



**SCOTTS UNION CEMETERY  
ERIE COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 1999-1998**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



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## REPORT OF INDEPENDENT ACCOUNTANTS

Scotts Union Cemetery  
Erie County  
539 Adams Avenue  
Huron, Ohio 44839-2505

To the Board of Trustees:

We have audited the accompanying financial statements of the Scotts Union Cemetery, Erie County, Ohio, (the Cemetery) as of and for the years ended December 31, 1999 and 1998. 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 audits.

We conducted our audits 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 audits 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 audits provide 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, 1999 and 1998, 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 March 10, 2000 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.

This report is intended solely for the information and use of the audit committee, 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

March 10, 2000

**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, 1999**

	<u>Governmental Fund Type</u>		<u>Totals (Memorandum Only)</u>
	<u>General Fund</u>	<u>Fiduciary Funds</u>	
<b>Cash Receipts:</b>			
Intergovernmental	\$ 5,000	\$ 0	\$ 5,000
Charges for Services	4,125		4,125
Sale of Lots	5,750		5,750
Interest Earnings		29	29
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	14,875	29	14,904
<b>Cash Disbursements:</b>			
Current:			
Salaries	14,320		14,320
Supplies	139		139
Equipment	3,100		3,100
Contracts - Services	2,775		2,775
Miscellaneous	143		143
	<hr/>	<hr/>	<hr/>
Total Disbursements	20,477	0	20,477
Excess of Cash Receipts Over (Under) Cash Disbursements:	(5,602)	29	(5,573)
Fund Cash Balances, January 1	27,528	1,986	29,514
	<hr/>	<hr/>	<hr/>
<b>Fund Cash Balances, December 31</b>	<b><u>\$ 21,926</u></b>	<b><u>\$ 2,015</u></b>	<b><u>\$ 23,941</u></b>

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

**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, 1998**

	<u>Governmental Fund Type</u>		<b>Totals (Memorandum Only)</b>
	<u>General Fund</u>	<u>Fiduciary Funds</u>	
<b>Cash Receipts:</b>			
Intergovernmental	\$ 10,000	\$ 0	\$ 10,000
Charges for Services	8,200		8,200
Sale of Lots	8,000		8,000
Interest Earnings		38	38
	<u>26,200</u>	<u>38</u>	<u>26,238</u>
Total Cash Receipts			
<b>Cash Disbursements:</b>			
Current:			
Salaries	13,263		13,263
Supplies	484		484
Equipment	1,291		1,291
Contracts - Services	6,453		6,453
Miscellaneous	305		305
	<u>21,796</u>	<u>0</u>	<u>21,796</u>
Total Disbursements			
Total Receipts Over Disbursements	<u>4,404</u>	<u>38</u>	<u>4,442</u>
<b>Other Financing Receipts/(Disbursements):</b>			
Transfers-In	72		72
Transfers-Out		(72)	(72)
	<u>72</u>	<u>(72)</u>	<u>0</u>
Total Other Financing Receipts/(Disbursements)			
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	4,476	(34)	4,442
Fund Cash Balances, January 1	<u>23,052</u>	<u>2,020</u>	<u>25,072</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$ 27,528</u></b>	<b><u>\$ 1,986</u></b>	<b><u>\$ 29,514</u></b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Scotts Union Cemetery, Erie 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. The Board is appointed by the City of Huron, Huron Township, and Milan 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**

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. As of December 31, 1998 and 1999, respectively, the Cemetery had no investments.

**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 and Agency 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:

Mary E. Sales Trust, Ruby Schnell Trust, and the Wilbor Trust - These funds receive interest from fund investments. Proceeds are used to maintain grave sites.

**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999 AND 1998**  
**(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.

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

The Cemetery maintains a cash 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>1999</u>	<u>1998</u>
Demand deposits	\$ 21,926	\$ 27,528
Savings Accounts	<u>2,015</u>	<u>1,986</u>
Total deposits	<u>\$ 23,941</u>	<u>\$ 29,514</u>

Deposits and saving accounts are insured by the Federal Depository Insurance Corporation.



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

Scotts Union Cemetery  
Erie County  
539 Adams Avenue  
Huron, Ohio 44839-2505

To the Board of Trustees:

We have audited the accompanying financial statements of the Scotts Union Cemetery, Erie County, Ohio, (the Cemetery) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated March 10, 2000. We conducted our audits 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 audits and, accordingly, we do not express such an opinion. However, we noted a certain immaterial instance of noncompliance that we have reported to management of the Cemetery in a separate letter dated March 10, 2000.

**Internal Control Over Financial Reporting**

In planning and performing our audits, 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 March 10, 2000.

Scotts Union Cemetery  
Erie County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
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This report is intended for the information and use of the audit committee, management, 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

March 10, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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**SCOTTS UNION CEMETERY**

**ERIE 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  
APRIL 4, 2000**