



**Auditor of State
Betty Montgomery**

**UNION HILL TOWNSHIP JOINT CEMETERY
WOOD COUNTY**

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Union Hill Township Joint Cemetery
Wood County
18745 Brim Road
Bowling Green, Ohio 43402-9318

To the Board of Trustees:

We have audited the accompanying financial statements of Union Hill Township Joint Cemetery, Wood County, (the Cemetery) as of and for the years ended December 31, 2003 and 2002. 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 audits.

We conducted our audits 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 audits provide 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, 2003 and 2002, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

As discussed in Note 2, during 2002 the Cemetery reclassified its perpetual care fund.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 3, 2004 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 audits.

This report is intended solely for the information and use of the audit committee, 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.



Betty Montgomery
Auditor of State

August 3, 2004

**UNION HILL TOWNSHIP JOINT CEMETERY
WOOD COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2003**

| | <u>Governmental Fund Types</u> | | Totals (Memorandum Only) |
|--|--------------------------------|----------------------------|--------------------------------|
| | <u>General</u> | <u>Special Revenue</u> | |
| Cash Receipts: | | | |
| Intergovernmental | \$ 13,000 | | \$ 13,000 |
| Charges for Services | 10,710 | \$ 1,190 | 11,900 |
| Sale of Lots | 5,360 | 1,340 | 6,700 |
| Interest | 561 | | 561 |
| Miscellaneous | 13 | | 13 |
| Total Cash Receipts | <u>29,644</u> | <u>2,530</u> | <u>32,174</u> |
| Cash Disbursements: | | | |
| Current: | | | |
| Salaries | 16,336 | | 16,336 |
| Supplies | 610 | | 610 |
| Contracts - Services | 7,475 | | 7,475 |
| Public Employees' Retirement | 2,123 | | 2,123 |
| Workers' Compensation | 731 | | 731 |
| Miscellaneous | 924 | | 924 |
| Total Disbursements | <u>28,199</u> | | <u>28,199</u> |
| Total Receipts Over Disbursements | <u>1,445</u> | <u>2,530</u> | <u>3,975</u> |
| Other Financing Receipts/(Disbursements): | | | |
| Transfers-In | | 561 | 561 |
| Transfers-Out | (561) | | (561) |
| Total Other Financing Receipts/(Disbursements) | <u>(561)</u> | <u>561</u> | |
| Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements | 884 | 3,091 | 3,975 |
| Fund Cash Balances, January 1 | <u>3,865</u> | <u>26,201</u> | <u>30,066</u> |
| Fund Cash Balances, December 31 | <u><u>\$ 4,749</u></u> | <u><u>\$ 29,292</u></u> | <u><u>\$ 34,041</u></u> |

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**UNION HILL TOWNSHIP JOINT CEMETERY
WOOD COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2002**

| | <u>Governmental Fund Types</u> | | Totals (Memorandum Only) |
|--|--------------------------------|----------------------------|--------------------------------|
| | <u>General</u> | <u>Special Revenue</u> | |
| Cash Receipts: | | | |
| Intergovernmental | \$ 25,900 | | \$ 25,900 |
| Charges for Services | 7,807 | \$ 868 | 8,675 |
| Sale of Lots | 3,840 | 960 | 4,800 |
| Interest | 1,429 | | 1,429 |
| Miscellaneous | 100 | | 100 |
| Total Cash Receipts | 39,076 | 1,828 | 40,904 |
| Cash Disbursements: | | | |
| Current: | | | |
| Salaries | 16,343 | | 16,343 |
| Supplies | 871 | | 871 |
| Contracts - Services | 5,147 | | 5,147 |
| Public Employees' Retirement | 2,114 | | 2,114 |
| Workers' Compensation | 260 | | 260 |
| Miscellaneous | 304 | | 304 |
| Capital Outlay | 14,900 | | 14,900 |
| Total Disbursements | 39,939 | | 39,939 |
| Total Receipts Over/(Under) Disbursements | (863) | 1,828 | 965 |
| Other Financing Receipts/(Disbursements): | | | |
| Transfers-In | | 1,429 | 1,429 |
| Transfers-Out | (1,429) | | (1,429) |
| Total Other Financing Receipts/(Disbursements) | (1,429) | 1,429 | |
| Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements | (2,292) | 3,257 | 965 |
| Fund Cash Balances, January 1 | 6,157 | 22,944 | 29,101 |
| Fund Cash Balances, December 31 | \$ 3,865 | \$ 26,201 | \$ 30,066 |

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**UNION HILL TOWNSHIP JOINT CEMETERY
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Union Hill Township Joint Cemetery, Wood 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 the Trustees of Center, Middleton and Plain Townships. These entities also provide funding to meet the Cemetery's operating costs under the agreement which established the Cemetery. The 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

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 Investments

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Certificates of deposit are valued at cost.

**UNION HILL TOWNSHIP JOINT CEMETERY
WOOD COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)

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.

2. 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 Fund:

Perpetual Care Fund - This fund receives 20 percent of lot sales and 10 percent of open/close fees. In addition, interest earned on the money in this fund is transferred to the fund from the General Fund. Proceeds are to be used to maintain grave sites.

E. 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. ACCOUNTING CHANGE

In prior years, the Cemetery reported the Perpetual Care Fund as a Trust Fund. This fund is funded entirely from lot sales, grave opening and closings and transfers from the General Fund and does not meet the definition of a Trust Fund. For 2002 the Cemetery reclassified this fund to a Special Revenue Fund.

This change had the following affect on fund balances as previously reported:

**UNION HILL TOWNSHIP JOINT CEMETERY
WOOD COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)

| | Special Revenue | Trust |
|---|--------------------|-----------|
| Fund balance as previously reported at December 31, 2001 | \$ - | \$ 22,944 |
| Fund reclassification | 22,944 | (22,944) |
| Restated fund balance at January 1, 2002 | \$ 22,944 | \$ - |

This change had the following affect on the previously stated excess of revenues over expenditures:

| | Special Revenue | Trust |
|---|--------------------|----------|
| Excess as previously reported at December 31, 2001 | \$ - | \$ 2,552 |
| Fund reclassification | 2,552 | (2,552) |
| Restated excess at December 31, 2001 | \$ 2,552 | \$ - |

3. 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:

| | 2003 | 2002 |
|-------------------------|-----------|-----------|
| Demand deposits | \$ 9,701 | \$ 6,275 |
| Certificates of deposit | 24,340 | 23,791 |
| Total deposits | \$ 34,041 | \$ 30,066 |

Deposits are insured by the Federal Depository Insurance Corporation,

**UNION HILL TOWNSHIP JOINT CEMETERY
WOOD COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)

4. RETIREMENT SYSTEMS

The Cemetery's Clerk and Sexton belong to the Ohio 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 2003 and 2002, OPERS employee members contributed 8.5 percent of their gross salaries. The Cemetery contributed an amount equal to 13.55 percent of participants' gross salaries. The Cemetery has paid all contributions required through December 31, 2003.

5. RISK MANAGEMENT

The Cemetery has obtained commercial insurance for comprehensive property coverage.



**Auditor of State
Betty Montgomery**

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

Union Hill Township Joint Cemetery
Wood County
18745 Brim Road
Bowling Green, Ohio 43402-9318

To the Board of Trustees:

We have audited the financial statements of Union Hill Township Joint Cemetery, Wood County, (the Cemetery) as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated August 3, 2004. We conducted our audits 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 tested its compliance with certain provisions of laws, regulations, contracts and grants, 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 such an opinion. The results of our tests disclosed no instances of noncompliance we must report under *Government Auditing Standards*.

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

Union Hill Township Joint Cemetery
Wood County
Independent Accountants' Report on Compliance and on Internal
Control Required by *Government Auditing Standards*
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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.

This report is intended for the information and use of the audit committee, 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

August 3, 2004



**Auditor of State
Betty Montgomery**

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UNION HILL TOWNSHIP JOINT CEMETERY

WOOD 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 31, 2004**