

**WOODLAWN UNION CEMETERY  
MEDINA COUNTY, OHIO**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004**





**Auditor of State  
Betty Montgomery**

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

We have reviewed the *Report of Independent Accountants* of Woodlawn Union Cemetery, Medina County, prepared by Knox & Knox, CPAs, for the audit period January 1, 2004 through December 31, 2005. 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. Woodlawn Union Cemetery is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY  
Auditor of State

October 11, 2006

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**WOODLAWN UNION CEMETERY  
MEDINA COUNTY, OHIO**

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# KNOX & KNOX

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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, 2005, and December 31, 2004. 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, 2005 and 2004. 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, 2005 and 2004, 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, 2005 and 2004, 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, 2005 and 2004, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

The aforementioned revision to accounting principles generally accepted in the United States of America also requires the Cemetery to include Management's Discussion and Analysis for the years ended December 31, 2005 and 2004. 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 19, 2006, 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.

KNOX & KNOX

Orrville, Ohio  
July 19, 2006

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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 2005 AND 2004**

	General Fund	
	2005	2004
Cash Receipts		
Intergovernmental	\$65,944	\$62,803
Charges for Services	74,905	71,880
Sale of Lots	23,550	18,225
Interest	2,895	2,541
Miscellaneous	350	374
Total Cash Receipts	167,644	155,823
Cash Disbursements		
Current:		
Salaries	108,661	106,066
Supplies	6,980	6,435
Equipment	5,891	5,382
Contracts - Repair	2,006	4,017
Public Employees' Retirement	14,660	14,346
Workers' Compensation	6,822	7,691
Insurance	24,954	24,839
Miscellaneous	14,905	9,221
Total Cash Disbursements	184,879	177,997
Total Cash Receipts over/(Under)		
Cash Disbursements	(17,235)	(22,174)
Other Financing Receipts/Disbursements:		
Sale of Fixed Assets	8,344	8,440
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(8,891)	(13,734)
Fund Cash Balances, January 1	201,641	215,375
Fund Cash Balances, December 31	\$192,750	\$201,641

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  
DECEMBER 31, 2005 AND 2004**

**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

Certificates of deposit 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>2005</u>	<u>2004</u>
Demand deposits	\$ 14,051	\$ 25,599
Certificates of deposit	<u>178,699</u>	<u>176,042</u>
Total deposits and investments	<u>\$192,750</u>	<u>\$201,641</u>

Deposits

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  
DECEMBER 31, 2005 AND 2004**

(Continued)

**3. RETIREMENT SYSTEMS**

The Cemetery's employees belong to the Public Employee's Retirement System (PERS) of Ohio. PERS 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 2005 and 2004, PERS members contributed 8.5 % of their gross salaries. The Cemetery contributed an amount equal to 13.55 % of the participants gross salaries for 2005 and 2004. The Cemetery has paid all contributions required through December 31, 2005.

**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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Accountants and Consultants

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

Board of Trustees  
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, 2005 and 2004, and have issued our report thereon dated July 19, 2006 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.

### Compliance

A 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 audits, 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 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 another matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Cemetery, in a separate letter dated July 19, 2006.

Woodlawn Union Cemetery  
Medina County  
Report of Independent Accountants on Compliance and Internal  
Control Required by *Government Auditing Standards*.  
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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 19, 2006





**Auditor of State  
Betty Montgomery**

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**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 19, 2006**