



**Auditor of State  
Betty Montgomery**



**CHESTERHILL-MARION UNION CEMETERY  
MORGAN COUNTY**

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Chesterhill-Marion Union Cemetery  
Morgan County  
1375 State Route 555  
Chesterhill, Ohio 43728

To the Board of Trustees:

We have audited the accompanying financial statements of Chesterhill-Marion Union Cemetery, Morgan County, Ohio (the Cemetery), as of and for the years ended December 31, 2002 and 2001. 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 fund cash balances of the Chesterhill-Marion Union Cemetery, Morgan County, as of December 31, 2002 and 2001, 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, 2003 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.

Chesterhill-Marion Union Cemetery  
Morgan 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 Section 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, 2003

**CHESTERHILL-MARION UNION CEMETERY  
MORGAN COUNTY**

**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>Nonexpendable Trust</u>	
<b>Cash Receipts:</b>			
Local Taxes	\$ 14,461	\$	\$ 14,461
Charges for Services	3,250		3,250
Sale of Lots	900		900
Earnings on Investments	251		251
	<hr/>		<hr/>
Total Cash Receipts	18,862	0	18,862
	<hr/>		<hr/>
<b>Cash Disbursements:</b>			
Current:			
Salaries & Benefits	6,556		6,556
Supplies	196		196
Utilities	397		397
Contract Services	2,925		2,925
Insurance	332		332
Miscellaneous	701		701
	<hr/>		<hr/>
Total Cash Disbursements	11,107	0	11,107
	<hr/>		<hr/>
Total Cash Receipts Over/(Under) Cash Disbursements	7,755	0	7,755
	<hr/>		<hr/>
Fund Cash Balances, January 1	16,083	6,324	22,407
	<hr/>		<hr/>
<b>Fund Cash Balances, December 31</b>	<b><u>\$ 23,838</u></b>	<b><u>\$ 6,324</u></b>	<b><u>\$ 30,162</u></b>

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

**CHESTERHILL-MARION UNION CEMETERY  
MORGAN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Nonexpendable Trust</u>	
<b>Cash Receipts:</b>			
Local Taxes	\$ 15,801	\$	\$ 15,801
Charges for Services	1,500		1,500
Sale of Lots	550		550
Earnings on Investments	264		264
	<hr/>		<hr/>
Total Cash Receipts	18,115	0	18,115
<b>Cash Disbursements:</b>			
Current:			
Salaries & Benefits	7,896		7,896
Supplies	350		350
Utilities	378		378
Contract Services	1,350		1,350
Insurance	332		332
Miscellaneous	1,983		1,983
	<hr/>		<hr/>
Total Cash Disbursements	12,289	0	12,289
Total Cash Receipts Over/(Under) Cash Disbursements	5,826	0	5,826
Fund Cash Balances, January 1	10,257	6,324	16,581
	<hr/>	<hr/>	<hr/>
<b>Fund Cash Balances, December 31</b>	<b><u>\$ 16,083</u></b>	<b><u>\$ 6,324</u></b>	<b><u>\$ 22,407</u></b>

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

**CHESTERHILL-MARION UNION CEMETERY  
MORGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Chesterhill-Marion Union Cemetery, Morgan 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, two appointed by the Village of Chesterhill and one from Marion Township. The residents of the Village of Chesterhill and Marion Township have approved a special property tax levy for the purpose of maintaining the Cemetery and distributes to the Cemetery levy monies collected. 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**

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. Fiduciary Fund (Trust Fund)**

This fund is used to account for resources restricted by legally binding trust agreements. The Cemetery had the following Fiduciary Fund:

*Cemetery Bequest Fund* – This fund maintains the trust corpus. The income is to be used for perpetual care of certain graves or cemeteries. This fund is classified as a Nonexpendable Trust Fund.

**CHESTERHILL-MARION UNION CEMETERY  
MORGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

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

**E. Budgetary Process**

The Cemetery is not required to follow the budgetary requirements under Ohio Rev. Code Chapter 5705. Accordingly, no budgetary information is presented.

**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 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 was as follows:

	<u>2002</u>	<u>2001</u>
Demand Deposits	\$ 23,838	\$ 16,083
Certificates of Deposits	6,324	6,324
Total deposits	<u>\$ 30,162</u>	<u>\$ 22,407</u>

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

**3. RETIREMENT SYSTEM**

The Cemetery's officials and 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. For 2002 and 2001, members of 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 employer contributions required through December 31, 2002.

**4. RISK MANAGEMENT**

The Cemetery has obtained commercial insurance coverage. The following risks are covered:

- General Liability and Casualty;
- Equipment; and,
- Property.



**Auditor of State  
Betty Montgomery**

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

Chesterhill-Marion Union Cemetery  
Morgan County  
1375 State Route 555  
Chesterhill, Ohio 43728

To the Board of Trustees:

We have audited the accompanying financial statements of the Chesterhill-Marion Union Cemetery, Morgan County, Ohio (the Cemetery), as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated June 16, 2003. 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 certain immaterial instances of noncompliance that we have reported to the management of the Cemetery in a separate letter dated June 16, 2003.

**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, 2003.

Chesterhill-Marion Union Cemetery  
Morgan County  
Independent Accountants' Report on Compliance and on Internal Control  
Required by *Government Auditing Standards*  
Page 2

This report is intended solely for the information and use of management and the 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

June 16, 2003



**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

**CHESTERHILL-MARION UNION CEMETERY**

**MORGAN 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 19, 2003**