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Form **990****Return of Organization Exempt From Income Tax**

OMB No 1545-0047

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements

2009Open to Public
Inspection

A For the 2009 calendar year, or tax year beginning		, 2009, and ending	
B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending		C Name of organization SUNSET HILLS ASSOCIATION Doing Business As Number and street (or P O box if mail is not delivered to street address) 3400 W. BRISTOL RD Room/suite City or town, state or country, and ZIP + 4 FLINT, MI 48507-3112 F Name and address of principal officer KATHRYN KOEGEL, PRESIDENT (Same address as above.)	
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (13) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		D Employer identification number 38 1083400 E Telephone number (810) 238-3685 G Gross receipts \$ 5,337,540	
J Website: ► NONE		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)	
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ►		L Year of formation 1953 M State of legal domicile MI	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: OPERATION OF A CEMETERY		

Revenue	2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		

Expenses	3 Number of voting members of the governing body (Part VI, line 1a)		
	RECEIVED		
Net Assets or Fund Balances	4 Number of independent voting members of the governing body (Part VI, line 1b)		
	5 Total number of employees (Part V, line 2a)		
2010	6 Total number of volunteers (estimate if necessary)		
	7a Total gross unrelated business revenue from Part VIII, column (C), line 12		
SCANNED JUN 26 2010	b Net unrelated business taxable income from Form 990-T, line 94		
	RS OSC		
8 Contributions and grants (Part VIII, line 1h)	OGDEN, UT	Prior Year	Current Year
	-----	-----	-----
9 Program service revenue (Part VIII, line 2g)	835,809	730,557	
	-----	-----	-----
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,220,380	484,547	
	-----	-----	-----
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	229,057	202,227	
	-----	-----	-----
12 Total revenue—add lines 8 through 11 (must equal Part VIII column (A), line 12)	2,285,246	1,417,331	
	-----	-----	-----
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	5,000	5,000	
	-----	-----	-----
14 Benefits paid to or for members (Part IX, column (A), line 4)	663,761	670,971	
	-----	-----	-----
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	409,073	232,326	
	-----	-----	-----
16a Professional fundraising fees (Part IX, column (A), line 11e)	1,077,834	908,297	
	-----	-----	-----
b Total fundraising expenses (Part IX, column (D), line 25)	1,207,412	509,034	
	-----	-----	-----
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	Beginning of Current Year	End of Year	
	-----	-----	
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	44,455,119	44,282,879	
	-----	-----	
19 Revenue less expenses. Subtract line 18 from line 12	41,708,928	41,361,644	
	-----	-----	
20 Total assets (Part X, line 16)	2,746,191	2,921,235	
	-----	-----	
21 Total liabilities (Part X, line 26)			
22 Net assets or fund balances. Subtract line 21 from line 20			

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here*Albert J. Koegel*

5-10-2010

Date

Signature of officer

ALBERT J. KOEGEL, TREASURER

Type or print name and title

Paid	Preparer's signature	Date	Check if self-employed ► <input type="checkbox"/>	Preparer's identifying number (see instructions)
Preparer's Use Only	Firm's name (or yours if self-employed), address, and ZIP + 4	EIN ►		
		Phone no ► ()		

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2009)

P 19

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:

OPERATION OF A CEMETERY

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code:) (Expenses \$ **908,297** including grants of \$) (Revenue \$)
OPERATION OF A CEMETERY

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ► **908,297**

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, Schedule of Contributors?

3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

4 **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II

5 **Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III

6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I

7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV

10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V

11 Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable

- Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.
- Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.
- Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.
- Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.
- Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.
- Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X

12 Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII

12A Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional.

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the United States?

- b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I

15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II

16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III

17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I

18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II

19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III

20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H

	Yes	No
1		✓
2		✓
3		✓
4		N/A
5		N/A
6		✓
7		✓
8		✓
9	✓	
10	✓	
11	✓	
12		✓
13		✓
14a		✓
14b		✓
15		✓
16		✓
17		✓
18		✓
19		✓
20		✓

Part IV Checklist of Required Schedules (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II.	21	✓
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	✓
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	✓
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K If "No," go to line 25.	24a	✓
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	✓
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	✓
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	✓
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	N/A
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b	✓
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	✓
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27	✓
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):	28a	✓
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	✓
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28c	✓
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	29	✓
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	30	✓
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	31	✓
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	32	✓
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	33	✓
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	34	✓
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	35	✓
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	36	N/A
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	37	✓
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	38	✓
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O		

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	1a	8
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	✓
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	13
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	2b	✓
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	✓
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	N/A
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	✓
b	If "Yes," enter the name of the foreign country: ► See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	✓
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	✓
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c	N/A
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a	✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	N/A
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	✓
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	N/A
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	✓
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	N/A
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	✓
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	✓
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	N/A
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	N/A
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	N/A
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a	✓
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	✓
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a	N/A
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	N/A
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	N/A
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	N/A
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	N/A
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b	N/A

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body	1a	7
1b	Enter the number of voting members that are independent	1b	7
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	✓
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	✓
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	✓
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5	✓
6	Does the organization have members or stockholders?	6	✓
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	✓
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	✓
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following	8a	✓
a	The governing body?	8b	✓
b	Each committee with authority to act on behalf of the governing body?	9a	✓
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.		

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a	✓
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b	N/A
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	✓
11A	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	✓
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	
13	Does the organization have a written whistleblower policy?	13	✓
14	Does the organization have a written document retention and destruction policy?	14	✓
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official	15a	✓
b	Other officers or key employees of the organization	15b	✓
	If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	✓
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	N/A

Section C. Disclosure

17	List the states with which a copy of this Form 990 is required to be filed ► N/A
18	Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
	<input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► A. J. KOEGEL, TREASURER 3400 W. BRISTOL RD, FLINT, MI 48507-3112 (810) 238-3685

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees, highest

Check this box if the organization did not compensate any current officer, director, or trustee.

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

1b Total

8,400

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization ►

	Yes	No
3		✓
4		✓
5		✓

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

	(A) Name and business address	(B) Description of services	(C) Compensation
N/A			
2	Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ► 0		

Part VIII Statement of Revenue

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns 1b Membership dues 1c Fundraising events 1d Related organizations 1e Government grants (contributions) 1f All other contributions gifts, grants, and similar amounts not included above 1g Noncash contributions included in lines 1a-1f. \$ 1h Total. Add lines 1a-1f ►				
Program Service Revenue	2a Interment/Entombment Fees (net) 2b Cremation Fees (net) 2c Deed Transfer Income 2d Endowment Trust Income 2e 2f All other program service revenue 2g Total. Add lines 2a-2f ►	Business Code 270,630 116,338 1,975 341,614 730,557	270,630 116,338 1,975 341,614 730,557		
	3 Investment income (including dividends, interest, and other similar amounts) ► 4 Income from investment of tax-exempt bond proceeds ► 5 Royalties ►		682,303	682,303	
	6a Gross Rents b Less: rental expenses c Rental income or (loss) d Net rental income or (loss) ► 7a Gross amount from sales of assets other than inventory See Statement 1 b Less: cost or other basis and sales expenses c Gain or (loss) d Net gain or (loss) ► 8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18 a b c Net income or (loss) from fundraising events ► 9a Gross income from gaming activities. See Part IV, line 19 a b c Net income or (loss) from gaming activities ► 10a Gross sales of inventory, less returns and allowances a 405,224 b 202,997 c Net income or (loss) from sales of inventory ► 11a Miscellaneous Revenue b c d All other revenue e Total. Add lines 11a-11d ► 12 Total revenue. See instructions. ►		(i) Real 3,385,126 (ii) Personal 134,330 3,582,882 (197,756) (i) Securities 3,385,126 (ii) Other 134,330 3,582,882 (197,756) (i) Real 405,224 (ii) Personal 202,997 (i) Securities 202,227 (ii) Other 202,227 (i) Real 1,417,331 (ii) Personal 1,417,331 (i) Securities 0 (ii) Other 0	682,303 134,330 (197,756) (197,756) (197,756) (197,756) 202,227 202,227 1,417,331 1,417,331 0 0	

Part IX Statement of Functional Expenses**Section 501(c)(3) and 501(c)(4) organizations must complete all columns.****All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).**

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	5,000	5,000		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	8,400	8,400		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	458,943	458,943		
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	37,630	37,630		
9 Other employee benefits	136,730	136,730		
10 Payroll taxes	29,268	29,268		
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting (Auditing)	450	450		
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses	3,465	3,465		
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	60	60		
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	44,940	44,940		
23 Insurance				
24 Other expenses. Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a See Statement 2 attached.	183,411	183,411		
b				
c				
d				
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	908,297	908,297	0	0
26 Joint costs. Check here ► <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	525,875	1	1,300
	2 Savings and temporary cash investments	1,634,707	2	326,469
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	4,067	5	5,810
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net	98,478	7	103,937
	8 Inventories for sale or use	58,952	8	526,648
	9 Prepaid expenses and deferred charges	18,426	9	20,084
	10a Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D	10a 6,625,127		
	b Less: accumulated depreciation	10b 2,236,656	10c 1,524,715	4,388,471
	11 Investments—publicly traded securities	16,506,184	11	15,821,178
	12 Investments—other securities. See Part IV, line 11		12	
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	24,083,715	15	23,088,982
	16 Total assets. Add lines 1 through 15 (must equal line 34)	44,455,119	16	44,282,879
Liabilities	17 Accounts payable and accrued expenses	61,333	17	167,941
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	297,440	21	310,516
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D	41,350,155	25	40,883,187
	26 Total liabilities. Add lines 17 through 25	41,708,928	26	41,361,644
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds	150,000	30	150,000
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds	2,596,191	32	2,771,235
	33 Total net assets or fund balances	2,746,191	33	2,921,235
	34 Total liabilities and net assets/fund balances	44,455,119	34	44,282,879

Part XI Financial Statements and Reporting

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? . . .	2a	✓
b Were the organization's financial statements audited by an independent accountant? . . .	2b	✓
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review or compilation of its financial statements and selection of an independent accountant? . . . If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	2c	N/A
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . .	3a	N/A
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b	N/A

SCHEDULE D
(Form 990)**Supplemental Financial Statements**

OMB No. 1545-0047

2009Open to Public
InspectionDepartment of the Treasury
Internal Revenue Service► Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11, or 12.

► Attach to Form 990. ► See separate instructions.

Name of the organization

SUNSET HILLS ASSOCIATION

Employer identification number

38 1083400

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? Yes No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7

1 Purpose(s) of conservation easements held by the organization (check all that apply).

Preservation of land for public use (e.g., recreation or pleasure) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
2a	
2b	
2c	
2d	

a Total number of conservation easements

b Total acreage restricted by conservation easements

c Number of conservation easements on a certified historic structure included in (a)

d Number of conservation easements included in (c) acquired after 8/17/06

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►

4 Number of states where property subject to conservation easement is located ►

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ►

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ► \$

(ii) Assets included in Form 990, Part X ► \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ► \$

b Assets included in Form 990, Part X ► \$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a <input type="checkbox"/> Public exhibition	d <input type="checkbox"/> Loan or exchange programs
b <input type="checkbox"/> Scholarly research	e <input type="checkbox"/> Other
c <input type="checkbox"/> Preservation for future generations	

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table.

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	24,083,715	24,294,560			
b Contributions					
c Net investment earnings, gains, and losses	(994,733)	(210,845)			
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	23,088,982	24,083,715			

2 Provide the estimated percentage of the year end balance held as:

a Board designated or quasi-endowment ► %
 b Permanent endowment ► **100** %
 c Term endowment ► %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations	Yes	No
(ii) related organizations		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? Yes No

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	1,240			1,240
b Buildings	4,350,394		213,844	4,136,550
c Leasehold improvements				
d Equipment	524,917		480,312	44,605
e Other	1,748,576		1,542,500	206,076
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)			►	4,388,471

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives		
Closely-held equity interests		
Other		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ►		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ►		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Trust Fund - U. S. Trust Bank of America, N.A. (assets reported at cost)	5,047,227
Trust Fund - Citizens Bank Wealth Management, N.A. (assets reported at cost)	15,378,511
Trust Fund - J P Morgan Chase Bank, N.A. (assets reported at cost)	2,663,244
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ►	23,088,982

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Amount	
Federal income taxes		
Maintenance Reserve - Grounds	38,120,113	
Maintenance Reserve - Mausoleum	450,123	
Maintenance Reserve - Markers	2,312,951	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ►	40,883,187	

2. FIN 48 Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1 Total revenue (Form 990, Part VIII, column (A), line 12)	1
2 Total expenses (Form 990, Part IX, column (A), line 25)	2
3 Excess or (deficit) for the year. Subtract line 2 from line 1	3
4 Net unrealized gains (losses) on investments	4
5 Donated services and use of facilities	5
6 Investment expenses	6
7 Prior period adjustments	7
8 Other (Describe in Part XIV.)	8
9 Total adjustments (net) Add lines 4 through 8	9
10 Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1 Total revenue, gains, and other support per audited financial statements	1
2 Amounts included on line 1 but not on Form 990, Part VIII, line 12:	
a Net unrealized gains on investments	2a
b Donated services and use of facilities	2b
c Recoveries of prior year grants	2c
d Other (Describe in Part XIV.)	2d
e Add lines 2a through 2d	2e
3 Subtract line 2e from line 1	3
4 Amounts included on Form 990, Part VIII, line 12, but not on line 1:	
a Investment expenses not included on Form 990, Part VIII, line 7b	4a
b Other (Describe in Part XIV.)	4b
c Add lines 4a and 4b	4c
5 Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1 Total expenses and losses per audited financial statements	1
2 Amounts included on line 1 but not on Form 990, Part IX, line 25:	
a Donated services and use of facilities	2a
b Prior year adjustments	2b
c Other losses	2c
d Other (Describe in Part XIV.)	2d
e Add lines 2a through 2d	2e
3 Subtract line 2e from line 1	3
4 Amounts included on Form 990, Part IX, line 25, but not on line 1:	
a Investment expenses not included on Form 990, Part VIII, line 7b	4a
b Other (Describe in Part XIV.)	4b
c Add lines 4a and 4b	4c
5 Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Schedule D, Part V, 3a(i) Identification of Related Organizations**SUNSET HILLS ENDOWMENT TRUSTS**

U.S. Trust Bank of America, N.A. Acct. 56-01-100-6480032/26-S177-20-9 EIN 38-6218608

Citizens Bank Wealth Management, N.A. Acct. 43-0677-01-3/115000622 EIN 38-6041332

J P Morgan Chase Bank, N.A. Acct. R68621003/4410414500 EIN 38-6243829

Schedule D, Part V, Line 4

Endowment funds are used to provide:

Part XIV Supplemental Information (continued)

1. Service related to cemetery operations in accordance with its charitable by-laws,
2. For continuous and perpetual care and maintenance of buildings and grounds, and

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.

► Attach to Form 990.

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization

SUNSET HILLS ASSOCIATION

Employer identification number

38 1083400

NOTE: Form 990 Schedules A & B are not submitted because they are nonapplicable.

Form 990, Page 6, Part VI, Section A, Line 2 (Family Relationship of Officers and Directors)

NAME **RELATIONSHIP WITH RESPECT TO ALBERT J. KOEGEL**

Kathryn Koegel **Daughter**

Elizabeth M. Neithercut **Sister**

Albert J. Koegel **Self**

Edward J. Neithercut **Brother-in -law**

Barbara L. Koegel **Spouse**

John C. Koegel **Son**

Jeffry D. Rocco **Son-in -law**

Form 990, Page 6, Part VI, Section A, Line 11A

Form 990 and the supporting schedules are prepared in house by an officer of the corporation. It is subject to discussion and is reviewed by various officers and directors. At the annual meeting, all board members have an opportunity to review the return.

Form 990, Page 6, Part VI, Section B, Line 15a/b

Compensation is commensurate with job responsibilities and annual employee review. Policy is set by the Sunset Hills Association Board.

Form 990, Page 6, Part VI, Section C, Line 19

Information is made available upon a reasonable written request.

SUNSET HILLS ASSOCIATION FORM 990 2009
PAGE 10, PART IX, LINE 24a

STATEMENT 2

Equipment Rental & Maintenance	20,010.80
Telephone	1,485.54
Postage	1,165.67
Taxes & Licenses	825.00
General Insurance	17,806.57
Uncollectible Accounts Expense	0.00
Office Bldg Expense	7,512.47
Dues & Subscriptions	904.88
Advertising	3,522.45
Banking Services/Investment Quarterly Advisory Fees	30,991.99
Cash Discounts	200.00
Escrow Expense	4,005.00
Contract Cancellation Costs	271.00
Miscellaneous Expenses	776.90
Grounds Maintenance	14,625.06
Landscape Improvements	303.69
Small Tools	599.82
Maintenance Bldg Expense	27,664.61
Mausoleum Maint Expense	4,573.54
Road Maintenance	24,037.78
Vehicle Fuel	12,611.37
Vehicle Mainatenance Expense	9,026.57
Vandalism Expense	489.88
 Total PART IX, Line 24a	 183,410.59
 =====	 =====

H:\DATA\SHA\stmt1&2

SUNSET HILLS ASSOCIATION FORM 990 2009
 PAGE 9, PART VIII, LINE 7a,b,c,d

STATEMENT 1

CAPITAL GAINS SUMMARY

(i) Securities

Description	Proceeds	Cost	Gain(Loss)
Bear Sterns Fair SEC Distribution	566.96	0.00	566.96
USB Capital VI Tr 5.75% of '35	124,965.23	145,756.25	(20,791.02)
UBS Capital XI 6.6% of '66	95,749.53	100,000.00	(4,250.47)
Abbott Labs 700 shrs	33,184.14	29,943.31	3,240.83
Alliant Energy 1,824 shrs	46,426.60	50,307.93	(3,881.33)
Altria Group, Inc. 1,500 shrs	26,535.07	5,912.35	20,622.72
Asbury Automotive Group 6,150 shrs	62,597.40	75,599.02	(13,001.62)
CH Energy Group 1,000 shrs	45,129.14	24,989.59	20,139.55
Centerpoint Energy 5,400 shrs	57,779.05	65,586.68	(7,807.63)
CTC Media, Inc. 4,720 shrs	61,618.49	75,458.60	(13,840.11)
Dominion Resources 1,998 shrs	66,079.75	15,630.47	50,449.28
Dow Chemical 1,000 shrs	15,729.59	28,355.46	(12,625.87)
DuPont E I De Nemours 348 shrs	8,815.55	24,948.25	(16,132.70)
Exelon Corp 1,750 shrs	88,604.40	17,185.00	71,419.40
First Energy Corp 2,582 shrs	101,427.34	57,661.88	43,765.46
Fairpoint Communications 69 shrs	69.68	503.06	(433.38)
FPL Group, Inc. 4,000 shrs	220,397.54	60,577.15	159,820.39
Goldman Sachs Group, Inc. 470 shrs	77,588.91	76,576.40	1,012.51
HMS HLDGS Corp. 2,565 shrs	94,944.63	100,439.93	(5,495.30)
Idearc Inc 183 shrs	6.94	1,015.07	(1,008.13)
Iberdrola 1,101 shrs	34,361.32	6,793.56	27,567.76
Kraft Foods 1,038 shrs	26,831.71	6,067.92	20,763.79
PPL Corporation 5,200 shrs	152,829.99	25,675.00	127,154.99
Progress Energy 2,400 shrs	89,781.90	23,700.40	66,081.50
Proctor & Gamble 650 shrs	33,084.14	18,151.87	14,932.27
RRI Energy (Reliant Energy) 4,258 shrs	19,330.82	12,214.84	7,115.98
Semtech Corp. 4,300 shrs	71,249.17	75,378.00	(4,128.83)
Steel Dynamics, Inc. 4,700 shrs	67,735.60	75,434.53	(7,698.93)
Verizon Communications 3,660 shrs	113,055.63	26,170.54	86,885.09
Zimmer Holdings 200 shrs	8,297.78	1,412.86	6,884.92
WNS Holdings LTD SPN ADR 5,000 shrs	70,506.69	75,250.00	(4,743.31)
Wyeth 3,200 shrs	141,651.59	47,762.78	93,888.81
American Express 4.75% of 6-17-09	80,000.00	81,149.64	(1,149.64)
Citigroup CAP TR IX 6% of '33 4,000 shrs	41,563.85	100,000.00	(58,436.15)
Citigroup CAP TR X 6.1% of '33 4,300 shrs	37,327.90	107,500.00	(70,172.10)
Citigroup Cap TR XIX 7.25% of '67 4,000	37,688.74	100,000.00	(62,311.26)
Keycorp Cap V Def 5.875% of '33 8,350 shrs	87,414.37	202,287.75	(114,873.38)
NM Gen Elec 3.25% of 6-15-09	65,000.00	65,812.79	(812.79)
Royal Bank of Scotland 6.35% Perpetual 4,000	11,454.29	100,000.00	(88,545.71)
AMBAC Financial Group 5.875% of '03 4,000	16,642.02	97,913.35	(81,271.33)
American Gwth Fd of Amer 8,984.631 units	204,939.43	216,506.86	(11,567.43)
Franklin Cust Fd 44,672.015 units	79,516.19	108,325.84	(28,809.65)
Ishares Barclay 7-10 Yr 900 shrs	80,198.54	81,491.40	(1,292.86)

Ishares Lehman 3-7 Yr 750 shrs	82,438.93	82,947.00	(508.07)
ISHARES MSCI South Africa 1,550 shrs	87,754.09	75,666.74	12,087.35
Internet Architecture 1,600 shrs	79,462.76	74,512.00	4,950.76
J P Morgan U S Large Cap Fund 6,357.24 uts	92,817.24	126,019.79	(33,202.55)
SPDR P Semiconductor 1,500 shrs	58,375.35	50,768.00	7,607.35
Vanguard LT Bond 1,100 shrs	85,873.69	81,564.20	4,309.49
Citigroup Cap XI 6% of '34 3,900	57,086.26	97,500.00	(40,413.74)
Citigroup Capital VIII 6.95% of '31	12,563.62	20,000.00	(7,436.38)
Schering Plough Corp. 300 shrs exchange for 173 shrs Merck & Co. 11-5-09	3,150.00	5,454.82	(2,304.82)
Merck & Co. 0.01 shrs	0.33	0.42	(0.09)
GAMCO Westwood Mighty Mites 288.967	3.95	0.00	3.95
Allianz RCM Lg cap Gwth Fd	3,172.50	3,589.72	(417.22)
American Funds Gwth Fd Cl F	41.40	58.32	(16.92)
Blackrock Focus Gwth Fd A	3,529.64	3,861.64	(332.00)
Blackrock Mid-Cap Val Eqty	639.03	747.05	(108.02)
Columbia Div Inc Fd	2,143.90	2,506.28	(362.38)
Columbia sm-cap gwth	1,269.05	1,427.26	(158.21)
Federated Kaufman sm-cap	1,939.34	2,111.33	(171.99)
First Eagle Overseas Fd Cl A	5,247.36	6,037.91	(790.55)
GAMCO Westwood Mighty Mites	3,909.72	3,950.18	(40.46)
Ivy Large Cap Gwth Fd Cl A	86.89	104.21	(17.32)
Natixis Vaughan Nelson sm cap	5,587.73	5,125.57	462.16
RS Emerging Mkts	404.89	478.84	(73.95)
PPLUS SRS CSF-1 Cl A 6.25% of '32	84,800.00	100,000.00	(15,200.00)
Royal Bank of Scotland 5.75% Perpetual	47,039.40	99,955.71	(52,916.31)
Van Kampen 551 Pfd secs	62,520.00	93,049.08	(30,529.08)
Blackrock High Inc Fd (ML Bond Fd High Inc.)	27,049.68	34,000.00	(6,950.32)
	3,607,584.36	3,582,882.40	24,701.96
	=====	=====	=====

FIDELITY CAPITAL & INCOME FD - Capital Gain Distribution		3,900.84
STATE BANK Recognized Capital Loss		(226,358.96)
Total line 7c (i) Securities		(197,756.16)
	=====	=====

(ii) Other line, 7a,b,c

Sales of Burial Spaces		134,330.00
Less:		
Cost of Land		(1,788.00)
Transferred to Reserve For Maintenance		(132,542.00)
	=====	=====
Total line 7c (ii) Other		0.00
	=====	=====