



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**ANDOVER UNION CEMETERY
ASHTABULA COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Andover Union Cemetery
Ashtabula County
134 Maple Street
P.O. Box 591
Andover, OH 44003

To the Board of Trustees:

We have audited the accompanying financial statements of Andover Union Cemetery (the Cemetery) as of and for the years ended December 31, 2001 and 2000. 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 combined fund cash balances of the Cemetery as of December 31, 2001 and 2000, 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 May 20, 2002 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.

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large, looping initial "J" and a cursive "Petro".

Jim Petro
Auditor of State

May 20, 2002

**ANDOVER UNION CEMETERY
ASHTABULA COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
GOVERNMENTAL FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Governmental Fund Type</u>
	<u>General</u>
Cash Receipts:	
Local Taxes	\$12,174
Intergovernmental	1,028
Charges for Services	8,030
Sale of Lots	2,150
Interest	276
Miscellaneous	1,014
	<hr/>
Total Cash Receipts	24,672
	<hr/>
Cash Disbursements:	
Current:	
Salaries	6,891
Supplies	291
Contracts - Repair	76
Contracts - Services	9,105
Public Employees' Retirement	1,995
Benefits - Employees' Share	1,668
Miscellaneous	2,185
Capital Outlay	276
	<hr/>
Total Disbursements	22,487
	<hr/>
Total Receipts Over/(Under) Disbursements	2,185
	<hr/>
Fund Cash Balances, January 1	10,915
	<hr/>
Fund Cash Balances, December 31	<u><u>\$13,100</u></u>

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

**ANDOVER UNION CEMETERY
ASHTABULA COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCES
NONEXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Non-Expendable Trust</u>
Operating Cash Receipts:	
Interest	<u>\$74</u>
Operating Cash Disbursements:	
Supplies and Matereials	<u>77</u>
Operating Income/(Loss)	<u>(3)</u>
Fund Cash Balances, January 1	<u>1,503</u>
Fund Cash Balances, December 31	<u><u>\$1,500</u></u>

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

**ANDOVER UNION CEMETERY
ASHTABULA COUNTY**

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

	Governmental Fund Type
	General
Cash Receipts:	
Local Taxes	\$11,783
Intergovernmental	1,012
Charges for Services	4,825
Sale of Lots	3,025
Interest	601
	21,246
Total Cash Receipts	
	21,246
Cash Disbursements:	
Current:	
Salaries	12,106
Supplies	151
Contracts - Repair	12
Contracts - Services	6,745
Public Employees' Retirement	2,405
Benefits - Employees' Share	3,317
Miscellaneous	5,076
Capital Outlay	2,267
	32,079
Total Disbursements	32,079
Total Receipts Over/(Under) Disbursements	(10,833)
Fund Cash Balances, January 1	21,748
Fund Cash Balances, December 31	\$10,915

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

ANDOVER UNION CEMETERY
ASHTABULA COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
NONEXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Non-Expendable Trust</u>
Operating Cash Receipts:	
Interest	<u>\$78</u>
Operating Cash Disbursements:	
Supplies and Matereials	<u>71</u>
Operating Income/(Loss)	<u>7</u>
Fund Cash Balances, January 1	<u>1,496</u>
Fund Cash Balances, December 31	<u><u>\$1,503</u></u>

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

**ANDOVER UNION CEMETERY
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Andover Union Cemetery, Ashtabula 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 Village of Andover and Andover Township. These entities also provide funding to meet the Cemetery's operating costs under the agreement which established the Cemetery. This accompanying financial statement presents this funding as Local Taxes. 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.

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 Funds (Non-Expendable Trust Fund)

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

Frank Green Trust Fund - This fund receives interest from fund investments. Proceeds are used to maintain four grave sites.

**ANDOVER UNION CEMETERY
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The Cemetery budgets each fund annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control. The Board annually approves appropriation measures and subsequent amendments. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1.

A summary of 2001 and 2000 budgetary activity appears in Note 3.

F. 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 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:

	2001	2000
Demand deposits	\$13,100	\$10,915
Certificates of deposit	1,500	1,503
Total deposits and investments	\$14,600	\$12,418

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2001 and 2000 follows:

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$19,537	\$24,672	\$5,135
Fiduciary (Trust Fund)	77	74	(3)
Total	\$19,614	\$24,746	\$5,132

**ANDOVER UNION CEMETERY
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$31,775	\$22,487	\$9,288
Fiduciary (Trust Fund)	77	77	0
Total	\$31,852	\$22,564	\$9,288

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$20,202	\$21,246	\$1,044
Fiduciary (Trust Fund)	71	78	7
Total	\$20,273	\$21,324	\$1,051

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$41,950	\$32,079	\$9,871
Fiduciary (Trust Fund)	71	71	0
Total	\$42,021	\$32,150	\$9,871

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 2001 and 2000, PERS employee members contributed 8.5% of their gross salaries. The Cemetery contributed an amount equal to 13.55% of participants' gross salaries through June 30, 2000. Commencing July 1, 2000, PERS temporarily reduced employer contributions to 8.13%. The Cemetery has paid all contributions required through December 31, 2001.

5. RISK MANAGEMENT

Commercial Insurance

The Andover Union Cemetery has obtained commercial insurance for the following risks:

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

**ANDOVER UNION CEMETERY
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

6. SUBSEQUENT EVENTS

The Board of Trustees of the Cemetery passed a motion on March 19, 2001 to change the millage received from Andover Township from .21 mills to .34 mills. The new millage would generate approximately \$6,500 a year, and will be received starting in calendar year 2002.



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

Andover Union Cemetery
Ashtabula County
134 Maple Street
P. O. Box 591
Andover, OH 44003

To the Board of Trustees:

We have audited the accompanying financial statements of Andover Union Cemetery (the Cemetery) as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated May 20, 2002. 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*.

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 May 20, 2002.

Andover Union Cemetery
Ashtabula County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
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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, appearing to read "Jim Petro". The signature is stylized with a large, looping initial "J" and a horizontal line extending to the right.

Jim Petro
Auditor of State

May 20, 2002



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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ANDOVER UNION CEMETERY

ASHTABULA 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
JULY 2, 2002**