

**GLENDALE UNION CEMETERY
MORROW COUNTY, OHIO**

Financial Statements
(Audited)

For The Years Ended
December 31, 2005 and 2004

DARLENE WALLACE, CLERK/TREASURER



Mary Taylor, CPA

Auditor of State

Board of Trustees
Glendale Union Cemetery
P.O. Box 86
Cardington, Ohio 43315

We have reviewed the *Independent Auditors' Report* of the Glendale Union 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 Glendale Union 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

April 30, 2007

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**GLENDALE UNION CEMETERY
MORROW COUNTY, OHIO**

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Julian & Grube, Inc.
Serving Ohio Local Governments

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

Independent Auditors' Report

Board of Trustees
Glendale Union Cemetery
P.O. Box 86
Cardington, Ohio 43315

We have audited the accompanying financial statements of Glendale Union Cemetery, Morrow County, as of and for the years ended December 31, 2005 and 2004. These financial statements are the responsibility of Glendale Union 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, Glendale Union 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 Glendale Union 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 Glendale Union 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. Glendale Union Cemetery has elected not to reformat its statements. Since Glendale Union 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 Glendale Union 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 Glendale Union Cemetery, Morrow County, Ohio 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.

Independent Auditors' Report
Glendale Union Cemetery
Page 2

The aforementioned revision to generally accepted accounting principles also requires Glendale Union Cemetery to include Management's Discussion and Analysis for the years ended December 31, 2005 and 2004. Glendale Union 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 8, 2007, on our consideration of Glendale Union 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 8, 2007

**GLENDALE UNION CEMETERY
MORROW COUNTY**

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	\$ 242,961	\$ 224,424
Total Cash and Cash Equivalents	<u>\$ 242,961</u>	<u>\$ 224,424</u>
 <u>Cash Fund Balances</u>		
<u>Governmental Fund Type:</u>		
General Fund	\$ 230,555	\$ 212,285
Total Governmental Fund Type	<u>230,555</u>	<u>212,285</u>
 <u>Fiduciary Fund Types:</u>		
Expendable Trust Funds	3,070	3,055
Nonexpendable Trust Funds	<u>9,336</u>	<u>9,084</u>
Total Fiduciary Fund Types	<u>12,406</u>	<u>12,139</u>
Total Fund Balances	<u>\$ 242,961</u>	<u>\$ 224,424</u>

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

**GLENDALE UNION CEMETERY
MORROW COUNTY, OHIO**

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

	Governmental Fund Type	Fiduciary Fund Types		Total (Memorandum Only)
	General	Expendable Trusts	Nonexpendable Trusts	
Cash receipts:				
Intergovernmental	\$ 97,525	\$ -	\$ -	\$ 97,525
Charges for services	20,430	-	-	20,430
Interest	5,114	15	252	5,381
Sale of Cemetery Lots	12,745	-	-	12,745
Miscellaneous	533	-	-	533
Total cash receipts	<u>136,347</u>	<u>15</u>	<u>252</u>	<u>136,614</u>
Cash disbursements:				
Current:				
Salries and Benefits	80,776	-	-	80,776
Supplies	8,053	-	-	8,053
Contracted Services	7,238	-	-	7,238
Miscellaneous	372	-	-	372
Capital Outlay	21,638	-	-	21,638
Total cash disbursements	<u>118,077</u>	<u>-</u>	<u>-</u>	<u>118,077</u>
Total cash receipts over cash disbursements	18,270	15	252	18,537
Cash fund balances, January 1, 2005	<u>212,285</u>	<u>3,055</u>	<u>9,084</u>	<u>224,424</u>
Cash fund balances, December 31, 2005	<u>\$ 230,555</u>	<u>\$ 3,070</u>	<u>\$ 9,336</u>	<u>\$ 242,961</u>

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

**GLENDALE UNION CEMETERY
MORROW COUNTY, OHIO**

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

	Governmental Fund Type	Fiduciary Fund Types		Total (Memorandum Only)
	General	Expendable Trusts	Nonexpendable Trusts	
Cash receipts:				
Intergovernmental	\$ 99,623	\$ -	\$ -	\$ 99,623
Charges for services	18,035	-	-	18,035
Interest	3,734	15	248	3,997
Sale of Cemetery Lots	10,980	-	-	10,980
Miscellaneous	421	-	-	421
Total cash receipts	<u>132,793</u>	<u>15</u>	<u>248</u>	<u>133,056</u>
Cash disbursements:				
Current:				
Salaries and Benefits	79,869	-	-	79,869
Supplies	8,868	-	-	8,868
Contracted Services	10,683	-	-	10,683
Miscellaneous	-	59	-	59
Capital Outlay	14,242	-	-	14,242
Total cash disbursements	<u>113,662</u>	<u>59</u>	<u>-</u>	<u>113,721</u>
Total cash receipts over/(under) cash disbursements	19,131	(44)	248	19,335
Cash fund balances, January 1, 2004	<u>193,154</u>	<u>3,099</u>	<u>8,836</u>	<u>205,089</u>
Cash fund balances, December 31, 2004	<u>\$ 212,285</u>	<u>\$ 3,055</u>	<u>\$ 9,084</u>	<u>\$ 224,424</u>

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

**GLENDALE UNION CEMETERY
MORROW COUNTY, OHIO**

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

NOTE 1 - DESCRIPTION OF THE ENTITY

Glendale Union Cemetery, Morrow County, Ohio (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 three-member Board of Trustees. One trustee is a Village of Cardington council member, one is an elected or appointed Cemetery trustee that resides in Cardington Township and one is a member appointed at large. 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 FUNDS

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 FUNDS

These funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Cemetery to maintain the corpus of the trust, the fund is classified as a nonexpendable trust fund, other trust funds are classified as expendable. The Cemetery maintains the following fiduciary fund types:

**GLENDALE UNION 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)

Expendable Trust Funds

These funds receive donations and interest bound by trust agreements to be spent on perpetual care of certain graves and the Cemetery.

Nonexpendable Trust Funds

These funds receive donations and interest bound by trust agreements for which interest earned may be spent on perpetual care of certain graves and the Cemetery. The trust agreement requires the Cemetery to maintain the corpus of the trust.

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.

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

C. 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.

D. 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.

E. UNPAID VACATION AND SICK LEAVE

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the Cemetery.

**GLENDALE UNION CEMETERY
MORROW COUNTY, OHIO**

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

NOTE 3 - 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:

	2005	2004
Deposits:		
Demand deposits	\$ 129,733	\$ 118,265
Certificates of deposit	113,228	106,159
Total deposits	\$ 242,961	\$ 224,424

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation; or (2) collateralized by securities specifically pledged by the financial institution to the Cemetery.

NOTE 4 - RISK MANAGEMENT

For the years ended December 31, 2005 and 2004, the Cemetery obtained commercial insurance for the following risks:

- General Liability
- Official's Liability
- Vehicles
- Property

NOTE 5 - RETIREMENT SYSTEM

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

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

**GLENDALE UNION CEMETERY
MORROW COUNTY, OHIO**

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

NOTE 6 - CONTINGENT LIABILITY

LITIGATION

The Cemetery is currently not involved in litigation.



Julian & Grube, Inc.
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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
Glendale Union Cemetery
P.O. Box 86
Cardington, Ohio 43315

We have audited the financial statements of Glendale Union Cemetery as of and for the years ended December 31, 2005 and 2004, which collectively comprise Glendale Union Cemetery's basic financial statements, and have issued our report thereon dated February 8, 2007, wherein we noted Glendale Union Cemetery 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 Glendale Union Cemetery's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions 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 operation 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 the management of Glendale Union Cemetery in a separate letter dated February 8, 2007.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Glendale Union 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Julian & Grube, Inc.
February 8, 2007

**GLENDALE UNION CEMETERY
MORROW COUNTY, OHIO**

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

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2003-001	Ohio Revised Code Section 5705.41 (D) states that no subdivision shall make any contract or order any expenditure of money unless the certificate of the fiscal officer is attached.	Yes	N/A



Mary Taylor, CPA
Auditor of State

GLENDALE UNION 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 10, 2007**