

**VILLAGE OF BARNHILL
TUSCARAWAS COUNTY
Regular Audit
December 31, 2009 and 2008**

Perry & Associates
Certified Public Accountants, A.C.



Mary Taylor, CPA

Auditor of State

Members of Council
Village of Barnhill
P.O. Box 558
Midvale, Ohio 44653-0558

We have reviewed the *Independent Accountants' Report* of the Village of Barnhill, Tuscarawas County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2008 through December 31, 2009. 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 Accountants' 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 Accountants' 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 Barnhill is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State
June 8, 2010

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VILLAGE OF BARNHILL
TUSCARAWAS COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types For the Year Ended December 31, 2009	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types For the Year Ended December 31, 2008	4
Notes to the Financial Statements	5
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	9
Schedule of Audit Findings	11
Schedule of Prior Audit Findings	14

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INDEPENDENT ACCOUNTANTS' REPORT

May 21, 2010

Village of Barnhill
Tuscarawas County
P.O. Box 558
Midvale, Ohio 44653

To the Honorable Mayor and Members of Village Council:

We have audited the financial statements of the **Village of Barnhill, Tuscarawas County, Ohio, (the Village)** as of and for the years ended December 31, 2009 and 2008. 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 the Comptroller General of the United States' *Government Auditing Standards*. 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 our audit provides a reasonable basis for our opinion.

As described more fully 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 GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Village's larger (i.e. major) funds separately. While the Village does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation. The Auditor of State permits, but does not require Villages to reformat their statements. The Village has elected not to follow GAAP statement formatting requirements. 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 for the years ended December 31, 2009 and 2008 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, 2009 and 2008 or its changes in financial position 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 reserve for encumbrances of the Village of Barnhill, Tuscarawas County, as of December 31, 2009 and 2008, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The Village has not presented Management's Discussion and 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 May 21, 2010 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That 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.

Respectfully Submitted,



Perry and Associates
Certified Public Accountants, A.C.

**VILLAGE OF BARNHILL
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Local Taxes	\$ 12,596	\$ -	\$ 12,596
Intergovernmental	13,886	17,069	30,955
Fines, Licenses, and Permits	225	-	225
Earnings on Investments	11	8	19
	<u>26,718</u>	<u>17,077</u>	<u>43,795</u>
Total Cash Receipts			
	<u>26,718</u>	<u>17,077</u>	<u>43,795</u>
Cash Disbursements:			
Current:			
General Government	20,549	-	20,549
Basic Utility Services	2,539	-	2,539
Transportation	-	4,401	4,401
Security of Persons and Property	1,523	-	1,523
Public Health Services	101	-	101
	<u>24,712</u>	<u>4,401</u>	<u>29,113</u>
Total Cash Disbursements			
	<u>24,712</u>	<u>4,401</u>	<u>29,113</u>
Total Cash Receipts Over/(Under) Disbursements	<u>2,006</u>	<u>12,676</u>	<u>14,682</u>
Other Financing Receipts and (Disbursements):			
Sale of Fixed Assets	4,726	-	4,726
Other Sources	3,128	2,348	5,476
Other Uses	(800)	-	(800)
	<u>7,054</u>	<u>2,348</u>	<u>9,402</u>
Total Other Financing Receipts/(Disbursements)			
	<u>7,054</u>	<u>2,348</u>	<u>9,402</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	9,060	15,024	24,084
Fund Cash Balances, January 1	<u>16,271</u>	<u>9,529</u>	<u>25,800</u>
Fund Cash Balances, December 31	<u>\$ 25,331</u>	<u>\$ 24,553</u>	<u>\$ 49,884</u>

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

**VILLAGE OF BARNHILL
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Local Taxes	\$ 15,101	\$ -	\$ 15,101
Intergovernmental	15,289	67,572	82,861
Fines, Licenses, and Permits	832	-	832
Earnings on Investments	80	58	138
Miscellaneous	21,742	-	21,742
	<u>53,044</u>	<u>67,630</u>	<u>120,674</u>
Total Cash Receipts			
	<u>53,044</u>	<u>67,630</u>	<u>120,674</u>
Cash Disbursements:			
Current:			
General Government	29,742	-	29,742
Basic Utility Services	2,753	-	2,753
Transportation	-	85,452	85,452
Security of Persons and Property	35,855	-	35,855
	<u>68,350</u>	<u>85,452</u>	<u>153,802</u>
Total Cash Disbursements			
	<u>68,350</u>	<u>85,452</u>	<u>153,802</u>
Total Cash Receipts Over/(Under) Disbursements	<u>(15,306)</u>	<u>(17,822)</u>	<u>(33,128)</u>
Other Financing Receipts and (Disbursements):			
Sale of Fixed Assets	10,273	-	10,273
Other Uses	(968)	-	(968)
	<u>9,305</u>	<u>-</u>	<u>9,305</u>
Total Other Financing Receipts/(Disbursements)			
	<u>9,305</u>	<u>-</u>	<u>9,305</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>(6,001)</u>	<u>(17,822)</u>	<u>(23,823)</u>
Fund Cash Balances, January 1	<u>22,272</u>	<u>27,351</u>	<u>49,623</u>
Fund Cash Balances, December 31	<u>\$ 16,271</u>	<u>\$ 9,529</u>	<u>\$ 25,800</u>
Reserve for Encumbrances, December 31	<u>\$ 405</u>	<u>\$ 9</u>	<u>\$ 414</u>

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

**VILLAGE OF BARNHILL
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Barnhill, Tuscarawas County, (the Village) is a body corporate and politic 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 street construction, maintenance, and repair. The Village contracts with the Tuscarawas County Sheriff's department to provide security of persons and property. The Village contracts with the Village of Midvale to provide fire protection services.

The Village's management believes these financial statements present 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. Deposits and Investments

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

The Village invests all available funds in a NOW checking account.

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 has the following significant Special Revenue Funds:

VILLAGE OF BARNHILL
TUSCARAWAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

Street Construction, Maintenance and Repair Fund - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining and repairing Village streets.

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, function, and object 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 in the subsequent year.

A summary of 2009 and 2008 budgetary activity appears in Note 3.

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 DEPOSITS

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

	<u>2009</u>	<u>2008</u>
Demand Deposits	<u>\$ 49,884</u>	<u>\$ 25,800</u>

**VILLAGE OF BARNHILL
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

2. EQUITY IN POOLED DEPOSITS (Continued)

Deposits are insured by the Federal Deposit Insurance Corporation.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2009 and 2008 follows:

2009 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 24,000	\$ 34,572	\$ 10,572
Special Revenue	14,000	19,425	5,425
Total	<u>\$ 38,000</u>	<u>\$ 53,997</u>	<u>\$ 15,997</u>

2009 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 36,012	\$ 25,512	\$ 10,500
Special Revenue	19,968	4,401	15,567
Total	<u>\$ 55,980</u>	<u>\$ 29,913</u>	<u>\$ 26,067</u>

2008 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 64,357	\$ 63,317	\$ (1,040)
Special Revenue	15,000	67,630	52,630
Total	<u>\$ 79,357</u>	<u>\$ 130,947</u>	<u>\$ 51,590</u>

2008 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 82,540	\$ 69,723	\$ 12,817
Special Revenue	88,087	85,461	2,626
Total	<u>\$ 170,627</u>	<u>\$ 155,184</u>	<u>\$ 15,443</u>

**VILLAGE OF BARNHILL
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

4. PROPERTY TAX

Real property taxes become a lien on January 1 proceeding the October 1 date for which rates are adopted by Board of Trustees. 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.

Public utilities are also taxed on personal and real property located within the Village.

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. RETIREMENT SYSTEMS

The Village's elected officials and employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multi-employer plan. This plan provides retirement benefits, including post retirement 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 2009 and 2008, members of OPERS contributed 10% of their gross salaries. The Village contributed an amount equal to 14% of participants' gross salaries. The Village has paid all contributions required through December 31, 2009.

6. RISK MANAGEMENT

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Commercial Crime; and
- Public Officials

The Village is uninsured for the following risks:

- Errors and omissions.

Perry & Associates
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**INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

May 21, 2010

Village of Barnhill
Tuscarawas County
P.O. Box 558
Midvale, Ohio 44653

To the Village Council:

We have audited the financial statements of **Village of Barnhill, Tuscarawas County, Ohio** (the Village) as of and for the years ended December 31, 2009 and 2008, and have issued our report thereon dated May 21, 2010, 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the Village's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Village's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting that we consider a material weakness and other deficiencies we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. 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 timely corrected. We consider finding 2009-001 described in the accompanying schedule of findings to be a material weakness.

Internal Control Over Financial Reporting (Continued)

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. We consider findings 2009-002 through 2009-004 described in the accompanying schedule of findings to be significant deficiencies.

Compliance and Other Matters

As part of reasonably assuring whether the Village's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2009-001.

We also noted certain matters not requiring inclusion in this report that we reported to the Village's management in a separate letter dated May 21, 2010.

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

Respectfully Submitted,



Perry and Associates
Certified Public Accountants, A.C.

**VILLAGE OF BARNHILL
TUSCARAWAS COUNTY**

**SCHEDULE OF AUDIT FINDINGS
DECEMBER 31, 2009 AND 2008**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2009-001

Material Weakness/Noncompliance

Recognition of On-Behalf Grants

The Village does not have a system in place to recognize and properly record activity for on-behalf-of grants. The CDBG formula grant through the Tuscarawas County Office of Community and Economic Development is such a grant and activity should be recorded on the books of the Village. When a local government enters into an on-behalf-of program agreement with another local government or the State (or the federal government, if applicable), 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 amount of the grant disbursements for 2008 was \$49,815. An adjustment was made to the Village financial statements to reflect this activity.

In addition there are budgetary accounting requirements the Village is subject to. The legislative authority should approve, by resolution, the grant or project application and must establish any fund(s) necessary to meet the grant or project objectives. Auditor of State permission for fund establishment is not necessary, although it may be necessary to obtain a fund number from the Auditor of State if one has not been previously assigned. Once the grant is awarded or the application is approved, the fiscal officer must obtain an official certificate of estimated resources or an amended certificate of estimated resources, as required by Ohio Rev Code § 5705.36, for all or part of the grant or project, based on the expected cash disbursements to be made on the local government's behalf in the current fiscal year. Any on-behalf-of payments expected to be made in the next year should be reflected on the next year's certificate. The Village failed to amend the estimated resources as required.

The fiscal officer shall record the appropriations in accordance with the terms and conditions of the grant or project agreement. In addition, prior to recording the appropriations, Ohio Rev. Code § 5705.40 requires the legislative authority to pass a resolution amending its appropriation measure. If the grant or project will be expended over a period longer than the current fiscal year, only the amount expected to be obligated during the current fiscal year should be recorded as appropriated. The remainder of the project should be appropriated in the subsequent year(s). Ohio Rev. Code § 5705.42 indicates if the funds are from a federal grant it is "deemed appropriated" and no legislative appropriation amendment resolution is needed. Although no legislative action is needed, the Village should still enter the information in its budgetary books and inform the County Budget Commission. The Village failed to adjust its budgetary books or inform the County.

We recommend the Village officials review and follow the accounting and budgeting guidance for AOS Bulletin 2000-008.

Management's Response – We did not receive a response from the Village to this finding.

**VILLAGE OF BARNHILL
TUSCARAWAS COUNTY**

**SCHEDULE OF AUDIT FINDINGS
DECEMBER 31, 2009 AND 2008**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2009-002

Significant Deficiency

Payroll Controls

Management does not have effective controls or processes in the payroll area. We noted one official appeared to be overpaid in 2008 for \$30. We also noted 5 out of 15 pays tested for hourly personnel were incorrectly paid in 2008. One employee was overpaid \$20, two employees were overpaid \$10 and one employee was paid \$242 with no timecard to support the payment. We also noted 3 out of 15 pays tested for hourly personnel were incorrectly paid in 2009. This employee appears to be underpaid \$70. We also noted payroll withholding, both tax and OPERS, were not remitted timely for 2008. Late filing causes the Village to pay penalties and interest.

We recommend management establish a systematic process for the payroll area. This process could include management review of the time cards and recalculating total hours. Management should sign off on the timecards noting they have checked the hours calculation. A checklist could be used to ensure monthly, quarterly and yearly reports are done on a timely basis and are accurate. In addition, more detailed review of the payment register and outstanding checks could help to reduce the risk of late payments.

Management's Response – We did not receive a response from the Village to this finding.

FINDING NUMBER 2009-003

Significant Deficiency

Taxes and Intergovernmental Revenue

We noted several misclassifications of tax and intergovernmental revenue in both 2008 and 2009. Some of these entries required fund balance adjustments, which the Village has agreed to and posted. The Village should make sure all reimbursements of lost property taxes, including property tax reimbursements, public utility reimbursements and homestead rollback payments are recorded as intergovernmental revenue. In addition we noted some property taxes in 2009 were recorded at net rather than gross (auditor fees were not properly recorded).

We recommend all revenues related to property tax or reimbursements be reviewed for proper coding.

Management's Response – We did not receive a response from the Village to this finding.

**VILLAGE OF BARNHILL
TUSCARAWAS COUNTY**

**SCHEDULE OF AUDIT FINDINGS
DECEMBER 31, 2009 AND 2008**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2009-004

Significant Deficiency

Gas Tax Receipts

The Village does not have a process in place to ensure all recurring revenues are received and recorded in a timely manner. We noted three payments for gas tax during the two year period that have not been recorded in the Village's books. These checks are from the State and are state voucher #55655 for \$427.68 dated 7/14/08, voucher #57277 for \$839.42 dated 7/14/08 and voucher #121085 for \$856.92 dated 9/25/09.

We recommend the Village Fiscal Officer contact the state to determine if these checks are still outstanding and if so, can they be reissued.

Management's Response – We did not receive a response from the Village to this finding.

**VILLAGE OF BARNHILL
TUSCARAWAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
FISCAL YEAR END DECEMBER 31, 2009 AND 2008**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2007-001	Ohio Rev. Code Section 117.38 - filing financial statements	Yes	
2007-002	Ohio Rev. Code Sections 121.22 and 149.43 - maintaining full and accurate records of proceedings	No	Partially corrected – moved to Management Letter
2007-003	Ohio Rev. Code Section 145.47 - submitting timely reports to OPERS	Yes	
2007-004	Ohio Revised Code, Section 5705.36 Budgetary compliance	No	Partially corrected – moved to Management Letter
2007-005	Ohio Rev. Code, Section 5705.41(B) – budgetary appropriations	Yes	
2007-006	Ohio Revised Code, Section 5705.41(D) – Certification of Funds	No	Partially corrected – moved to Management Letter
2007-007	Clerk Bonding	Yes	
2007-008	Complete Voucher Packages	No	Partially corrected – moved to Management Letter
2007-009	Budgetary Accounting – Estimated Receipts	No	Partially corrected – moved to Management Letter
2007-010	Interest Distribution	Yes	
2007-011	Outstanding Warrants	Yes	



Mary Taylor, CPA
Auditor of State

VILLAGE OF BARNHILL

TUSCARAWAS 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
JUNE 22, 2010