



**GROVE CEMETERY ASSOCIATION
HARDIN COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**GROVE CEMETERY ASSOCIATION
HARDIN COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Grove Cemetery Association
Hardin County
116 Detroit Street
Kenton, Ohio 43326

To the Board of Trustees:

We have audited the accompanying financial statements of the Grove Cemetery Association, Hardin County, (the Cemetery) as of and for the years ended December 31, 2000 and 1999. 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 generally accepted auditing standards 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 the Cemetery as of December 31, 2000 and 1999, 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 February 12, 2001 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 *Governmental Auditing Standards* and should be read in conjunction with this report in considering the results of the audit.

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

Jim Petro
Auditor of State

February 12, 2001

**GROVE CEMETERY ASSOCIATION
HARDIN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2000**

Cash Receipts:	
Lots Sold	\$21,525
Permits	50,350
St. Marys Maintenance	750
Real Estate Tax	94,435
Tangible Tax	33,827
Trailer Tax	361
Homestead Tax	12,501
Foundations	11,728
Gas Tax Refund	657
Miscellaneous Income	1,752
 Total Cash Receipts	 227,886
 Cash Disbursements:	
Payroll	123,557
General Expense	9,054
P.E.R.S. Employer Share	13,853
Maintenance and Repair	26,580
Supplies and Materials	12,806
Insurance	20,699
Property Tax	111
Auditor and Treasurer Fees	2,777
Equipment	8,383
Capital Improvement	6,426
Workers Compensation	2,025
Medicare Employer Share	798
 Total Cash Disbursements	 227,069
 Total Receipts Over/(Under) Disbursements	 817
 Fund Cash Balance, January 1	 39,594
 Fund Cash Balance, December 31	 \$40,411

The Notes to the Financial Statements are an integral part of this statement.

**GROVE CEMETERY ASSOCIATION
HARDIN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND CASH BALANCES - NON-EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000**

Operating Cash Receipts:	
Endowment Interest	\$3,688
Operating Cash Disbursements:	
Endowment Service	<u>3,610</u>
Net Income	78
Fund Cash Balances, January 1	<u>137,352</u>
Fund Cash Balances, December 31	<u><u>\$137,430</u></u>

The Notes to the Financial Statements are an integral part of this statement.

**GROVE CEMETERY ASSOCIATION
HARDIN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1999**

Cash Receipts:	
Lots Sold	\$21,350
Permits	43,350
St. Marys Maintenance	750
Real Estate Tax	93,712
Tangible Tax	35,025
Trailer Tax	453
Homestead Tax	12,053
Foundations	10,725
Miscellaneous Income	<u>2,304</u>
Total Cash Receipts	219,722
 Cash Disbursements:	
Payroll	122,420
General Expense	6,791
P.E.R.S. Employer Share	16,305
Maintenance and Repair	22,270
Supplies and Materials	13,335
Insurance	16,652
Property Tax	88
Auditor and Treasurer Fees	3,710
Equipment	8,628
Capital Improvement	12,666
Workers Compensation	7,527
Audit Expense	2,355
Medicare Employer Share	<u>536</u>
Total Cash Disbursements	<u>233,283</u>
Total Receipts Over/(Under) Disbursements	(13,561)
Fund Cash Balance, January 1	<u>53,155</u>
Fund Cash Balance, December 31	<u><u>\$39,594</u></u>

The Notes to the Financial Statements are an integral part of this statement.

**GROVE CEMETERY ASSOCIATION
HARDIN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSMENTS AND
CHANGES IN FUND CASH BALANCES - NON-EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999**

Operating Cash Receipts:	
Endowment Donations	\$3,000
Endowment Interest	3,718
	<hr/>
Total Operating Cash Receipts	6,718
 Operating Cash Disbursements:	
Endowment Service	3,825
	<hr/>
Net Income	2,893
 Fund Cash Balances, January 1	 <hr/> 134,459
 Fund Cash Balances, December 31	 <hr/> <hr/> \$137,352

The Notes to the Financial Statements are an integral part of this statement.

**GROVE CEMETERY ASSOCIATION
HARDIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Grove Cemetery Association, Hardin 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 four-member Board of Trustees. The Board is appointed by City of Kenton, Pleasant Township, Goshen Township, Buck Township. These entities also provide funding to meet the Cemetery's operating costs under the agreement which established the Cemetery. 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

Passbook savings accounts 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 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 Funds:

Endowment Funds - These funds receive interest from fund investments. Proceeds are used to maintain grave sites.

**GROVE CEMETERY ASSOCIATION
HARDIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. 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.

F. 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>2000</u>	<u>1999</u>
Demand deposits	\$ 45,853	\$ 44,958
Passbook Savings	<u>131,988</u>	<u>131,988</u>
Total deposits	<u><u>177,841</u></u>	<u><u>176,946</u></u>

Deposits: Demand deposits are insured by the Federal Depository Insurance Corporation. Passbook savings accounts are insured by the Federal Saving Loan Insurance Corporation.

3. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The participating subdivisions are responsible for levying the tax for the operation of the Cemetery. The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Cemetery.

**GROVE CEMETERY ASSOCIATION
HARDIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

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.

Contribution rates are also prescribed by the Ohio Revised Code. For 2000 and 1999, PERS members contributed 8.5% of their gross salaries. The Cemetery contributed an amount equal to 13.55% of participants' gross salaries during the period January 1, 1999 through June 30, 2000. During the period of July 1, 2000 through December 31, 2000 there was a temporary reduction which reduced the employer rate to 8.13%. The Cemetery has paid all contributions required through December 31, 2000.

5. RISK MANAGEMENT

The Cemetery has obtained commercial insurance for the following risks:

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

The Cemetery also provides health insurance and dental and vision coverage to full-time employees through a private carrier.

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

Grove Cemetery Association
Hardin County
116 North Detroit Street
Kenton, Ohio 43326

To the Board of Trustees:

We have audited the accompanying financial statements of Grove Cemetery Association, Hardin County, (the Cemetery), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated February 12, 2001. We conducted our audit in accordance with generally accepted auditing standards 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 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*.

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 February 12, 2001.

Grove Cemetery Association
Hardin County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of the management, and Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

February 12, 2001



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OFFICE OF THE AUDITOR

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GROVE CEMETERY ASSOCIATION

HARDIN 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
MARCH 22, 2001**