

CLERMONT COUNTY AGRICULTURAL SOCIETY

CLERMONT COUNTY

**DECEMBER 1, 2015 TO NOVEMBER 30, 2017
AGREED-UPON PROCEDURES**



Dave Yost • Auditor of State

Board of Directors
Clermont County Agricultural Society
P.O. Box 369
Owensville, Ohio 45160

We have reviewed the *Independent Accounts' Report on Applying Agreed-upon Procedures* of the Clermont County Agricultural Society, Clermont County, prepared by Julian & Grube, Inc., for the period December 1, 2015 through November 30, 2017. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Clermont County Agricultural Society is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

July 13, 2018

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Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Clermont County Agricultural Society
Clermont County
P.O. Box 369
Owensville, Ohio 45160

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of the Clermont County Agricultural Society (the Society) and the Auditor of State, on the receipts, disbursements and balances recorded in the Society's cash basis accounting records for the years ended November 30, 2017 and 2016 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, 2017 and 2016 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Society. The sufficiency of the procedures is solely the responsibility of the parties specified in this 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.

This report only describes exceptions exceeding \$10.

Cash

1. We recalculated the November 30, 2017 and November 30, 2016 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2015 beginning fund balances recorded to the November 30, 2015 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the December 1, 2016 beginning fund balances recorded to the November 30, 2016 balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2017 and 2016 fund cash balance reported in the Comparative Statement of Cash Receipts and Disbursements report. The amounts agreed.
4. We confirmed the November 30, 2017 bank account balances with the Society's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2017 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2017 bank reconciliation:
 - a. We traced each debit to the subsequent December and January bank statements. We found no exceptions.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to November 30. There were no exceptions.

6. We traced interbank account transfers occurring in November of 2017 and 2016 to the accounting records and bank statements to determine if they were properly recorded. We found no exceptions.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2017 and 2016. We also haphazardly selected one receipt from the County Auditor's Vendor Payment List from 2017 and one from 2016.
 - a. We compared the amount from the above reports to the amount recorded in the Profit and Loss Detail Report. The amounts agreed.
 - b. We inspected the Profit and Loss Detail Report to determine whether these receipts were allocated to the proper account codes. We found no exceptions.
 - c. We inspected the Profit and Loss Detail Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Admission/Grandstand Receipts

We haphazardly selected one day of admission/grandstand cash receipts from the year ended November 30, 2017 and one day of admission/grandstand cash receipts from the year ended November 30, 2016 recorded in the Profit and Loss Detail Report and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc). The amounts agreed.

Rental Receipts

We haphazardly selected 10 rental cash receipts from the year ended November 30, 2017 and 10 rental cash receipts from the year ended November 30, 2016 recorded in the duplicate cash receipts book and determined whether the:

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

Over-The-Counter Cash Receipts

We haphazardly selected 10 over-the-counter cash receipts from the year ended November 30, 2017 and 10 over-the-counter cash receipts from the year ended 2016 recorded in the duplicate cash receipts book:

- a. Agreed the receipt amount to the amount recorded in the Profit and Loss Detail Report. The amounts agreed.
- b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the Profit and Loss Detail Report 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 agreed-upon procedures documentation disclosed no debt outstanding as of November 30, 2015.
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 2017 or 2016 or debt payment activity during 2017 or 2016. There was no new debt issuance, nor any debt payment activity during 2016. During 2017 we noted the Society issued and then refinanced a promissory note. All debt did not agree to the summary we used in procedure 3. We noted the refinancing of promissory note was recorded net of original issuance amount.

3. We obtained a summary of debt service payments including mortgage debt and loan/credit agreements permitted by Ohio Rev. Code Section 1711.13 owed during 2017 and agreed these payments from the 2017 Profit and Loss Detail Report to the related debt amortization schedule. We also compared the date the debt service payments were due to the date the Society made the payments. We noted no exception to the required payment. Additional payments were made in advance of the amortization schedule.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Profit and Loss Detailed Report. We noted amounts recorded did not agree. Refinancing of the promissory note was recorded net of original issuance amount.
5. We inquired of management, inspected the receipt ledger, and the prior agreed-upon procedures report to determine whether the Society had a loan or credit agreement outstanding from a prior year or obtained a loan or credit line in 2017 as permitted by Ohio Rev. Code Section 1711.13(B). We recalculated the Society's computation supporting that the total net indebtedness from loans and credit did not exceed twenty-five percent of its annual revenues. We found no exceptions.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for the one employee from 2016 from the 2016 Profit and Loss Detail Reports; no payroll cash disbursements were noted during 2017:
 - a. We compared the hours and pay rate, or salary recorded in the 2016 Profit and Loss Detail Reports to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the 2016 Profit and Loss Detail Reports. We found no exceptions.

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Profit and Loss Detail Reports for the year ended November 30, 2017 and ten from the year ended 2016 and determined whether:
 - a. The disbursements were for a proper public purpose. We found one exception where the Society incurred a penalty of \$135.60 for an untimely payment of Water and Sewer Fees to the Clermont County Water Resources Department.
 - 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 Profit and Loss Detail Reports 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 Section 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, in addition to filing extensions granted for extenuating circumstances, allow for refile complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System for December 31, 2017 and 2016 fiscal year ends included in 2015-2016 or 2016-2017 agreed-upon procedure engagements, subsequent to the Society's deadline where the initial filing was filed on time but incomplete. We confirmed the Society 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, 2017 and 2016 in the Hinkle system. Financial information was filed on March 31, 2018 for 2017 and March 31, 2018 for 2016 which was not within the allotted timeframe.

The Society has responded to issues discussed in this report. You may obtain a copy of their response from Kathy Weaver, Executive Treasurer, at (513) 508-0499.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination, or review, 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.

This report is to provide 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, 2017 and 2016, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
May 25, 2018



Dave Yost • Auditor of State

CLERMONT COUNTY AGRICULTURAL SOCIETY

CLERMONT 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
JULY 26, 2018