



Mary Taylor, CPA  
Auditor of State



**BARLOW TOWNSHIP  
WASHINGTON COUNTY**

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Mary Taylor, CPA  
Auditor of State

Barlow Township  
Washington County  
P.O. Box 130  
Barlow, Ohio 45712

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS 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. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

August 13, 2009

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# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT

Barlow Township  
Washington County  
P.O. Box 130  
Barlow, Ohio 45712

To the Board of Trustees:

We have audited the accompanying financial statements of Barlow Township, Washington County, Ohio (the Township), as of and for the years ended December 31, 2008 and 2007. These financial statements are the responsibility of the Township'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. The Township processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Township because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We believe our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Township 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 Township's larger (i.e., major) funds separately. While the Township 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 requirements. The Auditor of State permits, but does not require townships to reformat their statements. The Township 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, 2008 and 2007 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2008 and 2007, 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 of Barlow Township, Washington County, Ohio, as of December 31, 2008 and 2007, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

During 2007, the Township changed its financial statement presentation method to conform to presentation methods the Auditor of State prescribes or permits.

The Township 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 August 13, 2009, on our consideration of the Township'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.



**Mary Taylor, CPA**  
Auditor of State

August 13, 2009



**BARLOW TOWNSHIP  
WASHINGTON 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>			<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>				
Property and Other Local Taxes	\$89,054	\$165,352	\$0	\$254,406
Intergovernmental	109,307	134,912	136,040	380,259
Special Assessments		4,844		4,844
Earnings on Investments	2,916	683		3,599
Miscellaneous	7,182	1,013		8,195
	<u>208,459</u>	<u>306,804</u>	<u>136,040</u>	<u>651,303</u>
<b>Cash Disbursements:</b>				
Current:				
General Government	89,983	45,847		135,830
Public Safety		52,505		52,505
Public Works	81,919	245,373	136,040	463,332
Health	11,340			11,340
Capital Outlay		36,599		36,599
	<u>183,242</u>	<u>380,324</u>	<u>136,040</u>	<u>699,606</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>25,217</u>	<u>(73,520)</u>	<u>0</u>	<u>(48,303)</u>
<b>Other Financing Receipts / (Disbursements):</b>				
Advances-In	4,850	4,850		9,700
Advances-Out	(4,850)	(4,850)		(9,700)
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Cash Receipts and Other Financing Receipts Over / (Under) Cash Disbursements and Other Financing Disbursements	25,217	(73,520)	0	(48,303)
Fund Cash Balances, January 1	<u>56,639</u>	<u>169,193</u>	<u>0</u>	<u>225,832</u>
<b>Fund Cash Balances, December 31</b>	<u><u>\$81,856</u></u>	<u><u>\$95,673</u></u>	<u><u>\$0</u></u>	<u><u>\$177,529</u></u>

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

**BARLOW TOWNSHIP  
WASHINGTON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Property and Other Local Taxes	\$82,756	\$86,870	\$169,626
Intergovernmental	73,666	109,748	183,414
Special Assessments		4,571	4,571
Earnings on Investments	3,512	359	3,871
Miscellaneous	2,830		2,830
	<u>162,764</u>	<u>201,548</u>	<u>364,312</u>
<b>Cash Disbursements:</b>			
Current:			
General Government	116,931	5,300	122,231
Public Safety	7,773	64,696	72,469
Public Works	10,000	100,313	110,313
Debt Service:			
Redemption of Principal		8,880	8,880
Interest and Other Fiscal Charges		390	390
	<u>134,704</u>	<u>179,579</u>	<u>314,283</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>28,060</u>	<u>21,969</u>	<u>50,029</u>
Fund Cash Balances, January 1 (Restated - See Note 2)	<u>28,579</u>	<u>147,224</u>	<u>175,803</u>
<b>Fund Cash Balances, December 31</b>	<b><u><u>\$56,639</u></u></b>	<b><u><u>\$169,193</u></u></b>	<b><u><u>\$225,832</u></u></b>

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

**BARLOW TOWNSHIP  
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007**

**1. Summary of Significant Accounting Policies**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of Barlow Township, Washington County (the Township), as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides general government services and road and bridge maintenance. The Township contracts with Barlow Volunteer Fire Department for fire protection and ambulance services.

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

**B. Accounting Basis**

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Township 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 Auditor of State prescribes or permits.

**C. Deposits and Investments**

Money market mutual funds (including STAROhio) are recorded at share values the mutual fund reports.

**D. Fund Accounting**

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

**1. General Fund**

The General Fund reports all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Funds**

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

**BARLOW TOWNSHIP  
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

**1. Summary of Significant Accounting Policies (Continued)**

**D. Fund Accounting (Continued)**

**2. Special Revenue Funds (Continued)**

Road and Bridge Fund - This fund receives property tax money for constructing, maintaining, and repairing Township roads and bridges.

Gasoline Tax Fund – This fund receives levy money from the Washington County Commissioners to use to contract for fire and emergency services.

Permissive Sales Tax Fund – This fund receives sales tax money from the Washington County Commissioners from the County's permissive sales tax levy. Funds are restricted for the purpose of road maintenance provided it is expended according to the general laws of Ohio.

Fire District Fund – This fund receives property tax money for operational expenses of the volunteer fire department.

**3. Capital Projects Funds**

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The Township had the following significant Capital Project Fund:

Public Works Commission Project Fund – This fund received money from Ohio Public Works Commission for Deming Road reconstruction.

**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 object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

**2. 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.

**BARLOW TOWNSHIP  
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

**1. Summary of Significant Accounting Policies (Continued)**

**E. Budgetary Process (Continued)**

**3. Encumbrances**

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 2008 and 2007 budgetary activity appears in Note 4.

**F. Property, Plant, and Equipment**

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**G. 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.

**2. Restatement of Fund Balances**

For the year ended December 31, 2006, adjustments resulted in fund balance restatements as follows:

Governmental Funds:	Fund Balance at December 31, 2006	Restatement Amount	Fund Balance at January 1, 2007
General	\$ 19,546	\$ 9,033	\$ 28,579
Special Revenue	156,257	(9,033)	147,224

During 2005 and 2006, the Township expended lighting assessment monies out of the General Fund instead of the Lighting Assessment Fund. During this audit period, the Township adjusted the financial statements to reflect this error in the posting of expenditures. Therefore, the balances were adjusted to reflect the actual balances of the General Fund and Lighting Assessment Fund.

**3. Equity in Pooled Deposits and Investments**

The Township maintains a deposit and investments 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:

	2008	2007
Demand deposits	\$102,467	\$187,757
Total deposits	102,467	187,757
STAROhio	75,062	38,075
Total investments	75,062	38,075
Total deposits and investments	\$177,529	\$225,832

**BARLOW TOWNSHIP  
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

**3. Equity in Pooled Deposits and Investments (Continued)**

**Deposits:** Deposits are insured by the Federal Deposit Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Township.

**Investments:** Investments in STAROhio are not evidenced by securities that exist in physical or book-entry form.

**4. Budgetary Activity**

Budgetary activity for the years ending 2008 and 2007 follows:

2008 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$200,355	\$208,459	\$8,104
Special Revenue	232,407	306,804	74,397
Capital Projects	181,336	136,040	(45,296)
Total	\$614,098	\$651,303	\$37,205

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$206,953	\$183,242	\$23,711
Special Revenue	455,241	380,324	74,917
Capital Projects	181,336	136,040	45,296
Total	\$843,530	\$699,606	\$143,924

2007 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$169,499	\$162,764	(\$6,735)
Special Revenue	217,731	201,548	(16,183)
Capital Projects	181,336	0	(181,336)
Total	\$568,566	\$364,312	(\$204,254)

2007 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$208,252	\$134,704	\$73,548
Special Revenue	299,852	179,579	120,273
Capital Projects	0	0	0
Total	\$508,104	\$314,283	\$193,821

**BARLOW TOWNSHIP  
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

**4. Budgetary Activity (Continued)**

Contrary to Ohio Law, appropriation authority exceeded estimated resources in the Motor Vehicle License Tax Fund, Gasoline Tax Fund and FEMA 04' Fund by \$11,638, \$14,119 and \$15,666, respectively, for the year ended December 31, 2007.

**5. Property Tax**

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead 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 Township.

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 Township.

**6. Retirement Systems**

The Township's 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. For 2008 and 2007, OPERS members contributed 10% and 9.5%, respectively, of their gross salaries and the Township contributed an amount equaling 14% and 13.85%, respectively, of participants' gross salaries. The Township has paid all contributions required through December 31, 2008.

**7. Commercial Insurance**

The Township has obtained commercial insurance for the following risks:

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

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# Mary Taylor, CPA

Auditor of State

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

Barlow Township  
Washington County  
P.O. Box 130  
Barlow, Ohio 45712

To the Board of Trustees:

We have audited the financial statements of Barlow Township, Washington County, Ohio (the Township), as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated August 13, 2009, wherein we noted the Township prepared its financial statements using accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We also noted the Township uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the Township. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code §117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. 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 Township's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township'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 would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis.

A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Township's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Township's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider findings 2008-002 and 2008-003 described in the accompanying Schedule of Findings to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Township's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. We believe none of the significant deficiencies described above are material weaknesses.

We also noted a certain internal control matter that we reported to the Township's management in a separate letter dated August 13, 2009.

#### **Compliance and Other Matters**

As part of reasonably assuring whether the Township'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 matter we must report under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as item 2008-001.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated August 13, 2009.

We intend this report solely for the information and use of management and the Board of Trustees. We intend it for no one other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

August 13, 2009

**BARLOW TOWNSHIP  
WASHINGTON COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2008 AND 2007**

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

**FINDING NUMBER 2008-001**

**Noncompliance Citation**

Ohio Rev. Code Section 5705.39 provides in part that total appropriations from each fund shall not exceed the total estimated resources.

Appropriations exceeded estimated resources at December 31, 2007, in the following funds:

<u>Fund</u>	<u>Estimated Resources</u>	<u>Appropriation Authority</u>	<u>Variance</u>
General	\$198,078	\$208,252	(\$10,174)
FEMA '04	0	15,666	(15,666)

Appropriations exceeded estimated resources at December 31, 2008, in the following funds:

<u>Fund</u>	<u>Estimated Resources</u>	<u>Appropriation Authority</u>	<u>Variance</u>
Permissive Sales Tax	\$33,707	\$77,119	(\$43,412)
Lighting Assessment	10,270	23,868	(13,598)

This could cause the Township to spend in excess of their estimated resources.

We recommend the Fiscal Officer monitor its estimated revenue and appropriations to ensure that appropriations are within estimated resources.

**FINDING NUMBER 2008-002**

**Significant Deficiency**

All local public offices should integrate the budgetary accounts, at the legal level of control or lower, into the financial accounting system. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted balances of appropriations.

At December 31, 2008, appropriations as approved by the Board of Trustees did not agree to the Township's ledgers and notes to the financial statements for the following funds:

**BARLOW TOWNSHIP  
WASHINGTON COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2008-002  
(Continued)**

**Significant Deficiency (Continued)**

Fund	Appropriations Per Board of Trustees	Amounts Per Township Reports	Variance
General	\$206,953	\$183,840	\$23,113
Gasoline Tax	138,499	123,825	14,674
Fire District	47,509	49,952	(2,443)
Lighting Assessment	23,868	10,320	13,548
OPWC Project	181,336	136,040	45,296

At December 31, 2007, appropriations as approved by the Board of Trustees did not agree to the Township's ledgers and notes to the financial statements for the following funds:

Fund	Appropriations Per Board of Trustees	Amounts Per Township Reports	Variance
General	\$208,252	\$252,220	(\$43,968)
Motor Vehicle License Tax	12,418	0	12,418
Gasoline Tax	130,528	106,000	24,528
Road and Bridge	103,183	117,500	(14,317)
Fire District	36,154	39,500	(3,346)
Permissive Sales Tax	0	44,160	(44,160)
Lighting Assessment	1,903	0	1,903
FEMA '04	15,666	0	15,666
OPWC Project	0	181,336	(181,336)

At December 31, 2008, estimated receipts as certified by the County Budget Commission did not agree to the Township's ledgers and notes to the financial statements for the following funds:

Fund	Estimated Receipts per County Budget Commission	Amounts per Township Reports	Variance
General	\$200,355	\$208,459	(\$8,104)
Motor Vehicle License Tax	12,000	25,822	(13,822)
Gasoline Tax	85,000	90,532	(5,532)
Road and Bridge	56,000	67,783	(11,783)
Permissive Sales Tax	32,959	75,875	(42,916)
Lighting Assessment	4,500	4,844	(344)
OPWC Project	181,336	136,040	45,296

**BARLOW TOWNSHIP  
WASHINGTON COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2008-002  
(Continued)**

**Significant Deficiency (Continued)**

At December 31, 2007, estimated receipts as certified by the County Budget Commission did not agree to the Township's ledgers and notes to the financial statements for the following funds:

Fund	Per County Budget Commission	Per Township Reports	Variance
General	\$169,499	\$0	\$169,499
Motor Vehicle License Tax	52	0	52
Gasoline Tax	109,087	0	109,087
Road and Bridge	66,671	0	66,671
Fire District	37,542	0	37,542
Permissive Sales Tax	0	44,160	(44,160)
Lighting Assessment	4,379	0	4,379

Due to budgetary information being improperly entered into the system, the management of the Township was not able to effectively monitor and report its budgetary vs. actual status throughout the year.

We recommend the Fiscal Officer accurately post estimated receipts as approved by the Budget Commission and appropriations as approved by the Board of Trustees into the computer system. This procedure will help ensure more useful comparisons of budget vs. actual activity, as well as provide management with an accurate monitoring tool throughout the year.

**FINDING NUMBER 2008-003**

**Significant Deficiency**

All local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets (and liabilities, if generally accepted accounting principles apply), document compliance with finance-related legal and contractual requirements and prepare financial statements.

**BARLOW TOWNSHIP  
WASHINGTON COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

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

**FINDING NUMBER 2008-003  
(Continued)**

**Significant Deficiency (Continued)**

The Township misclassified various receipts and disbursements, including fund balance adjustments, to the Township receipt and disbursement ledgers for 2008 and 2007. The total misstatement for each line item is reflected as follows:

Fund/Line Item	Amount
<b>2007:</b>	
General - Property Taxes	\$ (25,091)
General - Intergovernmental Receipts	31,250
General - Miscellaneous Receipts	(6,018)
General - General Government	1,988
General - Public Safety	(4,565)
Road and Bridge - Property Taxes	(4,942)
Road and Bridge - Intergovernmental	4,942
Road and Bridge - Public Works	(9,270)
Road and Bridge - Principal	8,880
Road and Bridge - Interest	390
Fire District - Property Taxes	(3,964)
Fire District - Intergovernmental	3,964
Lighting Assessment - Public Safety	4,565
<b>2008:</b>	
General - Property Taxes	(4,525)
General - Intergovernmental Receipts	5,013
General - Miscellaneous Receipts	(488)
General - General Government	1,204
General - Advances in	(4,850)
General - Advances out	(4,850)
Gasoline Tax - General Government	(630)
Road and Bridge - Property Taxes	(2,635)
Road and Bridge - Intergovernmental	2,635
Fire District - Property Taxes	(2,609)
Fire District - Intergovernmental	2,609
Fire District - Advances in	(150)
Fire District - Advances out	(150)
Lighting Assessment - Advances in	(4,700)
Lighting Assessment - Advances out	(4,700)
OPWC - Public Works	136,040
OPWC - Human Services	(136,040)

**BARLOW TOWNSHIP  
WASHINGTON COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

<p><b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b></p>
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**FINDING NUMBER 2008-003  
(Continued)**

**Significant Deficiency (Continued)**

These misstatements were caused by management oversight. As a result, significant adjustments and reclassifications, with which the Township's management agrees, were made to the financial statements and ledgers, and are reflected in the accompanying financial statements.

We recommend the Fiscal Officer refer to the Ohio Township Handbook for proper classification and take additional care in posting transactions to the Township's ledgers in order to ensure the Township's year-end financial statements reflect the appropriate sources of the Township's receipts and disbursements.

**Officials' Response:** We did not receive a response from Officials to the findings reported above.

**BARLOW TOWNSHIP  
WASHINGTON COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2008 AND 2007**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b>Explain</b>
2006-001	Ohio Rev. Code Section 5705.10(H) - using money from funds for other than purpose for which fund was established.	Yes	
2006-002	Ohio Rev. Code Section 5705.39 - total appropriations exceeding total estimated resources.	No	Not Corrected; this item is repeated in the current audit Schedule of Findings as item 2008-001.
2006-003	Ohio Rev. Code Section 5705.41(B) - expenditures exceeding appropriations.	No	Not Corrected; this item is repeated in the Management Letter for the current audit period.
2006-004	Ohio Admin. Code Section 117-2-02(C)(1) – not posting estimated revenue and appropriations correctly.	No	Not Corrected; this item is repeated in the current audit Schedule of Findings as item 2008-002.
2006-005	Significant Deficiency - posting certain revenue and expenditure transactions incorrectly.	No	Not Corrected; this item is repeated in the current audit Schedule of Findings as item 2008-003.
2006-006	Significant Deficiency - not recording permissive sales tax money received and paid to vendors by Washington County Commissioners on Township's behalf.	Yes	





Mary Taylor, CPA  
Auditor of State

**BARLOW TOWNSHIP**  
**WASHINGTON 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**  
**SEPTEMBER 8, 2009**