



**CRAWFORD COUNTY AGRICULTURAL SOCIETY
CRAWFORD COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED NOVEMBER 30, 2019 AND 2018

**CRAWFORD COUNTY AGRICULTURAL SOCIETY
CRAWFORD COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Crawford County Agricultural Society
Crawford County
610 Whetstone Street
Bucyrus, Ohio 44820

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements, and related notes of the Crawford County Agricultural Society, Crawford County, Ohio, (the Society) as of and for the years ended November 30, 2019 and 2018.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; 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.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Society's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Society's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

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

As described in Note 2 of the financial statements, the Society prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Society does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

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* paragraph, the financial statements referred to above 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, 2019 and 2018, and the respective changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements, and related notes of Crawford County Agricultural Society, Crawford County, Ohio, as of November 30, 2019 and 2018, and for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

Emphasis of Matter

As discussed in Note 9 to the financial statements, during 2020, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Society. We did not modify our opinion regarding this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 2020, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on 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.

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

May 28, 2020

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**CRAWFORD COUNTY AGRICULTURAL SOCIETY
CRAWFORD COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCE (REGULATORY CASH BASIS)
FOR THE YEAR ENDED NOVEMBER 30, 2019**

Operating Cash Receipts	
Taxes (Sales)	2,519
Admissions	88,373
Privilege Fees	25,977
Sales During Fair	4,568
Racing Fees & Charges	34,862
Other Sales	36,961
Entry & Contest Fees	16,217
Rentals	109,324
	<u>318,801</u>
<i>Total Operating Cash Receipts</i>	
	<u>318,801</u>
Operating Cash Disbursements	
Salaries & Wages	57,121
Benefits	1,110
Administrative Expense	23,925
Race Supplies & Expense	1,620
Supplies Purchased for Resale	18,387
Supplies & Materials	12,903
Utilities	63,588
Race Purses & Expenses	139,189
Professional Services	65,005
Property Services	41,290
Advertising	14,768
Repairs (Bldgs. & Equip.)	9,717
Insurance	13,702
Rent/Lease Expense	10,639
Capital Outlay	16,107
Debt Service/Financing Fees	1,178
Senior Fair & Open Class	10,246
Contest Expense	6,598
Junior Fair Expense	26,325
Other Fair Expense	4,575
Miscellaneous Expense	1,690
	<u>539,683</u>
<i>Total Operating Cash Disbursements</i>	
	<u>539,683</u>
<i>Excess (Deficiency) of Operating Cash Receipts Over (Under) Operating Cash Disbursements</i>	
	<u>(220,882)</u>
Non-Operating Cash Receipts	
State Support	14,601
Local Support	30,000
Restricted Support	112,064
Unrestricted Support	59,398
Interest Received	34
Dividends (Workers Comp)	593
	<u>216,690</u>
<i>Total Non-Operating Cash Receipts</i>	
	<u>216,690</u>
<i>Excess (Deficiency) of Cash Receipts Over (Under) Cash Disbursements</i>	
	<u>(4,192)</u>
<i>Cash Balance, Beginning of Year</i>	
	<u>54,686</u>
<i>Cash Balance, End of Year</i>	
	<u>50,494</u>

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**CRAWFORD COUNTY AGRICULTURAL SOCIETY
CRAWFORD COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED NOVEMBER 30, 2019**

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Crawford County Agricultural Society, Crawford County, Ohio, (the Society) 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 1848 to operate an annual agricultural fair. The Society sponsors the week-long Crawford County Fair during July. During the fair, harness races are held. Crawford County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of 24 director positions serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Crawford 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 and harness racing during fair week. Other year round activities at the fairgrounds including facility rental, track and stall rental, and other community events including the annual gun raffle fundraiser. The reporting entity does not include any other activities or entities of Crawford County, Ohio.

Notes 7 and 8, respectively, summarize financial activity of the Junior Fair Board and Junior Livestock Sale Committee.

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

A. Accounting Basis

The financial statement follows the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 1172-03(D).

B. Deposits

The Society maintains an interest-bearing checking account.

C. Property, Plant, and Equipment

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

D. Income Tax Status

The Society is a not-for-profit organization, exempt from income taxes under Section 501(c)(3) 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)(v1). Management is unaware of any actions or events that would jeopardize the Society's tax status.

**CRAWFORD COUNTY AGRICULTURAL SOCIETY
CRAWFORD COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED NOVEMBER 30, 2019
(Continued)**

Note 2 - Summary of Significant Accounting Policies (Continued)

E. Race Purse

Harness stake races are held during the Crawford 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 Home Talent Colt Stakes 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 formation.

F. 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 carrying amount of cash at November 30 was as follows:

Demand deposits	<u>2019</u>
	\$50,494

Deposits: Deposits are insured by the Federal Depository Insurance Corporation

Note 4 - Horse Racing

State Support Portion of Purse

The financial statement reports Ohio Fairs Fund money, received to supplement purse for the year ended November 30, 2019, in the amount of \$8,486 as State Support.

**CRAWFORD COUNTY AGRICULTURAL SOCIETY
CRAWFORD COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED NOVEMBER 30, 2019
(Continued)**

Note 4 - Horse Racing (Continued)

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 (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 Services disbursements.

State taxes, which are also paid from Pari-mutuel Wagering Commission, are reflected in Race Purses & Expenses, and the amount remaining is the Society's net portion.

	<u>2019</u>
Total Amount Bet (Handle)	\$7,028
Less: Payoff to Bettors	(\$5,568)
Net Break	(\$74)
Pari-mutuel Wagering Commission	<u>\$1,386</u>
Tote Service Set Up Fee	(\$400)
Tote Service Commission	(\$469)
State Tax	(\$164)
Society Portion	\$353

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 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

**CRAWFORD COUNTY AGRICULTURAL SOCIETY
CRAWFORD COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED NOVEMBER 30, 2019
(Continued)**

Note 5 - Risk Management (Continued)

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31, 2018 (most recent information available):

	<u>2018</u>
Cash and investments	\$ 35,381,789
Actuarial liabilities	\$12,965,015

The Crawford County Commissioners also provide general insurance coverage for all the buildings on the Crawford County Fairgrounds pursuant to Ohio Revised Code Section 1711.24. The Crawford County Commissioners reimburse the Society for the insurance premiums paid to the PEP of Ohio.

Note 6 – Social Security

Society employees contributed to Social Security. This plan provides retirement 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, 2019.

Note 7 – Junior Fair Board

The Junior Fair Board, which is composed of 4-H, FFA, Boy Scout, and Girl Scout, is responsible for the Junior Fair Division activities of the Crawford County Fair. The Society disbursed \$500 directly to the Junior Fair Board and \$25,825 directly to vendors to support Junior Fair activities. These expenses are reflected as a disbursement in the accompanying financial statement as Junior Fair Expense. Crawford County paid the Society \$500 to support Junior Club work. 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, 2019, follows:

	<u>2019</u>
Beginning Cash Balance	621
Receipts	1,021
Disbursements	(1,098)
Ending Cash Balance	\$ 544

**CRAWFORD COUNTY AGRICULTURAL SOCIETY
CRAWFORD COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED NOVEMBER 30, 2019
(Continued)**

Note 8 – 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 Crawford County’s auction. The commission varies from year to year from 0 to 2 percent on auction sales and covers auction costs. 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, 2019 follows:

	2019
Beginning Cash Balance	\$ 49,945
Receipts	486,985
Disbursements	<u>(510,405)</u>
Ending Cash Balance	<u>█ \$ 26,525</u>

Note 9 –Subsequent Event

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Society. The uncertainty of whether the Society can hold its annual fair and the impact on the Society’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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**CRAWFORD COUNTY AGRICULTURAL SOCIETY
CRAWFORD COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCE (REGULATORY CASH BASIS)
FOR THE YEAR ENDED NOVEMBER 30, 2018**

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Operating Cash Receipts	
Admissions	99,510
Privilege Fees	26,187
Sales During Fair	4,658
Racing Fees & Charges	31,830
Other Sales	36,003
Entry & Contest Fees	16,738
Rentals	104,430
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<i>Total Operating Cash Receipts</i>	<i>319,356</i>
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Operating Cash Disbursements	
Salaries & Wages	61,535
Benefits	1,155
Administrative Expense	23,104
Race Supplies & Expense	3,205
Supplies Purchased for Resale	16,936
Supplies & Materials	19,376
Utilities	63,378
Race Purses & Expenses	100,047
Professional Services	57,511
Property Services	41,268
Advertising	14,947
Repairs (Blds. & Equip.)	14,072
Insurance Bonds	14,109
Rent/Lease Expense	10,180
Capital Outlay	8,134
Debt Service/Financing Fees	1,372
Senior Fair & Open Class	11,973
Contest Expense	8,246
Junior Fair Expense	26,362
Other Fair Expense	7,333
Miscellaneous Expense	630
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<i>Total Operating Cash Disbursements</i>	<i>504,873</i>
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<i>Excess (Deficiency) of Operating Cash Receipts Over (Under) Operating Cash Disbursements</i>	<i>(185,517)</i>
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Non-Operating Cash Receipts	
State Support	13,431
Local Support	30,500
Restricted Support	80,127
Unrestricted Support	40,459
Interest Received	9
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<i>Total Non-Operating Cash Receipts</i>	<i>164,526</i>
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<i>Excess (Deficiency) of Cash Receipts Over (Under) Cash Disbursements</i>	<i>(20,991)</i>
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<i>Cash Balance, Beginning of Year</i>	<i>75,677</i>
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<i>Cash Balance, End of Year</i>	<i>54,686</i>
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**CRAWFORD COUNTY AGRICULTURAL SOCIETY
CRAWFORD COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED NOVEMBER 30, 2018**

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Crawford County Agricultural Society, Crawford County, Ohio, (the Society) 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 1848 to operate an annual agricultural fair. The Society sponsors the week-long Crawford County Fair during July. During the fair, harness races are held. Crawford County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of 24 director positions serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Crawford 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 and harness racing during fair week. Other year round activities at the fairgrounds including facility rental, track and stall rental, and other community events including the annual gun raffle fundraiser. The reporting entity does not include any other activities or entities of Crawford County, Ohio.

Notes 7 and 8, respectively, summarize financial activity of the Junior Fair Board and Junior Livestock Sale Committee.

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

A. Accounting Basis

The financial statement follows the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 1172-03(D).

B. Deposits

The Society maintains an interest-bearing checking account.

C. Property, Plant, and Equipment

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

**CRAWFORD COUNTY AGRICULTURAL SOCIETY
CRAWFORD COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED NOVEMBER 30, 2018
(Continued)**

Note 2 - Summary of Significant Accounting Policies (Continued)

D. Income Tax Status

The Society is a not-for-profit organization, exempt from income taxes under Section 501(c)(3) 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)(v1). Management is unaware of any actions or events that would jeopardize the Society's tax status.

E. Race Purse

Harness stake races are held during the Crawford 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 Home Talent Colt Stakes 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 formation.

F. 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 carrying amount of cash at November 30 was as follows:

Demand deposits	<u>2018</u> \$54,686
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Deposits: Deposits are insured by the Federal Depository Insurance Corporation

**CRAWFORD COUNTY AGRICULTURAL SOCIETY
CRAWFORD COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED NOVEMBER 30, 2018
(Continued)**

Note 4 - Horse Racing

State Support Portion of Purse

The financial statement reports Ohio Fairs Fund money, received to supplement purse for the year ended November 30, 2018, in the amount of \$8,361 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 (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 Services disbursements.

State taxes, which are also paid from Pari-mutuel Wagering Commission, are reflected in Race Purses & Expenses, and the amount remaining is the Society's net portion.

	<u>2018</u>
Total Amount Bet (Handle)	\$13,473
Less: Payoff to Bettors	(\$10,588)
Net Break	(\$202)
	\$2,683
Pari-mutuel Wagering Commission	\$2,683
Tote Service Set Up Fee	(\$400)
Tote Service Commission	(\$1,110)
State Tax	(\$335.50)
Society Portion	\$837.50

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 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

**CRAWFORD COUNTY AGRICULTURAL SOCIETY
CRAWFORD COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED NOVEMBER 30, 2018
(Continued)**

Note 5 - Risk Management (Continued)

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

	<u>2018</u>
Cash and investments	\$ 35,381,789
Actuarial liabilities	\$12,965,015

The Crawford County Commissioners also provide general insurance coverage for all the buildings on the Crawford County Fairgrounds pursuant to Ohio Revised Code Section 1711.24. The Crawford County Commissioners reimburse the Society for the insurance premiums paid to the PEP of Ohio.

Note 6 – Social Security

Society employees contributed to Social Security. This plan provides retirement 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, 2018.

Note 7 – Junior Fair Board

The Junior Fair Board, which is composed of 4-H, FFA, Boy Scout, and Girl Scout, is responsible for the Junior Fair Division activities of the Crawford County Fair. The Society disbursed \$500 directly to the Junior Fair Board and \$25,862 directly to vendors to support Junior Fair activities. These expenses are reflected as a disbursement in the accompanying financial statement as Junior Fair Expense. Crawford County paid the Society \$500 to support Junior Club work. 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, 2018, follows:

	<u>2018</u>
Beginning Cash Balance	921
Receipts	1,132
Disbursements	(1,432)
Ending Cash Balance	\$ 621

**CRAWFORD COUNTY AGRICULTURAL SOCIETY
CRAWFORD COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED NOVEMBER 30, 2018
(Continued)**

Note 8 – 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 Crawford County’s auction. The commission varies from year to year from 0 to 2 percent on auction sales and covers auction costs. 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, 2018 follows:

	2018
Beginning Cash Balance	\$ 25,826
Receipts	506,581
Disbursements	(482,462)
Ending Cash Balance	\$ 49,945

Note 9 –Subsequent Event

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Society. The uncertainty of whether the Society can hold its annual fair and the impact on the Society’s future operating costs, revenues, and any recovery from emergency funding, -either federal or state, cannot be estimated.

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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**

Crawford County Agricultural Society
Crawford County
610 Whetstone Street
Bucyrus, Ohio 44820

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States’ *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements of the Crawford County Agricultural Society, Crawford County, Ohio, (the Society) as of and for the years ended November 30, 2019 and 2018, and the related notes to the financial statements and have issued our report thereon dated May 28, 2020, wherein we noted the Society followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. We also noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Society.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Society’s internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Society’s internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Society’s financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Society's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Society's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Society's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State

Columbus, Ohio

May 28, 2020

OHIO AUDITOR OF STATE KEITH FABER



CRAWFORD COUNTY AGRICULTURAL SOCIETY

CRAWFORD 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
JUNE 25, 2020**