



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
ContactUs@ohioauditor.gov  
(800) 282-0370

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Lorain County Agricultural Society  
Lorain County  
23000 Fairgrounds Road  
Wellington, OH 44090

We have performed the procedures enumerated below on the Lorain County Agricultural Society's Agricultural Society's (the Society) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended November 30, 2021 and 2020 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Society. The Society is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended November 30, 2021 and 2020 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Society.

The Board of Trustees and the management of the Society have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Society's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended November 30, 2021 and 2020, and certain compliance requirements related to these transactions and balances. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

### Cash

1. We recalculated the November 30, 2021 and November 30, 2020 bank reconciliations. We found no exceptions.
2. December 1, 2019 beginning fund balance is \$792,443 and November 30, 2019 balance is \$789,380 in the prior year audited statements. There is difference of \$3,063. We also noted the December 1, 2020 beginning fund balance is \$297,577 and November 30, 2020 balance is \$295,311. There is a difference of \$2,266.
3. The total per 2021 bank reconciliation is \$1,004,107 and the total fund cash balance reported in the financial statements filed by the Society in Hinkle System is \$1,004,417. There is a difference of \$310.

The total per 2020 bank reconciliation is \$294,454 and the total fund cash balance reported in the financial statements filed by the Society in Hinkle System is \$295,311. There is a difference of \$857.

4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the November 30, 2021 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) from the November 30, 2021 bank reconciliation:
  - a. We traced each debit to the subsequent December bank statement. We found no exceptions.
  - b. We traced the amounts and dates to the check register and determined the debits were dated prior to November 30. We found no exceptions.
6. We selected one reconciling credit (such as deposit in transit) from the November 30, 2021 bank reconciliation:
  - a. We traced the credit to the subsequent December bank statement. We found no exceptions.
  - b. We agreed the credit amounts to the General Ledger and determined they were dated prior to November 30. We found no exceptions.

#### **Intergovernmental and Other Confirmable Cash Receipts**

1. We selected a total of two receipts from the Distribution Transaction Detail Report (State DTL) from 2021 and a total of two from 2020.
  - a. We compared the amount from the above named report to the amount recorded in the General Ledger. The amounts agreed.
  - b. We inspected the General Ledger to determine these receipts were allocated to the proper account codes. We found no exceptions.
  - c. We inspected the General Ledger to determine whether the receipts were recorded in the proper year. We found no exceptions.

#### **Admission/Grandstand Receipts**

We selected two days of admission/grandstand cash receipts from the year ended November 30, 2021 (no fair in FY2020 due to COVID) recorded in the General Ledger and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc.). The amounts agreed.

For August 25, 2021 and August 27, 2021 the amount recorded in the receipts ledger for August 25, 2021 was \$9,095 and for August 27, 2021 was \$27,210.

- a. The ticket sales recapitulation reported 789 sold on August 25, 2021 and 1814 tickets sold on August 1,814.
- b. The admission price per ticket was \$10 and \$15.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$9,095 for August 25, 2021 and \$27,210 for August 27, 2021, which doesn't exceed the amounts.

### **Privilege Fee Receipts**

We selected 10 privilege fee cash receipts from the year ended November 30, 2021 and 10 privilege fee cash receipts from the year ended November 30, 2020 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the General Ledger. The amounts agreed.
- b. Agreed the rate charged with rates in force during the period. We found no exceptions.
- c. Inspected the General Ledger to determine whether the receipt was recorded in the proper year. We found no exceptions.

### **Rental Receipts**

We selected 10 rental cash receipts from the year ended November 30, 2021 and 10 rental cash receipts from the year ended November 30, 2020 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the General Ledger. The amounts agreed.
- b. Agreed the rate charged with rates in force during the period. We found no exceptions.
- c. Inspected the General Ledger to determine whether the receipt was recorded in the proper year. We found no exceptions.

### **Other Receipts**

We selected 10 other receipts from the year ended November 30, 2021 and 10 other receipts from the year ended November 30, 2020 and:

- a. Agreed the receipt amount recorded in the General Ledger to supporting documentation. The amounts agreed.
- b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the General Ledger to determine the receipt was posted to the proper funds, and was recorded in the proper year. We found no exceptions.

### **Debt**

1. The prior audit documentation disclosed no debt outstanding as of November 30, 2019.
2. We inquired of management, and inspected the receipt and expenditure records for evidence of loan or credit agreements, and bonded, note, County, or mortgage debt issued during 2021 or 2020 or debt payment activity during 2021 or 2020. There were no new debt issuances, nor any debt payment activity during 2021 or 2020.

### **Payroll Cash Disbursements**

1. We selected one payroll check for five employees from 2021 and one payroll check for five employees from 2020 from the General Ledger and:
  - a. We compared the hours and pay rate, or salary recorded in the General Ledger to supporting documentation (timecard, legislatively or statutorily-approved rate or salary).
    - i. No personnel files maintained for the Retirement system, Federal, State & Local income tax withholding authorization.
    - ii. Social Security, Federal, State & Local taxes were withheld.  
We found no exceptions.
  - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.

2. We inspected the last remittance of tax and retirement withholdings for the year ended November 30, 2021 to confirm remittances were timely paid, and that the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2021. We observed the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	December 15, 2021	November 23, 2021	\$2,908	\$2,908
State income taxes	December 15, 2021	November 29, 2021	\$413	\$413
Local income tax	December 15, 2021	November 29, 2021	\$94	\$94

We found no exceptions.

#### **Non-Payroll Cash Disbursements**

1. We selected 10 disbursements from the General Ledger for the year ended November 30, 2021 and 10 from the year ended November 30, 2020 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the General Ledger and to the names and amounts on the supporting invoices. We found no exceptions.
  - c. Based on the nature of the expenditure, the account coding is reasonable. We found no exceptions.

#### **Other Compliance**

1. Ohio Rev. Code § 117.38 requires Societies to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Entity filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended November 30, 2021 and 2020 in the Hinkle system. We found no exceptions.

We were engaged by the Society to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination, or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Society's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Society and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber  
Auditor of State  
Columbus, Ohio

January 27, 2023

# OHIO AUDITOR OF STATE KEITH FABER



**LORAIN COUNTY AGRICULTURAL SOCIETY**

**LORAIN 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 2/9/2023**

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](http://www.ohioauditor.gov)