

**GERMANTOWN UNION CEMETERY**

DAYTON REGION, MONTGOMERY COUNTY

**REGULAR AUDIT**

FOR THE YEARS ENDED DECEMBER 31, 2007 - 2006





# Mary Taylor, CPA

Auditor of State

Board of Trustees  
Germantown Union Cemetery  
11179 State Route 725  
Germantown, Ohio 45327

We have reviewed the *Independent Accountants' Report* of the Germantown Union Cemetery, Montgomery County, prepared by Manning & Associates CPAs, LLC, for the audit period January 1, 2006 through December 31, 2007. 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 Accountants' 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 Accountants' 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 Germantown Union Cemetery is responsible for compliance with these laws and regulations.

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

October 27, 2008

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**GERMANTOWN UNION CEMETERY  
MONTGOMERY COUNTY**

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**MANNING & ASSOCIATES CPAS, LLC**  
**6105 NORTH DIXIE DRIVE**  
**DAYTON, OHIO 45414**

**INDEPENDENT ACCOUNTANTS' REPORT**

Germantown Union Cemetery  
11179 State Route 725 West  
Germantown, Ohio 45327

To the Board of Trustees:

We have audited the accompanying financial statements of Germantown Union Cemetery, Montgomery 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, GAAP require presenting entity wide statements and also presenting the Cemetery's larger (i.e. major) funds separately. 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 GAAP presentation requirements. The Auditor of State permits, but does not require cemeteries to reformat their statements. The Cemetery has elected not to follow GAAP statement formatting requirements. 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, 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 Germantown Union Cemetery, Montgomery 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.

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 July 10, 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 grants 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.

Manning & Associates CPAs, LLC  
Dayton, Ohio

July 10, 2008

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**GERMANTOWN UNION CEMETERY  
MONTGOMERY COUNTY**

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

	<b>GOVERNMENTAL FUND TYPES</b>			<b>Total (Memorandum Only)</b>
	<b>General</b>	<b>Special Revenue</b>	<b>Permanent</b>	
<b>Cash Receipts:</b>				
Property and Other Local Taxes	\$ 0	\$ 57,750	\$ 0	\$ 57,750
Charges for Services and Fees	33,602	0	2,811	36,413
Sale of Lots	28,234	0	0	28,234
Intergovernmental Receipts	0	6,223	0	6,223
Rental Income	9,548	0	0	9,548
Earnings on Investments	2,547	0	69	2,616
Miscellaneous	113	1,650	0	1,763
<b>Total Cash Receipts</b>	<b>74,044</b>	<b>65,623</b>	<b>2,880</b>	<b>142,547</b>
<b>Cash Disbursements:</b>				
Current:				
General Government	54,511	10,095	0	64,606
Health	16,604	54,560	0	71,164
Supplies and Materials	0	41	7	48
Capital Outlay	1,758	389	0	2,147
Debt Service:				
Redemption of Principal	1,225	0	0	1,225
Interest and Other Fiscal Charges	209	0	0	209
<b>Total Cash Disbursements</b>	<b>74,307</b>	<b>65,085</b>	<b>7</b>	<b>139,399</b>
<b>Total Receipts Over/(Under) Disbursements</b>	<b>(263)</b>	<b>538</b>	<b>2,873</b>	<b>3,148</b>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(263)	538	2,873	3,148
<b>Fund Cash Balances, January 1</b>	<b>1,848</b>	<b>7,974</b>	<b>61,950</b>	<b>71,772</b>
<b>Fund Cash Balances, December 31</b>	<b>\$ 1,585</b>	<b>\$ 8,512</b>	<b>\$ 64,823</b>	<b>\$ 74,920</b>

The Notes to the Financial Statements are an integral part of this statement.

**GERMANTOWN UNION CEMETERY  
MONTGOMERY COUNTY**

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

	<u>GOVERNMENTAL FUND TYPES</u>			<b>Total (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Permanent</u>	
<b>Cash Receipts:</b>				
Property and Other Local Taxes	\$ 0	\$ 56,716	\$ 0	\$ 56,716
Charges for Services and Fees	37,337	0	4,049	41,386
Sale of Lots	40,889	0	0	40,889
Intergovernmental Receipts	0	6,073	0	6,073
Rental Income	9,648	0	0	9,648
Earnings on Investments	3,141	0	114	3,255
Miscellaneous	103	275	0	378
<b>Total Cash Receipts</b>	<u>91,118</u>	<u>63,064</u>	<u>4,163</u>	<u>158,345</u>
<b>Cash Disbursements:</b>				
Current:				
General Government	80,984	0	0	80,984
Health	13,692	63,291	0	76,983
Supplies and Materials	0	14	0	14
Capital Outlay	15,732	1,489	1,978	19,199
Debt Service:				
Redemption of Principal	873	0	0	873
Interest and Other Fiscal Charges	202	0	0	202
<b>Total Cash Disbursements</b>	<u>111,483</u>	<u>64,794</u>	<u>1,978</u>	<u>178,255</u>
<b>Total Receipts Over/(Under) Disbursements</b>	<u>(20,365)</u>	<u>(1,730)</u>	<u>2,185</u>	<u>(19,910)</u>
<b>Other Financing Receipts/Disbursements</b>				
Sale of Notes	5,134	0	0	5,134
<b>Total Other Financing Receipts/(Disbursements)</b>	5,134	0	0	5,134
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>(15,231)</u>	<u>(1,730)</u>	<u>2,185</u>	<u>(14,776)</u>
<b>Fund Cash Balances, January 1</b>	<u>17,079</u>	<u>9,704</u>	<u>59,765</u>	<u>86,548</u>
<b>Fund Cash Balances, December 31</b>	<u>\$ 1,848</u>	<u>\$ 7,974</u>	<u>\$ 61,950</u>	<u>\$ 71,772</u>

The Notes to the Financial Statements are an integral part of this statement.

**GERMANTOWN UNION CEMETERY  
MONTGOMERY COUNTY**

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

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Germantown Union Cemetery, Montgomery 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 directed by an appointed three-member Board of Trustees. The Board is appointed by German Township and the Village of Germantown. The Township provides funding, through a tax levy, to meet the Cemetery's operating costs under the agreement which established the Cemetery. These accompanying financial statements present this funding as Intergovernmental Receipts. 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**

This financial statement follows 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 a payment is made 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. Cash and Investments**

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 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:

**General Fund:**

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

**GERMANTOWN UNION CEMETERY  
MONTGOMERY COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**D. Fund Accounting** (Continued)

**Special Revenue Funds:**

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Cemetery had the following significant Special Revenue Funds:

**Cemetery Fund** – This fund receives the taxes levied by German Township for operating the Cemetery.

**Bicentennial Tree Fund** – This fund was created in 2003 for the receipt of donations to purchase trees, and to track the original purchase and ongoing maintenance of the trees.

**Permanent Funds:**

These funds are used to account for resources restricted by legally binding trust agreements. The Cemetery had the following significant fiduciary fund:

**Smith Land Acquisition Trust Fund** – This fund received a gift amount which is to be held and invested for the acquisition and development of burial ground land, whether to expand the present cemetery or to acquire land elsewhere.

**Perpetual Care Trust Fund** – This fund receives a portion of the receipts from all grave sales. The fund is to be used for Cemetery maintenance costs after all grave lots have been sold.

**E. Budgetary Process**

The Cemetery budgets each fund annually.

**Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board annually approves appropriation measures and subsequent amendments. Appropriations lapse at year-end.

**Estimated Resources**

Estimated resources include estimates of cash to be received (budgeted receipts) plus the cash balance as of January 1.

**GERMANTOWN UNION CEMETERY  
MONTGOMERY COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (continued)**

**Encumbrances**

The Cemetery reserves (encumbers) appropriations when individual commitments are made. Encumbrances outstanding at year-end are cancelled, and reappropriated in the subsequent year.

A summary of 2007 and 2006 budgetary activity appears in Note 3.

**F. Property, Plant 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.

**G. 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.

**2. EQUITY IN POOLED CASH AND INVESTMENTS**

The Cemetery maintains a cash pool used by all funds. The Ohio Revised Code prescribes allowable deposits.

The carrying amount of cash at December 31 follows:

	<u>2007</u>	<u>2006</u>
Demand Deposits	\$ 10,225	\$ 13,907
Certificate of Deposits	<u>64,695</u>	<u>57,865</u>
Total Deposits and Investments	<u>\$ 74,920</u>	<u>\$ 71,772</u>

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

**GERMANTOWN UNION CEMETERY  
MONTGOMERY COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

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**3. BUDGETARY ACTIVITY**

Budgetary activity for the year ending December 31, 2007 was as follows:

<b>2007 Budgeted vs. Actual Receipts</b>			
<b>Fund Type</b>	<b>Budgeted Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
General	\$ 114,500	\$ 74,044	\$ (40,456)
Special Revenue	65,100	65,623	523
Permanent	0	2,880	2,880
Total	<u>\$ 179,600</u>	<u>\$ 142,547</u>	<u>\$ (37,053)</u>

<b>2007 Budgeted vs. Actual Budgetary Basis Expenditures</b>			
<b>Fund Type</b>	<b>Appropriation Authority</b>	<b>Budgetary Expenditures</b>	<b>Variance</b>
General	\$ 115,541	\$ 74,307	\$ 41,234
Special Revenue	70,800	65,085	5,715
Permanent	10	7	3
Total	<u>\$ 186,351</u>	<u>\$ 139,399</u>	<u>\$ 46,952</u>

Budgetary activity for the year ending December 31, 2006 was as follows:

<b>2006 Budgeted vs. Actual Receipts</b>			
<b>Fund Type</b>	<b>Budgeted Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
General	\$ 109,100	\$ 96,252	\$ (12,848)
Special Revenue	62,150	63,064	914
Permanent	50	4,163	4,113
Total	<u>\$ 171,300</u>	<u>\$ 163,479</u>	<u>\$ (7,821)</u>

<b>2006 Budgeted vs. Actual Budgetary Basis Expenditures</b>			
<b>Fund Type</b>	<b>Appropriation Authority</b>	<b>Budgetary Expenditures</b>	<b>Variance</b>
General	\$ 120,609	\$ 111,483	\$ 9,126
Special Revenue	71,600	64,794	6,806
Permanent	1,978	1,978	0
Total	<u>\$ 194,187</u>	<u>\$ 178,255</u>	<u>\$ 15,932</u>

Contrary to Ohio Law, estimated resources exceeded actual receipts in the General Fund by \$40,456 and \$12,848 for 2007 and 2006, respectively.

**GERMANTOWN UNION CEMETERY  
MONTGOMERY COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

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**4. DEBT/LEASES**

Debt outstanding at December 31, 2007 was as follows:

	Principal	Interest Rate
First National Bank	\$3,036	5.65%
Total	\$3,036	

First National Bank Loan for the purchase of a mower. Original loan \$5,134, payments monthly at \$119 including interest at 5.65%. Maturity March 2010. Amortization of the above debt, including interest, is scheduled as follows:

Year Ending December 31:	First National
2008	\$1,434
2009	1,434
2010	374
Total	\$3,242

German Township issued a building bond on behalf of Germantown Union Cemetery for the purpose of constructing a garage/office complex for cemetery use. This building bond was refinanced by German Township on April 12, 2003 with the issuance of a Building Bond in the amount of \$82,890 with an interest rate of 3.60% on behalf of the Cemetery. The maturity date of the new bond issue is April 12, 2010. The Cemetery is responsible for making payments to the Township of principal and interest in the amount of \$3,353 each quarter until the maturity date in April 2010. Remaining balance \$29,977.

In 2005, German Township entered into two leases with Ohio Township Mater Leasing Program on behalf of Germantown Union Cemetery. Lease one is for a John Deere backhoe and lease two for 21 acres of property for Cemetery use. The property is leased under a noncancellable lease. The Cemetery is responsible for making payments to the Township in the amount of \$3,190 semi-annually until the maturity date in December 2010 for lease one and in the amount of \$10,542 semi-annually until the maturity date in November 2019 for lease two. The Cemetery disbursed \$20,009 to German Township in 2007 for the above obligations and \$37,750 for 2006.

**5. RETIREMENT SYSTEM**

The Cemetery's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. This 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. The Cemetery's OPERS members contributed 9.5% of their gross salaries in 2007 and 9.0% in 2006. The Cemetery contributed an amount equal to 13.85% of participants' gross salaries for 2007 and 13.70% in 2006. The Cemetery has paid all contributions required through December 31, 2007.

**GERMANTOWN UNION CEMETERY  
MONTGOMERY COUNTY**

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

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**6. RISK MANAGEMENT**

**Commercial Insurance**

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

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

**7. CONTINGENT LIABILITIES**

The Cemetery is defendant in lawsuits. Although the outcome of these suits is not presently determinable, management believes that the resolution of these matters will not materially adversely affect the Cemetery's financial condition



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**MANNING & ASSOCIATES CPAS, LLC  
6105 NORTH DIXIE DRIVE  
DAYTON, OHIO 45414**

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

Germantown Union Cemetery  
11179 State Route 725 West  
Germantown, Ohio 45327

To the Board of Trustees:

We have audited the accompanying financial statements of the Germantown Union Cemetery, Montgomery County (the Cemetery), as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated July 10, 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. 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that may be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider significant deficiencies.

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

We consider the following deficiency described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting: 2007-002.

### **Internal Control Over Financial Reporting, continued**

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 the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We believe the significant deficiency described above is not a material weakness.

We also noted certain internal control matters that we reported to the Cemetery's management in a separate letter dated July 10, 2008.

### **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 one instance of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as item 2007-001.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the Cemetery's management in a separate letter dated July 10, 2008.

The Cemetery's responses to the findings identified in our audit are described in the accompanying Schedule of Findings. We did not audit the Township's responses and, accordingly, we express no opinion on them.

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.

Manning & Associates CPAs, LLC  
Dayton, Ohio

July 10, 2008

**GERMANTOWN UNION CEMETERY  
MONTGOMERY COUNTY**

SCHEDULE OF FINDINGS  
DECEMBER 31, 2007 and 2006

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<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2007-001**

**Ohio Rev. Code Section 5705.36** allows all subdivisions to request increased amended certificates of estimated resources and reduced amended certificates upon determination by the fiscal officer that revenue to be collected will be greater or less than the amount in the official certificate of estimated resources.

An increased amended certificate must be obtained from the budget commission if the legislative authority intends to appropriate and expend the excess revenue. A reduced amended certificate must be obtained if the amount of the deficiency will reduce available resources below that current level of appropriation. The following funds were determined to have estimated receipts in excess of actual receipts:

<b>Fund Name</b>	<b>Estimated Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
<b>2007</b>			
General Fund	\$114,500	\$74,044	(40,456)
<b>2006</b>			
General Fund	109,100	96,252	(12,848)

Failure to obtain the amended certificate of estimated resources did not provide the Trustees with an accurate estimate of resources available for appropriations which could lead to negative fund balances. The Board should monitor receipts and amend estimated receipts when necessary to keep estimated receipts in line with actual receipts and make any corresponding amendments to its appropriations and disbursements.

*Response:* Fiscal Officer and Trustees will monitor budgetary compliance more closely in the future.

**FINDING NUMBER 2007-002**

**Budgetary Reporting and Monitoring**

The Cemetery's budgetary information on their system did not match the information filed with the County Auditor. Amendments were made both on their system and with the County Auditor; however, the amounts reported on their system did not match the final amended certificate of estimated resources filed with the County. Incorrect budgetary information (estimated resources) is misleading and could lead to overspending. The Cemetery should develop and implement a monitoring control system to ensure only the amounts filed with the County Auditor are included for monitoring of the budget.

Monitoring controls should assist management in detecting material misstatements in the financial or other information presented. Such controls may include monthly review of budget and actual activity including required submission of budgetary reports by Trustees.

*Response:* The Fiscal Officer will include only those items reported to the County Auditor.



**Mary Taylor, CPA**  
Auditor of State

**GERMANTOWN UNION CEMETERY**

**MONTGOMERY 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  
NOVEMBER 6, 2008**