



**Auditor of State  
Betty Montgomery**



**HICKSVILLE UNION CEMETERY  
DEFIANCE COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental and Fiduciary Fund Types - For the Year Ended December 31, 2003.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental and Fiduciary Fund Types - For the Year Ended December 31, 2002.....	4
Notes to the Financial Statements.....	5
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	9
Schedule of Findings.....	11
Schedule of Prior Audit Findings .....	12

**This page intentionally left blank.**



**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Hicksville Union Cemetery  
Defiance County  
707 North Main Street  
Hicksville, Ohio 43526-1147

To the Board of Trustees:

We have audited the accompanying financial statements of Hicksville Union Cemetery (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 audits 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.

Hicksville Union Cemetery  
Defiance County  
Independent Accountants' Report  
Page 2

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 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 management, 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

April 29, 2004

**HICKSVILLE UNION CEMETERY  
DEFIANCE COUNTY**

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

	Governmental Fund Type		Totals (Memorandum Only)
	General Fund	Fiduciary Funds	
<b>Cash Receipts</b>			
Intergovernmental	\$ 21,000	\$ -	\$ 21,000
Charges for Services	7,600	-	7,600
Sale of Lots	9,625	-	9,625
Interest	59	798	857
Miscellaneous	16	-	16
<b>Total Cash Receipts</b>	<u>38,300</u>	<u>798</u>	<u>39,098</u>
<b>Cash Disbursements</b>			
Current:			
Salaries	24,948	-	24,948
Supplies	37	-	37
Contracts - Repair	1,820	-	1,820
Contracts - Services	4,211	-	4,211
Public Employees' Retirement	6,134	-	6,134
Workers' Compensation	1,042	-	1,042
Miscellaneous	3,700	-	3,700
<b>Total Cash Disbursements</b>	<u>41,892</u>	<u>-</u>	<u>41,892</u>
Total Cash Receipts Over/ (Under) Cash Disbursements	(3,592)	798	(2,794)
Fund Cash Balances, January 1	<u>15,784</u>	<u>26,830</u>	<u>42,614</u>
<b>Fund Cash Balances, December 31</b>	<u><u>\$ 12,192</u></u>	<u><u>\$ 27,628</u></u>	<u><u>\$ 39,820</u></u>

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

**HICKSVILLE UNION CEMETERY  
DEFIANCE COUNTY**

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

	Governmental Fund Type		Totals (Memorandum Only)
	General Fund	Fiduciary Funds	
<b>Cash Receipts</b>			
Intergovernmental	\$ 25,872	\$ -	\$ 25,872
Charges for Services	6,200	-	6,200
Sale of Lots	5,880	-	5,880
Interest	132	1,046	1,178
	<u>38,084</u>	<u>1,046</u>	<u>39,130</u>
<b>Total Cash Receipts</b>			
	<u>38,084</u>	<u>1,046</u>	<u>39,130</u>
<b>Cash Disbursements</b>			
Current:			
Salaries	26,862	-	26,862
Supplies	319	-	319
Contracts - Repair	1,423	-	1,423
Contracts - Services	2,998	-	2,998
Health Services	928	-	928
Public Employees' Retirement	6,209	-	6,209
Unemployment Compensation	491	-	491
Miscellaneous	3,109	-	3,109
Capital Outlay	1,491	-	1,491
	<u>43,830</u>	<u>-</u>	<u>43,830</u>
<b>Total Cash Disbursements</b>			
	<u>43,830</u>	<u>-</u>	<u>43,830</u>
Total Cash Receipts Over/ (Under) Cash Disbursements	(5,746)	1,046	(4,700)
Fund Cash Balances, January 1	<u>21,530</u>	<u>25,784</u>	<u>47,314</u>
<b>Fund Cash Balances, December 31</b>	<u><u>\$ 15,784</u></u>	<u><u>\$ 26,830</u></u>	<u><u>\$ 42,614</u></u>

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



**HICKSVILLE UNION CEMETERY  
DEFIANCE COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Hicksville Union Cemetery, Defiance 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 Hicksville Township Trustees and Hicksville Village Council. These entities also provide funding to meet the Cemetery's operating costs under the agreement which established the Cemetery. This accompanying financial statement presents 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**

Certificates of deposit are valued at cost.

**D. Fund Accounting**

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

**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.

**HICKSVILLE UNION CEMETERY  
DEFIANCE COUNTY**

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

**2. Fiduciary Funds (Trust and Agency Funds)**

This fund is used to account for resources restricted by legally binding trust agreements and funds for which the Cemetery is acting in an agency capacity. The Cemetery had the following significant fiduciary fund:

Endowment Fund – This fund receives a portion of the receipts from all grave sales. Accumulated interest proceeds may be used for maintenance costs.

**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. EQUITY IN POOLED CASH AND INVESTMENTS**

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

	<u>2003</u>	<u>2002</u>
Demand deposits	\$ 26,820	\$ 29,614
Certificates of deposit	13,000	13,000
Total deposits	<u>\$ 39,820</u>	<u>\$ 42,614</u>

Deposits are insured by the Federal Depository Insurance Corporation,

**3. RETIREMENT SYSTEMS**

The Cemetery's employees 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 through

**HICKSVILLE UNION CEMETERY  
DEFIANCE COUNTY**

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

December 31, 2003. The Cemetery has paid all contributions required through December 31, 2003.

**4. RISK MANAGEMENT**

**Commercial Insurance**

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

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

**This page intentionally left blank.**



**Auditor of State  
Betty Montgomery**

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

Hicksville Union Cemetery  
Defiance County  
707 North Main Street  
Hicksville, Ohio 43526-1147

To the Board of Trustees:

We have audited the accompanying financial statements of Hicksville Union Cemetery (the Cemetery) as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated April 29, 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 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 audits 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 April 29, 2004.

**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 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 2003-001.

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 reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is 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 April 29, 2004.

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



**Betty Montgomery**  
Auditor of State

April 29, 2004

**HICKSVILLE UNION CEMETERY  
DEFIANCE COUNTY**

SCHEDULE OF FINDINGS  
DECEMBER 31, 2003 AND 2002

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

**FINDING NUMBER 2003-001**

**Monitoring Financial Activity**

Sound accounting practices require regular and thorough monitoring of the Cemetery's financial activity by management. This helps ensure the financial data is accurately presented and that resources are being efficiently utilized. The Trustees' review of Cemetery finances was limited to reviewing a list of bills presented at each meeting which was not documented in the minutes. The Trustees only meet on an as needed basis. The last Board meeting held in 2002 was on April 20<sup>th</sup>, and in 2003, the last meeting was held on July 9<sup>th</sup>. This does not allow the Trustees to adequately monitor the financial position of the Cemetery. We recommend that the Trustees requests and the Clerk promptly provide the Trustees with monthly financial reports which include at least the following information: 1) month-to-date and year-to-date receipt and disbursement totals, 2) monthly bills paid, 3) the balance in each individual fund, and 4) the monthly bank reconciliation. The review of this information should be documented in the minute record. The Trustees should use the reports as a tool to monitor the Cemetery's financial situation.

**HICKSVILLE UNION CEMETERY  
DEFIANCE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2003 AND 2002**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2001-30120-001	Recommendation that Board of Trustees monitor the financial activity of the Cemetery throughout the year.	No.	Not corrected. Reissued as finding number 2003-001.





**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**HICKSVILLE UNION CEMETERY**

**DEFIANCE 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  
JUNE 8, 2004**