



**Auditor of State
Betty Montgomery**

**UNION CEMETERY
TUSCARAWAS COUNTY**

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Union Cemetery
Tuscarawas County
227 West 7th Street
Uhrichsville, Ohio 44683

To the Board of Trustees:

We have audited the accompanying financial statements of Union Cemetery, Tuscarawas County, Ohio, (the Cemetery) as of and for the years ended December 31, 2002 and 2001. 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Cemetery prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Cemetery as of December 31, 2002 and 2001, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 11, 2003 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Union Cemetery
Tuscarawas County
Independent Accountants' Report
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This report is intended solely for the information and use of management, the Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

July 11, 2003

**UNION CEMETERY
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

	General	Expendable Trust	Totals (Memorandum Only)
Cash Receipts:			
Local Taxes	\$121,289		\$121,289
Intergovernmental	12,064		12,064
Charges for Services	12,445		12,445
Sale of Lots	6,493		6,493
Interest	3,408		3,408
Miscellaneous	1,872		1,872
General Fund Budget Reserve	722		722
 Total Cash Receipts	 158,293		 158,293
Cash Disbursements:			
Current:			
Salaries	91,886		91,886
Supplies	1,331		1,331
Equipment	4,373		4,373
Contracts - Repair	9,475		9,475
Contracts - Services		\$2,859	2,859
Public Employees' Retirement	13,478		13,478
Workers' Compensation	1,948		1,948
Medical Insurance	21,393		21,393
Utilities	6,137		6,137
County Auditor's Fees	2,491		2,491
Miscellaneous	9,341		9,341
 Total Cash Disbursements	 161,853	 2,859	 164,712
Total Cash Receipts (Under) Cash Disbursements	(3,560)	(2,859)	(6,419)
Fund Cash Balances, January 1	174,735	59,136	233,871
Fund Cash Balances, December 31	\$171,175	\$56,277	\$227,452

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

**UNION CEMETERY
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2001**

	General	Expendable Trust	Totals (Memorandum Only)
Cash Receipts:			
Local Taxes	\$130,107		\$130,107
Intergovernmental	11,801		11,801
Charges for Services	12,610		12,610
Sale of Lots	8,280		8,280
Interest	5,782		5,782
Miscellaneous	6,113		6,113
Bequest Fund		\$500	500
General Fund Budget Reserve	920		920
	<u>175,613</u>	<u>500</u>	<u>176,113</u>
Total Cash Receipts			
	<u>175,613</u>	<u>500</u>	<u>176,113</u>
Cash Disbursements:			
Current:			
Salaries	90,091		90,091
Supplies	2,986		2,986
Equipment	6,316		6,316
Contracts - Repair	4,288		4,288
Contracts - Services		11,737	11,737
Public Employees' Retirement	11,728		11,728
Workers' Compensation	6,570		6,570
Medical Insurance	15,584		15,584
Utilities	7,044		7,044
County Auditor Fees	3,292		3,292
Miscellaneous	12,641		12,641
	<u>160,540</u>	<u>11,737</u>	<u>172,277</u>
Total Cash Disbursements			
	<u>160,540</u>	<u>11,737</u>	<u>172,277</u>
Total Cash Receipts Over/(Under) Cash Disbursements	15,073	(11,237)	3,836
Fund Cash Balances, January 1	<u>159,662</u>	<u>70,373</u>	<u>230,035</u>
Fund Cash Balances, December 31	<u>\$174,735</u>	<u>\$59,136</u>	<u>\$233,871</u>

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

**UNION CEMETERY
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Union Cemetery, Tuscarawas County, (the Cemetery) is a body corporate and politic established under Ohio Rev. Code Section 759.27 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 the City of Uhrichsville, the Village of Dennison and Mill Township. The Cemetery provides grounds maintenance, opening and closing of graves, and the sale of grave lots.

The Cemetery's management believes these financial statements present all activities for which the Cemetery is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting 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 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 prescribed or permitted by the Auditor of State.

C. Cash

Certificates of deposit are valued at cost.

D. Fund Accounting

The Cemetery uses fund accounting to segregate cash that is restricted as to use. The Cemetery classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Fiduciary Fund (Expendable Trust Fund)

This fund is used to account for resources restricted by legally binding bequest. The Cemetery had the following Expendable Trust Fund:

Underwood Bequeath Fund – This fund receives bequeath receipts for the maintenance of the cemetery and the Lanning – Underwood burial plot and the construction of the cemetery entranceway.

**UNION CEMETERY
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The Cemetery budgets the General Fund annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund level of control and appropriations may not exceed estimated resources in the General Fund, which is the only fund budgeted by the Cemetery. The Board annually approves an appropriation measure and any subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Cemetery reserves (encumbers) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2002 and 2001 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 Sick Leave

Employees are entitled to cash payments for unused sick leave in certain circumstances, such as upon leaving employment. Unpaid sick leave is not reflected as liabilities under the basis of accounting used by the Cemetery.

2. EQUITY IN POOLED CASH

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

	<u>2002</u>	<u>2001</u>
Demand deposits	\$160,052	\$166,471
Certificates of deposit	67,400	67,400
Total deposits	<u>\$227,452</u>	<u>\$233,871</u>

**UNION CEMETERY
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

2. EQUITY IN POOLED CASH

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation or (2) collateralized by securities specifically pledged by the financial institution to the Cemetery.

Restricted Cash: Pursuant to Ohio Rev. Code Section 5705.13(A), the cash balance in the General Fund Budget Reserve Account is restricted. A summary of the activity in the General Fund Budget Reserve Account during 2002 and 2001 follows:

	2002	2001
Beginning balance	\$920	\$0
Receipts	722	920
Ending balance	\$1,642	\$920

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2002 and 2001 follows:

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$149,600	\$158,293	\$8,693

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$244,540	\$161,853	\$82,687

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$155,000	\$175,613	\$20,613

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$242,450	\$160,540	\$81,910

**UNION CEMETERY
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

4. RETIREMENT SYSTEM

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

Contribution rates are also prescribed by the Ohio Revised Code. For 2002 and 2001, OPERS employee members contributed 8.5% of their gross salaries. The Cemetery contributed an amount equal to 13.55% of participants' gross salaries. The Cemetery has paid all contributions required through December 31, 2002.

5. RISK MANAGEMENT

Commercial Insurance

The Cemetery has obtained commercial insurance for the following risks:

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

The Cemetery also provides health insurance for full time employees through a private carrier.

The Cemetery was a member of a self-insurance pool administered by Medical Benefits Administrators, Inc. (MedBen) from October 1994 until February 2001. The Twin City Water and Sewer District and the City of Uhrichsville were also pool participants from October 1994 until February and September 2001, respectively. During 2001, MedBen was unable to provide evidence that the contributions made by each participant for their medical and prescription claims were solely applied to claims arising from their respective employees. As a result, the Cemetery may have over/under funded its portion of medical and prescription claims.



**Auditor of State
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Union Cemetery
Tuscarawas County
227 West 7th Street
Uhrichsville, Ohio 44683

To the Board of Trustees:

We have audited the accompanying financial statements of Union Cemetery, Tuscarawas County, Ohio, (the Cemetery) as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated July 11, 2003. 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Cemetery's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on 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 such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

However, we noted certain immaterial instances of noncompliance that we have reported to management of the Cemetery in a separate letter dated July 11, 2003.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Cemetery's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Cemetery in a separate letter dated July 11, 2003.

Union Cemetery
Tuscarawas County
Independent Accountants' Report on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended solely for the information and use of management and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

July 11, 2003



**Auditor of State
Betty Montgomery**

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UNION CEMETERY

TUSCARAWAS 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
AUGUST 19, 2003**