



**& ASSOCIATES**

CERTIFIED PUBLIC ACCOUNTANTS

**ROCK CREEK UNION CEMETERY  
ASHTABULA COUNTY**

**REGULAR AUDIT  
FOR THE YEARS ENDED  
DECEMBER 31, 2009 & 2008**





# Mary Taylor, CPA

Auditor of State

Board of Trustees  
Rock Creek Union Cemetery  
P.O. Box 49  
Rock Creek, Ohio 44084

We have reviewed the *Independent Accountants' Report* of Rock Creek Union Cemetery, Ashtabula County, prepared by Canter & Associates, for the audit period January 1, 2008 through December 31, 2009. 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.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Accountants' Report* on your financial statements. While the Auditor of State does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Accountants' Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

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. Rock Creek Union Cemetery is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA  
Auditor of State

July 13, 2010

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**ROCK CREEK UNION CEMETERY  
ASHTABULA COUNTY**

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## INDEPENDENT ACCOUNTANTS' REPORT

Rock Creek Union Cemetery  
Ashtabula County  
P.O. Box 49  
Rock Creek, Ohio 44084

To the Board of Trustees:

We have audited the accompanying financial statements of the Rock Creek Union Cemetery, Ashtabula County, (the Cemetery) as of and for the years ended December 31, 2009 and 2008. 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Cemetery has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also reporting the Cemetery's larger (i.e. major) funds separately. While the Cemetery does not follow GAAP, generally accepted auditing standards require us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require the Cemetery to reformat their statements. The Cemetery has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2009 and 2008 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Cemetery as of December 31, 2009 and 2008, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Rock Creek Union Cemetery, Ashtabula County, as of December 31, 2009 and 2008, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Cemetery to include Management's Discussion and Analysis for the years ended December 31, 2009 and 2008. The Cemetery has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2010, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



**Canter and Associates**

June 17, 2010



**ROCK CREEK UNION CEMETERY  
ASHTABULA COUNTY**

**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, 2009**

	<u>Governmental Fund Types</u>		<u>Fiduciary Fund</u>	<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Capital Projects</u>	<u>Private Purpose Trust</u>	
<b>Cash Receipts:</b>				
Local Taxes	\$26,087	\$0	\$0	\$26,087
Charges for Services	2,325	0	0	2,325
Interest	0	13	312	325
Miscellaneous	1,829	0	0	1,829
	<u>30,241</u>	<u>13</u>	<u>312</u>	<u>30,566</u>
Total Cash Receipts				
<b>Cash Disbursements:</b>				
Current:				
Salaries and Wages	16,120	0	0	16,120
Tools and Equipment	610	0	0	610
Supplies and Materials	854	0	0	854
Contracts - Services	12,404	0	0	12,404
Land and Building	2,842	0	0	2,842
Insurance	660	0	0	660
OPERS	2,246	0	0	2,246
Workers Compensation	464	0	0	464
Miscellaneous	335	0	0	335
	<u>36,535</u>	<u>0</u>	<u>0</u>	<u>36,535</u>
Total Cash Disbursements				
Total Receipts Over/(Under) Disbursements	(6,294)	13	312	(5,969)
Fund Cash Balances, January 1	17,363	13,561	37,400	68,324
<b>Fund Cash Balances, December 31</b>	<b><u>\$11,069</u></b>	<b><u>\$13,574</u></b>	<b><u>\$37,712</u></b>	<b><u>\$62,355</u></b>

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

**ROCK CREEK UNION CEMETERY  
ASHTABULA COUNTY**

**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, 2008**

	<u>Governmental Fund Types</u>		<u>Fiduciary Fund</u>	<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Capital Projects</u>	<u>Private Purpose Trust</u>	
<b>Cash Receipts:</b>				
Local Taxes	\$23,367	\$0	\$0	\$23,367
Charges for Services	3,450	0	0	3,450
Interest	0	37	592	629
Miscellaneous	4,590	0	0	4,590
	<u>31,407</u>	<u>37</u>	<u>592</u>	<u>32,036</u>
Total Cash Receipts				
<b>Cash Disbursements:</b>				
Current:				
Salaries and Wages	13,800	0	0	13,800
Tools and Equipment	1,136	0	0	1,136
Supplies and Materials	468	0	0	468
Contracts - Services	2,972	0	0	2,972
Professional Fees	6,363	0	0	6,363
Land and Building	2,094	0	0	2,094
Insurance	735	0	0	735
OPERS	1,944	0	0	1,944
Workers Compensation	465	0	0	465
Miscellaneous	2,525	0	0	2,525
	<u>32,502</u>	<u>0</u>	<u>0</u>	<u>32,502</u>
Total Cash Disbursements				
Total Receipts Over/(Under) Disbursements	(1,095)	37	592	(466)
Fund Cash Balances, January 1	<u>18,458</u>	<u>13,524</u>	<u>36,808</u>	<u>68,790</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$17,363</u></b>	<b><u>\$13,561</u></b>	<b><u>\$37,400</u></b>	<b><u>\$68,324</u></b>

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

**ROCK CREEK UNION CEMETERY**  
**ASHTABULA COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009 AND 2008

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges for the Rock Creek Union Cemetery, Ashtabula County, (the Cemetery) as a body corporate and politic. The Cemetery is directed by an appointed three-member Board of Trustees to direct cemetery operations. The Board is appointed by the Village of Rock Creek and Morgan 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 the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements basis of accounting. This basis recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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).

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

**C. Cash and Investments**

The Cemetery includes investments as assets. The Cemetery does not report purchases of investments as disbursements or investment sales as receipts. The Cemetery recognizes gains or losses at the time of sale as receipts or disbursements, respectively.

Certificate of deposits 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 presents all financial resources except those required to be accounted for in another fund.

**ROCK CREEK UNION CEMETERY**  
**ASHTABULA COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009 AND 2008

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**2. Capital Projects Fund**

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through trust funds). The Cemetery had the following significant Capital Projects Fund:

*Chapel Fund* – This fund is used to account for donations for the sole purpose of construction and maintenance of the chapel in the Cemetery.

**3. Fiduciary Fund (Trust Fund)**

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

*Cemetery Trust Fund* – This fund is a Private Purpose Trust fund that receives interest from fund investments. Proceeds are used to maintain grave sites and provide overall maintenance to the Cemetery.

**E. Budgetary Process**

The Cemetery is not required to follow the budgetary process of the Ohio Revised Code but has decided to adopt a formal budget annually. The Cemetery's Board only budgets for its General Fund annually.

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function level of control and appropriations may not exceed estimated resources. The Board of Trustees annually approves an appropriation measure and any 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. Although not required, the Cemetery files a certificate of estimated resources with the County Budget Commission to limit appropriations.

A summary of 2009 and 2008 budgetary activity appears in Note 3.

**F. Property, Plant and Equipment**

The financial statements report acquisitions of property, plant and equipment as capital outlay disbursements when paid. The financial statements do not report these items as assets.

**ROCK CREEK UNION CEMETERY**  
ASHTABULA COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009 AND 2008

**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:

	2009	2008
Demand deposits	\$42,563	\$48,922
Certificates of deposit	19,792	19,402
Total deposits	\$62,355	\$68,324

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

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2009 and 2008 follows:

2009 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$26,800	\$30,241	\$3,441

2009 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$41,770	\$36,535	\$5,235

2008 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$26,800	\$31,407	\$4,607

2008 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$45,000	\$32,502	\$12,498

**ROCK CREEK UNION CEMETERY**  
**ASHTABULA COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009 AND 2008

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**4. RETIREMENT SYSTEMS**

The Cemetery's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2009 and 2008, OPERS members contributed 10 percent of their gross salaries. The Cemetery contributed an amount equaling 14 percent of participants' gross salaries for both years. The Cemetery has paid all contributions required through December 31, 2009.

**5. RISK MANAGEMENT**

**Commercial Insurance**

The Rock Creek Union Cemetery obtained commercial insurance for the following risks:

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



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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING  
STANDARDS***

Rock Creek Union Cemetery  
Ashtabula County  
P.O. Box 49  
Rock Creek, Ohio 44084

To the Board of Trustees:

We have audited the financial statements of the Rock Creek Union Cemetery, (the Cemetery), Ashtabula County, as of and for the years ended December 31, 2009 and 2008 and have issued our report thereon dated June 17, 2010, wherein we noted the Cemetery followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. 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 the Comptroller General of the United States' *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Cemetery's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Cemetery's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Cemetery's internal control over financial reporting.

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 more than a reasonable possibility that a material misstatement of the Cemetery's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

**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, providing an opinion 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*.

We did note certain matters not requiring inclusion in this report that we reported to the Cemetery's management in a separate letter dated June 17, 2010.

We intend this report solely for the information and use of management and others within the Cemetery. We intend it for no one other than these specified parties.



CANTER & ASSOCIATES

Poland, Ohio

June 17, 2010





**Mary Taylor, CPA**  
Auditor of State

**ROCK CREEK 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 27, 2010**