



**COSHOCTON COUNTY AGRICULTURAL SOCIETY
COSHOCTON COUNTY
REGULAR AUDIT
FOR THE YEARS ENDED NOVEMBER 30, 2020 - 2019**

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Marietta, OH 45750
740 373 0056

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Vienna, WV 26105
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150 W. Main St., #A
St. Clairsville, OH 43950
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OHIO AUDITOR OF STATE
KEITH FABER



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Board of Directors
Coshocton County Agricultural Society
707 Kenilworth Avenue
Coshocton, Ohio 43812

We have reviewed the *Independent Auditor's Report* of Coshocton County Agricultural Society, Coshocton County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period December 1, 2018 through November 30, 2020. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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. Coshocton County Agricultural Society is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

June 14, 2021

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**COSHOCTON COUNTY AGRICULTURAL SOCIETY
COSHOCTON COUNTY**

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Certified Public Accountants, A.C.

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INDEPENDENT AUDITOR'S REPORT

May 30, 2021

Coshocton County Agricultural Society
Coshocton County
707 Kenilworth Avenue
Coshocton, Ohio 43812

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 **Coshocton County Agricultural Society**, Coshocton County, (the Society) as of and for the years ended November 30, 2020 and 2019.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting the 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 the 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.

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

As described in Note 2 of the financial statements, the Society prepared the 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, 2020 and 2019, 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 Coshocton County Agricultural Society, Coshocton County as of November 30, 2020 and 2019, 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 10 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may 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 30, 2021, 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.



Perry & Associates
Certified Public Accountants, A.C.
Marietta, Ohio

**COSHOCTON COUNTY AGRICULTURAL SOCIETY
COSHOCTON COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGE IN CASH BALANCE (REGULATORY CASH BASIS)
FOR THE YEAR ENDED NOVEMBER 30, 2020**

Operating Receipts:	
Admissions	\$ 440
Privilege Fees	35,766
Rentals	46,702
Sustaining and Entry Fees	9,975
Other Operating Receipts	<u>9,494</u>
 Total Operating Receipts	 <u>102,377</u>
 Operating Disbursements:	
Wages and Benefits	67,051
Utilities	21,322
Professional Services	43,981
Equipment and Grounds Maintenance	6,668
Property and Rent Services	15,079
Race Purse	89,710
Senior Fair	6,325
Junior Fair	14,564
Capital Outlay	54,240
Other Operating Disbursements	<u>131,623</u>
 Total Operating Disbursements	 <u>450,563</u>
 (Deficiency) of Operating Receipts	 (348,186)
(Under) Operating Disbursements	
 Non-Operating Receipts (Disbursements):	
State Support	194,563
County Support	62,800
Donations/Contributions	78,441
Investment Income	<u>102</u>
 Net Non-Operating Receipts (Disbursements)	 <u>335,906</u>
 Change in Cash Balance	 (12,280)
 Cash Balance, Beginning of Year	 <u>171,675</u>
 Cash Balance, End of Year	 <u><u>\$ 159,395</u></u>

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

Coshocton County Agricultural Society

Coshocton County, Ohio

Notes to the Financial Statements

For the Year Ended November 30, 2020

Note 1 – Reporting Entity

The Coshocton County Agricultural Society, Coshocton County (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 Coshocton County Fair during October. During the fair, harness races are held, culminating in the running of the Home Talent Stakes. Coshocton County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of 18 directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Coshocton 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. Other year-round activities at the fairgrounds including facility rental, track and stall rental, and community events including Balloon Races, Relay for Life, Rough Truck Circus, Fireworks, 4-H Activities and Horse Shows. The reporting entity does not include any other activities or entities of Coshocton County, Ohio.

Notes 8 and 9, respectively, summarize the Junior Fair Board and Junior Livestock Sale Committee's financial activity. The Junior Fair Board's financial activity are reported in the Society's financial statement.

The Society's management believes these financial statements present all activities for which the Society is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Basis of Accounting

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(D). 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 (i.e., when an encumbrance is approved).

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(D) permit

Capital Assets

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

Coshocton County Agricultural Society
Coshocton County, Ohio
Notes to the Financial Statements
For the Year Ended November 30, 2020

Note 2 – Summary of Significant Accounting Policies (Continued)

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.

Race Purse

Home Talent stake races are held during the Coshocton 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 Ohio Harness Horsemen's 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 Fairs Fund 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 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 deposit pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at November 30 was as follows:

	2020
Demand deposits	<u>\$ 159,395</u>

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation.

Coshocton County Agricultural Society
Coshocton County, Ohio
Notes to the Financial Statements
For the Year Ended November 30, 2020

Note 4 – Horse Racing

State Support Portion of Purse

The financial statements report Ohio Fairs Fund money, received to supplement purse for the year ended November 30, 2020, in the amount of \$194,563 as State Support. In 2020, this included VLT funds of \$66,800.

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 Service Disbursements, State taxes, which are also paid from Pari-mutuel Wagering Commission, are reflected in Other Operating Disbursements, and the amount remaining is the Society's net portion. The Society had no pari-mutuel revenue in 2020.

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 Coshocton County Commissioners provide general insurance coverage for all the buildings on the Coshocton County Fairgrounds pursuant to Ohio Revised Code Section 1711.24. A private company provides general liability and vehicle insurance with aggregate limits of \$2,000,000 and \$250,000, respectively. This policy includes crime coverage for employee dishonesty with limits of liability of \$60,000.

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

Coshocton County Agricultural Society
Coshocton County, Ohio
Notes to the Financial Statements
For the Year Ended November 30, 2020

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>2019</u>
Assets	\$38,432,610
Liabilities	(14,705,917)
Net Position	\$23,726,693

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, 2020.

Note 7 – Contingent Liabilities

Amounts grantor agencies pay to the Society are subject to audit and adjustments by the grantor, principally the federal government. The grantor may require refunding and disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 8 – Junior Fair Board

The Junior Fair Board, which is comprised of 4-H, FFA, Boy Scouts, Girl Scouts, and Farm Bureau Youth organization representatives, is responsible for the Junior Fair Division activities of the Coshocton County Fair. The Society disbursed \$3,206 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. The Junior Fair Board's financial activity for the year ended November 30, 2020 follows:

	<u>2020</u>
Beginning Cash Balance	\$ 3,743
Receipts	3,963
Disbursements	<u>(3,206)</u>
Ending Cash Balance	<u>\$ 4,500</u>

Coshocton County Agricultural Society
Coshocton County, Ohio
Notes to the Financial Statements
For the Year Ended November 30, 2020

Note 9- 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 marketor through the Coshocton County's auction. A commission of 3.5 percent on auction sales covers auction costs. The Junior Livestock Committee's activities. The Junior Livestock Committee's financial activity for the fiscal year ended November 30, 2020, follows:

	<u>2020</u>
Beginning Cash Balance	\$ 15,712
Receipts	182,974
Disbursements	<u>(189,091)</u>
Ending Cash Balance	<u>\$ 9,595</u>

Note 10 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Society. The impact on the Society's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

**COSHOCTON COUNTY AGRICULTURAL SOCIETY
COSHOCTON COUNTY**

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

Operating Receipts:

Taxes	\$ 431
Admissions	383,679
Privilege Fees	97,592
Rentals	78,937
Sustaining and Entry Fees	8,975
Pari-mutuel Wagering Commission	398
Other Operating Receipts	<u>105,038</u>
 Total Operating Receipts	 <u>675,050</u>

Operating Disbursements:

Wages and Benefits	93,741
Utilities	50,596
Professional Services	216,917
Equipment and Grounds Maintenance	30,709
Property and Rent Services	33,203
Race Purse	89,512
Senior Fair	147,353
Junior Fair	29,122
Capital Outlay	2,616
Other Operating Disbursements	<u>110,975</u>
 Total Operating Disbursements	 <u>804,744</u>

(Deficiency) of Operating Receipts	(129,694)
(Under) Operating Disbursements	

Non-Operating Receipts (Disbursements):

State Support	95,287
County Support	2,800
Donations/Contributions	60,235
Investment Income	113
Interest Expense	<u>(1,282)</u>
 Net Non-Operating Receipts (Disbursements)	 <u>157,153</u>

Change in Cash Balance	27,459
Cash Balance, Beginning of Year	<u>144,216</u>
 Cash Balance, End of Year	 <u><u>\$ 171,675</u></u>

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

Coshocton County Agricultural Society

Coshocton County, Ohio

Notes to the Financial Statements

For the Year Ended November 30, 2019

Note 1 – Reporting Entity

The Coshocton County Agricultural Society, Coshocton County (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 Coshocton County Fair during October. During the fair, harness races are held, culminating in the running of the Home Talent Stakes. Coshocton County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of 18 directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Coshocton 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. Other year-round activities at the fairgrounds including facility rental, track and stall rental, and community events including Balloon Races, Relay for Life, Rough Truck Circus, Fireworks, 4-H Activities and Horse Shows. The reporting entity does not include any other activities or entities of Coshocton County, Ohio.

Note 8 and 9, respectively, summarize the Junior Fair Board and Junior Livestock Sale Committee's financial activity. The Junior Fair Board's financial activity are reported in the Society's financial statement.

The Society's management believes these financial statements present all activities for which the Society is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Basis of Accounting

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(D). 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 (i.e., when an encumbrance is approved).

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(D) permit

Capital Assets

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

Coshocton County Agricultural Society
Coshocton County, Ohio
Notes to the Financial Statements
For the Year Ended November 30, 2019

Note 2 – Summary of Significant Accounting Policies (Continued)

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.

Race Purse

Home Talent stake races are held during the Coshocton 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 Ohio Harness Horsemen's 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 Fairs Fund 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 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 deposit pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at November 30 was as follows:

	2019
Demand deposits	<u>\$ 171,675</u>

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation.

Coshocton County Agricultural Society
Coshocton County, Ohio
Notes to the Financial Statements
For the Year Ended November 30, 2019

Note 4 – Horse Racing

State Support Portion of Purse

The financial statements report Ohio Fairs Fund money, received to supplement purse for the year ended November 30, 2019, in the amount of \$74,809 as State Support. In 2019, this included VLT funds of \$64,800.

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 Service Disbursements, State taxes, which are also paid from Pari-mutuel Wagering Commission, are reflected in Other Operating Disbursements, and the amount remaining is the Society's net portion.

	2019
Total Amount to Bet (Handle)	\$ 8,723
Less: Payoff to Bettors	(6,942)
Parimutuel Wagering Commission	1,781
Tote Service Set Up Fee	(1,350)
Tote Service Commission	(273)
Sales Tax	(251)
Society Portion	\$ (93)

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 Coshocton County Commissioners provide general insurance coverage for all the buildings on the Coshocton County Fairgrounds pursuant to Ohio Revised Code Section 1711.24. A private company provides general liability and vehicle insurance with aggregate limits of \$2,000,000 and \$250,000, respectively. This policy includes crime coverage for employee dishonesty with limits of liability of \$60,000.

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

Coshocton County Agricultural Society
Coshocton County, Ohio
Notes to the Financial Statements
For the Year Ended November 30, 2019

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>2019</u>
Assets	\$38,432,610
Liabilities	(14,705,917)
Net Position	\$23,726,693

Note 6 – Social Security

Society employees contributed to Social Security.

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 – Contingent Liabilities

Amounts grantor agencies pay to the Society are subject to audit and adjustments by the grantor, principally the federal government. The grantor may require refunding and disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 8 – Junior Fair Board

The Junior Fair Board, which is comprised of 4-H, FFA, Boy Scouts, Girl Scouts, and Farm Bureau Youth organization representatives, is responsible for the Junior Fair Division activities of the Coshocton County Fair. The Society disbursed \$7,945 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. The Junior Fair Board's financial activity for the year ended November 30, 2019 follows:

	<u>2019</u>
Beginning Cash Balance	\$ 3,716
Receipts	7,972
Disbursements	<u>(7,945)</u>
Ending Cash Balance	<u><u>\$ 3,743</u></u>

Coshocton County Agricultural Society
Coshocton County, Ohio
Notes to the Financial Statements
For the Year Ended November 30, 2019

Note 9- 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 marketor through the Coshocton County's auction. A commission of 3.5 percent on auction sales covers auction costs. The Junior Livestock Committee's activities. The Junior Livestock Committee's financial activity for the fiscal year ended November 30, 2019, follows:

	<u>2019</u>
Beginning Cash Balance	\$ 11,823
Receipts	382,900
Disbursements	<u>(379,012)</u>
Ending Cash Balance	<u>\$ 15,711</u>

Note 10 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Society. The impact on the Society's future operating costs, revenues, and additional 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

May 30, 2021

Coshocton County Agricultural Society
Coshocton County
707 Kenilworth Avenue
Coshocton, Ohio 43812

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 **Coshocton County Agricultural Society**, Coshocton County, Ohio, (the Society) as of and for the years ended November 30, 2020 and 2019, and the related notes to the financial statements and have issued our report thereon dated May 30, 2021, 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 continuing emergency measures which may 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 opinion 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.

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations
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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 financial statements. 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.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

**COSHOCTON COUNTY AGRICULTURAL SOCIETY
COSHOCTON COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEARS ENDED NOVEMBER 30, 2020 AND 2019**

Finding Number	Finding Summary	Status	Additional Information
2018-001	Annual Budget	Corrected	N/A

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OHIO AUDITOR OF STATE KEITH FABER



COSHOCTON COUNTY AGRICULTURAL SOCIETY

COSHOCTON 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 6/24/2021

88 East Broad Street, Columbus, Ohio 43215
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This report is a matter of public record and is available online at
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