



**Auditor of State
Betty Montgomery**

**CADIZ UNION CEMETERY
HARRISON COUNTY**

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Cadiz Union Cemetery
Harrison County
P.O. Box 133
Cadiz, Ohio 43907

To the Board of Trustees:

We have audited the accompanying financial statements of Cadiz Union Cemetery, Harrison 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 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 Cadiz Union Cemetery, Harrison County, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 7, 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 audit.

Cadiz Union Cemetery
Harrison County
Independent Accountants' Report
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This report is intended solely for the information and use of the audit committee, 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

May 7, 2004

**CADIZ UNION CEMETERY
HARRISON 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**

	<u>Governmental Fund Type</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>		
Cash Receipts:			
Intergovernmental Revenues	\$61,092		\$61,092
Charges for Services	19,591		19,591
Sale of Lots	2,700		2,700
Interest	1,028	\$146	1,174
Miscellaneous	197		197
	<u>84,608</u>	<u>146</u>	<u>84,754</u>
Total Cash Receipts			
	<u>84,608</u>	<u>146</u>	<u>84,754</u>
Cash Disbursements:			
Current:			
Salaries	60,857		60,857
Supplies	4,969	229	5,198
Contracts - Services	12,915		12,915
Public Employees' Retirement	8,182		8,182
Workers' Compensation	2,064		2,064
Unemployment Compensation	121		121
Miscellaneous	8,253		8,253
Capital Outlay	4,185		4,185
	<u>101,546</u>	<u>229</u>	<u>101,775</u>
Total Disbursements			
	<u>101,546</u>	<u>229</u>	<u>101,775</u>
Total Receipts Over/(Under) Disbursements	<u>(16,938)</u>	<u>(83)</u>	<u>(17,021)</u>
Fund Cash Balances, January 1	<u>109,464</u>	<u>14,309</u>	<u>123,773</u>
Fund Cash Balances, December 31	<u>\$92,526</u>	<u>\$14,226</u>	<u>\$106,752</u>

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

**CADIZ UNION CEMETERY
HARRISON 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**

	<u>Governmental Fund Type</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Fiduciary Fund</u>	
Cash Receipts:			
Intergovernmental Revenues	\$64,559		\$64,559
Charges for Services	10,278		10,278
Sale of Lots	4,600		4,600
Interest	1,847	\$236	2,083
Miscellaneous	1,194		1,194
Total Cash Receipts	<u>82,478</u>	<u>236</u>	<u>82,714</u>
Cash Disbursements:			
Current:			
Salaries	56,128		56,128
Supplies	5,218	411	5,629
Contracts - Services	8,239		8,239
Public Employees' Retirement	7,397		7,397
Workers' Compensation	997		997
Unemployment Compensation	225		225
Miscellaneous	11,395		11,395
Capital Outlay	1,307		1,307
Total Cash Disbursements	<u>90,906</u>	<u>411</u>	<u>91,317</u>
Total Receipts Over/(Under) Disbursements	<u>(8,428)</u>	<u>(175)</u>	<u>(8,603)</u>
Fund Cash Balances, January 1	<u>117,892</u>	<u>14,484</u>	<u>132,376</u>
Fund Cash Balances, December 31	<u>\$109,464</u>	<u>\$14,309</u>	<u>\$123,773</u>

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

**CADIZ UNION CEMETERY
HARRISON COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Cadiz Union Cemetery, Harrison County 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 Village of Cadiz and Cadiz Township. Cadiz Township also provides funding to meet the Cemetery's operating costs from a Cemetery Levy. 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.

The investments in Star Ohio (the State Treasurer's investment pool) are valued at amounts reported by the State Treasurer.

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. Fiduciary Funds (Trust Funds)

These funds are 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:

Cemetery Bequest Fund - This fund receives interest from fund investments. Proceeds are used for general cemetery maintenance.

**CADIZ UNION CEMETERY
HARRISON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(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, function or object level of control. The Board 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 2003 and 2002 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 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. 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	\$373	\$12,762
STAR Ohio	106,379	111,011
Total deposits and investments	<u>\$106,752</u>	<u>\$123,773</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

Investments: Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

**CADIZ UNION CEMETERY
HARRISON COUNTY**

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

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2003 and 2002 follows:

2003 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$83,149	\$84,608	\$1,459
Fiduciary (Trust Funds)	135	146	11
Total	\$83,284	\$84,754	\$1,470

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$102,807	\$101,546	\$1,261
Fiduciary (Trust Funds)	230	229	1
Total	\$103,037	\$101,775	\$1,262

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$102,435	\$82,478	(\$19,957)
Fiduciary (Trust Funds)	750	236	(514)
Total	\$103,185	\$82,714	(\$20,471)

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$102,754	\$90,906	\$11,848
Fiduciary (Trust Funds)	411	411	0
Total	\$103,165	\$91,317	\$11,848

4. RETIREMENT SYSTEMS

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.

**CADIZ UNION CEMETERY
HARRISON COUNTY**

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

4. RETIREMENT SYSTEMS (Continued)

Contribution rates are also prescribed by the Ohio Revised Code. For 2003 and 2002, PERS employee members contributed 8.5% of their gross salaries. The Cemetery contributed an amount equal to 13.55% of participants' gross salaries through December 31, 2003. The Cemetery has paid all contributions required through December 31, 2003.

5. RISK MANAGEMENT

Commercial Insurance

The Cadiz Union 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 coverage to full-time employees through a private carrier.



**Auditor of State
Betty Montgomery**

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

Cadiz Union Cemetery
Harrison County
P.O. Box 133
Cadiz, Ohio 43907

To the Board of Trustees:

We have audited the accompanying financial statements of Cadiz Union Cemetery, Harrison County, (the Cemetery) as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated May 7, 2004. 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 test disclosed no instances of noncompliance that are required to be reported 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 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.

Cadiz Union Cemetery
Harrison County
Independent Accountants' Report on Compliance and on
Internal Control Required by *Government Auditing Standards*
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This report is intended solely for the information and use of the audit committee, management and 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

May 7, 2004



**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

CADIZ UNION CEMETERY

HARRISON 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**