



PIKE COUNTY AGRICULTURAL SOCIETY

ANNUAL FINANCIAL REPORT

For the Years Ended
November 30, 2020 and 2019

J.L. UHRIG
AND ASSOCIATES INC.

CERTIFIED PUBLIC ACCOUNTANT AND MANAGEMENT CONSULTANTS



OHIO AUDITOR OF STATE
KEITH FABER



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

Board of Directors
Pike County Agricultural Society
311 Mill Street
Piketon, Ohio 45661

We have reviewed the *Independent Auditor's Report* of Pike County Agricultural Society, Pike County, prepared by J.L. Uhrig and Associates, Inc., 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. Pike County Agricultural Society is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

June 11, 2021

This page intentionally left blank.

PIKE COUNTY AGRICULTURAL SOCIETY
Table of Contents
For the Years Ended November 30, 2020 and 2019

Independent Auditor’s Report.....	1
Financial Statements:	
Statement of Receipts, Disbursements and Changes in Cash Balances For the Year Ended November 30, 2020	3
Notes to the Financial Statements	4
Statement of Receipts, Disbursements and Changes in Cash Balances For the Year Ended November 30, 2019	8
Notes to the Financial Statements	9
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by Government Auditing Standards	13

This Page Left Intentionally Blank

Independent Auditor's Report

Board of Directors
Pike County Agricultural Society
311 Mill Street
Piketon, OH 45661

Report on the Financial Statements

We have audited the accompanying financial statements and related notes of Pike County Agricultural Society, Pike County, Ohio (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 these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permit; this responsibility includes designing, implementing, and maintaining internal control relevant to the 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 statements misstatement, whether due to fraud or error. In assessing those risks, we consider internal controls 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 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 opinion.

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

As described in Note 2 of the November 30, 2020 and 2019 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, to satisfy these requirements.

Board of Directors
Pike County Agricultural Society
Independent Auditor's Report

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, or changes in financial position 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 combined cash balances of the Pike County Agricultural Society, Pike County as of November 30, 2020 and 2019, and its combined cash receipts and disbursements 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 permits, described in Note 2.

Emphasis of Matter

As discussed in Note 8 to the 2020 financial statements and Note 9 to the 2019 financial statements, 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 a report dated May 14, 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.

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.
Chillicothe, Ohio

May 14, 2021

PIKE COUNTY AGRICULTURAL SOCIETY
Statement of Receipts, Disbursements and
Change in Fund Balance (Regulatory Cash Basis)
For the Year Ended November 30, 2020

<u>Operating Receipts:</u>	
Admissions	\$40,119
Privilege Fees	4,938
Rentals	86,015
Sustaining and Entry Fees	15,895
Other Operating Receipts	<u>11,130</u>
<i>Total Operating Receipts</i>	<u>158,097</u>
<u>Operating Disbursements:</u>	
Wages and Benefits	5,500
Utilities	33,316
Professional Services	18,702
Equipment and Grounds Maintenance	31,275
Property and Rent Services	19,366
Race Purse	78,312
Senior Fair	2,694
Junior Fair	18,331
Capital Outlay	27,209
Other Operating Disbursements	<u>32,788</u>
<i>Total Operating Disbursements</i>	<u>267,493</u>
<i>Excess of Revenues and Other Financing Sources</i> <i>(Uses) Over (Under) Expenditures and Other Uses</i>	<u>(109,396)</u>
<u>Non-Operating Receipts (Disbursements)</u>	
State Support	180,606
Local Support	28,300
Donations/Contributions	<u>44,605</u>
<i>Net Non-Operating Receipts (Disbursements)</i>	<u>253,511</u>
<i>Excess (Deficiency) of Receipts Over (Under) Disbursements</i>	144,115
Cash Balance, Beginning of Year	<u>16,024</u>
<i>Cash Balance, End of Year</i>	<u><u>\$160,139</u></u>

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

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

Note 1 – Reporting Entity

The Pike County Agricultural Society of Pike County, 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 1905 to operate an annual agricultural fair. The Society sponsors the week – long Pike County Fair during July and/ or August. Harness Races are held on the days immediately prior to the fair. Pike County is not financially accountable for the society. The Board of Directors manages the Society. The Board is made up of 21 directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Pike 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. The reporting entity does not include any other activities or entities of Pike County, Ohio.

Notes 6 and 7, respectively, summarize the Junior Fair Board’s and Junior Livestock Sale Committee’s financial activity. The Junior Fair Board’s financial activity are reported in the Society’s financial statement. The Livestock Sale Reports are a separate entity. The Sale Committee provides reports each month to the Senior Fair Board.

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

Basis of Presentation

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

Basis of Accounting

This financial statement follows 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.

This statement includes 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.

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

Note 2 – Summary of Significant Accounting Policies *(Continued)*

Capital Assets

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

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

The Pike County Harness races are held during the Pike 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 Southern Valley Colt Circuit 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 information.

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.

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

Note 3 – Deposits

The Society maintains a deposit pool all funds use. The carrying amount of deposits at November 30 was as follows:

	<u>2020</u>
Demand deposits	<u>\$161,602</u>
Total deposits	<u><u>\$161,602</u></u>

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 fiscal year ended November 30, 2020, in the amount of \$0 as State Support. The Pike County Fair was cancelled due to COVID.

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 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 the Pari-mutuel Wagering Commission, are reflected in Other Operating Disbursements, and the amount remaining is the Society’s net portion. The Pike County Fair was cancelled due to COVID.

Note 5 – Risk Management

The Pike County Commissioners provide general insurance coverage for all the buildings on the Pike County Fairgrounds pursuant to Ohio Revised Code Section 1711.24. A private company provides general liability and vehicle insurance with aggregate limits of \$1,000,000 and \$5,000,000, respectively.

This policy includes crime coverage for employee dishonesty with limits of liability of \$1,000,000. General liability and vehicle insurance limits of \$5,000,000.

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

Note 6 – Junior Fair Board

The Junior Fair Board, which is composed of 4-H, FFA, Boy Scout, Girl Scout, and Farm Bureau Youth organization representatives, is responsible for the Junior Fair Division activities of the Pike County Fair. The Junior Fair Board accounts for its activities separately. The accompanying financial statement does not include this activity. While the Senior Fair was cancelled during 2020, the Junior Fair was still able to be conducted. The Junior Fair Board’s financial activity for the fiscal year ended November 30, 2020, follows:

	2020
Beginning Cash Balance	\$353
Receipts	2,006
Disbursements	(1,799)
Ending Cash Balance	\$560

Note 7 – 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 Pike County auction. A commission per head on auction sales of \$11 for all marker animals is retained by the Junior Livestock sale Committee to cover auction costs. The Junior Livestock Committee retains this money. The accompanying financial statement does not include the Junior Livestock Committee’s activities. While the Senior Fair was cancelled during 2020, the Junior Fair was still able to be conducted. The Junior Livestock Committee’s financial activity for the fiscal year ended November 30, 2020, follows:

	2020
Beginning Cash Balance	\$23,658
Receipts	554,264
Disbursements	(549,986)
Ending Cash Balance	\$27,936

Note 8 – COVID-19

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 investments of the pension and other employee benefit plan in which the Society participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Society’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

PIKE COUNTY AGRICULTURAL SOCIETY
Statement of Receipts, Disbursements and
Change in Fund Balance (Regulatory Cash Basis)
For the Year Ended November 30, 2019

<u>Operating Receipts:</u>	
Admissions	\$138,611
Privilege Fees	33,724
Rentals	89,230
Sustaining and Entry Fees	18,490
Other Operating Receipts	<u>17,497</u>
<i>Total Operating Receipts</i>	<u>297,552</u>
<u>Operating Disbursements:</u>	
Wages and Benefits	5,000
Utilities	50,894
Professional Services	131,217
Equipment and Grounds Maintenance	34,812
Property and Rent Services	39,550
Race Purse	82,166
Senior Fair	3,023
Junior Fair	9,022
Capital Outlay	427,571
Other Operating Disbursements	<u>30,587</u>
<i>Total Operating Disbursements</i>	<u>813,842</u>
<i>Excess of Revenues and Other Financing Sources</i> <i>(Uses) Over (Under) Expenditures and Other Uses</i>	<u>(516,290)</u>
<u>Non-Operating Receipts (Disbursements)</u>	
State Support	308,901
Local Support	31,600
Donations/Contributions	57,912
Investment Income	98
Principal	(19,000)
Interest	<u>(391)</u>
<i>Net Non-Operating Receipts (Disbursements)</i>	<u>379,120</u>
<i>Excess (Deficiency) of Receipts Over (Under) Disbursements</i>	(137,170)
Cash Balance, Beginning of Year	<u>153,194</u>
<i>Cash Balance, End of Year</i>	<u><u>\$16,024</u></u>

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

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

Note 1 – Reporting Entity

The Agricultural Society of Pike County (the Society), Pike County, 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 1905 to operate an annual agricultural fair. The Society sponsors the week – long Pike County Fair July 26-August 3 2019. During the fair, harness races are held, the first two days of the fair Pike County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of 21 directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Pike 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. [Modify the preceding sentence to include only the events that your Society holds.] Other year-round activities at the fairgrounds including facility rental, track and stall rental, and community events. The reporting entity does not include any other activities or entities of Pike County, Ohio.

Notes 7 and 8, respectively, summarize the Junior Fair Board's and Junior Livestock Sale Committee's financial activity. The Junior Fair Board's reports are ran through the Pike County Sr. Fair Boards Financials. The Livestock Sale reports are a separate entity.

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

Basis of Presentation

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

Basis of Accounting

This financial statement follows 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.

This statement includes 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 statement does not report these items as assets.

Pike County Agricultural Society
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) (vi). Management is unaware of any actions or events that would jeopardize the Society's tax status.

Race Purse

Pike County Harness races are held during the Pike 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 Southern Valley Colt Circuit 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 information.

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 carrying amount of deposits and investments at November 30 was as follows:

	<u>2019</u>
Demand deposits	<u>\$17,870</u>
Total deposits	<u><u>\$17,870</u></u>

Deposits

Deposits are insured by the Federal Depository Insurance Corporation.

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

Note 4 – Horse Racing

State Support Portion of Purse

The financial statement reports Ohio Fairs Fund money, received to supplement purse for the fiscal year ended November 30, 2020, in the amount of \$64,800 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 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 the Pari-mutuel Wagering Commission, are reflected in Other Operating Disbursements, and the amount remaining is the Society’s net portion.

	2019
Total Amount bet (Handle)	\$3,470
Less: Payoff to Bettors	(2,972)
Parimutuel Wagering Commission	498
Tote Service Commission	681
State Tax	(79)
Society Portion	\$1,100

Note 5 – Debt

Debt outstanding was as follows:

	Principal Balance 11/30/2018	Issued in 2019	Retired in 2019	Principal Balance 11/30/2019
Pike County Bond Anticipation Note	\$19,000	\$0	\$19,000	\$0
Total	\$19,000	\$0	\$19,000	\$0

Pike County issued a bond anticipation note in the amount of \$67,000 on February 24, 2014. This note was paid off during 2019.

Note 6 – Risk Management

The Pike County Commissioners provide general insurance coverage for all the buildings on the Pike County Fairgrounds pursuant to Ohio Revised Code Section 1711.24. A private company provides general liability and vehicle insurance with aggregate limits of \$1,000,000 and \$5,000,000, respectively. The Society’s general manger is bonded with coverage of \$1,000,000.

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

Note 7 – Junior Fair Board

The Junior Fair Board, which is composed of 4-H, FFA, Boy Scout, Girl Scout, and Farm Bureau Youth organization representatives, is responsible for the Junior Fair Division activities of the Pike County Fair. The Junior Fair Board accounts for its activities separately. These accompanying financial statements do not include this activity. The Junior Fair Board for 2019 recorded no financial activities through the fair board as donations were used for activities.

	<u>2019</u>
Beginning Cash Balance	(\$60)
Receipts	1,755
Disbursements	<u>(1,342)</u>
Ending Cash Balance	<u><u>\$353</u></u>

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 Pike County's auction. A commission per head on auction sales of \$11 for all market animals is retained by the Junior Livestock Sale Committee to cover auction costs. 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:

	<u>2019</u>
Beginning Cash Balance	\$13,093
Receipts	574,941
Disbursements	<u>(564,376)</u>
Ending Cash Balance	<u><u>\$23,658</u></u>

Note 9 – COVID-19

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 investments of the pension and other employee benefit plan in which the Society participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Society's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required By *Government Auditing Standards***

Board of Directors
Pike County Agricultural Society
311 Mill Street
Piketon, Ohio 45661

To the Board of Director:

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 Pike County Agricultural Society, Pike 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 14, 2021, wherein we noted the Society followed financial reporting provisions of the Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permit. We also noted the financial impact of COVID-19 and the ensuing emergency measures that 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 a material weakness. However, unidentified material weaknesses may exist.

Board of Director
Pike County Agricultural Society, Pike County
Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Required By *Government Auditing Standards*

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 such 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 communication is not suitable for any other purpose.

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.
Chillicothe, Ohio

May 14, 2021

OHIO AUDITOR OF STATE KEITH FABER



PIKE COUNTY AGRICULTURAL SOCIETY

PIKE 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
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov