

**GRANDVIEW UNION CEMETERY**

**INDEPENDENT AUDITOR'S REPORT**

FOR THE YEARS ENDED  
DECEMBER 31, 2003 AND DECEMBER 31, 2002





**Auditor of State  
Betty Montgomery**

Board of Trustees  
Grandview Union Cemetery  
618 Spruce Lane  
Strasburg, OH 44680

We have reviewed the Independent Auditor's Report of the Grandview Union Cemetery, Tuscarawas County, prepared by Gary B. Fink & Associates, Inc., for the audit period January 1, 2002 through December 31, 2003. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Grandview Union Cemetery is responsible for compliance with these laws and regulations.

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

September 16, 2004

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**GRANDVIEW UNION CEMETERY  
FOR THE YEARS ENDED  
DECEMBER 31, 2003 AND DECEMBER 31, 2002**

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# GRANDVIEW UNION CEMETERY

## APPOINTED OFFICIALS AS OF DECEMBER 31, 2003

<u>NAME</u>	<u>TITLE</u>	<u>TERM OF OFFICE</u>	<u>SURETY</u>	<u>AMOUNT</u>	<u>PERIOD</u>
James Dreher	Board Member	01/01/03-10/31/03			
Michael Fondriest	Board Member	11/01/03-12/31/03			
Bruce Metzger	Board Member	01/01/03-12/31/03			
Doug Hensel	Board Member	01/01/03-12/31/03			
Peter Angelo	Clerk/ Treasurer	Indefinite	(A)	\$10,000	(B)

(A) Western Surety Company

(B) 01/01/03 to 12/31/03

### STATUTORY LEGAL COUNSEL

Mr. Michael A. Cochran  
Assistant Prosecuting Attorney  
125 East High Avenue  
New Philadelphia, OH 44663

**INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Grandview Union Cemetery, Tuscarawas County  
618 Spruce Lane  
Strasburg, OH 44680

We have audited the accompanying financial statement of the Grandview Union Cemetery, Tuscarawas County (the Cemetery), as of and for the years ended December 31, 2003 and December 31, 2002, as listed in the table of contents. 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 described 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 States of America.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the fund cash balances of the Grandview Union Cemetery 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 28, 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 and contracts. 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.

**INDEPENDENT AUDITOR'S REPORT** (continued)

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 Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than those specified parties.



GARY B. FINK & ASSOCIATES, INC.  
Certified Public Accountants

June 28, 2004



**Grandview Union Cemetery**  
**Statement of Cash Receipts, Cash Disbursements and Changes**  
**in Fund Cash Balance - General Fund**  
**For the Years Ended December 31, 2003 and December 31, 2002**

	<u>2003</u>	<u>2002</u>
Receipts:		
Intergovernmental	\$20,000	\$20,000
Interest	971	1,547
Interments	7,900	10,000
Lot Sales	5,350	5,000
Other Receipts	<u>710</u>	<u>554</u>
Total Receipts	<u>34,931</u>	<u>37,101</u>
Disbursements:		
Current		
Salaries	15,755	15,325
Trustees	900	900
Ohio Public Employees Retirement System	2,446	2,328
Openings/Closings	4,785	6,600
Insurance	1,078	1,420
Capital Outlay	3,735	1,200
Other Disbursements	<u>5,951</u>	<u>6,248</u>
Total Disbursements	<u>34,650</u>	<u>34,021</u>
Total Receipts Over Disbursements	281	3,080
Fund Cash Balance, January 1,	<u>97,416</u>	<u>94,336</u>
Fund Cash Balance, December 31,	<u><u>\$97,697</u></u>	<u><u>\$97,416</u></u>

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

GRANDVIEW UNION CEMETERY

NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEARS ENDED DECEMBER 31, 2003 AND DECEMBER 31, 2002

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Description of the Entity

The Grandview Union Cemetery, Tuscarawas 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 annually appointed, three-member Board. The Cemetery provides general cemetery maintenance.

The Cemetery's management believes this financial statement presents all activities for which the Cemetery is financially accountable.

B. Basis of Accounting

This financial statement was prepared on the cash basis of accounting which is prescribed or permitted by the Auditor of State. Accordingly, receipts are recognized when received in cash rather than when earned, and disbursements are recognized when a payment is made rather than when a liability is incurred.

This statement includes adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments with Fiscal Agent

Certificates of deposits are valued at cost.

D. Fund Accounting

The Cemetery uses fund accounting to segregate cash and investments that are restricted as to use. The General Fund is the only fund and serves as the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

**Appropriations** - Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function and object level of control and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measures. Unencumbered appropriations lapse at year end. The Cemetery did not adopt permanent appropriations for fiscal year 2002, contrary to Ohio Revised Code Section 5705.38.

GRANDVIEW UNION CEMETERY

NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEARS ENDED DECEMBER 31, 2003 AND DECEMBER 31, 2002

**Estimated Resources** - Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

**Encumbrances** - The Ohio Revised Code requires the Cemetery to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

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 disbursements when paid. These items are not reflected as assets on the accompanying financial statement.

2. **EQUITY IN POOLED CASH AND INVESTMENTS**

The Cemetery maintains a cash and investments pool used by the General Fund. The Ohio Revised Code prescribes allowable deposits and investments. At December 31, 2003 and December 31, 2002, the carrying amount of the Cemetery's deposits and certificate of deposit was as follows:

	2003	2002
Demand deposits	\$47,965	\$47,684
Certificates of deposit	49,732	49,732
Total Deposits and Investments	<u>\$97,697</u>	<u>\$97,416</u>

Deposits:

Deposits are insured by the Federal Depository Insurance Corporation.

3. **BUDGETARY ACTIVITY**

Budgetary activity for the years ended December 31, 2003 and December 31, 2002 was as follows:

GRANDVIEW UNION CEMETERY

NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEARS ENDED DECEMBER 31, 2003 AND DECEMBER 31, 2002

2003 Budget vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	<u>\$34,000</u>	<u>\$34,931</u>	<u>\$931</u>
Total	<u>\$34,000</u>	<u>\$34,931</u>	<u>\$931</u>

2003 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	<u>\$75,456</u>	<u>\$34,658</u>	<u>\$40,798</u>
Total	<u>\$75,456</u>	<u>\$34,658</u>	<u>\$40,798</u>

2002 Budget vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	<u>\$58,300</u>	<u>\$36,397</u>	<u>(\$21,903)</u>
Total	<u>\$58,300</u>	<u>\$36,397</u>	<u>(\$21,903)</u>

2002 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	<u>\$0</u>	<u>\$34,021</u>	<u>(\$34,021)</u>
Total	<u>\$0</u>	<u>\$34,021</u>	<u>(\$34,021)</u>

GRANDVIEW UNION CEMETERY

NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEARS ENDED DECEMBER 31, 2003 AND DECEMBER 31, 2002

4. **RETIREMENT SYSTEMS**

Employees belong to the Public Employees Retirement System (PERS) of Ohio, PERS is a cost-sharing, multiple-employer defined pension plan. This plan provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. The PERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to: 277 East Town Street, Columbus, Ohio 43215 or by calling (614)466-2085 or 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. For 2003 and 2002, PERS members contributed 8.5% of their gross salaries. The Cemetery contributed an amount equal to 13.55% of participants' gross salaries. The Cemetery has paid all contributions required through December 31, 2003.

5. **RISK MANAGEMENT**

The Cemetery is exposed to various risks of loss related to torts; theft; damage to or destruction of assets, errors and omissions; employee injuries; and natural disasters. By maintaining comprehensive insurance coverage with private carriers, the Cemetery has addressed these various types of risk.

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Trustees  
Grandview Union Cemetery, Tuscarawas County  
618 Spruce Lane  
Strasburg, OH 44680

We have audited the financial statement of the Grandview Union Cemetery, Tuscarawas County (the Cemetery), as of and for the years ended December 31, 2003 and December 31, 2002, and have issued our report thereon dated June 28, 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 statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying Schedule of Findings and Questioned Costs as items 2003-001 and 2003-002. We also noted an instance of noncompliance that we have reported to management of the Cemetery in a separate letter dated June 28, 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 statement 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 operations that we consider to be material weaknesses. However, we have noted a matter involving the internal control over financial reporting that we have reported to management of the Cemetery in a separate letter dated June 28, 2004.

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*** (continued)

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 Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than those specified parties.



GARY B. FINK & ASSOCIATES, INC.  
Certified Public Accountants

June 28, 2004

GRANDVIEW UNION CEMETERY  
TUSCARAWAS COUNTY

SCHEDULE OF AUDIT FINDINGS  
DECEMBER 31, 2003 AND DECEMBER 31, 2002  
FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED  
TO BE REPORTED IN ACCORDANCE WITH GAGAS

**Finding Number 2003-001**

Section 5705.38, Revised Code, requires that on or about the first day of each fiscal year, an appropriation measure be passed. The Cemetery may pass a temporary appropriation measure to meet their ordinary expenses until April 1, at which time a permanent appropriation measure must be passed.

The Cemetery did not adopt a permanent appropriation measure for 2002. As a result, expenditures made during 2002 were not legally expended.

**Finding Number 2003-002**

Section 5705.41(D), Revised Code, requires that no subdivision or taxing unit is to expend money unless it has been appropriated.

At December 31, 2002, expenditures exceeded appropriations in the General Fund by \$34,021.





**Auditor of State  
Betty Montgomery**

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**GRANDVIEW 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  
SEPTEMBER 30, 2004**