



**Auditor of State
Betty Montgomery**

**GREENVILLE UNION CEMETERY
DARKE COUNTY**

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**Auditor of State
Betty Montgomery**

Greenville Union Cemetery
Darke County
205 West Street
Greenville, Ohio 45331

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 a February 2, 2005 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 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 black ink that reads "Betty Montgomery".

Betty Montgomery
Auditor of State

August 1, 2006

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Greenville Union Cemetery
Darke County
205 West Street
Greenville, Ohio 45331

To the Board of Trustees:

We have audited the accompanying financial statements of Greenville Union Cemetery, Darke County, (the Cemetery), as of and for the years ended December 31, 2005 and 2004. These financial statements are the responsibility of the Cemetery'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 Cemetery 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.

Revisions to GAAP would require the Cemetery to reformat its financial statement presentation and make other changes effective for the year ended December 31, 2005 and 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 Cemetery does not follow GAAP, generally accepted auditing standards requires 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 Cemetery has elected not to reformat its statements. Since this Cemetery 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 for the years ended December 31, 2005 and 2004, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Cemetery as of December 31, 2005 and 2004, 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 Greenville Union Cemetery, as of December 31, 2005 and 2004, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Cemetery to include Management's Discussion and Analysis for the years ended December 31, 2005 and 2004. The Cemetery 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 1, 2006, on our consideration of the Cemetery'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.



Betty Montgomery
Auditor of State

August 1, 2006

**GREENVILLE UNION CEMETERY
DARKE COUNTY**

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

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Nonexpendable Trust</u>	
Cash Receipts:			
Sale of Lots, Lot Markers	\$18,248		\$18,248
Interment Fees	21,110		21,110
Charges for Services	4,038		4,038
Miscellaneous	401		401
	<u>43,797</u>		<u>43,797</u>
Total Cash Receipts	<u>43,797</u>		<u>43,797</u>
Cash Disbursements:			
Salaries and Benefits	70,146		70,146
Maintenance and Repairs	6,195		6,195
Supplies and Materials	11,035		11,035
Legal and Accounting Fees	3,480		3,480
Utilities	2,888		2,888
Other Cash Disbursements	2,397	\$2,168	4,565
	<u>96,141</u>	<u>2,168</u>	<u>98,309</u>
Total Cash Disbursements	<u>96,141</u>	<u>2,168</u>	<u>98,309</u>
Total Receipts Over/(Under) Disbursements	<u>(52,344)</u>	<u>(2,168)</u>	<u>(54,512)</u>
Other Financing Receipts:			
Sale of Assets	5,700		5,700
Interest Income	2,885	2,699	5,584
Dividends	857	31,770	32,627
	<u>9,442</u>	<u>34,469</u>	<u>43,911</u>
Total Other Financing Receipts	<u>9,442</u>	<u>34,469</u>	<u>43,911</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	<u>(42,902)</u>	<u>32,301</u>	<u>(10,601)</u>
Fund Cash Balances, January 1	<u>133,693</u>	<u>253,691</u>	<u>387,384</u>
Fund Cash Balances, December 31	<u><u>\$90,791</u></u>	<u><u>\$285,992</u></u>	<u><u>\$376,783</u></u>

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

**GREENVILLE UNION CEMETERY
DARKE COUNTY**

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

	Governmental Fund Type	Fiduciary Fund Type	Totals (Memorandum Only)
	General	Nonexpendable Trust	
Cash Receipts:			
Sale of Lots, Lot Markers	\$30,412		\$30,412
Interment Fees	30,655		30,655
Charges for Services	3,557		3,557
Miscellaneous	38		38
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	64,662		64,662
	<hr/>	<hr/>	<hr/>
Cash Disbursements:			
Salaries and Benefits	74,556		74,556
Maintenance and Repairs	11,324		11,324
Supplies and Materials	11,951		11,951
Legal and Accounting Fees	3,685		3,685
Utilities	2,762		2,762
Capital Outlay	8,673		8,673
Other Cash Disbursements	4,277	\$2,810	7,087
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	117,228	2,810	120,038
	<hr/>	<hr/>	<hr/>
Total Receipts Over/(Under) Disbursements	(52,566)	(2,810)	(55,376)
	<hr/>	<hr/>	<hr/>
Other Financing Receipts:			
Interest Income	2,684	2,376	5,060
Dividends		11,877	11,877
	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts	2,684	14,253	16,937
	<hr/>	<hr/>	<hr/>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	(49,882)	11,443	(38,439)
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, January 1	183,575	242,248	425,823
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, December 31	<u>\$133,693</u>	<u>\$253,691</u>	<u>\$387,384</u>

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

**GREENVILLE UNION CEMETERY
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004**

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 for the Greenville Union Cemetery, Darke County, (the Cemetery) as a body corporate and politic. The Cemetery is directed by an appointed three-member Board of Trustees. The Board is appointed by the City of Greenville Council and Greenville Township Trustees. The Cemetery provides grounds maintenance, opening and closing of graves, and the sale of grave lots.

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

B. Basis of Accounting

These financial statements follow the basis of accounting the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements basis of accounting. This basis recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

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

C. Cash and Investments

The Cemetery includes investments as assets. The Cemetery does not report purchases of investments as disbursements or investment sales as receipts. The Cemetery recognizes gains or losses at the time of sale as receipts or disbursements, respectively.

Certificates of deposit and the donated bank stock in Park National Corporation (PNC) are valued at cost.

D. Fund Accounting

The Cemetery uses fund accounting to segregate cash and investments that are restricted as to use. The Cemetery 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. Non-Expendable Trust Fund

These fiduciary funds are used to account for resources restricted by legally binding trust agreements. The Cemetery had the following Non-Expendable Trust Fund:

Cemetery Endowment Fund – This Fund is used to account for proceeds received from endowments for designated purposes.

E. Property, Plant and Equipment

These financial statements report acquisitions of property, plant, and equipment as capital outlay disbursements when paid. The financial statements do not report these items as assets.

**GREENVILLE UNION CEMETERY
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004
(Continued)**

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	2005	2004
Demand deposits	\$32,938	\$20,034
Certificates of deposit	276,472	299,977
Total deposits	309,410	320,011
PNC Stock	67,373	67,373
Total investments	67,373	67,373
Total deposits and investments	<u>\$376,783</u>	<u>\$387,384</u>

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation, or (2) collateralized by the financial institution's public entity's deposit pool.

Investments: The Cemetery's 3,338 shares of PNC stock at December 31, 2005 and 3,504 shares of PNC stock at December 31, 2004 are publicly traded on the American Exchange. At December 31, 2005, and 2004 the market value of each share was \$102.64 and \$135.50, respectively. The market value of the PNC stock was \$342,612 and \$474,792 at December 31, 2005 and 2004, respectively.

This stock was received as an unrestricted donation by two different decedents.

3. RETIREMENT SYSTEMS

The Cemetery's employees belong to the Ohio Public Employees Retirement System (OPERS). 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.

The Ohio Revised Code also prescribes contribution rates. For 2005 and 2004, OPERS employee members contributed 8.5% of their gross salaries. The Cemetery contributes an amount equal to 13.55% of participants' gross salaries. The Cemetery has paid all contributions required through December 31, 2005.

As of January 1, 2006, employee contributions rose from 8.5% to 9.0%. The Cemetery contribution rate remains at 13.55%.

4. RISK MANAGEMENT

Commercial Insurance

The Greenville Union Cemetery has obtained commercial insurance for the following risks:

Comprehensive property and general liability;
Professional liability and electronic data processing.

**GREENVILLE UNION CEMETERY
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004
(Continued)**

4. RISK MANAGEMENT (Continued)

Employee Compensation

The Cemetery is covered for employee injuries under the Ohio Bureau of Workers Compensation.

The Cemetery is self-insured for employee unemployment through the Ohio Department of Job and Family Services. Currently, one prior employee has received approximately 4 months of unemployment benefits at \$169.00 per week.

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Auditor of State Betty Montgomery

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

Greenville Union Cemetery
Darke County
205 West Street
Greenville, Ohio 45331

To the Board of Trustees:

We have audited the financial statements of the Greenville Union Cemetery, Darke County, (the Cemetery), as of and for the years ended December 31, 2005 and 2004, and have issued our report thereon dated August 1, 2006, wherein we noted the Cemetery follows the 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 Cemetery's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control 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 material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the Cemetery's management dated August 1, 2006, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

Compliance and Other Matters

As part of reasonably assuring whether the Cemetery'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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*. In a separate letter to the Cemetery's management dated August 1, 2006, we reported another matter related to noncompliance we deemed immaterial.

Greenville Union Cemetery
Darke County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

We intend this report solely for the information and use of the management and Board of Trustees. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The script is cursive and fluid, with the first letters of the first and last names being capitalized and prominent.

Betty Montgomery
Auditor of State

August 1, 2006



**Auditor of State
Betty Montgomery**

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Columbus, Ohio 43216-1140
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800-282-0370
Facsimile 614-466-4490

**GREENVILLE UNION CEMETERY
DARKE 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
AUGUST 29, 2006**