



OHIO AUDITOR OF STATE
KEITH FABER



**AUGLAIZE COUNTY AGRICULTURAL SOCIETY
AUGLAIZE COUNTY
NOVEMBER 30, 2022 AND 2021**

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INDEPENDENT AUDITOR'S REPORT

Auglaize County Agricultural Society
1001 Fairview Drive
P.O. Box 431
Wapakoneta, Ohio 45895

To the Board of Directors:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Auglaize County Agricultural Society, Auglaize County, Ohio (the Society), which comprises the cash balances, receipts and disbursements for the proprietary fund type for the fiscal years ended November 30, 2022 and 2021, 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 for the fiscal years ended November 30, 2022 and 2021, 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, 2022 and 2021, or the changes in financial position thereof for the fiscal years 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 November 22, 2023, 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

November 22, 2023

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**AUGLAIZE COUNTY AGRICULTURAL SOCIETY
AUGLAIZE COUNTY
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGE IN CASH BALANCE
FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2022**

	2022
Operating Receipts:	
Taxes	\$ 3,771
Admissions	257,576
Privilege Fees	56,225
Rentals	256,910
Sustaining and Entry Fees	25,525
Parimutuel Wagering Commission	1,066
Other Operating Receipts	53,470
Total Operating Receipts	654,543
Operating Disbursements:	
Wages and Benefits	106,953
Utilities	32,733
Professional Services	302,790
Equipment and Grounds Maintenance	123,823
Property and Rent Services	133,931
Race Purse	103,405
Senior Fair	22,067
Junior Fair	30,610
Capital Outlay	92,484
Other Operating Disbursements	57,965
Total Operating Disbursements	1,006,761
(Deficiency) of Operating Receipts	
(Under) Operating Disbursements	(352,218)
Non-Operating Receipts (Disbursements):	
State Support	12,084
Local Support	40,000
Donations/Contributions	235,913
Investment Income	313
Debt Service	(1,071)
Total Non-Operating Receipts	287,239
Excess (Deficiency) of Receipts Over (Under) Disbursements	(64,979)
Cash Balance, Beginning of Year	234,015
Cash Balance, End of Year	\$ 169,036

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

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Auglaize County Agricultural Society
Auglaize County
Notes to the Financial Statements
For the Fiscal Year Ended November 30, 2022

Note 1 – Reporting Entity

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Auglaize County Agricultural Society, Auglaize County, as a body corporate and politic. The Society is a county agricultural society corporation formed under chapter 1711 of the Ohio Revised code. The Society was founded in 1852 to operate an annual agricultural fair. During the fair, harness races are held, culminating in the running of the races. Auglaize 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 Auglaize County and pay an annual membership fee to the Society.

Reporting Entity

The reporting entity includes all activity occurring on the fairgrounds. This includes the annual fair and harness racing during fair week. Other year round activities at the fairgrounds including facility rental, track and stall rental, and community events including the St. Joe 4th of July Festival. The reporting entity does not include any other activities or entities of Auglaize County, Ohio.

The Senior Fair Board summarizes the Junior Fair Boards and Livestock Sale Committee's financial activity.

The Society's management believes these 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)

Accounting Basis

These financial statements follow 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 Board 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.

These statements include 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.

Auglaize County Agricultural Society
Auglaize County
Notes to the Financial Statements
For the Fiscal Year Ended November 30, 2022
(Continued)

Deposits and Investments

The Society's checking account is with The First National Bank in New Bremen, Auglaize County, Ohio. There are no investments.

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.

Income Tax Status

The Society is a not-for-profit organization, exempt from income taxes under Section 501c3 of the Internal Revenue Code. The Society is not a private foundation within the meaning of Section 509(a). Contributions to the Society are deductible per Section 170(b)(1)(A)(vi). Management is unaware of any actions or events that would jeopardize the Society's tax status.

Race Purse

Stake races are held during the Auglaize County Fair. The Society pays all Sustaining 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 the 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 report these fees as Sustaining and Entry Fees.

Ohio Fair Funds

The State of Ohio contributes money to the Society from the Ohio Fairs Fund to supplement the race purse.

Pari-mutuel Wagering

A wagering system totals the amount 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 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.

Auglaize County Agricultural Society
Auglaize County
Notes to the Financial Statements
For the Fiscal Year Ended November 30, 2022
(Continued)

Note 3 - Deposits

The Society maintains a deposit pool for all funds use. The Ohio Revised Code prescribes allowable deposits. The carrying amount of deposits as of November 30, 2022 was as follows:

Demand Deposits	\$169,036
Total Deposits	\$169,036

All deposits are insured by the Federal Depository Insurance Corporation.

Note 4 – Horse Racing

State Support Portion of Purse

The financial statement reports Ohio Fair Funds money, received to supplement purse for the year ended November 30, 2022 was \$7,238 as State Support.

Pari-mutuel Wagering

The Society does not record the Total Amount Bet rather it records the Pari-mutuel Wagering Commission which is the Society's share of total pari-mutuel wagers after paying winning bettors.

Total Amount Bet	\$15,519
Less Payoff to Bettors	(11,398)
Pari-mutuel Commission	(1,181)
State Tax	(431)
Society Portion	\$2,509

Note 5 – Risk Management

The Auglaize County Commissioners provide general insurance for all the buildings on the Auglaize County Fairgrounds. Pursuant to Ohio Revised Code 1711.24. A private company provides general liability with limits of \$2,000,000 and \$0 aggregate. This policy includes crime coverage for employee dishonesty with limits of liability of \$60,000. The Society's general manager is bonded with coverage of \$100,000.

The Society provides workers compensation on all employees through the State of Ohio workers compensation fund. Coverage is currently in effect through June 2023. The Society pays the State Workers' Compensation System a premium based on a rate per \$100 salaries. This rate is calculated based on accident history and administrative costs.

During 2022, the Society paid \$0 for losses that exceeded insurance coverage.

Auglaize County Agricultural Society
Auglaize County
Notes to the Financial Statements
For the Fiscal Year Ended November 30, 2022
(Continued)

Note 6 – Junior Fair Board

The Junior Fair Board, which is comprised of 4-H, FFA, Boy Scout, Girl Scout and Farm Bureau Youth organization representatives, is responsible for the Junior Fair Division activities of the Auglaize County Fair. The Society disbursed \$30,612.07 directly to the Junior Fair Board and \$0.00 directly to vendors to support Junior Fair activities. These expenses are reflected as a disbursement in the accompanying financial statement as Junior Fair Disbursement. Auglaize County paid the Society \$0.00 to support Junior Fair work. The Junior Fair Board accounts for its activities separately. These accompanying financial statements do not include this activity . The Junior Fair Board's financial activity for the year ended November 30, 2022 follows:

Beginning Cash Balance	\$9,258
Receipts	9,696
Disbursements	<u>(9,299)</u>
Ending Cash Balance	<u>\$9,655</u>

Note 7 – Junior Livestock Sale Committee

The Junior Fair Livestock Committee is a separate committee charged with running the Junior Fair Livestock Auction. This auction is held fair week. Children may sell their animals through the Auglaize County auction. A commission of 1% on auction sales covers auction costs. The accompanying financial statement does not include the Junior Fair Livestock Sale Committee's activities. The Junior Fair Livestock Committee's financial activity for the year end November 30, 2022 is as follows:

Beginning Cash Balance	\$35,852
Receipts	790,544
Disbursements	<u>(782,972)</u>
Ending Cash Balance	<u>\$43,424</u>

Note 8 – Subsequent Events

On December 29, 2022 the Society closed on a commercial loan for the amount of \$100,000 with First National Bank of New Bremen to finance an addition to the Piehl Arena. The Loan terms are for 5 years at 8.5% fixed rate.

**AUGLAIZE COUNTY AGRICULTURAL SOCIETY
AUGLAIZE COUNTY
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGE IN CASH BALANCE
FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2021**

	2021
Operating Receipts:	
Taxes	\$ 4,058
Admissions	254,711
Privilege Fees	47,471
Rentals	216,332
Sustaining and Entry Fees	34,108
Parimutuel Wagering Commission	1,794
Other Operating Receipts	64,773
Total Operating Receipts	623,247
Operating Disbursements:	
Wages and Benefits	107,834
Utilities	24,762
Professional Services	214,113
Equipment and Grounds Maintenance	98,559
Property and Rent Services	134,544
Race Purse	103,405
Senior Fair	18,741
Junior Fair	25,424
Capital Outlay	3,468
Other Operating Disbursements	46,031
Total Operating Disbursements	776,881
(Deficiency) of Operating Receipts	
(Under) Operating Disbursements	(153,634)
Non-Operating Receipts (Disbursements):	
State Support	13,085
Local Support	40,000
Debt Proceeds	19,787
Donations/Contributions	224,429
Investment Income	195
Debt Service	(1,260)
Total Non-Operating Receipts	296,236
Excess (Deficiency) of Receipts Over (Under) Disbursements	142,602
Cash Balance, Beginning of Year	91,413
Cash Balance, End of Year	\$ 234,015

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

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Auglaize County Agricultural Society
Auglaize County
Notes to the Financial Statements
For the Fiscal Year Ended November 30, 2021

Note 1 – Reporting Entity

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Auglaize County Agricultural Society, Auglaize County, as a body corporate and politic. The Society is a county agricultural society corporation formed under chapter 1711 of the Ohio Revised code. The Society was founded in 1852 to operate an annual agricultural fair. During the fair, harness races are held, culminating in the running of the races. Auglaize 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 Auglaize County and pay an annual membership fee to the Society.

Reporting Entity

The reporting entity includes all activity occurring on the fairgrounds. This includes the annual fair and harness racing during fair week. Other year round activities at the fairgrounds including facility rental, track and stall rental, and community events including Memorial Day Swap meet and the St. Joe 4th of July Festival. The reporting entity does not include any other activities or entities of Auglaize County, Ohio.

The Senior Fair Board summarizes the Junior Fair Boards and Livestock Sale Committee's financial activity.

The Society's management believes these 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)

Accounting Basis

These financial statements follow 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 Board 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.

These statements include 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 checking account is with The First National Bank in New Bremen, Auglaize County, Ohio. There are no investments.

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.

Auglaize County Agricultural Society
Auglaize County
Notes to the Financial Statements
For the Fiscal Year Ended November 30, 2021
(Continued)

Income Tax Status

The Society is a not-for-profit organization, exempt from income taxes under Section 501c3 of the Internal Revenue Code. The Society is not a private foundation within the meaning of Section 509(a). Contributions to the Society are deductible per Section 170(b)(1)(A)(vi). Management is unaware of any actions or events that would jeopardize the Society's tax status.

Race Purse

Stake races are held during the Auglaize County Fair. The Society pays all Sustaining 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 the 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 report these fees as Sustaining and Entry Fees.

Ohio Fair Funds

The State of Ohio contributes money to the Society from the Ohio Fairs Fund to supplement the race purse.

Pari-mutuel Wagering

A wagering system totals the amount 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 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.

Note 3 - Deposits

The Society maintains a deposit pool for all funds use. The Ohio Revised Code prescribes allowable deposits. The carrying amount of deposits as of November 30, 2021 was as follows:

Demand Deposits	<u>\$234,015</u>
Total Deposits	<u>\$234,015</u>

All deposits are insured by the Federal Depository Insurance Corporation.

Note 4 – Horse Racing

State Support Portion of Purse

The financial statement reports Ohio Fair Funds money, received to supplement purse for the year ended November 30, 2021 was \$4,727 as State Support.

Auglaize County Agricultural Society
Auglaize County
Notes to the Financial Statements
For the Fiscal Year Ended November 30, 2021
(Continued)

Pari-mutuel Wagering

The Society does not record the Total Amount Bet rather it records the Pari-mutuel Wagering Commission which is the Society's share of total pari-mutuel wagers after paying winning bettors.

Total Amount Bet	\$22,744
Less Payoff to Bettors	(18,874)
Pari-mutuel Commission	(2,076)
State Tax	<u>(676)</u>
Society Portion	<u><u>\$1,118</u></u>

Note 5 – Risk Management

The Auglaize County Commissioners provide general insurance for all the buildings on the Auglaize County Fairgrounds. Pursuant to Ohio Revised Code 1711.24. A private company provides general liability with limits of \$2,000,000 and \$0 aggregate. This policy includes crime coverage for employee dishonesty with limits of liability of \$60,000. The Society's general manager is bonded with coverage of \$100,000.

The Society provides workers compensation on all employees through the State of Ohio workers compensation fund. The Society pays the State Workers' Compensation System a premium based on a rate per \$100 salaries. This rate is calculated based on accident history and administrative costs.

During 2021, the Society paid \$0 for losses that exceeded insurance coverage.

Note 6 – Junior Fair Board

The Junior Fair Board, which is comprised of 4-H, FFA, Boy Scout, Girl Scout and Farm Bureau Youth organization representatives, is responsible for the Junior Fair Division activities of the Auglaize County Fair. The Society disbursed \$25,424 directly to the Junior Fair Board and \$0.00 directly to vendors to support Junior Fair activities. These expenses are reflected as a disbursement in the accompanying financial statement as Junior Fair Disbursement. Auglaize County paid the Society \$0.00 to support Junior Fair work. The Junior Fair Board accounts for its activities separately. These accompanying financial statements do not include this activity . The Junior Fair Board's financial activity for the year ended November 30, 2021 follows:

Beginning Cash Balance	\$8,279
Receipts	8,989
Disbursements	<u>(8,010)</u>
Ending Cash Balance	<u><u>\$9,258</u></u>

Auglaize County Agricultural Society
Auglaize County
Notes to the Financial Statements
For the Fiscal Year Ended November 30, 2021
(Continued)

Note 7 – Junior Livestock Sale Committee

The Junior Fair Livestock Committee is a separate committee charged with running the Junior Fair Livestock Auction. This auction is held fair week. Children may sell their animals through the Auglaize County auction. A commission of 1% on auction sales covers auction costs. The accompanying financial statement does not include the Junior Fair Livestock Sale Committee's activities. The Junior Fair Livestock Committee's financial activity for the year end November 30, 2021 is as follows:

Beginning Cash Balance	\$32,061
Receipts	780,949
Disbursements	<u>(777,158)</u>
Ending Cash Balance	<u><u>\$35,852</u></u>



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

Auglaize County Agricultural Society
1001 Fairview Drive
P.O. Box 431
Wapakoneta, Ohio 45895

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 for the proprietary fund type as of and for the fiscal years ended November 30, 2022 and 2021 and the related notes to the financial statements of the Auglaize County Agricultural Society, Auglaize County, (the Society) and have issued our report thereon dated November 22, 2023, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

November 22, 2023

OHIO AUDITOR OF STATE KEITH FABER



AUGLAIZE COUNTY AGRICULTURAL SOCIETY

AUGLAIZE 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 12/12/2023

88 East Broad 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