



**ANDOVER UNION CEMETERY
ASHTABULA COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999-1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants	1
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – General Fund – For the Year Ended December 31, 1999	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Non-Expendable Trust Fund – For the Year Ended December 31, 1999	4
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – General Fund – For the Year Ended December 31, 1998	5
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Non-Expendable Trust Fund – For the Year Ended December 31, 1998	6
Notes to the Financial Statements	7
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	11

This page intentionally left blank.



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

Voinovich Government Center
242 Federal Plaza West, Suite 302
Youngstown, Ohio 44503-1206
Telephone 330-797-9900
800-443-9271
Facsimile 330-797-9949

REPORT OF INDEPENDENT ACCOUNTANTS

Andover Union Cemetery
Ashtabula County
P.O. Box 591
Andover, Ohio 44003

To the Board of Trustees:

We have audited the accompanying financial statements of Andover Union Cemetery, Ashtabula County, Ohio, (the Cemetery) as of and for the years ended December 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 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, 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 June 21, 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 and contracts.

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

Jim Petro
Auditor of State

June 21, 2000

**ANDOVER UNION CEMETERY
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>General</u>
Cash Receipts:	
Local Taxes	\$11,297
Intergovernmental	899
Charges for Services	5,800
Sale of Lots	1,875
Interest	1,452
Miscellaneous	<u>237</u>
Total Cash Receipts	<u>21,560</u>
Cash Disbursements:	
Current:	
Salaries	16,222
Supplies	513
Equipment	3,400
Contracts - Services	1,684
Public Employees' Retirement	6,740
Workers' Compensation	1,320
Miscellaneous	4,003
Capital Outlay	<u>14,302</u>
Total Disbursements	<u>48,184</u>
Total Receipts Over/(Under) Disbursements	(26,624)
Fund Cash Balances January 1	<u>48,371</u>
Fund Cash Balances, December 31	<u><u>\$21,747</u></u>

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

**ANDOVER UNION CEMETERY
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
 CHANGES IN FUND CASH BALANCES -
 NON-EXPENDABLE TRUST FUND
 FOR THE YEAR ENDED DECEMBER 31, 1999**

	Non-Expendable Trust
Operating Cash Receipts:	
Earnings on Investments	\$71
Operating Cash Disbursements:	
Supplies	57
Operating Income/(Loss)	14
Fund Cash Balances January 1	1,482
Fund Cash Balances, December 31	\$1,496

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

**ANDOVER UNION CEMETERY
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>General</u>
Cash Receipts:	
Local Taxes	\$10,539
Intergovernmental	890
Charges for Services	6,925
Sale of Lots	750
Interest	2,270
Miscellaneous	<u>1,720</u>
Total Cash Receipts	<u>23,094</u>
Cash Disbursements:	
Current:	
Salaries	15,897
Supplies	685
Equipment	726
Contracts - Services	1,369
Public Employees' Retirement	6,143
Workers' Compensation	310
Miscellaneous	5,950
Capital Outlay	<u>507</u>
Total Disbursements	<u>31,587</u>
Total Receipts Over/(Under) Disbursements	(8,493)
Fund Cash Balances January 1	<u>56,864</u>
Fund Cash Balances, December 31	<u><u>\$48,371</u></u>

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

**ANDOVER UNION CEMETERY
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES -
NON-EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 1998**

	Non-Expendable Trust
Operating Cash Receipts:	
Earnings on Investments	\$57
Operating Cash Disbursements:	
Supplies	119
Operating Income/(Loss)	(62)
Fund Cash Balances January 1	1,544
Fund Cash Balances, December 31	\$1,482

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

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

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 Union Cemetery is directed by an appointed three-member Board of Trustees. The Board is appointed by the Village of Andover and Andover Township. 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. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

C. Cash and Investments

Certificates of deposit are valued at cost.

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.

D. Fund Accounting

The Union 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 (Non-Expendable Trust Fund)

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

Frank Green Trust Fund - This fund receives interest from a one year certificate of deposit, which is renewed each year. Interest from the certificate of deposit is to be spent on the maintenance of four grave sites.

**ANDOVER UNION CEMETERY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(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 (modify to reflect legal level of control) and appropriations may not exceed estimated resources. The Board annually approves an appropriation measure and any subsequent amendments. Unencumbered appropriations lapse at year end.

2. Estimated Resources

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

3. Encumbrances

The Cemetery reserves (encumbers) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 1999 and 1998 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 Union 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 at December 31 follows:

	<u>1999</u>	<u>1998</u>
Demand deposits	\$ 1,743	\$ 8,353
Certificates of deposit	<u>21,500</u>	<u>41,500</u>
Total deposits	<u><u>23,243</u></u>	<u><u>49,853</u></u>

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

ANDOVER UNION CEMETERY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 1999 and 1998 follows:

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 23,094	\$ 21,560	\$ (1,534)
Fiduciary (Non-Expendable Trust Fund)	<u>57</u>	<u>71</u>	<u>14</u>
Total	<u><u>\$ 23,151</u></u>	<u><u>\$ 21,631</u></u>	<u><u>\$ (1,520)</u></u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 72,947	\$ 48,184	\$ 24,763
Fiduciary (Non-Expendable Trust Fund)	<u>57</u>	<u>57</u>	<u>0</u>
Total	<u><u>\$ 73,004</u></u>	<u><u>\$ 48,241</u></u>	<u><u>\$ 24,763</u></u>

1998 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 21,367	\$ 23,094	\$ 1,727
Fiduciary (Non-Expendable Trust Fund)	<u>75</u>	<u>57</u>	<u>(18)</u>
Total	<u><u>\$ 21,442</u></u>	<u><u>\$ 23,151</u></u>	<u><u>\$ 1,709</u></u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 79,731	\$ 31,587	\$ 48,144
Fiduciary (Non-Expendable Trust Fund)	<u>119</u>	<u>119</u>	<u>0</u>
Total	<u><u>\$ 79,850</u></u>	<u><u>\$ 31,706</u></u>	<u><u>\$ 48,144</u></u>

ANDOVER UNION CEMETERY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(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 1999 and 1998, 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, 1999.

5. RISK MANAGEMENT

The Cemetery has obtained commercial insurance for the following risks:

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



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

Voinovich Government Center
242 Federal Plaza West, Suite 302
Youngstown, Ohio 44503-1206

Telephone 330-797-9900
800-443-9271

Facsimile 330-797-9949

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

Andover Union Cemetery
Ashtabula County
P.O. Box 591
Andover, Ohio 44003

To the Board of Trustees:

We have audited the accompanying financial statements of Andover Union Cemetery, Ashtabula County, Ohio (the Cemetery), as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated June 21, 2000. 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*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Cemetery in a separate letter dated June 21, 2000.

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 21, 2000.

This report is intended 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", written in a cursive style.

Jim Petro
Auditor of State

June 21, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

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 20, 2000**