

**BLOOMFIELD DISTRICT CEMETERY
MORROW COUNTY, OHIO**

Financial Statements
(Audited)

For The Years Ended
December 31, 2005 and 2004

SARAH HANKINS, CLERK



Mary Taylor, CPA

Auditor of State

Board of Trustees
Bloomfield District Cemetery
350 County Road 204
Centerburg, Ohio 43011

We have reviewed the *Independent Auditors' Report* of the Bloomfield District Cemetery, Morrow County, prepared by Julian and Grube, 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 Auditors' 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 Auditors' 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 Bloomfield District Cemetery is responsible for compliance with these laws and regulations.

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

Mary Taylor, CPA
Auditor of State

May 3, 2007

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**BLOOMFIELD DISTRICT CEMETERY
MORROW COUNTY, OHIO**

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Julian & Grube, Inc.
Serving Ohio Local Governments

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Independent Auditors' Report

Board of Trustees
Bloomfield District Cemetery
350 County Road 204
Centerburg, OH 43011

We have audited the accompanying financial statements of Bloomfield District Cemetery, Morrow County, as of and for the years ended December 31, 2005 and 2004. These financial statements are the responsibility of Bloomfield District 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 obtain reasonable assurance about 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 2, Bloomfield District 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 Bloomfield District Cemetery to reformat its financial statement presentation and make other changes effective for the years 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 Bloomfield District 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. Bloomfield District Cemetery has elected not to reformat its statements. Since Bloomfield District 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 Bloomfield District 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 Bloomfield District Cemetery, Morrow County, as of December 31, 2005 and 2004, and its combined cash receipts and disbursements and combined budgeted and actual receipts and budgeted and actual disbursements for the years then ended on the accounting basis Note 2 describes.

The aforementioned revision to generally accepted accounting principles also requires Bloomfield District Cemetery to include Management's Discussion and Analysis for the years ended December 31, 2005 and 2004. Bloomfield District 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 February 27, 2007, on our consideration of Bloomfield District 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.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
February 27, 2007

**BLOOMFIELD DISTRICT CEMETERY
MORROW COUNTY, OHIO**

COMBINED STATEMENT OF CASH FUND BALANCES
ALL FUND TYPES
DECEMBER 31, 2005 AND 2004

<u>Cash and Cash Equivalents</u>	<u>2005</u>	<u>2004</u>
Cash and Cash Equivalents	\$ 80,017	\$ 68,892
Total Cash and Cash Equivalents	<u>\$ 80,017</u>	<u>\$ 68,892</u>
 <u>Cash Fund Balances</u>		
<u>Governmental Fund Type:</u>		
General Fund	\$ 78,622	\$ 67,497
Total Governmental Fund Type	<u>78,622</u>	<u>67,497</u>
 <u>Fiduciary Fund Type:</u>		
Non-expendable Trust Funds	<u>1,395</u>	<u>1,395</u>
Total Fiduciary Fund Type	<u>1,395</u>	<u>1,395</u>
Total Fund Balances	<u>\$ 80,017</u>	<u>\$ 68,892</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**BLOOMFIELD DISTRICT CEMETERY
MORROW COUNTY, OHIO**

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

	Governmental Fund Type	Fiduciary Fund Type	
	General	Non- Expendable Trusts	Total (Memorandum Only)
Cash receipts:			
Local taxes	\$ 21,029	\$ -	\$ 21,029
Intergovernmental	2,695	-	2,695
Charges for services	16,496	-	16,496
Interest	820	29	849
Miscellaneous	4	-	4
Total cash receipts	41,044	29	41,073
Cash disbursements:			
Current:			
Salary contracts	22,265	-	22,265
Supplies	897	-	897
Tools and equipment	3,721	-	3,721
Workers' compensation	1,346	-	1,346
Insurance	884	-	884
Auditor and treasurer fees	559	-	559
Miscellaneous	247	29	276
Total cash disbursements	29,919	29	29,948
Total cash receipts over cash disbursements	11,125	-	11,125
Cash fund balances, January 1, 2005	67,497	1,395	68,892
Cash fund balances, December 31, 2005	\$ 78,622	\$ 1,395	\$ 80,017

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

BLOOMFIELD DISTRICT CEMETERY
MORROW COUNTY, OHIO
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
 AND ENCUMBRANCES COMPARED WITH EXPENDITURE
 AUTHORITY - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2005

Fund Types	Receipts					Disbursements						
	County Certified Unencumbered Cash	Budget	Total Estimated Resources	Actual 2005 Receipts	Variance Favorable (Unfavorable)	Prior Year Carryover Appropriations	2005 Appropriations	Total	Actual 2005 Disbursements	Encumbrances Outstanding at 12/31/05	Total	Variance Favorable (Unfavorable)
Governmental:												
General	\$ 67,497	\$ 32,470	\$ 99,967	\$ 41,044	\$ 8,574	\$ -	\$ 49,570	\$ 49,570	\$ 29,919	\$ -	\$ 29,919	\$ 19,651
Fiduciary:												
Nonexpendable	<u>1,395</u>	<u>30</u>	<u>1,425</u>	<u>29</u>	<u>(1)</u>	<u>-</u>	<u>30</u>	<u>30</u>	<u>29</u>	<u>-</u>	<u>29</u>	<u>1</u>
Total (Memorandum Only)	<u>\$ 68,892</u>	<u>\$ 32,500</u>	<u>\$ 101,392</u>	<u>\$ 41,073</u>	<u>\$ 8,573</u>	<u>\$ -</u>	<u>\$ 49,600</u>	<u>\$ 49,600</u>	<u>\$ 29,948</u>	<u>\$ -</u>	<u>\$ 29,948</u>	<u>\$ 19,652</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**BLOOMFIELD DISTRICT CEMETERY
MORROW COUNTY, OHIO**

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

	Governmental Fund Type	Fiduciary Fund Type	Total (Memorandum Only)
	General	Non- Expendable Trusts	
Cash receipts:			
Local taxes	\$ 20,708	\$ -	\$ 20,708
Intergovernmental	2,670	-	2,670
Charges for services	11,127	-	11,127
Interest	581	25	606
Total cash receipts	35,086	25	35,111
Cash disbursements:			
Current:			
Salary contracts	20,705	-	20,705
Supplies	2,044	-	2,044
Tools and equipment	700	-	700
Buildings and land improvements	6,722	-	6,722
Workers' compensation	1,594	-	1,594
Insurance	549	-	549
Auditor and treasurer fees	550	-	550
Audit	1,255	-	1,255
Miscellaneous	481	25	506
Total cash disbursements	34,600	25	34,625
Total cash receipts over cash disbursements	486	-	486
Cash fund balances, January 1, 2004	67,011	1,395	68,406
Cash fund balances, December 31, 2004	\$ 67,497	\$ 1,395	\$ 68,892

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**BLOOMFIELD DISTRICT CEMETERY
MORROW COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND ENCUMBRANCES COMPARED WITH EXPENDITURE
AUTHORITY - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

Fund Types	Receipts					Disbursements						
	County Certified Unencumbered Cash	Budget	Total Estimated Resources	Actual 2004 Receipts	Variance Favorable (Unfavorable)	Prior Year Carryover Appropriations	2004 Appropriations	Total	Actual 2004 Disbursements	Encumbrances Outstanding at 12/31/04	Total	Variance Favorable (Unfavorable)
Governmental:												
General	\$ 67,011	\$ 23,000	\$ 90,011	\$ 35,086	\$ 12,086	\$ -	\$ 56,975	\$ 56,975	\$ 34,600	\$ -	\$ 34,600	\$ 22,375
Fiduciary:												
Nonexpendable	<u>1,395</u>	<u>-</u>	<u>1,395</u>	<u>25</u>	<u>25</u>	<u>-</u>	<u>25</u>	<u>25</u>	<u>25</u>	<u>-</u>	<u>25</u>	<u>-</u>
Total (Memorandum Only)	<u>\$ 68,406</u>	<u>\$ 23,000</u>	<u>\$ 91,406</u>	<u>\$ 35,111</u>	<u>\$ 12,111</u>	<u>\$ -</u>	<u>\$ 57,000</u>	<u>\$ 57,000</u>	<u>\$ 34,625</u>	<u>\$ -</u>	<u>\$ 34,625</u>	<u>\$ 22,375</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**BLOOMFIELD DISTRICT CEMETERY
MORROW COUNTY, OHIO**

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

NOTE 1 - DESCRIPTION OF THE ENTITY

Bloomfield District Cemetery, Morrow County, (the "Cemetery") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The Cemetery is directed by an appointed six-member Board of Trustees. Two members of the Board are appointed by Bennington Township, two are appointed by South Bloomfield Township, and two are appointed by the South Bloomfield District Cemetery Board. 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The most significant of the Cemetery's accounting policies are described below.

A. BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts of the Cemetery are maintained on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. The following fund types are used by the Cemetery:

GOVERNMENTAL FUND TYPE

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.

FIDUCIARY FUND TYPE

Non-Expendable Trust Funds

These funds are used to account for resources restricted by legally binding trust agreements for which the Cemetery is acting in an agency capacity. If the agreement requires the Cemetery to maintain the corpus of the trust, the fund is classified as a non-expendable trust fund. The Cemetery has the following non-expendable trust funds:

**BLOOMFIELD DISTRICT CEMETERY
MORROW COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Holland Trust Fund and Hecks Trust Fund – These funds receive interest from fund investments. Proceeds are used to maintain grave sites.

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. BUDGETARY PROCESS

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds are legally required to be budgeted and appropriated. The primary level of budgetary control is at the item level within each fund. Any budgetary modifications at this level may only be made by resolution of the Cemetery's Trustees.

**BLOOMFIELD DISTRICT CEMETERY
MORROW COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Tax Budget:

A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. The expressed purpose of the tax budget is to reflect the need for existing (or increased) tax rates. The Morrow County Budget Commission waived the requirement for filing a tax budget for 2005 and 2004.

Estimated Resources:

The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews receipt estimates. The County Budget Commission certifies its actions to the Cemetery by September 1. As part of this certification, the Cemetery receives the official certificate of estimated resources, which states the projected receipts of each fund. On or about January 1, the certificate is amended to include unencumbered fund balances at December 31 of the preceding year. Further amendments may be made during the year if the Cemetery determines that receipts collected will be greater than or less than the prior estimates and the Budget Commission find the revised estimates to be reasonable. Prior to December 31, the Cemetery must revise its budget so that the total contemplated expenditures from a fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure.

Appropriations:

A temporary appropriation measure to control cash disbursements may be passed on or about January 1 of each year for the period January to March 31. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. The appropriations measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources. The Cemetery had no supplemental appropriations during 2005 and 2004.

**BLOOMFIELD DISTRICT CEMETERY
MORROW COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Encumbrances:

As part of the formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve the portion of the applicable appropriation. The Cemetery did not use the encumbrance method of accounting.

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be reappropriated. There were no outstanding encumbrances at December 31, 2005 and 2004.

D. CASH AND INVESTMENTS

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at time of sale are recorded as receipts or disbursements, respectively.

E. 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

NOTE 3 - COMPLIANCE

The Village did not certify disbursements for the years ended December 31, 2005 and 2004 in noncompliance with Ohio Revised Code Section 5705.41(D).

**BLOOMFIELD DISTRICT CEMETERY
MORROW COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

NOTE 4 - EQUITY IN POOLED CASH AND CASH EQUIVALENTS

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

	<u>2005</u>	<u>2004</u>
Demand deposits	\$ 37,365	\$ 26,723
Certificates of Deposit	42,652	42,169
Total	<u>\$ 80,017</u>	<u>\$ 68,892</u>

Deposits: Deposits are insured by the Federal Deposit Insurance Corporation.

NOTE 5 - PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the County. 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. Real property taxes are payable annually or semiannually to the County. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20 of the following year. Under certain circumstances, state statute permits later payment dates to be established.

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

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 Cemetery.

NOTE 6 - RISK MANAGEMENT

Commercial

The Cemetery has obtained commercial insurance for the following risks:

- General Liability
- Comprehensive Property
- Fire

**BLOOMFIELD DISTRICT CEMETERY
MORROW COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

NOTE 7 - CONTINGENT LIABILITY

LITIGATION

The Cemetery is currently not involved in litigation.



Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**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***

Board of Trustees
Bloomfield District Cemetery
350 County Road 204
Centerburg, OH 43011

We have audited the financial statements of Bloomfield District Cemetery as of and for the years ended December 31, 2005 and 2004, and have issued our report thereon dated February 27, 2007, wherein we noted Bloomfield District Cemetery's 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 Bloomfield District Cemetery'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 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 operations that we consider to be material weaknesses. However, we noted a certain matter involving the internal control over financial reporting that we have reported to management of Bloomfield District Cemetery in a separate letter dated February 27, 2007.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bloomfield District Cemetery'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 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 an opinion. The results of our tests disclosed one instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards*, which is described in the accompanying schedule of findings as item 2005-BDC-001.

This report is intended for the information of the Board of Trustees and management of Bloomfield District Cemetery, and is not intended to be and should not be used by anyone other than these specified parties.

Julian & Grube, Inc.
February 27, 2007

**BLOOMFIELD DISTRICT CEMETERY
MORROW COUNTY, OHIO**

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

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS	
Finding Number	2005-BDC-001

Ohio Revised Code Section 5705.41 (D) requires that no orders or contracts involving the disbursement of monies are to be made unless there is a certificate of the fiscal officer that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances.

It was noted during the audit that the Cemetery did not always process clerk certificates for the years ended December 31, 2005 and 2004 prior to expending funds. While a listing of all disbursements are provided to the Trustees at each meeting (if applicable) prior to payment, it was noted that no clerk certificates were issued.

Without timely certification, the Cemetery may expend more funds than available in the treasury, in the process of collection or than funds appropriated. In addition, by purchasing items prior to trustee approval or absent the clerk's certificate process, the potential for unnecessary purchases or items for improper public purpose cannot be prevented if approval is after the fact.

We recommend that the Cemetery implement a policy and procedure for the use of clerk certificates to help ensure that the disbursements are timely certified. This will help ensure that all monies expended are lawfully appropriated and available in the treasury or in the process of collection. The Cemetery should issue approved clerk certificates and consider using regular blanket and super blanket purchase orders, and/or "Then and Now" certificates where applicable.

Client Response: The Cemetery Clerk/Treasurer will attempt to utilize the clerk certificate system as required by the Ohio Revised Code.



Mary Taylor, CPA
Auditor of State

BLOOMFIELD DISTRICT CEMETERY

MORROW 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
MAY 15, 2007**