31, 2023 financial statements:

- OPWC debt proceeds of \$28,453 paid directly to contractors and associated expenditures were not recorded in the accounting ledgers or financial statements.
- Acquisition of land in the amount of \$54,000 was incorrectly recorded in the accounting ledgers as principal payments.
- Interest payments of 843 for the Vinton County bank loan was incorrectly recorded as principal payments

The following errors were identified in December 31, 2022 financial statements:

- OPWC debt proceeds of \$126,200 paid directly to contractors and associated expenditures were incorrectly recorded as intergovernmental revenues in the accounting ledgers and financial statements.
- Interest payments of 1,277 for the Vinton County bank loan was incorrectly recorded as principal payments

The 2022 and 2023 notes to the financial statements also had errors such as, but not limited to, the disclosures for budgetary, deposits, and the debt amortization tables.

The lack of transaction and monitoring controls over the recording of financial activity and preparing the annual financial statements may have contributed to the errors identified above. The accompanying financial statements and where necessary the accounting records have been adjusted to correct these errors.

The failure to correctly classify financial activity in the accounting records and financial statements may impact a user's understanding of the financial operations, the ability to make sound financial decisions, the ability to comply with budgetary laws, and may result in the material misstatement of the financial statements. In addition, such undetected errors may result in irregularities not being detected in a timely manner by the Council. Inaccurate note disclosures pose the risk of misleading the readers of the annual financial report.

To help ensure the Village's financial statements and notes to the statements are complete and accurate, the Village should adopt controls and/or procedures to identify and correct errors and omissions. Resources such as the Ohio Village Handbook, the Uniform Accounting Network (UAN) Manual, and the village financial statement and note shells on the Auditor of State website can be utilized when recording transactions and preparing the annual financial statements. Additionally, Council or a sub-committee such as an audit or finance committee should perform periodic reviews of the receipt and disbursement ledgers to help identify errors and/or irregularities. Prior to filing, a secondary review of the financial statements and notes to the financial statements should be performed to verify that all amounts are accurate and agree to supporting documentation.

Officials' Response: We did not receive a response from Officials for this finding.

**VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023 AND 2022**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2023-002

Non-Compliance: Prior Certification

Ohio Rev. Code § 5705.41(D)(1) provides that no orders or contracts involving the expenditure of money are to be made unless there is attached thereto a certificate of the fiscal officer certifying that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such a certificate shall be void and no warrant shall be issued in payment of any amount due thereon.

There are several exceptions to the standard requirement stated above that treasurer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Rev. Code.

- A. "Then and Now" Certificate - If the chief fiscal officer can certify that both at the time the contract or order was made ("then") and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Village can authorize the drawing of a warrant for the payment of the amount due. The Village has thirty days from receipt of the "then and now" certificate to approve payment by ordinance or resolution. Amounts of less than \$3,000 may be paid by the fiscal officer without resolution or ordinance upon completion of the "then and now" certificate provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Village.
- B. Blanket Certificate - Fiscal Officer may prepare "blanket" certificates for a certain sum of money not to excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line-item account over a period not running beyond the end of the current fiscal. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line-item appropriations.
- C. Super Blanket Certificate - The Village may also make expenditures and contract for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, roadway materials, utilities, and any other specific recurring and reasonably predictable operating expense. This certificate may, but need not, be limited to a specific vendor. This certificate is noted to extend beyond the current fiscal year. More than one super blanket certificate may be outstanding at a particular time for any one-line item appropriation.

The Village did not properly certify the availability of funds prior to the purchase commitment for 10 out of 37 purchases or 27% and 7 out of 29 or 24% of transactions tested in 2022 and 2023, respectively, and there was no evidence the Village followed the aforementioned exceptions. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to help ensure purchase commitments receive prior approval.

**VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023 AND 2022**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2023-002 (Continued)

Noncompliance: Prior Certification (Continued)

To improve controls over disbursements and to help reduce the possibility of the Village's funds exceeding budgetary spending limitations, the Fiscal Officer should certify the funds are or will be available prior to obligation by the Village. When prior certification is not possible, "then and now" certification should be used. The Village should also implement procedures to ensure expenditure does not exceed available resources, thus avoiding negative fund balance situations and enabling the Village to properly certify the availability of funds for purchases.

Officials' Response: We did not receive a response from Officials for this finding.

FINDING NUMBER 2023-003

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, 2023 and 2022. 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 2023, the Village failed to report \$28,453 in OPWC loan proceeds receipts and capital outlay cash disbursements in the General Fund. Additionally, the Village incorrectly recorded \$126,200 in loans received from OPWC as intergovernmental cash receipts.

The financial statements and notes have been adjusted to properly report the activity.

**VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023 AND 2022**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2023-003 (Continued)

Material Weakness/Noncompliance: OPWC On-Behalf Payments (Continued)

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: We did not receive a response from Officials for this finding.

FINDING NUMBER 2023-004

Material Weakness/Noncompliance : Legal Level of Appropriations

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, 2023 and 2022 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: We did not receive a response from Officials for this finding.

**VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
YEARS ENDED DECEMBER 31, 2023 AND 2022**

Finding Number	Finding Summary	Status	Additional Information
2021-001	Noncompliance/Material Weakness – Ohio Revised Code § 5705.38(C). The Village legal level of control was at the fund level.	Not Corrected	Reissued as Finding # 2023-004
2021-002	Material Weakness/Financial Statement Presentation	Not Corrected	Reissued as Finding # 2023-001
2021-003	Material Weakness/Noncompliance - OPWC On-Behalf Payments	Not Corrected	Reissued as Finding # 2023-003

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 3/25/2025

65 East State 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