



**WYANDOT COUNTY AGRICULTURAL SOCIETY  
WYANDOT COUNTY**

**REGULAR AUDIT**

**FOR THE FISCAL YEARS ENDED NOVEMBER 30, 2023-2022**

**OHIO AUDITOR OF STATE  
KEITH FABER**





**WYANDOT COUNTY AGRICULTURAL SOCIETY  
WYANDOT COUNTY  
NOVEMBER 30, 2023 AND 2022**

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# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

Wyandot County Agricultural Society  
Wyandot County  
10171 State Highway 53 North  
Upper Sandusky, Ohio 43351

To the Board of Directors:

### **Report on the Audit of the Financial Statements**

#### ***Unmodified and Adverse Opinions***

We have audited the financial statements of Wyandot County Agricultural Society, Wyandot County, Ohio (the Society), which comprises the cash balances, receipts and disbursements as of and for the years ended November 30, 2023 and 2022, and the related notes to the financial statements.

#### ***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements as of and for the years ended November 30, 2023 and 2022, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

#### ***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* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Society, as of November 30, 2023 and 2022, or the changes in financial position thereof for the year then ended.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Society, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 2 of the financial statements, the financial statements are prepared by the Society on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Society's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Society's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 22, 2024, on our consideration of the Society'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 solely 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 effectiveness of the Society's 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 Society's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio

August 22, 2024

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**Wyandot County Agricultural Society**  
*Wyandot County*  
*Statement of Receipts, Disbursements and*  
*Change in Fund Balance (Regulatory Cash Basis)*  
*For the Fiscal Year Ended November 30, 2023*

<b>Operating Receipts</b>	
Admissions	\$179,516
Privilege Fees	70,755
Rentals	116,956
Sustaining and Entry Fees	12,700
Other Operating Receipts	<u>55,249</u>
<i>Total Operating Receipts</i>	<u>435,176</u>
<b>Operating Disbursements</b>	
Wages and Benefits	58,222
Utilities	65,784
Professional Services	84,270
Equipment and Grounds Maintenance	109,785
Property and Rent Services	99,866
Race Purse	117,639
Senior Fair	11,741
Junior Fair	19,796
Capital Outlay	80,542
Other Operating Disbursements	<u>156,078</u>
<i>Total Operating Disbursements</i>	<u>803,723</u>
<i>Excess of Operating Disbursements Over Operating Receipts</i>	<u>(368,547)</u>
<b>Non-Operating Receipts (Disbursements)</b>	
State Support	58,358
Local Support	3,300
Donations/Contributions	285,420
Debt Service	<u>(130)</u>
<i>Net Non-Operating Receipts (Disbursements)</i>	<u>346,948</u>
<i>Excess of Disbursements Over Receipts</i>	(21,599)
Cash Balance, Beginning of Year	<u>172,224</u>
<i>Cash Balance, End of Year</i>	<u><u>\$150,625</u></u>

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

**Wyandot County Agricultural Society**  
*Wyandot County*  
*Notes to the Financial Statement*  
*For the Fiscal Year Ended November 30, 2023*

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**Note 1 – Reporting Entity**

Wyandot County Agricultural Society, Wyandot County, Ohio (the Society) is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Society is a county agricultural society corporation formed under Chapter 1711 of the Ohio Revised Code. The Society was founded in 1851 to operate an annual agricultural fair. The Society sponsors the week-long Wyandot County Fair during September. During the fair, harness races are held. Wyandot County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of 21 directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Wyandot County and pay an annual membership fee to the Society.

The reporting entity includes all activity occurring on the fairgrounds. This includes the annual fair, harness racing during fair week and simulcast relating to harness racing. Other year-round activities at the fairgrounds including facility rental, track and stall rental, and community events including Reverse Raffle, Dueling Piano's. The reporting entity does not include any other activities or entities of Wyandot County, Ohio.

Notes 9 and 10, respectively, summarize the Junior Fair Board's and Junior Livestock Sale Committee's financial activity.

The Society's management believes this financial statement presents all activities for which the Society is financially accountable.

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

The Society's financial statement consists of a statement of receipts, disbursements and changes in fund balances (regulatory cash basis).

***Basis of Accounting***

This financial statement follows the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C). This basis is similar to the cash receipts and disbursements accounting basis. The Society recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

This statement includes adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit.

***Deposits and Investments***

The Society'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.

**Wyandot County Agricultural Society**  
*Wyandot County*  
*Notes to the Financial Statement*  
*For the Fiscal Year Ended November 30, 2023*

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***Capital Assets***

The Society records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statement does not report these items as assets.

***Leases***

The Society is the lessee in various leases (as defined by GASB 87) related to equipment under noncancelable leases. Lease disbursements are recognized when they are paid.

***Race Purse***

Harness Race stake races are held during the Wyandot County Fair. The Society pays all Sustaining and Entry fees and the required portion of the cash received from the Ohio Fairs Fund as Race Purse to winning horses.

***Sustaining and Entry Fees*** Horse owners and Western Ohio Colt Racing Association pay fees to the Society to qualify horses for entry into stake races. They must make payment before a horse can participate in a stake race. The accompanying financial statement reports these fees as Sustaining and Entry Fees.

***Ohio Fairs Fund*** The State of Ohio contributes money to the Society from the Ohio Fairs Fund to supplement the race purse. See Note 4 for additional information.

**Note 3 – Deposits**

The Society maintains a deposits pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at November 30 was as follows:

	2023
Demand deposits	\$140,532
Other time deposits (savings and NOW accounts)	10,093
Total deposits	\$150,625

***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation;

At various times throughout the year, there were deposits which were not insured or collateralized, contrary to Ohio law.

**Note 4 – Horse Racing**

***State Support Portion of Purse***

The financial statement reports Ohio Fairs Fund money, received to supplement purse for the fiscal year ended November 30, 2022, in the amount of \$17,733 as State Support.

**Wyandot County Agricultural Society**  
*Wyandot County*  
*Notes to the Financial Statement*  
*For the Fiscal Year Ended November 30, 2023*

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**Note 5 – Risk Management**

Workers' Compensation coverage is provided by the State of Ohio. The Society pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The Wyandot County Commissioners provide general insurance coverage for all the buildings on the Wyandot County Fairgrounds pursuant to Ohio Revised Code Section 1711.24.

The Society is a member of the Public Entities Pool of Ohio (the Pool). The Pool assumes the risk of loss up to the limits of the Society's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2023</u>
Cash and investments	\$43,996,442
Actuarial liabilities	\$19,743,401

**Note 6 – Social Security**

Society employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Society contributed an amount equal to 6.2 percent of participants' gross salaries. The Society has paid all contributions required through November 30, 2023.

**Note 7 – Debt**

During 2023, The Society had a \$30,000 line of credit available through AgCredit, Agricultural Credit Association.. The line of credit has a variable interest rate based on the prime rate in effect on the interest Change Date plus 1.125 percentage points. As of November 30, 2023, there was no balance outstanding on the line of credit.

**Wyandot County Agricultural Society**  
*Wyandot County*  
*Notes to the Financial Statement*  
*For the Fiscal Year Ended November 30, 2023*

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**Note 8 – Related Party Transactions**

A Board member is the daughter of an owner of a company from which the Society acquired gravel for the race track during 2023. The Society paid \$1,912 for the stone / gravel during 2023. There is no contract voted on for the payments made to this company. The Board member was not a signer on the checks issued to the company during the audit period.

**Note 9 – Junior Fair Board**

The Junior Fair Board, which is composed of 4-H, FFA, Boy Scout, Girl Scout, and Farm Bureau Youth organization representatives, is responsible for the Junior Fair Division activities of the Wyandot County Fair. The Society disbursed \$19,796 directly to vendors to support Junior Fair activities. These expenses are reflected as a disbursement in the accompanying financial statement as Junior Fair Disbursement. The Junior Fair Board accounts for its activities separately. The accompanying financial statement does not include this activity. The Junior Fair Board’s financial activity for the fiscal year ended November 30, 2023, follows:

	2023
Beginning Cash Balance	\$17,848
Receipts	50,768
Disbursements	(35,026)
Ending Cash Balance	\$33,590

**Note 10 – Junior Livestock Sale Committee**

The Junior Livestock Committee is a separate committee charged with running the Junior Livestock Auction. This auction is held during fair week. Children may sell their animals directly to market or through the Wyandot County’s auction. A commission of 3 percent on auction sales covers auction costs. Division and reserve district champions are assessed a 4 percent, and all grand and reserve’s are assessed a 5 percent fee. The Junior Livestock Committee retains this money. The accompanying financial statement does not include the Junior Livestock Committee’s activities. The Junior Livestock Committee’s financial activity for the fiscal year ended November 30, 2023, follows:

	2023
Beginning Cash Balance	\$158,818
Receipts	560,113
Disbursements	(518,762)
Ending Cash Balance	\$200,169

**Note 11 – Other Operating Receipts**

Other operating receipts consist mainly of utility and other miscellaneous fees collected.

**Wyandot County Agricultural Society**  
*Wyandot County*  
*Statement of Receipts, Disbursements and*  
*Change in Fund Balance (Regulatory Cash Basis)*  
*For the Fiscal Year Ended November 30, 2022*

<b>Operating Receipts</b>	
Taxes	\$217
Admissions	181,251
Privilege Fees	65,798
Rentals	138,322
Sustaining and Entry Fees	10,550
Pari-mutuel Wagering Commission	216
Other Operating Receipts	43,235
	43,235
<i>Total Operating Receipts</i>	<i>439,589</i>
	439,589
<b>Operating Disbursements</b>	
Wages and Benefits	52,980
Utilities	65,631
Professional Services	113,211
Equipment and Grounds Maintenance	71,892
Property and Rent Services	98,454
Race Purse	111,014
Senior Fair	10,516
Junior Fair	19,717
Capital Outlay	6,929
Other Operating Disbursements	77,338
	77,338
<i>Total Operating Disbursements</i>	<i>627,682</i>
	627,682
<i>Excess of Operating Disbursements Over Operating Receipts</i>	<i>(188,093)</i>
	(188,093)
<b>Non-Operating Receipts (Disbursements)</b>	
State Support	8,868
Local Support	6,600
Donations/Contributions	218,325
Sale of Assets	106
Debt Service	(155)
	(155)
<i>Net Non-Operating Receipts (Disbursements)</i>	<i>233,744</i>
	233,744
<i>Excess of Receipts Over Disbursements</i>	<i>45,651</i>
	45,651
Cash Balance, Beginning of Year	126,573
	126,573
<i>Cash Balance, End of Year</i>	<i>\$172,224</i>
	\$172,224

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

**Wyandot County Agricultural Society**  
*Wyandot County*  
*Notes to the Financial Statement*  
*For the Fiscal Year Ended November 30, 2022*

---

**Note 1 – Reporting Entity**

Wyandot County Agricultural Society, Wyandot County, Ohio (the Society) is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Society is a county agricultural society corporation formed under Chapter 1711 of the Ohio Revised Code. The Society was founded in 1851 to operate an annual agricultural fair. The Society sponsors the week – long Wyandot County Fair during September. During the fair, harness races are held. Wyandot County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of 21 directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Wyandot County and pay an annual membership fee to the Society.

The reporting entity includes all activity occurring on the fairgrounds. This includes the annual fair, harness racing during fair week and simulcast relating to harness racing. Other year-round activities at the fairgrounds including facility rental, track and stall rental, and community events including Reverse Raffle, and Dueling Piano's. The reporting entity does not include any other activities or entities of Wyandot County, Ohio.

Notes 9 and 10, respectively, summarize the Junior Fair Board's and Junior Livestock Sale Committee's financial activity.

The Society's management believes this financial statement presents all activities for which the Society is financially accountable.

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

The Society's financial statement consists of a statement of receipts, disbursements and changes in fund balances (regulatory cash basis).

***Basis of Accounting***

This financial statement follows the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C). This basis is similar to the cash receipts and disbursements accounting basis. The Society recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

This statement includes adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit.

***Deposits and Investments***

The Society'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.

**Wyandot County Agricultural Society**  
*Wyandot County*  
*Notes to the Financial Statement*  
*For the Fiscal Year Ended November 30, 2022*

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***Capital Assets***

The Society records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statement does not report these items as assets.

***Leases***

The Society is the lessee in various leases (as defined by GASB 87) related to equipment under noncancelable leases. Lease disbursements are recognized when they are paid.

***Race Purse***

Harness Race stake races are held during the Wyandot County Fair. The Society pays all Sustaining and Entry fees and the required portion of the cash received from the Ohio Fairs Fund as Race Purse to winning horses.

***Sustaining and Entry Fees*** Horse owners and Western Ohio Colt Racing Association pay fees to the Society to qualify horses for entry into stake races. They must make payment before a horse can participate in a stake race. The accompanying financial statement reports these fees as Sustaining and Entry Fees.

***Ohio Fairs Fund*** The State of Ohio contributes money to the Society from the Ohio Fairs Fund to supplement the race purse. See Note 4 for additional information.

***Pari-mutuel Wagering***

A wagering system totals the amounts wagered and adjusts the payoff to reflect the relative amount bet on different horses and various odds. The total amount bet (also known as the “handle”), less commission, is paid to bettors in accordance with the payoffs, as the pari-mutuel wagering system determines. The Society contracts with a totalizer service to collect bets and provide the pari-mutuel wagering system.

Pari-mutuel wagering commission (the commission) is the Society’s share of total pari-mutuel wagers after payment of amounts to winning bettors. The commission is determined by applying a statutory percentage to the total amount bet and is reflected in the accompanying financial statement as Pari-mutuel Wagering Commission. See Note 4 for additional information.

**Note 3 – Deposits**

The Society maintains a deposits pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at November 30 was as follows:

	2022
Demand deposits	\$164,801
Other time deposits (savings and NOW accounts)	7,423
Total deposits	\$172,224



**Wyandot County Agricultural Society**  
*Wyandot County*  
*Notes to the Financial Statement*  
*For the Fiscal Year Ended November 30, 2022*

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***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation;

At various times throughout the year, there were deposits which were not insured or collateralized, contrary to Ohio law.

**Note 4 – Horse Racing**

***State Support Portion of Purse***

The financial statement reports Ohio Fairs Fund money, received to supplement purse for the fiscal year ended November 30, 2022, in the amount of \$7,239 as State Support.

***Pari-mutuel Wagering***

The Society does not record the Total Amount Bet or the Payoff to Bettors in the accompany financial statement, rather, it records the Pari-mutuel Wagering Commission which is the Society’s share of total pari-mutuel wagers after paying winning bettors. The expenses of providing the pari-mutuel wagering system are called Tote Services, and these expenses are included in Professional Service Disbursements. State taxes, which are also paid from the Pari-mutuel Wagering Commission, are reflected in Other Operating Disbursements, and the amount remaining is the Society’s net portion.

	2022
Total Amount Bet (Handle)	\$ 6,653
Less: Payoff to Bettors	(5,294)
Parimutuel Wagering Commission	1,359
Tote Service Set Up Fee	(1,300)
Tote Service Commission	(35)
State Tax	(192)
Society Portion	\$ (168)

**Note 5 – Risk Management**

Workers’ Compensation coverage is provided by the State of Ohio. The Society pays the State Workers’ Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The Wyandot County Commissioners provide general insurance coverage for all the buildings on the Wyandot County Fairgrounds pursuant to Ohio Revised Code Section 1711.24.

**Wyandot County Agricultural Society**  
*Wyandot County*  
*Notes to the Financial Statement*  
*For the Fiscal Year Ended November 30, 2022*

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The Society is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Society's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2022</u>
Cash and investments	\$42,310,794
Actuarial liabilities	\$15,724,479

**Note 6 – Social Security**

Society employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Society contributed an amount equal to 6.2 percent of participants' gross salaries. The Society has paid all contributions required through November 30, 2022.

**Note 7 – Debt**

During 2022, The Society had a \$30,000 line of credit available through AgCredit, Agricultural Credit Association. The line of credit has a variable interest rate based on the prime rate in effect on the interest Change Date plus 1.125 percentage points. As of November 30, 2022, there was no balance outstanding on the line of credit.

**Note 8 – Related Party Transactions**

A Board member is the daughter of an owner of a company from which the Society acquired gravel for the race track during 2022. The Society paid \$1,803 for the stone / gravel during 2022. There is no contract voted on for the payments made to this company. The Board member was not a signer on the checks issued to the company during the audit period.

**Note 9 – Junior Fair Board**

The Junior Fair Board, which is composed of 4-H, FFA, Boy Scout, Girl Scout, and Farm Bureau Youth organization representatives, is responsible for the Junior Fair Division activities of the Wyandot County Fair. The Society disbursed \$19,717 directly to vendors to support Junior Fair activities. These expenses are reflected as a disbursement in the accompanying financial statement as Junior Fair Disbursement.

**Wyandot County Agricultural Society**  
*Wyandot County*  
*Notes to the Financial Statement*  
*For the Fiscal Year Ended November 30, 2022*

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The Junior Fair Board accounts for its activities separately. The accompanying financial statement does not include this activity. The Junior Fair Board's financial activity for the fiscal year ended November 30, 2022, follows:

	2022
Beginning Cash Balance	\$20,394
Receipts	35,556
Disbursements	(38,102)
Ending Cash Balance	\$17,848

**Note 10 – Junior Livestock Sale Committee**

The Junior Livestock Committee is a separate committee charged with running the Junior Livestock Auction. This auction is held during fair week. Children may sell their animals directly to market or through the Wyandot County's auction. A commission of 3 percent on auction sales covers auction costs. Division and reserve district champions are assessed a 4 percent, and all grand and reserve's are assessed a 5 percent fee. The Junior Livestock Committee retains this money. The accompanying financial statement does not include the Junior Livestock Committee's activities. The Junior Livestock Committee's financial activity for the fiscal year ended November 30, 2022, follows:

	2022
Beginning Cash Balance	\$141,321
Receipts	515,787
Disbursements	(498,290)
Ending Cash Balance	\$158,818

**Note 11 - Other Operating Receipts**

Other operating receipts consist mainly of utility and other miscellaneous fees collected.

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# OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215  
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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Wyandot County Agricultural Society  
Wyandot County  
10171 State Highway 53 North  
Upper Sandusky, Ohio 43351

To the Board of Directors:

We have audited, in accordance with the 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 (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements as of and for the years ended November 30, 2023 and 2022 and the related notes to the financial statements of Wyandot County Agricultural Society, Wyandot County, Ohio (the Society), and have issued our report thereon dated August 22, 2024, wherein we noted the Society followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code § 117-2-03(C) permit.

### ***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Society's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control. Accordingly, we do not express an opinion on the effectiveness of the Society's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Society's financial statements will not be prevented, or detected and corrected, on a timely basis. 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 deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings as items 2023-001 and 2023-002 that we consider to be material weaknesses.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Society's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Society's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Society's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio

August 22, 2024

**WYANDOT COUNTY AGRICULTURAL SOCIETY  
WYANDOT COUNTY**

**SCHEDULE OF FINDINGS  
NOVEMBER 30, 2023 AND 2022**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2023-001**

**Material Weakness**

**Financial Reporting**

In our audit engagement letter, as required by AU-C Section, 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; 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 as discussed in AU-C Section 210 paragraphs .A14 & .A16.

Errors were noted in the financial statements, resulting in the following audit adjustments:

- Cash balance, beginning of year was overstated in the amount of \$46,919 in 2022.
- Admissions receipts were overstated in the amount of \$30,727 in 2022
- Wages and Benefits disbursements were understated in the amount of \$17,888 in 2022.
- Other Operating disbursements were overstated in the amount of \$57,491 in 2022.
- Cash balance, beginning of year was overstated in the amount of \$67,210 in 2023.
- Other Operating receipts were overstated in the amount of \$14,838 in 2023.
- Wages and Benefits disbursements were understated in the amount of \$15,501 in 2023.
- Professional Services disbursements were overstated in the amount of \$28,075 in 2023.
- Other Operating disbursements were understated in the amount of \$43,526 in 2023.

These errors were the result of inadequate policies and procedures in posting transactions to appropriate account codes in the Society's accounting system. Failure to classify transactions properly caused material errors in the Society's financial statements and notes to the financial statements. The accompanying financial statements and notes to the financial statements have been adjusted to correct these errors. In addition to those adjustments, we also identified additional misstatements ranging from \$25 to \$6,516 that we have brought to the Society's attention.

The Society should adopt policies and procedures to ensure transactions are appropriately recorded, including a final review of the financial statements and notes to the financial statements by the Fiscal Officer and Board of Directors to help identify and correct errors and omissions.

## FINDING NUMBER 2023-002

### Material Weakness

#### Cash Reconciliations

Sound accounting practices require that when designing the public office's system of internal control and the specific control activities, management should ensure adequate security of assets and records, and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

The reconciliation of cash (bank) balances to accounting system records (book) is the most basic and primary control process performed. Lack of completing an accurate and timely reconciliation may allow for accounting errors, theft and fraud to occur without timely detection.

JB & Co accounting firm has been contracted by the Society to be responsible for reconciling the book (fund) balance to the total bank balance on a monthly basis, and the Board and Secretary are responsible for reviewing the reconciliations and related support.

Although JB & Co accounting firm reconciled the bank accounts monthly during the audit period, there are old outstanding items listed on the reconciliations which have not been investigated by the Society Board and Secretary to determine if items should be cleared, voided, or in the case of outstanding checks, moved to unclaimed funds or reissued.

The following reconciling items were noted on the Society's November 30, 2023 reconciliation which were over one year old:

- 386 outstanding checks totaling \$53,719 from the date range November 30, 2016 through November 21, 2022, which should be reviewed and moved to unclaimed funds.
- 11 outstanding deposits in transit / other reconciling credits totaling \$34,216 from the date range of July 22, 2019 through September 25, 2020, which should be reviewed, investigated, and potentially written off.

The outstanding items listed above have a net impact on the Society's ending fund balance of (\$19,503).

We also noted the Board is not given bank reconciliations to review on a monthly basis.

Failure to investigate old reconciliation items increases the possibility that the Society will not be able to identify, assemble, analyze, classify, and record its transactions correctly or to document compliance with finance related legal and contractual requirements. Further, the lack of accurate monthly reconciliations being provided to the Board increases the risk of theft/fraud over the cash cycle and could lead to inaccurate reporting in the annual financial statements.

The Secretary should investigate all reconciling items over a year old to help ensure its contracted accounting firm can prepare accurate monthly bank to book cash reconciliations, which include all bank accounts and all fund balances. Variances should be investigated, documented and corrected. In addition, the Board and Secretary should review the monthly cash reconciliations including the related support (such as reconciling items) and document the reviews.

#### Officials' Response:

We did not receive a response from Officials to the findings reported above.





# Wyandot County Fair

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOVEMBER 30, 2023 AND 2022

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2021-001	This finding was first reported in the audit of the 2014-2015 financial statements. Material weakness over bank reconciliations and timely posting to accounting system.	Not corrected and repeated in this report as Finding 2023-002.	This finding reoccurred as the result of inadequate policies and procedures in completing and reviewing bank reconciliations. The Society's Secretary and Board will investigate these variances.
2021-002	This finding was first reported in the audit of the 2014-2015 financial statements. Material weakness due to errors in financial reporting.	Not corrected and repeated in this report as Finding 2023-001.	This finding reoccurred as the result of inadequate policies and procedures in reviewing the financial statements and notes to the financial statements. The Society Secretary will ensure these are accounted for correctly in the future.

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# OHIO AUDITOR OF STATE KEITH FABER



**WYANDOT COUNTY AGRICULTURAL SOCIETY**

**WYANDOT COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 9/5/2024**

65 East State Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)