



**UNION CEMETERY
TUSCARAWAS COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**UNION CEMETERY
TUSCARAWAS COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

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, 2000 and 1999. 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 in the financial statements, 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 accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of the Cemetery as of December 31, 2000 and 1999, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

As more fully discussed in Note 2 in the financial statements, the General Fund and Nonexpendable Trust Fund were restated as of January 1, 1999, to correct the understatement and overstatement of Sale of Lots Receipts in those funds.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 2, 2001 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 for our audits.

Union Cemetery
Tuscarawas 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.

Jim Petro
Auditor of State

August 2, 2001

**UNION CEMETERY
TUSCARAWAS COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>General</u>	<u>Expendable Trust</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts:			
Local Taxes	\$132,771	\$0	\$132,771
Intergovernmental	9,885	0	9,885
Charges for Services	15,305	0	15,305
Sale of Lots	7,150	0	7,150
Interest	5,429	0	5,429
Miscellaneous	1,690	0	1,690
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	172,230	0	172,230
Cash Disbursements:			
Current:			
Salaries	92,662	0	92,662
Supplies	9,897	0	9,897
Contracts - Repair	3,148	0	3,148
Contracts - Services	0	46,617	46,617
Public Employees' Retirement	10,745	0	10,745
Workers' Compensation	1,758	0	1,758
Medical Insurance	25,053	0	25,053
Utilities	10,040	0	10,040
County Auditor Fees	2,665	0	2,665
Miscellaneous	3,849	0	3,849
Equipment	8,223	0	8,223
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	168,040	46,617	214,657
Total Cash Receipts Over/(Under) Cash Disbursements	4,190	(46,617)	(42,427)
Fund Cash Balances, January 1	155,472	116,990	272,462
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, December 31	\$159,662	\$70,373	\$230,035

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

UNION CEMETERY
TUSCARAWAS COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 1999

	General	Expendable Trust	Totals (Memorandum Only)
Cash Receipts:			
Local Taxes	\$119,726	\$0	\$119,726
Intergovernmental	9,628	0	9,628
Charges for Services	14,035	0	14,035
Sale of Lots	8,685	0	8,685
Leases	1,000	0	1,000
Interest	6,095	0	6,095
Gifts and Donations	0	174,023	0
Miscellaneous	1,429	0	1,429
Total Cash Receipts	160,598	174,023	160,598
Cash Disbursements:			
Current:			
Salaries	88,476	0	88,476
Supplies	3,869	0	3,869
Contracts - Repair	6,374	0	6,374
Contracts - Services	2,640	57,033	59,673
Public Employees' Retirement	12,015	0	12,015
Workers' Compensation	6,362	0	6,362
Medical Insurance	20,558	0	20,558
Utilities	7,615	0	7,615
County Auditor Fees	9,402	0	9,402
Miscellaneous	3,509	0	3,509
Equipment	3,657	0	3,657
Total Cash Disbursements	164,477	57,033	221,510
Total Cash Receipts Over/(Under) Cash Disbursements	(3,879)	116,990	113,111
Fund Cash Balances, January 1 (Restated, See Note 2)	159,351	0	159,351
Fund Cash Balances, December 31	\$155,472	\$116,990	\$272,462

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

**UNION CEMETERY
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Union Cemetery, Tuscarawas (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 City of Uhrichsville, the Village of Dennison, and Mill Township. 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. 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.

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.

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 (Trust Fund)

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

Underwood Bequeath Fund - This fund receives bequeath receipts for the maintenance of the cemetery and the Laning - Underwood burial plot and the construction of a cemetery entranceway.

**UNION CEMETERY
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The Cemetery budgets each fund annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund level of control. The Board of Trustees annually approves appropriation measures and subsequent amendments. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1.

A summary of 2000 and 1999 budgetary activity appears in Note 4.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as equipment disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

G. Unpaid Vacation and Sick Leave

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

2. RESTATEMENT

During 1998, the Cemetery accounted for a portion of the Sale of Lots within a Nonexpendable Trust Fund. These monies were collected from the sale of cemetery lots, and should have been recorded within the General Fund. Since a portion of these revenues were originally recorded in the Nonexpendable Trust Fund, cash receipts in the General and Nonexpendable Trust Fund were understated and overstated, respectively. The effect of these changes on the fund balances are as follows:

	<u>General Fund</u>	<u>Nonexpendable Trust Fund</u>
Fund Balance at January 1, 1999, as previously reported	\$113,175	\$46,176
Restatement	<u>46,176</u>	<u>(46,176)</u>
Fund Balance at January 1, 1999, Restated	<u>\$159,351</u>	<u>\$ 0</u>

**UNION CEMETERY
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

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:

	<u>2000</u>	<u>1999</u>
Demand deposits	\$ 162,635	\$ 205,062
Certificates of deposit	<u>67,400</u>	<u>67,400</u>
Total deposits	<u>230,035</u>	<u>272,462</u>
Total deposits	<u>\$ 230,035</u>	<u>\$ 272,462</u>

Deposits up to \$100,000 are insured by the Federal Depository Insurance Corporation.

Contrary to Ohio Rev. Code Section 135.18, the Cemetery had certain funds on deposit not secured by the Cemetery's financial banking institution.

4. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and 1999 follows:

2000 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 149,900	\$ 172,230	\$ 22,330
Expendable Trust	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 149,900</u>	<u>\$ 172,230</u>	<u>\$ 22,330</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation	Expenditures	Variance
General	\$ 193,333	\$ 168,040	\$ 25,293
Expendable Trust	<u>46,617</u>	<u>46,617</u>	<u>0</u>
Total	<u>\$ 239,950</u>	<u>\$ 214,657</u>	<u>\$ 25,293</u>

**UNION CEMETERY
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

4. BUDGETARY ACTIVITY (Continued)

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 151,600	\$ 160,598	\$ 8,998
Expendable Trust	0	174,023	174,023
Total	\$ 151,600	\$ 334,621	\$ 183,021

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation	Expenditures	Variance
General	\$ 80,517	\$ 164,477	\$ (83,960)
Expendable Trust	57,033	57,033	0
Total	\$ 137,550	\$ 221,510	\$ (83,960)

5. RETIREMENT SYSTEM

The Cemetery's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This 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. PERS members contributed 8.5% of their gross salaries. During 2000, the Cemetery contributed an amount equal to 10.84% of participants' gross salaries. During 1999, the Cemetery contributed an amount equal to 13.55% of participants' gross salaries. The Township has paid all contributions required through December 31, 2000.

6. RISK MANAGEMENT

The Cemetery has obtained commercial insurance for the following risks:

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

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



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**REPORT OF INDEPENDENT ACCOUNTANTS 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, 2000 and 1999, and have issued our report thereon dated August 2, 2001 in which we noted the General Fund and Nonexpendable Trust Fund Sale of Lot receipts were understated and overstated, respectively. 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 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as item 2000-21279-001.

We also noted instances of noncompliance that we have reported to management of the Cemetery in a separate letter dated August 2, 2001.

Internal Control Over Financial Reporting

In planning and performing our audits, 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 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 August 2, 2001.

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

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

Jim Petro
Auditor of State

August 2, 2001

**UNION CEMETERY
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2000 AND 1999**

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

FINDING NUMBER 2000-21279-001

Noncompliance Citation

Ohio Rev. Code Section 135.18 requires the treasurer of any public subdivision to require all depositories holding public funds to provide security for those public funds in an amount equal to the amount of deposit with the institution.

The Cemetery had funds on deposit with a financial institution at December 31, 2000 and 1999 in the amount of \$86,458 or 28% and \$106,791 or 39%, respectively, which were not collateralized. To ensure public deposits are secured by either the federal deposit insurance, surety company bonds, or pledged securities the Cemetery Clerk should require the financial institution to provide security for those public funds deposited.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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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 28, 2001**