

VILLAGE OF PLEASANTVILLE

FAIRFIELD COUNTY

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

FISCAL YEARS AUDITED UNDER GAGAS: 2005 AND 2004

BALESTRA, HARR & SCHERER, CPAS, INC.

528 South West Street, P.O. Box 687
Piketon, Ohio 45661

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**Auditor of State
Betty Montgomery**

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

We have reviewed the *Independent Auditor's Report* of the Village of Pleasantville, Fairfield County, prepared by Balestra, Harr & Scherer, CPAs, Inc., for the audit period January 1, 2004 through December 31, 2005. 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.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditor's Report* on your financial statements. While the Auditor of State does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Auditor's Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

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.

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BETTY MONTGOMERY
Auditor of State

October 31, 2006

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VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY

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Ohio Society of Certified Public Accountants

Independent Auditor's Report

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

We have audited the accompanying financial statements of the Village of Pleasantville, Fairfield County, (the Village) as of and for the years ended December 31, 2005 and December 31, 2004. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As described in Note 1, the Village has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, we presume they are material.

Revisions to GAAP would require the Village to reformat its financial statement presentation and make other changes effective for the year ended December 31, 2004. Instead of the combined funds the accompanying financial statements present for 2005 and 2004, the revisions require presenting entity wide statements and also to present its larger (i.e., major) funds separately for 2005 and 2004. While the Village does not follow GAAP, generally accepted auditing standards require us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Village has elected not to reformat its statements. Since the Village does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2005 and 2004, or its changes in financial position or cash flows of its proprietary funds for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Village of Pleasantville, Fairfield County, as of December 31, 2005 and 2004, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

The aforementioned revision to generally accepted accounting principles also requires the Village to include Management's Discussion & Analysis for the years ended December 31, 2005 and 2004. The Village has not presented Management's Discussion & Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2006, 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. That report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. It does not opine on the internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



Balestra, Harr & Scherer, CPAs, Inc.

September 22, 2006

VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND
CASH BALANCES - ALL GOVERNMENTAL FUND TYPES -
FOR THE YEAR ENDED DECEMBER 31, 2005

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Debt Service	
Revenues:				
Property and Local Taxes	\$ 29,622	\$ 23,355	\$ -	\$ 52,977
Intergovernmental	22,078	32,293	-	54,371
Charges for Services	-	8,586	-	8,586
Fines, Licenses, and Permits	4,013	-	-	4,013
Interest	1,591	261	-	1,852
Miscellaneous	524	459	-	983
Total Revenues	57,828	64,954	-	122,782
Disbursements:				
Security of Persons and Property	5,465	21,882	-	27,347
Public Health Service	2,261	-	-	2,261
Community Environment	1,930	-	-	1,930
Leisure Time Activities	-	10,510	-	10,510
Transportation	-	29,022	-	29,022
General Government	38,380	943	-	39,323
Capital Outlay	-	2,274	-	2,274
Debt Service:				
Principal Payments	-	-	2,647	2,647
Total Disbursements	48,036	64,631	2,647	115,314
Excess of Cash Receipts Over/ (Under) Cash Disbursements	9,792	323	(2,647)	7,468
Other Financing Sources/(Uses)				
Advances In	1,000	1,000	-	2,000
Advances Out	(1,000)	(1,000)	-	(2,000)
Operating Transfers In	-	2,216	2,647	4,863
Operating Transfers Out	(12,163)	-	-	(12,163)
Total Other Financing Sources/(Uses)	(12,163)	2,216	2,647	(7,300)
Total of Receipts and Other Financing Sources Over/(Under) Disbursements and Other Financing Uses	(2,371)	2,539	-	168
Fund Cash Balances, January 1, 2005	77,897	94,407	-	172,304
Fund Cash Balances, December 31, 2005	<u>\$ 75,526</u>	<u>\$ 96,946</u>	<u>\$ -</u>	<u>\$ 172,472</u>
Reserved for Encumbrances, December 31, 2005	<u>\$ 389</u>	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ 395</u>

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

VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND
CASH BALANCES -PROPRIETARY FUND TYPE -
FOR THE YEAR ENDED DECEMBER 31, 2005

	Enterprise
Operating Cash Receipts:	
Charges for Services	\$ 94,875
Total Operating Cash Receipts	94,875
Operating Cash Disbursements:	
Personal Service	32,000
Employee Fringe Benefits	4,444
Contractual Services	40,002
Supplies and Materials	23,768
Capital Outlay	120,308
Miscellaneous	1,133
Total Operating Cash Disbursements	221,655
Operating Income/(Loss)	(126,780)
Non-Operating Cash Receipts/(Disbursements)	
Interest	104
Proceeds from Sale of Notes	35,565
Intergovernmental Receipts	82,917
Principal Payments	(2,292)
Total Non-Operating Cash Receipts/(Disbursements)	116,294
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers	(10,486)
Transfers In	7,300
Net Receipts Over/(Under) Disbursements	(3,186)
Fund Cash Balances, January 1, 2005	39,616
Fund Cash Balances, December 31, 2005	\$ 36,430
Reserved for Encumbrances, December 31, 2005	\$ 551

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

VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND
CASH BALANCES - ALL GOVERNMENTAL FUND TYPES -
FOR THE YEAR ENDED DECEMBER 31, 2004

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Debt Service	
Revenues:				
Property and Local Taxes	\$ 29,147	\$ 23,703	\$ -	\$ 52,850
Intergovernmental	27,899	30,251	-	58,150
Charges for Services	-	10,045	-	10,045
Fines, Licenses, and Permits	4,732	-	-	4,732
Interest	1,382	371	-	1,753
Miscellaneous	599	2,773	-	3,372
Total Revenues	63,759	67,143	-	130,902
Disbursements:				
Security of Persons and Property	4,746	21,097	-	25,843
Public Health Service	2,101	-	-	2,101
Community Environment	1,699	-	-	1,699
Leisure Time Activities	-	14,188	-	14,188
Transportation	-	6,502	-	6,502
General Government	39,736	9	-	39,745
Capital Outlay	-	5,750	-	5,750
Debt Service:				
Principal Payments	-	-	2,647	2,647
Total Disbursements	48,282	47,546	2,647	98,475
Excess of Cash Receipts Over/ (Under) Cash Disbursements	15,477	19,597	(2,647)	32,427
Other Financing Sources/(Uses)				
Operating Transfers In	-	726	2,647	3,373
Operating Transfers Out	(11,507)	-	-	(11,507)
Total Other Financing Sources/(Uses)	(11,507)	726	2,647	(8,134)
Total of Receipts and Other Financing Sources Over/(Under) Disbursements and Other Financing Uses	3,970	20,323	-	24,293
Fund Cash Balances, January 1, 2004	73,927	74,084	-	148,011
Fund Cash Balances, December 31, 2004	\$ 77,897	\$ 94,407	\$ -	\$ 172,304
Reserved for Encumbrances, December 31, 2004	\$ 394	\$ 17	\$ -	\$ 411

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

VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND
CASH BALANCES -PROPRIETARY FUND TYPE -
FOR THE YEAR ENDED DECEMBER 31, 2004

	Enterprise
Operating Cash Receipts:	
Charges for Services	\$ 90,639
Total Operating Cash Receipts	90,639
Operating Cash Disbursements:	
Personal Service	24,730
Employee Fringe Benefits	3,336
Contractual Services	43,498
Supplies and Materials	21,549
Capital Outlay	10,497
Miscellaneous	595
Total Operating Cash Disbursements	104,205
Operating Income/(Loss)	(13,566)
Non-Operating Cash Receipts/(Disbursements)	
Intergovernmental	10,497
Interest	33
Total Non-Operating Cash Receipts/(Disbursements)	10,530
Excess of Receipts Over/(Under)	
Disbursements Before Interfund Transfers	(3,036)
Transfers In	8,134
Net Receipts Over/(Under) Disbursements	5,098
Fund Cash Balances, January 1, 2004	34,518
Fund Cash Balances, December 31, 2004	\$ 39,616
Reserved for Encumbrances, December 31, 2004	\$ 301

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

VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Pleasantville, Fairfield County, Ohio, (the Village) 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. The Village is directed by a publicly-elected six-member Council. The Village provides water utilities, pool and park operations. The Village contracts with the Fairfield County Sheriff's department to provide security of persons and property.

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

B. Basis of Accounting

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

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

C. Cash and Investments

Investments are included in fund cash balances. Accordingly, purchases of investments are not recorded as disbursements and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Certificates of deposit are valued at cost.

D. Fund Accounting

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

1. General Fund:

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

2. Special Revenue Funds:

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

Street Construction, Maintenance and Repair Fund – This fund receipts gasoline tax and motor vehicle license tax money to construct, maintain and repair Village streets.

VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

3. Debt Service Funds:

These funds are used to accumulate resources for the payment of bonds and note indebtedness. The Village had the following significant debt service funds:

CQ22D Note Retirement – This fund receives transfers-in from the Street Construction Maintenance and Repair fund for the repayment of debt associated for street improvements.

4. Enterprise Funds:

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

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

E. Budgetary Process

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

1. Appropriations

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

2. Estimated Resources

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

3. Encumbrances

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

A summary of 2005 and 2004 budgetary activity appears in Note 3.

VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Property, Plant and Equipment

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

2. EQUITY IN POOLED CASH

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

	<u>2005</u>	<u>2004</u>
Demand deposits	\$133,862	\$138,384
Certificate of Deposit	<u>75,040</u>	<u>73,536</u>
Total Deposits	<u>\$208,902</u>	<u>\$211,920</u>

Deposits:

The Village's deposits are insured by the Federal Deposit Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2005 and December 31, 2004, was as follows:

<u>Fund Type</u>	2005 Budgeted vs. Actual Receipts		
	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$53,288	\$57,828	\$4,540
Special Revenue	71,092	67,170	(3,922)
Debt Service	2,647	2,647	0
Enterprise	<u>229,444</u>	<u>220,761</u>	<u>(8,683)</u>
Total	<u>\$356,471</u>	<u>\$348,406</u>	<u>(\$8,065)</u>

VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004

3. BUDGETARY ACTIVITY (Continued)

2005 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Disbursements</u>	<u>Variance</u>
General	\$71,290	\$60,588	\$10,702
Special Revenue	88,016	64,637	23,379
Debt Service	2,647	2,647	0
Enterprise	<u>232,680</u>	<u>224,498</u>	<u>8,182</u>
Total	<u>\$394,633</u>	<u>\$352,370</u>	<u>\$42,263</u>

2004 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$55,814	\$63,759	\$7,945
Special Revenue	63,282	67,869	4,587
Debt Service	2,647	2,647	0
Enterprise	<u>217,039</u>	<u>109,303</u>	<u>(107,736)</u>
Total	<u>\$338,782</u>	<u>\$243,578</u>	<u>(\$95,204)</u>

2004 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Disbursements</u>	<u>Variance</u>
General	\$72,863	\$60,183	\$12,680
Special Revenue	91,969	47,563	44,406
Debt Service	2,647	2,647	0
Enterprise	<u>211,105</u>	<u>104,506</u>	<u>106,599</u>
Total	<u>\$378,584</u>	<u>\$214,899</u>	<u>\$163,685</u>

VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004

4. PROPERTY TAX

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

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

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

5. DEBT

Debt outstanding at December 31, 2005 was as follows:

	Principal	Interest Rate
OPWC Summit Street Sewer Project	\$38,377	0%
OPWC Water Tower Design & Construction	35,365	0%
OPWC Main Street Waterline Replacement	26,315	0%
Total	\$100,057	

The Ohio Public Works Commission (OPWC) Summit Street Sewer Project loan relates to a storm sewer project. The OPWC approved a \$52,935 loan to the Village for this project. The loan will be repaid in semiannual installments of \$1,323, over 20 years. The loan is collateralized by general fund revenues. The OPWC Water Tower Design and Construction loan relates to a water tower project. The OPWC approved a loan of \$36,272 to the Village for this project. The loan will be repaid in semiannual installments of \$907, over 20 years. The loan is collateralized by water fund revenues. The OPWC Main Street Waterline Replacement loan relates to a waterline repair project. The OPWC approved a loan of \$27,700 to the Village for this project. The loan will be repaid in semiannual installments of \$692, over 20 years. The loan is collateralized by water fund revenues.

Amortization of the above debt is scheduled as follows:

Year ending December 31:	OPWC Loans
2006	\$5,844
2007	5,844
2008	5,844
2009	5,844
2010	5,844
2011-2015	29,227
2016-2020	27,903
2021-2025	13,707
Total	\$100,057

VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004

6. RETIREMENT SYSTEMS

The Village's full-time employees belong to the Public Employees Retirement System (OPERS) of Ohio. OPERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2005 and 2004, members of OPERS contributed 8.5% of gross wages. The Village contributed an amount equal to 13.55% of participants' gross wages. The Village has paid all contributions required through December 31, 2005.

7. RISK MANAGEMENT

The Village has obtained commercial insurance coverage for the following risks:

- Comprehensive property and general liability
- Vehicles; and
- Errors and omissions.

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant change in coverage from last year.

8. CONTINGENT LIABILITIES

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

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Report On Internal Control Over Financial Reporting and On Compliance and Other Matters Based On An Audit Of Financial Statements Performed in Accordance With *Government Auditing Standards*

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

We have audited the financial statements of the Village of Pleasantville, Fairfield County, (the Village) as of and for the years ended December 31, 2005 and December 31, 2004, and have issued our report thereon dated September 22, 2006 wherein we noted the Village followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Compliance and Other Matters

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

Village of Pleasantville

Fairfield County

Report On Internal Control Over Financial Reporting and On Compliance and Other Matters Based On An Audit
of Financial Statements Performed in Accordance with *Government Auditing Standards*

Page 2

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

A handwritten signature in cursive script that reads "Balestra, Harr & Scherer". The signature is written in dark ink on a light-colored background.

Balestra, Harr & Scherer, CPAs, Inc.

September 22, 2006

**VILLAGE OF PLEASANTVILLE
FAIRFIELD COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2005 AND 2004**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected; Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2003-01	The Village did not obtain a reduced amended certificate when actual resources were less than appropriations.	Yes	
2003-02	The Village expended monies in excess of appropriations.	Yes	



**Auditor of State
Betty Montgomery**

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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
NOVEMBER 14, 2006**