



Dave Yost • Auditor of State

**GREENVILLE UNION CEMETERY
DARKE COUNTY**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

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

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of the Greenville Union Cemetery, Darke County, (the Cemetery) as of and for the years ended December 31, 2015 and 2014.

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 opinions.

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

As described in Note 1B 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 (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Cemetery does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed 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, 2015 and 2014, or changes in financial position thereof 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 the Greenville Union Cemetery, Darke County as of December 31, 2015 and 2014, 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 1B.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2016, 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.



Dave Yost
Auditor of State
Columbus, Ohio

November 16, 2016

**GREENVILLE UNION CEMETERY
DARKE COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Permanent</u>	
Cash Receipts:			
Sale of Lots, Lot Markers	\$72,588		\$72,588
Interment Fees	41,285		41,285
Charges for Services	30,551		30,551
Earnings on Investments	734	\$259	993
Donations	1,000		1,000
Miscellaneous	11,232		11,232
Total Cash Receipts	<u>157,390</u>	<u>259</u>	<u>157,649</u>
Cash Disbursements:			
Salaries and Benefits	70,279		70,279
Maintenance and Repairs	29,643		29,643
Supplies and Materials	28,049		28,049
Legal and Accounting Fees	4,790		4,790
Utilities	4,478		4,478
Other Operating Cash Disbursements	6,546	328	6,874
Total Cash Disbursements	<u>143,785</u>	<u>328</u>	<u>144,113</u>
Excess Receipts Over (Under) Disbursements	<u>13,605</u>	<u>(69)</u>	<u>13,536</u>
Other Financing Receipts (Disbursements):			
Transfer from Pr Purpose Trust (Income)	12,028		12,028
Transfer from Pr Purpose Trust (Principal)	5,000		5,000
Total Other Financing Receipts (Disbursements)	<u>17,028</u>		<u>17,028</u>
Net Change in Fund Cash Balance	30,633	(69)	30,564
Fund Cash Balances, January 1	<u>151,286</u>		<u>151,286</u>
Fund Cash Balances, December 31			
Unassigned (Deficit)	181,919	(69)	181,850
Fund Cash Balances, December 31	<u>\$181,919</u>	<u>(\$69)</u>	<u>\$181,850</u>

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

**GREENVILLE UNION CEMETERY
DARKE COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Private Purpose Trust
Operating Cash Receipts:	
Earnings on Investments	\$12,028
Total Operating Cash Receipts	12,028
 Operating Income/(Loss)	 12,028
Transfer of Funds:	
Transfer of Earnings to General Fund	(12,028)
Yearly Transfer of Principal	(5,000)
Net Change in Fund Cash Balances	(5,000)
 Fund Cash Balances, January 1	 182,882
 Non-spendable	 25,000
Restricted	152,882
 Fund Cash Balances, December 31	 \$177,882

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

**GREENVILLE UNION CEMETERY
DARKE COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Permanent</u>	
Cash Receipts:			
Sale of Lots, Lot Markers	\$33,054		\$33,054
Interment Fees	44,650		44,650
Charges for Services	42,395		42,395
Earnings on Investments	674	\$231	905
Donations	275		275
Miscellaneous	10,590		10,590
Total Cash Receipts	<u>131,638</u>	<u>231</u>	<u>131,869</u>
Cash Disbursements:			
Salaries and Benefits	60,876	8,614	69,490
Maintenance and Repairs	18,500	1,738	20,238
Supplies and Materials	24,515	1,339	25,854
Legal and Accounting Fees	2,620	2,620	5,240
Utilities	4,047	213	4,260
Other Operating Cash Disbursements	8,784	1,332	10,116
Total Cash Disbursements	<u>119,342</u>	<u>15,856</u>	<u>135,198</u>
Excess Receipts Over (Under) Disbursements	<u>12,296</u>	<u>(15,625)</u>	<u>(3,329)</u>
Other Financing Receipts (Disbursements):			
Transfer from Pr Purpose Trust (Income)	12,028		12,028
Transfer from Pr Purpose Trust (Principal)	5,000		5,000
Total Other Financing Receipts (Disbursements)	<u>17,028</u>		<u>17,028</u>
Net Change in Fund Cash Balance	29,324	(15,625)	13,699
Fund Cash Balances, January 1	<u>121,962</u>	<u>15,625</u>	<u>137,587</u>
Fund Cash Balances, December 31:			
Unassigned (Deficit)	151,286		151,286
Fund Cash Balances, December 31	<u><u>\$151,286</u></u>	<u><u>\$0</u></u>	<u><u>\$151,286</u></u>

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

**GREENVILLE UNION CEMETERY
DARKE COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Private Purpose Trust
Operating Cash Receipts	
Earnings on Investments	\$12,028
Total Operating Cash Receipts	12,028
 Operating Income/(Loss)	 12,028
 Transfer of Funds:	
Transfer of Earnings to General Fund	(12,028)
Yearly Transfer of Principal	(5,000)
Net Change in Fund Cash Balances	(5,000)
 Fund Cash Balances, January 1	 187,882
Non-spendable	25,000
Restricted	167,882
	167,882
 Fund Cash Balances, December 31	 \$182,882

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, 2015 AND 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Greenville Union Cemetery, Darke County, (the Cemetery) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Cemetery is a Union Cemetery formed by the City of Greenville and Greenville Township. The Cemetery is directed by an appointed three-member Board of 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 accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

C. Deposits 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 the time of sale are recorded as receipts or disbursements, respectively.

Certificates of Deposit and the donated bank stock through Park National Corporation 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 accounts for and reports all financial resources not accounted for and reported in another fund.

2. Permanent Fund

This fund is made up of endowments for the maintenance and upkeep of the Cemetery. The bequests do not put a restriction on the use of the principal or interest.

**GREENVILLE UNION CEMETERY
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Fiduciary Funds

These funds account for resources restricted by legally binding trust agreements and funds for which the Cemetery is acting in an agency capacity. The Cemetery had the following significant Fiduciary Fund:

Private Purpose Trust Fund – Koop Trust – This fund is a bequest for specific maintenance and upkeep of the Koop Mausoleum in the Cemetery. The principal is restricted while the interest is to be used for upkeep of the Mausoleum. Per a court ruling in 2010, the yearly interest (dividends) plus an annual amount of a minimum of \$5,000 is transferred to the general fund for operation and maintenance of the Cemetery.

E. Property, Plan, and Equipment

Acquisitions of property, plant, and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

F. 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:

1. Non-spendable

The Cemetery classifies assets as *non-spendable* when legally or contractually required to maintain the amounts intact.

2. 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.

3. 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.

4. 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 Cemetery Trustees or a Cemetery official delegated that authority by resolution, or by State Statute.

**GREENVILLE UNION CEMETERY
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. 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 then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

2. EQUITY IN POOLED DEPOSITS AND INVESTMENTS

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

	2015	2014
Demand deposits	\$88,001	\$62,474
Certificates of deposit	204,358	204,321
Total deposits	292,359	266,795
Parke National Stock (PRK)	67,373	67,373
Total investments	67,373	67,373
Total deposits and investments	\$359,732	\$334,168

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

Investments: The Cemetery has 3,338 shares of Park National Company (exchange symbol PRK) stock. The stock is publicly traded on the American Stock Exchange (AMEX).

At December 31, 2014 the market value of each share was \$88.48, and the total value of the stock shares was \$295,346 at December 31, 2014.

At December 31, 2015 the market value of each share was \$90.48, and the total value of the stock shares was \$302,022 at December 31, 2015.

3. RETIREMENT SYSTEMS

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 2015 and 2014, OPERS members contributed 10% of their gross salaries and the Cemetery contributed an amount equaling 14% of participants' gross salaries. The Cemetery has paid all contributions required through December 31, 2015.

**GREENVILLE UNION CEMETERY
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
(Continued)**

4. RISK MANAGEMENT

Commercial Insurance

The Cemetery has obtained commercial insurance for the following risks:

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



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

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

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 the cash balances, receipts and disbursements by fund type of the Greenville Union Cemetery, Darke County, (the Cemetery) as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements, and have issued our report thereon dated November 16, 2016, wherein we noted the Cemetery followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code 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 opinions 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 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.

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 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.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

November 16, 2016

**GREENVILLE UNION CEMETERY
DARKE COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2015 AND 2014**

Finding Number	Finding Summary	Status	Additional Information
2013-001	Financial Statement Misstatements	Partially Corrected	The material weaknesses were due to using a modified accrual basis of accounting, including Payroll Taxes and Sales Tax payable at the end of the respective periods, instead of using a strict cash basis of accounting. This has been corrected.

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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
JANUARY 10, 2017**