



Mary Taylor, CPA
Auditor of State

**HIGHLAND UNION CEMETERY
JEFFERSON COUNTY**

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Highland Union Cemetery
Jefferson County
P.O. Box 394
Mount Pleasant, Ohio 43939

To the Board of Trustees:

We have audited the accompanying financial statements of Highland Union Cemetery, Jefferson 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Cemetery has prepared these financial statements using accounting practices the Auditor of State prescribes or permits, 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 Highland Union Cemetery, Jefferson County, as of December 31, 2003 and 2002, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2007, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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Mary Taylor, CPA
Auditor of State

November 30, 2007

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**HIGHLAND UNION CEMETERY
JEFFERSON 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>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Non-Expendable Trust</u>	
Cash Receipts:			
Intergovernmental	\$5,899		\$5,899
Charges for Services	9,200	\$2,025	11,225
Sale of Lots	750		750
Interest	33	1,410	1,443
Miscellaneous	56		56
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	15,938	3,435	19,373
Cash Disbursements:			
Current:			
Salaries	838		838
Supplies	193		193
Contracts - Services	15,908	2,350	18,258
Public Employees' Retirement	198		198
Workers' Compensation	41		41
Miscellaneous	359		359
	<hr/>	<hr/>	<hr/>
Total Disbursements	17,537	2,350	19,887
Total Receipts Over/(Under) Disbursements	<hr/> (1,599) <hr/>	<hr/> 1,085 <hr/>	<hr/> (514) <hr/>
Fund Cash Balances, January 1	<hr/> 1,082 <hr/>	<hr/> 92,505 <hr/>	<hr/> 93,587 <hr/>
Fund Cash Balances, December 31	<u><u>(\$517)</u></u>	<u><u>\$93,590</u></u>	<u><u>\$93,073</u></u>

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

**HIGHLAND UNION CEMETERY
JEFFERSON 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>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Non-Expendable Trust</u>	
Cash Receipts:			
Intergovernmental	\$4,654		\$4,654
Charges for Services	9,636	\$1,800	11,436
Sale of Lots	1,150		1,150
Interest	134	3,389	3,523
Miscellaneous	116		116
	<u>15,690</u>	<u>5,189</u>	<u>20,879</u>
Cash Disbursements:			
Current:			
Salaries	838		838
Supplies	602		602
Contracts - Services	15,739	2,750	18,489
Public Employees' Retirement	197		197
Workers' Compensation	20		20
Miscellaneous	381		381
	<u>17,777</u>	<u>2,750</u>	<u>20,527</u>
Total Receipts Over/(Under) Disbursements	<u>(2,087)</u>	<u>2,439</u>	<u>352</u>
Other Financing Receipts/(Disbursements):			
Other Uses	<u>(3,454)</u>	<u>3,454</u>	<u>0</u>
Total Other Financing Receipts/(Disbursements)	<u>(3,454)</u>	<u>3,454</u>	<u>0</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(5,541)	5,893	352
Fund Cash Balances, January 1	<u>6,623</u>	<u>86,612</u>	<u>93,235</u>
Fund Cash Balances, December 31	<u>\$1,082</u>	<u>\$92,505</u>	<u>\$93,587</u>

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

**HIGHLAND UNION CEMETERY
JEFFERSON COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges for the Highland Union Cemetery, Jefferson County, (the Cemetery) as a body corporate and politic. The Village of Mount Pleasant, Village of Dillonvale, and Mount Pleasant Township appoint a three-member Board of Trustees to direct cemetery operations. The remaining two board members are appointed by these three Trustees. 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 the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements basis of accounting. This basis recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Cash and Investments

The Cemetery includes investments as assets. The cemetery does not report purchases of investments as disbursements or investment sales as receipts. The Cemetery recognizes gains or losses at the time of sale as receipts and disbursements, respectively.

The Cemetery records certificates of deposits of 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 presents all financial resources except those required to be accounted for in another fund.

2. Fiduciary Funds (Trust Funds)

This fund accounts for resources restricted by legally binding trust agreements. The Cemetery had the following significant Fiduciary Fund:

Perpetual Care Fund - This fund receives a portion of the receipts from all grave sales. The fund's resources finance Cemetery maintenance costs after all grave lots have been sold.

**HIGHLAND UNION CEMETERY
JEFFERSON COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (Continued)

E. Property, Plant, and Equipment

The financial statements report acquisitions of property, plant, and equipment as capital outlay disbursements when paid. The financial statements do not report these items as assets.

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	\$53,073	\$58,251
Certificates of deposit	40,000	35,336
Total deposits	<u>\$93,073</u>	<u>\$93,587</u>

Deposits: 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 the Ohio Revised Code prescribes.

The Ohio Revised Code also prescribes contribution rates. For 2003 and 2002, OPERS employee members contributed 8.5 percent of their gross salaries. The Cemetery contributes an amount equal to 13.55 percent of participants' gross salaries. The Cemetery has paid all contributions required through December 31, 2003.

4. RISK MANAGEMENT

Commercial Insurance

The Highland Union Cemetery is uninsured for the following risks:

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



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Highland Union Cemetery
Jefferson County
P.O. Box 394
Mount Pleasant, Ohio 43939

To the Board of Trustees:

We have audited the financial statements of the Highland Union Cemetery (the Cemetery) as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated November 30, 2007. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Cemetery's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the Cemetery's management dated November 30, 2007, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

Compliance and Other Matters

As part of reasonably assuring whether the Cemetery's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*. In a separate letter to the Cemetery's management dated November 30, 2007, we reported another matter related to noncompliance we deemed immaterial.

Highland Union Cemetery
Jefferson County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

We intend this report solely for the information and use of management and the Board of Trustees. It is not intended for anyone other than these specified parties.

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

Mary Taylor, CPA
Auditor of State

November 30, 2007

**HIGHLAND UNION CEMETERY
JEFFERSON COUNTY**

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

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2001-31241-001	Annual financial report did not account for activity by fund type and did not include beginning and ending balances.	Yes	
2001-31241-002	Monthly reconciliations not accurate as presented.	Partially	Reissued in current year management letter.



Mary Taylor, CPA
Auditor of State

HIGHLAND UNION CEMETERY

JEFFERSON 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
FEBRUARY 5, 2008**