



**PAINT - BLOOMINGBURG JOINT CEMETERY
FAYETTE COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2001-2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**PAINT-BLOOMINGBURG JOINT CEMETERY
FAYETTE COUNTY**

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**STATE OF OHIO
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

250 West Court Street
Suite 150 E
Cincinnati, Ohio 45202
Telephone 513-361-8550
800-368-7419
Facsimile 513-361-8577
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Paint-Bloomington Joint Cemetery
Fayette County
P.O. Box 217
Bloomington, Ohio 43106

To the Board of Trustees:

We have audited the accompanying financial statements of Paint-Bloomington Joint Cemetery, Fayette County, Ohio (the Cemetery), as of and for the years ended December 31, 2001 and 2000. 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, 2001 and 2000, 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 [date of report] 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.

Paint-Bloomington Joint Cemetery
Fayette County
Report of Independent Accountants
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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.

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Jim Petro
Auditor of State

June 4, 2002

**PAINT-BLOOMINGBURG JOINT CEMETERY
FAYETTE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts:			
Opening/Closing Graves	\$7,250	\$0	\$7,250
Foundations	630	0	630
Lot Corner Markers	100	0	100
Grave Spaces	3,300	0	3,300
Flowers and Care	597	0	597
Interest	617	1,034	1,651
General Property Tax	13,466	0	13,466
Worker's Comp Refund	429	0	429
Receipts Deducted Tax	314	0	0
Total Cash Receipts	<u>26,389</u>	<u>1,034</u>	<u>27,423</u>
Cash Disbursements:			
Current:			
Employer PERS	1,156	0	1,156
Salary	7,396	0	7,396
Wages	1,486	0	1,486
Insurance	752	0	752
Office Supplies	74	0	74
Bond	80	0	80
Equipment Repair	1,140	0	1,140
Supplies and Service	4,518	0	4,518
Utilities	840	0	840
Opening Graves	2,740	0	2,740
Flowers and Care	364	597	961
Travel Expenses	360	0	360
Worker's Compensation	590	0	590
Auditor and Treasurer Fees	314	0	314
Misc. - Buy Back Lot	200	0	200
Medicare	310	0	310
IRS	883	0	883
Total Cash Disbursements	<u>23,203</u>	<u>597</u>	<u>23,800</u>
Total Receipts Over Disbursements	3,186	437	3,623
Fund Cash Balances, January 1	<u>24,852</u>	<u>23,974</u>	<u>48,826</u>
Fund Cash Balances, December 31	<u>\$28,038</u>	<u>\$24,411</u>	<u>\$52,449</u>

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

**PAINT-BLOOMINGBURG JOINT CEMETERY
FAYETTE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts:			
Opening/Closing Graves	\$4,725	\$0	\$4,725
Foundations	165	0	165
Lot Corner Markers	100	0	100
Grave Spaces	2,400	0	2,400
Flowers and Care	595	0	595
Interest	1,878	1,004	2,882
General Property Tax	11,302	0	11,302
Gas Tax Refund	60	0	60
Worker's Comp Refund	420	0	420
Receipts Deducted Tax	283	0	283
Total Cash Receipts	21,928	1,004	22,932
Cash Disbursements:			
Current:			
Employer PERS	1,176	0	1,176
Salary	7,395	0	7,395
Wages	1,171	0	1,171
Insurance	672	0	672
Office Supplies	229	0	229
Bond	160	0	160
Equipment Repair	931	0	931
Supplies and Service	7,661	0	7,661
Utilities	848	0	848
Opening Graves	1,300	0	1,300
Flowers and Care	364	595	959
Travel Expenses	360	0	360
Worker's Compensation	558	0	558
Lot Corner Markers	195	0	195
Auditor and Treasurer Fees	283	0	283
Medicare	232	0	232
State Auditor	2,945	0	2,945
Total Cash Disbursements	26,480	595	27,075
Total Receipts Over/(Under) Disbursements	(4,552)	409	(4,143)
Fund Cash Balances, January 1	29,404	23,565	52,969
Fund Cash Balances, December 31	\$24,852	\$23,974	\$48,826

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

**PAINT-BLOOMINGBURG JOINT CEMETERY
FAYETTE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Paint-Bloomington Joint Cemetery, Fayette County, Ohio (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 Paint Township and the Village of Bloomingburg. These entities also provide funding to meet the Cemetery's operating costs under the agreement which established the Cemetery. 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.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Deposits

Cemetery funds are deposited in a "NOW" checking account, a passbook savings, and certificates of deposits with a local commercial bank. Endowment funds are pooled into one certificate of deposit with interest prorated to the endowment fund based upon the carrying balance. All other interest earned is credited to the general fund.

D. Fund Accounting

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

1. General Fund

The General Fund 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. Special Revenue Funds

These funds are used to account for proceeds from specific sources (endowments) that are restricted to expenditure for specific purposes. The Cemetery has several endowment funds which are used to account for donations according to the terms of the endowments.

E. Budgetary Process

The Cemetery is not a taxing subdivision as defined by the Ohio Revised Code and is not subject to Ohio budgetary law.

**PAINT-BLOOMINGBURG JOINT CEMETERY
FAYETTE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

2. DEPOSITS

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

	<u>2001</u>	<u>2000</u>
Demand deposits	\$18,506	\$15,422
Savings Account	10,523	10,290
Certificates of deposit	<u>23,734</u>	<u>23,114</u>
Total deposits	<u>\$52,763</u>	<u>\$48,826</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation

3. PROPERTY TAX

Real property taxes become a lien on January 1 preceeding the October 1 date for which rates are adopted by the Board. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Cemetery members, the Village of Bloomingburg and Paint Township. Each member has a cemetery levy of which is assessed at a rate of .50 mils. The County Auditor separates the levy monies and pays it directly to the Cemetery.

4. RETIREMENT SYSTEM

The Cemetery's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS 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 2001 and 2000, PERS employee members contributed 8.5% of their gross salaries. The Cemetery contributed an amount equal to 13.55% of participants' gross salaries for 2001 and from January 1, 2000 through June 30, 2000. PERS temporarily reduced employer contributions to 8.13% effective July 1, 2000 through December 31, 2000. The Cemetery has paid all contributions required through December 31, 2001.

**PAINT-BLOOMINGBURG JOINT CEMETERY
FAYETTE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

5. RISK MANAGEMENT

Commercial Insurance

The Paint-Bloomington Joint Cemetery has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Inland Marine;
- Wrongful Acts; and
- Officials Surety Bond.

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STATE OF OHIO
OFFICE OF THE AUDITOR

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250 West Court Street
Suite 150 E
Cincinnati, Ohio 45202
Telephone 513-361-8550
800-368-7419
Facsimile 513-361-8577
www.auditor.state.oh.us

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

Paint-Bloomington Joint Cemetery
Fayette County
P.O. Box 217
Bloomington, Ohio 43106

To the Board of Trustees:

We have audited the accompanying financial statements of Paint-Bloomington Joint Cemetery, Fayette County, Ohio (the Cemetery), as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated June 4, 2002. 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 June 4, 2002.

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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Cemetery's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings as item 2001-30624-001.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider item 2001-30624-001 to be a material weakness. We also noted other 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 June 4, 2002.

Paint-Bloomington Joint Cemetery
Fayette County
Report of Independent Accountants 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.

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Jim Petro
Auditor of State

June 4, 2002

**PAINT-BLOOMINGBURG JOINT CEMETERY
FAYETTE COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2001 AND 2000**

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

FINDING NUMBER 2001-30624-001

Material Weakness

The Cemetery did not reconcile their records with the monthly bank statements. The Board of Trustees is not approving bank reconciliations in the minutes.

Bank reconciliations are a vital control to help determine the completeness and existence of all transactions recorded on the Cemetery's financial statements. Failure to perform these reconciliations increases the likelihood that either 1) transaction will be omitted from the financial statements and not be detected; or 2) that a transaction will be recorded twice and not be detected, resulting in the understatement / overstatement of the financial statements. To help determine the completeness and existence of transactions recorded on the Cemetery's financial statements, we recommend the Clerk/Treasurer prepares monthly bank reconciliations. As an added control, we further recommend the reconciliations be submitted to the Board of Trustees for review. All reconciling items should be explained.

In addition, interest earned on a certificate of deposit was not being posted to the financial records. The CD was being rolled over and the interest added to the principal of the CD with CD being carried by the Cemetery at the original purchase cost. We recommend that interest earnings be posted to the financial records as earned and included in the bank reconciliation in order that the financial records accurately reflect the fund balances of the Cemetery. Adjustments have been made to properly reflect interest earnings in the accompanying financial statements.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

PAINT-BLOOMINGBURG JOINT CEMETERY

FAYETTE 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
JULY 2, 2002**