



**Auditor of State  
Betty Montgomery**



**NEW HOLLAND UNION CEMETERY  
PICKAWAY COUNTY**

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

New Holland Union Cemetery  
Pickaway County  
68 Circle Avenue  
New Holland, Ohio 43145

To the Board of Trustees:

We have audited the accompanying financial statements of New Holland Union Cemetery, Pickaway County, Ohio, (the Cemetery) as of and for the years ended December 31, 2003, and December 31, 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 accounting principles generally accepted in the United State of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of the New Holland Union Cemetery, Pickaway County, Ohio, as of December 31, 2003, and December 31, 2002, and its 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 June 16, 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.

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New Holland Union Cemetery  
Pickaway County  
Independent Accountants' Report  
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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.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

June 16, 2004

**NEW HOLLAND UNION CEMETERY  
PICKAWAY COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
GENERAL FUND AND NON-EXPENDABLE TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2003**

	<u>General</u>	<u>Non- Expendable Trust</u>	<u>Totals (Memorandum Only)</u>
<b>Cash Receipts:</b>			
Intergovernmental	\$27,185	\$0	\$27,185
Sale of Lots and Internments	14,452	0	14,452
Interest	119	573	692
Miscellaneous	14	0	14
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	41,770	573	42,343
<b>Cash Disbursements:</b>			
Current:			
Salaries	25,239	0	25,239
Equipment	4,962	0	4,962
Contracts - Services	6,299	0	6,299
Miscellaneous	1,512	329	1,841
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	38,012	329	38,341
Total Receipts Over Disbursements	3,758	244	4,002
Fund Cash Balances, January 1	12,774	25,120	37,894
	<hr/>	<hr/>	<hr/>
<b>Fund Cash Balances, December 31</b>	<b><u>\$16,532</u></b>	<b><u>\$25,364</u></b>	<b><u>\$41,896</u></b>

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

**NEW HOLLAND UNION CEMETERY  
PICKAWAY COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
GENERAL FUND AND NON-EXPENDABLE TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>General</u>	<u>Non- Expendable Trust</u>	<u>Totals (Memorandum Only)</u>
<b>Cash Receipts:</b>			
Intergovernmental	\$25,300	\$0	\$25,300
Sale of Lots and Internments	16,835	0	16,835
Interest	60	676	736
Miscellaneous	127	374	501
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	42,322	1,050	43,372
<b>Cash Disbursements:</b>			
Current:			
Salaries and Benefits	24,633	0	24,633
Equipment	456	0	456
Contracts - Services	10,222	0	10,222
Miscellaneous	2,028	504	2,532
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	37,339	504	37,843
Total Receipts Over Disbursements	4,983	546	5,529
Fund Cash Balances, January 1	7,791	24,574	32,365
	<hr/>	<hr/>	<hr/>
<b>Fund Cash Balances, December 31</b>	<b><u>\$12,774</u></b>	<b><u>\$25,120</u></b>	<b><u>\$37,894</u></b>

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



**NEW HOLLAND UNION CEMETERY  
PICKAWAY COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

New Holland Union Cemetery, Pickaway 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 a jointly governed organization comprised of Perry Township (the Township) and the Village of New Holland, Pickaway County (the Village). The Cemetery is directed by an appointed three-member Board of Trustees. The Board is appointed by the Township and the Village. These entities also provide funding to meet the Cemetery's operating costs under the agreement which established the Cemetery. The funding provided to the Cemetery from these subdivisions is reported as Intergovernmental Receipts in the accompanying financial statements. The Cemetery provides grounds maintenance, grave opening and closing and the sale of 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.

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.

**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. Non-Expendable Trust Fund**

This fund is used to account for resources restricted by legally binding trust agreements and funds for which the Cemetery cannot spend the corpus of the trust. The interest earned on the corpus of the trust is to be used for cemetery upkeep.

**NEW HOLLAND UNION CEMETERY  
PICKAWAY COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process.**

The Cemetery budgets the General Fund annually.

**1. Appropriations**

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

**2. Estimated Resources**

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

**3. Encumbrances**

Encumbrances outstanding at year end are canceled, and re-appropriated in the subsequent year.

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.

**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:

	2003	2002
Demand deposits	\$24,696	\$20,694
Certificates of deposit	17,200	17,200
Total deposits	\$41,896	\$37,894

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

**NEW HOLLAND UNION CEMETERY  
PICKAWAY 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 December 31, 2002 follows:

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$41,236	\$38,012	\$3,224

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$37,503	\$37,339	\$164

**4. RETIREMENT SYSTEM**

The Cemetery's employees belong to the Ohio Public Employee 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% of their gross salaries. The Cemetery contributed an amount equal to 13.55% of participants' gross salaries through December 2003. The Cemetery has paid all contributions required through December 31, 2003.

**5. RISK MANAGEMENT**

**Risk Pool Membership**

The Government belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. PEP is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

PEP retains casualty risks up to \$250,000 per claim, including loss adjustment expenses. PEP pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$5,000,000 in the aggregate per year. Governments can elect additional coverage, from \$2,000,000 to \$10,000,000 from the General Reinsurance Corporation.

If losses exhaust PEP's retained earnings, APEEP covers PEP losses up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000.

**NEW HOLLAND UNION CEMETERY  
PICKAWAY COUNTY**

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

**5. RISK MANAGEMENT (Continued)**

**Risk Pool Membership**

Property Coverage

PEP retains property risks, including automobile physical damage, up to \$100,000 on any specific loss with an annual aggregate of \$1,250,000 for 2002. There is no aggregate for 2003 and future accident years. Beginning in 2003, PEP retains property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsures losses exceeding \$100,000. APEEP's Guarantee Fund pays losses and loss adjustment expenses exceeding operating contributions.

The aforementioned casualty and property reinsurance agreements do not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective township.

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31:

<u>Casualty Coverage</u>	<u>2003</u>	<u>2002</u>
Assets	\$25,288,098	\$20,174,977
Liabilities	(12,872,985)	(8,550,749)
Retained earnings	<u>\$12,415,113</u>	<u>\$11,624,228</u>

<u>Property Coverage</u>	<u>2003</u>	<u>2002</u>
Assets	\$3,158,813	\$2,565,408
Liabilities	(792,061)	(655,318)
Retained earnings	<u>\$2,366,752</u>	<u>\$1,910,090</u>

**NEW HOLLAND UNION CEMETERY  
PICKAWAY COUNTY**

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

**6. RELATED PARTY TRANSACTION**

During the audit period the Cemetery paid Michael Yourchuck, who is the husband of the Cemetery Clerk, Mavis Yourchuck, \$300 to perform tilling and seeding of grass for the new sections 19 and 20 of the cemetery that was being developed.

**7. SUBSEQUENT EVENT**

On March 27, 2004, the First National Bank of New Holland loaned the Cemetery \$70,955 to purchase a modular home for use at the cemetery. With an annual 4% interest rate, the loan matures on March 26, 2009.

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## **Auditor of State Betty Montgomery**

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

New Holland Union Cemetery  
Pickaway County  
68 Circle Avenue  
New Holland, Ohio 43145

To the Board of Trustees:

We have audited the accompanying financial statements of New Holland Union Cemetery, Pickaway County, Ohio, (the Cemetery) as of and for the years ended December 31, 2003, and December 31, 2002, and have issued our report thereon dated June 16, 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 tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance that we have reported to management of the Cemetery in a separate letter dated June 16, 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. 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 June 16, 2004.

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New Holland Union Cemetery  
Pickaway 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 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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**Betty Montgomery**  
Auditor of State

June 16, 2004





**Auditor of State  
Betty Montgomery**

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**NEW HOLLAND UNION CEMETERY**

**PICKAWAY 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 12, 2004**