

MUSKINGUM COUNTY AGRICULTURAL SOCIETY  
MUSKINGUM COUNTY  
AGREED-UPON PROCEDURES  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020



Millhuff-Stang, CPA, Inc.  
8841 Ohio River Road / Wheelersburg, Ohio 45694 / Phone: 740.876.8548  
45 West Second Street, Suite D / Chillicothe, Ohio 45601 / Phone: 740.851.4978  
Fax: 888.876.8549  
[natalie@millhuffstangcpa.com](mailto:natalie@millhuffstangcpa.com) / [roush@millhuffstangcpa.com](mailto:roush@millhuffstangcpa.com)  
[www.milhuffstangcpa.com](http://www.milhuffstangcpa.com)



OHIO AUDITOR OF STATE  
KEITH FABER



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

Board of Trustees  
Muskingum County Agricultural Society  
P.O. Box 2176  
Zanesville, Ohio 43701

We have reviewed the *Independent Accountant's Report on Applying Agreed-Upon Procedures* of the Muskingum County Agricultural Society, prepared by Millhuff-Stang, CPA, Inc., for the period December 1, 2019 through November 30, 2021. 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 Muskingum 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

April 06, 2023

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**Muskingum County Agricultural Society**

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**Independent Accountants' Report on Applying Agreed-Upon Procedures**

Muskingum County Agricultural Society  
Muskingum County  
P.O. Box 2176  
Zanesville, Ohio 43701

We have performed the procedures enumerated below on the Muskingum County Agricultural Society's, Muskingum County (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. Additionally, the Auditor of State has agreed to and acknowledged that the procedures performed are appropriate to meet their purposes. 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. We agreed the December 1, 2019 beginning fund balance recorded to the November 30, 2019 balance in the prior year audited statements. We found no exceptions. We also agreed the December 1, 2020 beginning fund balance recorded to the November 30, 2020 balance. We found no exceptions.
3. We agreed the 2021 and 2020 bank reconciliation as of November 30, 2021 and 2020 to the total fund cash balance reported in the General Ledger and the financial statements filed by the Society in the Hinkle System. The amounts agreed.
4. We confirmed the November 30, 2021 bank account balances with the Society's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2021 bank reconciliation without exception.

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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.

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

1. We selected a total of five receipts from the Distribution Transaction Detail Report (State DTL) and the Vendor Activity Report for Muskingum County from 2021 and all from 2020.
  - a. We compared the amount from the above named reports 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.
2. We confirmed the \$288,117 from the Department of Agriculture during the year ending November 30, 2021 via the Ohio Online Checkbook. We found no exceptions.
  - a. We inspected the General Ledger to determine whether these receipts were allocated to the proper account codes. We found no exceptions.
  - b. 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 recorded in the General Ledger and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc.). The amounts agreed.

#### **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 one rental cash receipt tested in 2021 did not agree to the rate in force and one rental cash receipt tested in 2020 did not have an approved rate. We found no other 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, 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 fund, and was recorded in the proper year. We found a receipt for \$48 collected in 2019 for 2019 wristbands was not deposited until September 14, 2020. We found no other exceptions.



**Debt**

1. From the prior audit documentation, we observed the following note and loan outstanding as of November 30, 2019. These amounts agreed to the Society's December 1, 2019 balances on the summary we used in procedure 3. It was also noted that the loan with Muskingum County was forgiven and therefore, not outstanding at year end.

| Issue                                 | Principal outstanding as of November 30, 2019: |
|---------------------------------------|--|
| Note Payable for Tractor              | \$13,013                                       |
| The Community Bank Veteran's Building | \$524,616                                      |

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. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of debt service payments including mortgage debt and loan/credit agreements permitted by Ohio Rev. Code § 1711.13 owed during 2021 and 2020 and agreed these payments from the General Ledger to the related debt amortization schedules. We also compared the date the debt service payments were due to the date the Society made the payments. We found no exceptions.
4. We agreed the amount of debt proceeds received for 2021 from the debt documents to amounts recorded in the General Ledger. The amounts agreed.
5. For new debt issued during 2021, we inspected the debt legislation noting there were no stipulations on the Society's use of the proceeds as the new debt was a draw on their open line of credit. We found no exceptions.
6. We inquired of management, inspected the general ledger, and the prior audit report to determine whether the Society had loan or credit agreements outstanding from a prior year permitted by Ohio Rev. Code §1711.13(B). We recalculated the Society's computation supporting that the total annual payments for debt obligations from loans and credit did not exceed twenty-five percent of its prior three-year average of annual revenues. We found no exceptions.

**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 Payroll Ledger and:
  - a. We compared the hours and pay rate, or salary recorded in the Payroll Ledger to supporting documentation (timecard or legislatively approved rate or salary).
    - i. We inspected the employees' personnel files for the Retirement system, Federal, State & Local income tax withholding authorization.
    - ii. We agreed these items to the information used to compute gross and net pay related to this check.  
We noted one employee received a \$1 per hour pay raise without approval and one employee was being paid without an approved pay rate. We found no other 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:

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| <b>Withholding<br/>(plus employer share, where<br/>applicable)</b>  | <b>Date<br/>Due</b> | <b>Date<br/>Paid</b> | <b>Amount<br/>Due</b> | <b>Amount<br/>Paid</b> |
|---|---------------------|----------------------|-----------------------|------------------------|
| Federal income taxes & Medicare<br>(and social security, for employees<br>not enrolled in pension system) | January 31, 2022    | January 18, 2022     | \$1,566.20            | \$1,566.20             |
| State income taxes  | January 31, 2022    | January 24, 2022     | \$299.40              | \$299.40               |
| Local income tax  | January 15, 2022    | January 6, 2022      | \$121.81              | \$121.81               |

We found no exceptions.

3. We selected one pay for the year ended November 30, 2020 and one pay for the year ended November 30, 2021 to determine if a timesheet was submitted to the payroll company for the Office Manager and if the timesheet was approved. We noted that the timesheet was not approved for either year. We found no other 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 supporting invoices were not maintained for two disbursements and one disbursement did not agree to the supporting invoice in 2020. We found no other exceptions.
  - c. Based on the nature of the expenditure, the account coding is reasonable. We found no exceptions.

#### **Sunshine Law Compliance**

1. We inquired with Society management and determined that the Society did not have a public records policy during the engagement period as required by Ohio Rev. Code § 149.43(E)(2).
2. We selected the only public records request from the engagement period and inspected the request to determine the following:
  - a. The Society did not fully respond to the request.
  - b. The Society consulted with its attorney, but did not receive a formal legal opinion on the matter.
  - c. The Society did not have any public records requests with redactions during the engagement period.
3. We inquired with Society management and determined that the Society did not have a records retention schedule during the engagement period and therefore could not make it readily available to the public as required by Ohio Rev. Code § 149.43(B)(2).
4. We inquired with Society management and determined that the Society did not have a public records policy during the engagement period therefore could not provide it to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2).
5. We inquired with Society management and determined that the Society did not have a public records policy during the engagement period therefore it could not be included in a policy manual as required by Ohio Rev. Code § 149.43(E)(2).
6. We inquired with Society management and determined that the Society did not have a public records policy

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during the engagement period therefore it could not be displayed in all the branches of the Society as required by Ohio Rev. Code § 149.43(E)(2).

7. We did not select any applications submitted to the Records Commission for one-time disposal of obsolete records, and management's review of the schedules of records retention and dispositions for the engagement period. The Society is not subject to the Ohio Rev. Code records authority. Therefore this step is not applicable and applications were not inspected or inquired about.
8. We inquired with Society management and determined that the Society did not have any elected officials subject to the Public Records Training requirements during the engagement period as required by Ohio Rev. Code §§ 149.43(E)(1) and 109.43(B).
9. We inspected the public notices for the public meetings held during the engagement period and determined the Society notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
10. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
  - a. Prepared – a file is created following the date of the meeting
  - b. Filed – placed with similar documents in an organized manner
  - c. Maintained - retained, at a minimum, for the engagement period
  - d. Open to public inspection – available for public viewing or request.We found no exceptions.
11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
  - a. Executive sessions were only held at regular or special meetings.
  - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code § 121.22(G).
  - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

### **Other Compliance**

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 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, 2021 and 2020 in the Hinkle system. We found no exceptions.

### **Related Party Transactions**

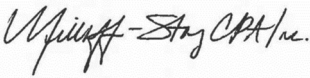
1. We inquired with management and identified the following Related Party Transactions:
  - a. Carousel Concession owned by a Board Member's spouse.
  - b. Linville Food Services owned by a Board Member's daughter.
  - c. Twin Hills Landscaping owned by a Board Member.We found no exceptions.
2. We confirmed the transactions with the other parties. We found no exceptions.
3. We obtained supporting evidence for the Related Party Transactions identified in procedure 1. We found no exceptions.

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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.

Respectfully,



Millhuff-Stang, CPA, Inc.  
Wheelersburg, Ohio

December 21, 2022

# OHIO AUDITOR OF STATE KEITH FABER



**MUSKINGUM COUNTY AGRICULTURAL SOCIETY**

**MUSKINGUM 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 4/18/2023**

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)