



**Auditor of State
Betty Montgomery**

**STANDING ROCK UNION CEMETERY
PORTAGE COUNTY**

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, 2002	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Non-expendable Trust Fund - For the Year Ended December 31, 2002	4
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – General Fund – For the Year Ended December 31, 2001	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Nonexpendable Trust Fund - For the Year Ended December 31, 2001	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

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**Auditor of State
Betty Montgomery**

REPORT OF INDEPENDENT ACCOUNTANTS

Standing Rock Union Cemetery
Portage County
1361 North Mantua Street
Kent, Ohio 44240

To the Board of Trustees:

We have audited the accompanying financial statements of the Standing Rock Union Cemetery (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 combined fund cash balances of the Cemetery as of December 31, 2002 and 2001 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 April 9, 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.

Standing Rock Union Cemetery
Portage County
Report of Independent Accountants
Page 2

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 § 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

April 9, 2003

**STANDING ROCK UNION CEMETERY
PORTAGE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

	General Fund
Cash Receipts:	
Intergovernmental	\$ 174,916
Interments	49,085
Sale of Lots	31,100
Crypts	500
Columbarium Sales	1,800
Deeds	45
Foundations	8,789
Interest	10,374
Miscellaneous	1,372
Total Cash Receipts	277,981
Cash Disbursements:	
Current:	
Salaries	145,222
Medical Insurance	17,833
Medicare	1,360
Public Employees Retirement System	17,128
Mowing Contract	1,024
Operating, Maintenance	9,802
Workers' Compensation	1,693
Unemployment Compensation	2,270
Material, Supplies	13,245
Utilities	9,061
Trees, Roads	32,390
Deeds	227
Office Supplies	1,612
Miscellaneous	320
Capital Improvements	8,251
New Equipment	26,060
Repurchase Lots	1,600
Total Disbursements	289,098
Total Receipts (Under) Disbursements	(11,117)
Fund Cash Balances, January 1	427,478
Fund Cash Balances, December 31	\$416,361

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

**STANDING ROCK UNION CEMETERY
PORTAGE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - NONEXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Nonexpendable Trust</u>
Cash Receipts:	
Interest	<u>\$857</u>
Total Cash Receipts	<u>857</u>
Cash Disbursements:	
Repairs	2,994
Flowers	<u>1,318</u>
Total Cash Disbursements	<u>4,312</u>
Total Receipts (Under) Disbursements	(3,455)
Fund Cash Balances, January 1	<u>28,354</u>
Fund Cash Balances, December 31	<u><u>\$24,899</u></u>

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

**STANDING ROCK UNION CEMETERY
PORTAGE COUNTY**

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

	<u>General Fund</u>
Cash Receipts:	
Intergovernmental	\$173,545
Interments	40,325
Sale of Lots	34,800
Crypts	1,000
Columbarium Sales	900
Deeds	20
Foundations	9,671
Rebates	6,181
Interest	18,935
Miscellaneous	<u>50</u>
Total Cash Receipts	<u>285,427</u>
Cash Disbursements:	
Current:	
Salaries	130,148
Medical Insurance	22,818
Medicare	936
Public Employees Retirement System	18,287
Mowing Contract	2,405
Operating, Maintenance	9,860
Workers' Compensation	4,265
Unemployment Compensation	2,607
Material, Supplies	3,789
Utilities	7,661
Trees, Roads	24,990
Deeds	205
Audit Fee	3,221
Office Supplies	960
Miscellaneous	142
Capital Improvements	33,549
New Equipment	2,982
Repurchase Lots	<u>321</u>
Total Disbursements	<u>269,146</u>
Total Receipts Over Disbursements	<u>16,281</u>
Fund Cash Balances, January 1	<u>411,197</u>
Fund Cash Balances, December 31	<u>\$427,478</u>

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

**STANDING ROCK UNION CEMETERY
PORTAGE COUNTY**

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

	<u>Nonexpendable Trust</u>
Cash Receipts:	
Interest	<u>\$1,255</u>
Total Cash Receipts	<u>1,255</u>
Cash Disbursements:	
Flowers	<u>1,322</u>
Total Cash Disbursements	<u>1,322</u>
Total Receipts (Under) Disbursements	(67)
Fund Cash Balances, January 1	<u>28,421</u>
Fund Cash Balances, December 31	<u><u>\$28,354</u></u>

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

**STANDING ROCK UNION CEMETERY
PORTAGE COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Standing Rock Union Cemetery, Portage 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 consists of one member of the Kent City Council, one member of the Franklin Township Trustees, and one at-large member. These entities also provide funding to meet the Cemetery's operating costs under the agreement which established the Cemetery. The accompanying financial statements present this funding as Intergovernmental Receipts. 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. Non-expendable Trust Funds

These funds are used to account for resources restricted by legally binding trust agreements. The Cemetery had the following significant Non-expendable Trust Funds:

Mausoleum Fund and Endowment Funds – These funds receive interest from fund investments. Proceeds are used to maintain grave sites and buy flowers.

**STANDING ROCK UNION CEMETERY
PORTAGE COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The Cemetery budgets each fund annually.

1. Appropriations

Budgetary expenditures (that is, disbursements) may not exceed appropriations at the fund 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).

A summary of 2002 and 2001 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.

G. 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>2002</u>	<u>2001</u>
Demand deposits	\$84,604	\$164,034
Certificates of deposit	356,656	291,798
Total deposits	<u>\$441,260</u>	<u>\$455,832</u>

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation, (2) collateralized by securities specifically pledged by the financial institution to the Cemetery, or (3) collateralized by the financial institution's public entity deposit pool.

**STANDING ROCK UNION CEMETERY
PORTAGE COUNTY**

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

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2002 and 2001 follows:

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$272,100	\$277,981	\$5,881
Fiduciary (Trust Funds)	1,410	857	(553)
Total	\$273,510	\$278,838	\$5,328

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$496,475	\$289,098	\$207,377
Fiduciary (Trust Funds)	4,500	4,312	188
Total	\$500,975	\$293,410	\$207,565

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$253,700	\$285,427	\$31,727
Fiduciary (Trust Funds)	1,410	1,255	(155)
Total	\$255,110	\$286,682	\$31,572

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$548,625	\$269,146	\$279,479
Fiduciary (Trust Funds)	1,230	1,322	(\$92)
Total	\$549,855	\$270,468	\$279,387

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 2002 and 2001, PERS employee members contributed 8.5% of their gross salaries. The Cemetery contributed an amount equal to 13.55% of participants' gross salaries through December 31, 2002. The Cemetery has paid all contributions required through December 31, 2002.

**STANDING ROCK UNION CEMETERY
PORTAGE COUNTY**

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

5. RISK MANAGEMENT

Commercial Insurance

The Cemetery has obtained commercial insurance for the following risks:

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



**Auditor of State
Betty Montgomery**

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

Standing Rock Union Cemetery
Portage County
1361 North Mantua Street
Kent, Ohio 44240

To the Board of Trustees:

We have audited the accompanying financial statements of the Standing Rock Union Cemetery (the Cemetery) as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated April 9, 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*.

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 one matter involving the internal control over financial reporting that did not require inclusion in this report, that we have reported to management of the Cemetery in a separate letter dated April 9, 2003.

Standing Rock Union Cemetery
Portage County
Report of Independent Accountants 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

April 9, 2003



**Auditor of State
Betty Montgomery**

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Columbus, Ohio 43216-1140
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STANDING ROCK UNION CEMETERY

PORTAGE 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
MAY 20, 2003**