

**WOODLAWN UNION CEMETERY
MEDINA COUNTY, OHIO**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006



Mary Taylor, CPA

Auditor of State

Board of Trustees
Woodlawn Union Cemetery
P.O. Box 494
Wadsworth, Ohio 44281

We have reviewed the *Report of Independent Accountants* of the Woodlawn Union Cemetery, Medina County, prepared by Knox & Knox, for the audit period January 1, 2006 through December 31, 2007. 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 *Report of Independent Accountants* 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 *Report of Independent Accountants* 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. The Woodlawn Union Cemetery is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

September 22, 2008

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**WOODLAWN UNION CEMETERY
MEDINA COUNTY, OHIO**

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KNOX & KNOX

Accountants and Consultants

REPORT OF INDEPENDENT ACCOUNTANTS

Woodland Union Cemetery
Medina County
P. O. Box 494
Wadsworth, Ohio 44281

To the Board of Trustees,

We have audited the accompanying financial statements of the Woodlawn Union Cemetery, Medina County, Ohio, (the Cemetery) as of and for the years ended December 31, 2007, and December 31, 2006. 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 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 that 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.

Revisions to GAAP would require the Cemetery to reformat its financial statement presentation and make other changes effective for the years ended December 31, 2007 and 2006. While the Cemetery does not follow GAAP, auditing standards generally accepted in the United States of America require us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Cemetery has elected not to reformat its statements. Since the Cemetery does not use GAAP to measure the financial statement amounts, 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, 2007 and 2006, 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, 2007 and 2006, 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 fund cash balances of Woodlawn Union Cemetery as of December 31, 2007 and 2006, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

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 July 22, 2008, 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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. 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 assessing the results of our audit.

KNOX & KNOX

Orrville, Ohio
July 22, 2008

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**WOODLAWN UNION CEMETERY
MEDINA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCES - GENERAL FUND
FOR THE YEARS ENDED 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
CASH RECEIPTS:		
Intergovernmental	\$108,129	\$69,241
Charges for Services	80,013	63,144
Sale of Lots	22,850	13,775
Interest	6,468	8,275
Miscellaneous	<u>293</u>	<u>12</u>
Total Cash Receipts	<u>217,753</u>	<u>154,447</u>
CASH DISBURSEMENTS		
Current:		
Salaries	115,793	111,643
Supplies	6,254	8,511
Equipment	275	6,319
Contracts - Repair	5,759	21,023
Public Employees Retirement	16,037	15,295
Workers' Compensation	3,585	3,537
Insurance	30,136	27,444
Medical Expenses - Payroll	1,009	972
Miscellaneous	<u>10,487</u>	<u>12,167</u>
Total Cash Disbursements	<u>189,335</u>	<u>206,911</u>
Total Receipts Over/(Under) Disbursements)	28,418	(52,464)
Fund Cash Balances, January 1	<u>140,286</u>	<u>192,750</u>
FUND CASH BALANCES, DECEMBER 31	<u>\$168,704</u>	<u>\$140,286</u>

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

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**WOODLAWN UNION CEMETERY
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Woodlawn Union Cemetery, Medina 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. Two members of the Board are appointed by the City of Wadsworth, and the third member is appointed by Wadsworth 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 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 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

Money market accounts are valued at cost.

D. Fund Accounting

The Cemetery uses a General Fund to account for all resources.

E. 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.

F. Accumulated Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as leaving employment. Unpaid vacations and sick leave are not reflected as a liability under the basis of accounting used by the Cemetery.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31, was as follows:

	<u>2007</u>	<u>2006</u>
Checking	\$26,077	\$3,922
Money market	142,625	136,362
Total deposits	<u>\$168,702</u>	<u>\$140,284</u>

Deposits are either insured by the Federal Depository Insurance Corporation, or collateralized by the financial institution's public entity pool.

**WOODLAWN UNION CEMETERY
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**

3. RETIREMENT SYSTEMS

The Cemetery's employees belong to the Ohio Public Employee's Retirement System (OPERS) of Ohio. OPERS is a cost sharing, multiple-employer plan. The plan provides retirement benefits, including post-retirement 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 2007 and 2006, OPERS members contributed 9.5% and 9.0% of their gross salaries, respectively. The Cemetery contributed an amount equal to 13.85% (2007) and 13.7% (2006) of participants' gross salaries. The Cemetery has paid all contributions required through December 31, 2007.

4. RISK MANAGEMENT

The Cemetery has obtained commercial insurance for the following risks:

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

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KNOX & KNOX

Accountants and Consultants

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

Woodlawn Union Cemetery
Medina County
P. O. Box 494
Wadsworth, OH 44281

To the Board of Trustees:

We have audited the financial statements of Woodlawn Union Cemetery, Medina County, Ohio (the Cemetery), as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated July 22, 2008 wherein we noted that the Cemetery prepared its financial statements using accounting practices prescribed by the Auditor of State 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the Cemetery's internal control over financial reporting as basis for designing our audit procedures in order to express our opinions on the financial statements, but not to opine 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 control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Cemetery's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Cemetery's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Cemetery's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be 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. However, we noted other matters that we reported to the Cemetery's management in a separate letter dated July 22, 2008.

Woodlawn Union Cemetery
Medina County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
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COMPLIANCE AND OTHER MATTERS

As part of reasonably assuring whether the Cemetery's basic 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*.

This report is intended for the information and use of the audit committee, management, and the Board of Trustees, and should not be used by anyone other than these specified parties.

KNOX & KNOX

Orrville, Ohio
July 22, 2008



Mary Taylor, CPA
Auditor of State

WOODLAWN UNION CEMETERY

MEDINA 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
OCTOBER 2, 2008**