

***UNION CEMETERY ASSOCIATION OF BOSTON  
TOWNSHIP***

**SUMMIT COUNTY, OHIO**

**AUDIT REPORT**

**FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**





# Dave Yost • Auditor of State

Board of Trustees  
Union Cemetery Association of Boston Township  
6780 Riverview Road  
Peninsula, Ohio 44264

We have reviewed the *Independent Auditors' Report* of the Union Cemetery Association of Boston Township, Summit County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2012 through December 31, 2013. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Union Cemetery Association of Boston Township is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost  
Auditor of State

July 17, 2014

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**UNION CEMETERY ASSOCIATION OF BOSTON TOWNSHIP  
SUMMIT COUNTY, OHIO  
Audit Report  
For the Years Ended December 31, 2013 and 2012**

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Rockefeller Building  
614 W Superior Ave Ste 1242  
Cleveland, OH 44113-1306  
Office phone - (216) 575-1630  
Fax - (216) 436-2411

***Charles E. Harris & Associates, Inc.***  
*Certified Public Accountants*

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**INDEPENDENT AUDITORS' REPORT**

Union Cemetery Association of Boston Township  
Summit County  
6780 Riverview Road  
Peninsula, Ohio 44264

To the Board of Trustees:

***Report on the Financial Statements***

We have audited the accompanying financial statements and related notes of the Union Cemetery Association of Boston Township, Summit County, (the Cemetery) as of and for the years ended December 31, 2013 and 2012.

***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Cemetery's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Cemetery's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 1 of the financial statements, the Cemetery prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Cemetery as of December 31, 2013 and 2012, or changes in financial position thereof for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the Union Cemetery Association of Boston Township, Summit County as of December 31, 2013 and 2012, and its cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2014, 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 grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Cemetery's internal control over financial reporting and compliance.



**CHARLES E. HARRIS & ASSOCIATES, INC.**

June 23, 2014

**UNION CEMETERY ASSOCIATION OF BOSTON TOWNSHIP  
SUMMIT COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN CASH BALANCES  
For the Year Ended December 31, 2013**

	<u>2013</u>
<b>Cash Receipts:</b>	
Opening and Closing of Graves	\$ 2,950
Sale of Lots	300
Foundations	1,250
Taxes	41,784
Miscellaneous	<u>682</u>
<b>Total Cash Receipts</b>	<b>46,966</b>
<b>Cash Disbursements:</b>	
<b>Current:</b>	
Salaries	19,858
Employee Benefits	6,898
Taxes - State, Village and Medicare	1,505
Supplies	1,248
Purchase of equipment	617
Insurance	1,054
Contractual Services	1,300
Auditor's Deductions	935
Utilities	1,404
Miscellaneous	<u>33,171</u>
<b>Total Cash Disbursements</b>	<b><u>67,990</u></b>
<b>Net Change in Fund Cash Balance</b>	<b>(21,024)</b>
<b>Fund Cash Balance, January 1</b>	<b><u>44,970</u></b>
<b>Fund Cash Balance, December 31 Unassigned</b>	<b><u>23,946</u></b>
<b>Fund Cash Balance, December 31</b>	<b><u>\$ 23,946</u></b>

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



**UNION CEMETERY ASSOCIATION OF BOSTON TOWNSHIP  
SUMMIT COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN CASH BALANCES**

**For the Year Ended December 31, 2012**

	<b>2012</b>
<b>Cash Receipts:</b>	
Opening and Closing of Graves	\$ 2,935
Sale of Lots	600
Foundations	725
Taxes	41,583
Miscellaneous	425
	46,268
<b>Total Cash Receipts</b>	<b>46,268</b>
<b>Cash Disbursements:</b>	
<b>Current:</b>	
Salaries	20,059
Employee Benefits	7,394
Taxes - State, Village and Medicare	1,572
Supplies	1,775
Purchase of equipment	2,000
Insurance	947
Contractual Services	3,713
Auditor's Deductions	803
Utilities	1,264
Miscellaneous	3,215
	42,742
<b>Total Cash Disbursements</b>	<b>42,742</b>
<b>Net Change in Fund Cash Balance</b>	<b>3,526</b>
<b>Fund Cash Balance, January 1</b>	<b>41,444</b>
<b>Fund Cash Balance, December 31 Unassigned</b>	<b>44,970</b>
<b>Fund Cash Balance, December 31</b>	<b>\$ 44,970</b>

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

UNION CEMETERY ASSOCIATION OF BOSTON TOWNSHIP  
SUMMIT COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
For the Years Ended December 31, 2013 and 2012

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. DESCRIPTION OF THE ENTITY**

The Union Cemetery Association of Boston Township, Summit County (The Cemetery) is a body politic and corporate established for the exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. An appointed three-member Board of Trustees directs the Cemetery. The Board is appointed on a rotational basis by the Village of Peninsula and Boston 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. ACCOUNTING BASIS**

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Cemetery recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. The Cemetery is not required to follow budgetary laws. Therefore there is no budgetary presentation.

The statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

**C. DEPOSITS AND INVESTMENTS**

The Cemetery's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The Cemetery maintains cash in an interest bearing checking account.

**D. FUND ACCOUNTING**

The Cemetery maintains its accounting records in accordance with the principles of "Fund" accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements. The transactions of each fund are reflected in a self-balancing group of accounts, an accounting entity which stands separate from the activities reported in other funds. All transactions are accounted for in a single fund, the General Fund. The General Fund is used for all financial resources except those required by law or contract to be restricted.

UNION CEMETERY ASSOCIATION OF BOSTON TOWNSHIP  
SUMMIT COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
For the Years Ended December 31, 2013 and 2012

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)**

**E. FUND BALANCE**

Fund balance is divided into five classifications based primarily on the extent to which the Cemetery must observe constraints imposed upon the use of its governmental fund resources. The classifications are as follows:

1. Nonspendable – The Cemetery classifies assets as nonspendable when legally or contractually required to maintain the amounts intact.
2. Restricted – Fund balance is restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.
3. Committed – The Board can commit amounts via formal action (resolution). The Cemetery must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.
4. Assigned – Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. Governmental funds other than the general fund report all fund balances as assigned unless they are restricted or committed. In the general fund, assigned amounts represent intended uses established by the Board or a Cemetery official delegated that Cemetery by resolution, or by State Statute.
5. Unassigned – Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Cemetery applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**F. PROPERTY, PLANT AND EQUIPMENT**

The Cemetery records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

UNION CEMETERY ASSOCIATION OF BOSTON TOWNSHIP  
SUMMIT COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
For the Years Ended December 31, 2013 and 2012

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

The Cemetery maintains a deposit pool for its use. The Ohio Revised Code prescribes allowable deposits. The carrying amount of cash at December 31 was as follows:

	<u>2013</u>	<u>2012</u>
Demand Deposits	\$ 23,946	\$ 44,970
Total	<u>\$ 23,946</u>	<u>\$ 44,970</u>

Deposits: Deposits are insured by the Federal Depository Insurance Company, or collateralized by the financial institution's public entity deposit pool.

**3. RISK MANAGEMENT**

The Cemetery has obtained commercial insurance for the following risks:

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

Settled claims have not exceeded this commercial coverage in any of the last three years. The Cemetery has not reduced coverages from last year.

**4. CONTINGENT LIABILITIES**

Management claims there are no pending claims or lawsuits.

Rockefeller Building  
614 W Superior Ave Ste 1242  
Cleveland, OH 44113-1306  
Office phone - (216) 575-1630  
Fax - (216) 436-2411

***Charles E. Harris & Associates, Inc.***  
*Certified Public Accountants*

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Union Cemetery Association of Boston Township  
Summit County  
6780 Riverview Road  
Peninsula, Ohio 44264

To the Board of Trustees:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Union Cemetery Association of Boston Township, Summit County, (the Cemetery) as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements, and have issued our report thereon dated June 23, 2014, wherein we noted the Cemetery followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permit.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the Cemetery's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Cemetery's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Cemetery's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.


***Compliance and Other Matters***

As part of reasonably assuring whether the Cemetery's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

However, we noted certain matters not requiring inclusion in this report that we have reported to management of the Cemetery in a separate letter dated June 23, 2014.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Cemetery's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Cemetery's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CHARLES E. HARRIS & ASSOCIATES, INC.**

June 23, 2014



# Dave Yost • Auditor of State

**UNION CEMETERY ASSOCIATION OF BOSTON TOWNSHIP**

**SUMMIT 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 29, 2014**