



OHIO AUDITOR OF STATE
KEITH FABER





INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Lorain County Agricultural Society
Lorain County
23000 Fairgrounds Road
Wellington, OH 44090

We have performed the procedures enumerated below on the Lorain County Agricultural Society's (the Society) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended November 30, 2023, and 2022 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, 2023, and 2022 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, 2023, and 2022, and certain compliance requirements related to these transactions and balances. 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, 2023 and November 30, 2022 bank reconciliations. We found no exceptions.
2. The December 1, 2021 beginning fund balance is \$1,005,044 and November 30, 2021 balance is \$1,004,417 in the prior year Agreed-Upon Procedures working papers. There is a difference of \$627. We also noted the December 1, 2022 beginning fund balance is \$2,860,876 and November 30, 2022 balance is \$2,860,880. There is a difference of \$4.
3. The total per 2023 bank reconciliation is \$3,891,635 and the total fund cash balance reported in the financial statements filed by the Society in the Hinkle System is \$3,891,946. There is a difference of \$311.

The total per 2022 bank reconciliation is \$2,860,568 and the total fund cash balance reported in the financial statements filed by the Society in the Hinkle System is \$2,860,880. There is a difference of \$312.

4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the November 30, 2023 bank reconciliation without exception.
5. We selected 5 reconciling debits (such as outstanding checks) from the November 30, 2023 bank reconciliation:
 - a. We traced 2 of 5 reconciling debits to the subsequent December bank statement, 3 are still outstanding.
 - 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.
6. We inspected investments held at November 30, 2023 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14, 135.144 or 135.145. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code §§ 135.13 or 135.14. We found no exceptions.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected a total of three receipts from the Distribution Transaction Detail Report (State DTL) from 2023 and a total of two from 2022.
 - a. We compared the amount from the above-named report 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.

Admission/Grandstand Receipts

We selected two days of admission/grandstand cash receipts from the year ended November 30, 2023 and two days of admission/grandstand cash receipts from the year ended November 30, 2022 recorded in the General Ledger and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc.). The amounts agreed.

For July 31, 2023, and August 22, 2023, the amounts recorded in the receipt ledger were \$426 and \$3,907, respectively. For July 25, 2022 and August 22, 2022, the amounts recorded in the receipt ledger were \$745 and \$5,280, respectively.

- a. The ticket sales recapitulation reported 24 tickets sold on July 31, 2023 and 203 on August 22, 2023, 33 tickets sold on July 25, 2022 and 276 on August 22, 2022.
- b. The admission price per ticket ranged between \$15 and \$45.
- c. Therefore, the recapitulation sheet multiplied by the admission price supports admission receipts of \$426 for July 22, 2023, \$3,907 for August 22, 2023, \$745 for July 25, 2022, and \$5,280 for August 22, 2022, which doesn't exceed the amounts recorded.

Privilege Fee Receipts

We selected 10 privilege fee cash receipts from the year ended November 30, 2023 and 10 privilege fee cash receipts from the year ended November 30, 2022 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 no exceptions.
- c. Inspected the General Ledger to determine whether the receipt was recorded in the proper year. We found no exceptions.

Rental Receipts

We selected 10 rental cash receipts from the year ended November 30, 2023 and 10 rental cash receipts from the year ended November 30, 2022 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 no 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, 2023 and 10 other receipts from the year ended November 30, 2022 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 funds and was recorded in the proper year. We found no exceptions.

Debt

1. The prior audit documentation disclosed no debt outstanding as of November 30, 2021.
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 2023 or 2022 or debt payment activity during 2023 or 2022. There were no new debt issuances, nor any debt payment activity during 2023 or 2022.

Payroll Cash Disbursements

1. We selected 1 payroll check for 5 employees from 2023 and 1 payroll check for 5 employees from 2022 from the General Ledger and:
 - a. We compared the hours and pay rate, or salary recorded in the General Ledger to supporting documentation (timecard, legislatively or statutorily approved rate or salary). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
2. We inspected the last remittance of tax and retirement withholdings for the year ended November 30, 2023 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 2023. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	December 15, 2023	November 29, 2023	\$3,555	\$3,555
State income taxes	December 15, 2023	November 28, 2023	\$370	\$370
Local income tax	December 15, 2023	November 28, 2023	\$82	\$82

We found no exceptions.

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the Check Register for the year ended November 30, 2023 and 10 from the year ended November 30, 2022 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 canceled check agreed to the check number, date, payee name and amount recorded in the Check Register and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. Based on the nature of the expenditure, the account coding is reasonable. We found no exceptions.

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 inquired with Society management and determined that the Society did not have any completed public records requests during the engagement period.
3. We inquired whether the Society had a records retention schedule and observed that it was readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). We found no exceptions.
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 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 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

1. 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 year ended November 30, 2022 in the Hinkle system. For the year ended November 30, 2023, financial information was filed on January 31, 2024, which was not within the allotted timeframe.

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.

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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.

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

August 14, 2024

OHIO AUDITOR OF STATE KEITH FABER



LORAIN COUNTY AGRICULTURAL SOCIETY

LORAIN 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 8/29/2024

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