



**PEMBERVILLE UNION CEMETERY  
WOOD COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2007**



**Mary Taylor, CPA**  
Auditor of State



**PEMBERVILLE UNION CEMETERY  
WOOD COUNTY**

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**Mary Taylor, CPA**  
Auditor of State

Pemberville Union Cemetery  
Wood County  
115 Main Street, PO Box 109  
Pemberville, Ohio 43450-0109

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.

*Mary Taylor*

**Mary Taylor, CPA**  
Auditor of State

May 15, 2008

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Pemberville Union Cemetery  
Wood County  
115 Main Street, PO Box 109  
Pemberville, Ohio 43450-0109

To the Board of Trustees:

We have audited the accompanying financial statements of Pemberville Union Cemetery, Wood County, (the Cemetery) as of and for the years ended December 31, 2007 and 2006. 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.

Instead of the combined funds the accompanying financial statements present for 2007 and 2006, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2007 and 2006. 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.

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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, 2007 and 2006, 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, 2007 and 2006, 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 Pemberville Union Cemetery, Wood County, as of December 31, 2007 and 2006, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

As described in Note 2, in accordance with the requirements of Governmental Accounting Standards Board statement number 34, the Cemetery's nonexpendable trust fund has been reclassified.

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 May 15, 2008, 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.

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

**Mary Taylor, CPA**  
Auditor of State

May 15, 2008



**PEMBERVILLE UNION CEMETERY  
WOOD COUNTY**

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

	<u>General</u>	<u>Private Purpose Trust</u>	<u>Totals (Memorandum Only)</u>
<b>Cash Receipts:</b>			
Intergovernmental	\$5,000		\$5,000
Charges for Services	11,070		11,070
Interest	31	\$9	40
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	16,101	9	16,110
<b>Cash Disbursements:</b>			
Current:			
Salaries and Fringe Benefits	3,803		3,803
Workers' Compensation	315		315
Equipment Rental	1,545		1,545
Equipment Rental	640		640
Insurance	788		788
Supplies	300		300
Maintenance & Repairs	8,667		8,667
Utilities	119		119
Miscellaneous	14	69	83
Bank Service Charges	24		24
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	16,215	69	16,284
Total Cash Disbursements Over Cash Receipts	<hr/> (114)	<hr/> (60)	<hr/> (174)
Fund Cash Balances, January 1	<hr/> 4,406	<hr/> 1,848	<hr/> 6,254
<b>Fund Cash Balances, December 31</b>	<b><u><u>\$4,292</u></u></b>	<b><u><u>\$1,788</u></u></b>	<b><u><u>\$6,080</u></u></b>

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

**PEMBERVILLE UNION CEMETERY  
WOOD COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>General</u>	<u>Private Purpose Trust</u>	<u>Totals (Memorandum Only)</u>
<b>Cash Receipts:</b>			
Intergovernmental	\$5,000		\$5,000
Charges for Services	10,390		10,390
Interest	28	\$8	36
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	15,418	8	15,426
<b>Cash Disbursements:</b>			
Current:			
Salaries	3,758		3,758
Workers' Compensation	231		231
Equipment Rental	1,450		1,450
Equipment	470		470
Insurance	688		688
Maintenance & Repairs	7,166		7,166
Utilities	130		130
Miscellaneous	972	69	1,041
Bank Service Charges	24		24
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	14,889	69	14,958
Total Cash Receipts Over/(Under) Cash Disbursements	529	(61)	468
Fund Cash Balances, January 1	3,877	1,909	5,786
<b>Fund Cash Balances, December 31</b>	<b><u>\$4,406</u></b>	<b><u>\$1,848</u></b>	<b><u>\$6,254</u></b>

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

**PEMBERVILLE UNION CEMEBERY  
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007 AND 2006**

**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 Pemberville Union Cemetery, Wood County, (the Cemetery) as a body corporate and politic. The Village of Pemberville and Freedom Township appoint a three-member Board of Trustees to direct cemetery operations. 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 the Auditor of State prescribes or permits.

**C. 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 presents all financial resources except those required to be accounted for in another fund.

**2. Private Purpose Trust Funds**

These funds account for assets held under a trust agreement that are legally restricted to the extent that only earnings, not principal, are available to support the Cemetery's programs. The Cemetery had the following significant private purpose trust fund:

Fronney Trust Fund - This fund receives interest from a savings account. Proceeds are used to decorate the grave site in accordance with the last will and testament of Mr. Fronney.

**D. Property, Plant, and Equipment**

The 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.

**PEMBERVILLE UNION CEMETERY  
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007 AND 2006  
(Continued)**

**2. RECLASSIFICATION OF FUND BALANCE**

Pursuant to Governmental Accounting Standards Board Statement number 34, the Library has reclassified its nonexpendable trust fund to a private purpose trust fund for 2006. The effect on fund balance is as follows:

	Nonexpendable Trust	Private Purpose Trust Fund
Fund Balance as of December 31, 2004	\$1,909	
Fund reclassification adjustment	(1,909)	\$1,909
Adjusted January 1, 2005 Balance		\$1,909

**3. EQUITY IN POOLED CASH**

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

	2007	2006
Demand deposits	\$6,080	\$6,254

Deposits are insured by the Federal Depository Insurance Corporation.

**4. RETIREMENT SYSTEM**

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

The Ohio Revised Code also prescribes contribution rates. For 2007 OPERS employee members contributed 9.5 percent of their gross salaries and for 2006 contributed 9 percent of their gross salaries. The Cemetery contributes an amount equal to 13.85 percent in 2007 and 13.7 percent for 2006 of participants' gross salaries. The Cemetery has paid all contributions required through December 31, 2007.

**5. RISK MANAGEMENT**

**Commercial Insurance**

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

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



# 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*

Pemberville Union Cemetery  
Wood County  
115 Main Street, PO Box 109  
Pemberville, Ohio 43450-0109

To the Board of Trustees:

We have audited the financial statements of Pemberville Union Cemetery, Wood County, (the Cemetery) as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated May 8, 2008, wherein we noted the Cemetery followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America and the Cemetery reclassified its nonexpendable trust fund. 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 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 Cemetery's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Cemetery's internal control over financial reporting.

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 Cemetery'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 Government's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

#### **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*.

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



**Mary Taylor, CPA**  
Auditor of State

May 15, 2008



**Mary Taylor, CPA**  
Auditor of State

**PEMBERVILLE UNION CEMETERY**

**WOOD COUNTY**

**CLERK'S CERTIFICATION**

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JUNE 17, 2008**