

GREENWOOD UNION CEMETERY
LOGAN COUNTY, OHIO

Audited Financial Statements

For the Years Ended December 31, 2013 and 2012



Dave Yost • Auditor of State

Board of Trustees
Greenwood Union Cemetery
P O Box 614

We have reviewed the *Independent Auditor's Report* of the Greenwood Union Cemetery, Logan County, prepared by Van Kregel and Company, CPA's, for the audit period January 1, 2012 through December 31, 2013. 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.

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 Greenwood Union Cemetery is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

September 22, 2014

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Greenwood Union Cemetery
Logan County, Ohio

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INDEPENDENT AUDITOR'S REPORT

Greenwood Union Cemetery
 Logan County, Ohio
 P O Box 614
 DeGraff, Ohio 43318

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements and related notes of Greenwood Union Cemetery, Logan County, Ohio, (the Cemetery), as of and for the years ended December 31, 2013 and 2012.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Cemetery's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Cemetery's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

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Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the Cemetery prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy these requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presume to be material.

Adverse Opinion on U S Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter described in the *Basis for Adverse Opinion on U. S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Cemetery as of December 31, 2013 and 2012, or the changes in financial position for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of Greenwood Union Cemetery, Logan County, Ohio, as of December 31, 2013 and 2012, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 18, 2014, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Cemetery's internal control over financial reporting and compliance.

Van Krevel + Company

Van Krevel & Company
August 18, 2014

Greenwood Union Cemetery
Logan County, Ohio

Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)
All Governmental and Fiduciary Fund Types
For the Year ended December 31, 2013

	<u>All Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Fiduciary Private Purpose Trust Funds</u>	
Cash Receipts:			
Property and Other Local Taxes	\$22,510	\$0	\$22,510
Charges for Services	19,200		19,200
Sale of Lots	3,930		3,930
Earnings on Investments	242		242
Miscellaneous	1,198		1,198
Total Cash Receipts	<u>47,080</u>	<u>0</u>	<u>47,080</u>
Cash Disbursements:			
Current Disbursements:			
Salaries	27,207		27,207
Supplies	1,121		1,121
Contracts - Repair	2,204		2,204
Contracts - Services	203		203
Public Employees' Retirement	3,754		3,754
Workers' Compensation	419		419
Miscellaneous	8,159		8,159
Capital Outlay	0		0
Total Cash Disbursements	<u>43,067</u>	<u>0</u>	<u>43,067</u>
Excess Receipts Over (Under) Disbursements	<u>4,013</u>	<u>0</u>	<u>4,013</u>
Net Change in Fund Cash Balance	4,013	0	4,013
Fund Cash Balances, January 1	36,296	1,753	38,049
Fund Cash Balances, December 31	<u>\$40,309</u>	<u>\$1,753</u>	<u>\$42,062</u>
Nonspendable		\$1,753	\$1,753
Assigned	\$8,805		8,805
Unassigned	31,504		31,504
Fund Cash Balances, December 31	<u>\$40,309</u>	<u>\$1,753</u>	<u>\$42,062</u>

Greenwood Union Cemetery
 Logan County, Ohio
 Combined Statement of Receipts, Disbursements and Changes in Fund Balances
 All Governmental and Fiduciary Fund Types
 For the Year Ended December 31, 2012

	<u>All Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Fiduciary</u> Private Purpose Trust Funds	
Cash Receipts:			
Property and Other Local Taxes	\$22,915	\$0	\$22,915
Charges for Services	14,348		14,348
Sale of Lots	2,615		2,615
Earnings on Investments	1,027		1,027
Miscellaneous	7,899		7,899
Total Cash Receipts	<u>48,804</u>	<u>0</u>	<u>48,804</u>
Cash Disbursements:			
Current Disbursements:			
Salaries	27,392		27,392
Supplies	693		693
Contracts – Repairs	4,524		4,524
Public Employees' Retirement	3,764		3,764
Workers' Compensation	585		585
Miscellaneous	6,145		6,145
Capital Outlay	768		768
Total Cash Disbursements	<u>43,871</u>	<u>0</u>	<u>43,871</u>
Excess Receipts Over/(Under) Disbursements	<u>4,933</u>	<u>0</u>	<u>4,933</u>
Net Change in Fund Cash Balance	4,933	0	4,933
Fund Cash Balances, January 1	<u>31,363</u>	<u>1,753</u>	<u>33,116</u>
Fund Cash Balances, December 31	<u>\$36,296</u>	<u>\$1,753</u>	<u>\$38,049</u>
Nonspendable		\$1,753	\$1,753
Assigned	\$14,590		14,590
Unassigned	<u>21,706</u>		<u>21,706</u>
<i>Fund Cash Balances, December 31</i>	<u>\$36,296</u>	<u>\$1,753</u>	<u>\$38,049</u>

Greenwood Union Cemetery
Logan County, Ohio

Notes to the Financial Statements
December 31, 2013 and 2012

NOTE 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 Greenwood Union Cemetery, Logan County, (the Cemetery). The Cemetery is directed by a three-member Board of Trustees appointed by the Village of DeGraff and Pleasant Township in Logan County. These entities also levy a property tax on behalf of the Cemetery to meet the Cemetery's operating costs under the agreement which established the Cemetery. The accompanying financial statements classify the tax levy as Property Taxes. 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 accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Cemetery 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 Deposits and Investments

The Cemetery's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The Cemetery records certificates of deposit and savings accounts at cost.

Greenwood Union Cemetery
Logan County, Ohio

Notes to the Financial Statements
December 31, 2013 and 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 accounts for and reports all financial resources not accounted for and reported in another fund.

2 Fiduciary Fund

Fiduciary funds include private purpose trust funds. Trust funds account for assets held under a trust agreement for individuals, private organizations or other governments which are not available to support the Cemetery's own programs. The Cemetery had the following Private Purpose Trust Funds.

Hosteller Memorial Fund and Loffer Memorial Fund. The interest earned on these funds is used to maintain grave sites. Interest income is received and disbursed from the General Fund.

E Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Cemetery must observe constraints imposed upon the use of its governmental fund resources. The classifications are as follows:

Nonspendable – The Cemetery classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

Restricted – Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Greenwood Union Cemetery
Logan County, Ohio

Notes to Financial Statements
December 31, 2013 and 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E Fund Balance (continued)

Committed – Trustees can *commit* amounts via formal action (resolution). The Cemetery must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned – Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by the Cemetery Trustees or a Cemetery official delegated that authority by resolution, or by State Statute.

Unassigned – Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Cemetery applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first, followed by assigned and the unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

F Property, Plant and Equipment

The Cemetery records disbursements for acquisitions of property, plant, and equipment as capital outlay 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.

Greenwood Union Cemetery
Logan County, Ohio

Notes to Financial Statements
December 31, 2013 and 2012

NOTE 2 EQUITY IN POOLED CASH AND INVESTMENTS

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

	<u>2013</u>	<u>2012</u>
Demand Deposits	\$12,842	\$ 8,919
Savings Account	21,785	21,742
Certificates of Deposit	<u>7,435</u>	<u>7,388</u>
Total Deposits	<u>\$42,062</u>	<u>\$38,049</u>

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

NOTE 3 RETIREMENT SYSTEM

The Cemetery'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 2013 and 2012, OPERS members contributed 10.0% of their gross salaries, and the Cemetery contributed an amount equal to 14.0% of participants' gross salaries. The Cemetery has paid all contributions required through December 31, 2013.

Greenwood Union Cemetery
Logan County, Ohio

Notes to Financial Statements
December 31, 2011 and 2010

NOTE 4 RISK MANAGEMENT

The Cemetery is exposed to various risks of property and casualty losses, and injuries to employees.

The Cemetery insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Cemetery has obtained commercial insurance for the following risks:

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



**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

Greenwood Union Cemetery
Logan County, Ohio
P. O. Box 614
DeGraff, Ohio 43318

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States’ *Government Auditing Standards*, the financial statements of Greenwood Union Cemetery, Logan County, Ohio, (the Cemetery), as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements and have issued our report thereon dated August 18, 2014, wherein we noted the Cemetery followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Cemetery’s internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Cemetery’s internal control. Accordingly, we have not opined on it.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect and timely correct misstatements. *A material weakness* is a deficiency, or a combination of internal control deficiencies, resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Cemetery’s financial statements. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

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Greenwood Union Cemetery
Logan County, Ohio
Independent Accountants' Report on Internal Control over
Financial Reporting and on Compliance with Other Matters
Required by *Government Auditing Standards*

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, opining 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 we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Cemetery's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Cemetery's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Van Krevel + Company

Van Krevel & Company
Dublin, Ohio

August 18, 2014

Greenwood Union Cemetery
Logan County

Schedule of Findings
December 31, 2013 and 2012

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

Finding Number 2013-001

Underpayment of Property Tax Receipts

Pleasant Township (the Township) supports the Cemetery through a voted tax levy. This levy money, along with the related homestead and rollback, tangible personal property tax replacement and kilowatt hour tax revenue, is received by the Township and then distributed to the Cemetery. During 2013, the Township failed to distribute \$1,145.88 of tax levy, homestead and rollback, tangible personal property tax and kilowatt hour receipts to the Cemetery.

On August 2, 2014, the Township issued check number 2744 in the amount of \$1,145.88 to the Cemetery which was received by the Cemetery on August 10, 2014 and deposited on August 11, 2014.

The Fiscal Officer should obtain the semi-annual distribution sheets from the County Auditor as well as other supporting documentation and monitor the receipt of the levy money on a current basis.

Official's Response:

We did not receive a response from Officials to the findings reported above.

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Dave Yost • Auditor of State

GREENWOOD UNION CEMETERY

LOGAN 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
OCTOBER 2, 2014