



OHIO AUDITOR OF STATE
KEITH FABER

**SANDUSKY COUNTY AGRICULTURAL SOCIETY
SANDUSKY COUNTY
NOVEMBER 30, 2024 AND 2023**

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INDEPENDENT AUDITOR'S REPORT

Sandusky County Agricultural Society
Sandusky County
712 North Street, Suite 101
Fremont, Ohio 43420-1158

To the Board of Directors:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of Sandusky County Agricultural Society, Sandusky County, Ohio (the Society), which comprises the cash balances, receipts and disbursements as of and for the years ended November 30, 2024 and 2023, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements as of and for the years ended November 30, 2024 and 2023, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

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* section of our report, the accompanying financial statements 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, 2024 and 2023, or the changes in financial position thereof for the years then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Society, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 2 of the financial statements, the financial statements are prepared by the Society on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Society's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Society's ability to continue as a going concern for a reasonable period of time.

Sandusky County Agricultural Society
Sandusky County
Independent Auditor's Report
Page 3

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2025, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Society's 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.

KEITH FABER
Ohio Auditor of State



Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

November 7, 2025

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Sandusky County Agricultural Society
Sandusky County
Statement of Receipts, Disbursements and
Change in Fund Balance (Regulatory Cash Basis)
For the Fiscal Year Ended November 30, 2024

Operating Receipts

Admissions	\$470,069
Privilege Fees	97,093
Rentals	186,410
Other Operating Receipts	<u>165,770</u>
<i>Total Operating Receipts</i>	<u>919,342</u>

Operating Disbursements

Wages and Benefits	187,021
Utilities	145,474
Professional Services	358,827
Equipment and Grounds Maintenance	62,800
Property and Rent Services	182,123
Senior Fair	36,841
Junior Fair	22,583
Capital Outlay	367,142
Other Operating Disbursements	<u>61,270</u>

Total Operating Disbursements 1,424,081

Excess of Operating Disbursements Over Operating Receipts (504,739)

Non-Operating Receipts (Disbursements)

State Support	161,407
Local Support	3,400
Donations/Contributions	471,244
Investment Income	6,686
Sale of Assets	1,476
Debt Service	<u>(7,024)</u>

Net Non-Operating Receipts (Disbursements) 637,189

Excess of Receipts Over Disbursements 132,450

Cash Balance, Beginning of Year 251,416

Cash Balance, End of Year \$383,866

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

Sandusky County Agricultural Society
Sandusky County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2024

Note 1 – Reporting Entity

Sandusky County Agricultural Society, Sandusky County, Ohio (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 1852 to operate an annual agricultural fair. The Society sponsors the week-long Sandusky County Fair during August. Sandusky County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of twenty-two directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Sandusky County and pay an annual membership fee to the Society.

The reporting entity includes all activity occurring on the fairgrounds. Other year-round activities at the fairgrounds including facility rental, track rental, and community events including a monthly flea market and the fall family fun fest. The reporting entity does not include any other activities or entities of Sandusky County, Ohio.

Notes 8 and 9, respectively, summarize the Junior Fair Board's and Junior Livestock Sale Committee's financial activity.

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(C). This basis is similar to the cash receipts and disbursements accounting basis. The Society 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).

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(C) permit.

Deposits and Investments

The Society's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Sandusky County Agricultural Society
Sandusky County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2024

Money market mutual funds and equity securities are recorded at cost values. Investments are held at the Sandusky County Community Foundation in the name of the Society are reported at cost value.

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.

Leases

The Society is the lessee in various leases (as defined by GASB 87) related to buildings, vehicles, and other equipment under noncancelable leases. Lease disbursements are recognized when they are paid.

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.

Note 3 – Deposits and Investments

The Society maintains a deposits and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at November 30 was as follows:

	2024
Cash	\$600
Depository Accounts	285,502
Sandusky County Community Foundation	97,764
Total deposits and investments	<u><u>\$383,866</u></u>

The Sandusky County Community Foundation holds investments in equity securities under the name of the Society. Equity securities are not eligible investments for Society under Ohio law

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation and are collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments

Investments are held with the Sandusky County Community Foundation in the name of the Society. These investments are held at a financial institution's trust department and hold the securities in book entry form in the Society's name.

Sandusky County Agricultural Society
Sandusky County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2024

The Society's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses will be realized in subsequent periods, if any cannot be determined.

Note 4 – 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 Sandusky County Commissioners provide general insurance coverage for all the buildings on the Sandusky County Fairgrounds pursuant to Ohio Revised Code Section 1711.24. A private company provides general liability and vehicle insurance with aggregate limits of \$200,000 and \$2,000,000, respectively. This policy includes crime coverage for employee dishonesty with limits of liability of 50,000.

Note 5 – 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, 2024.

Note 6 – Debt

The Society has a \$100,000 Line of Credit at a local bank and had no balance as of November 30, 2024. This note bears a prime plus one at a floor of interest rate of 8.5 percent and is due to the bank on demand. The note was entered into on May 7th, 2022, and is to Mature on December 31, 2025, and is subject to annual review.

Note 7 – Related Party Transactions

The Society does purchase some items from the local vendors who do have a relationship with eight board members. These transactions are done at an arm's length transaction. The total value of these purchases total \$771. Seven board members were personally reimbursed for expenses paid by the Society. The total value of these reimbursements totaled \$2,540. One employee was reimbursed for expenses paid by the Society. The total value of these reimbursements totaled \$1,076. Eight board members are related in different capacities, parent to child, cousins, son-in-law to sister in-law, and brother-in-laws.

The Society does purchase services from the Treasurer's Hollan CPA office. Total amount of transactions was \$1,500 for the fiscal year for services in helping with the capacity of the fiscal job.

Sandusky County Agricultural Society
Sandusky County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2024

Note 8 – 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 Sandusky County Fair. The Society disbursed \$9,880 directly to the Junior Fair Board and \$12,703 directly to vendors to support Junior Fair activities. These expenses are reflected as a disbursement in the accompanying financial statement as Junior Fair Disbursement. Sandusky County paid the Society \$3,400 to support Junior Club work. The Junior Fair Board accounts for its activities separately. The accompanying financial statement does not include this activity. The Junior Fair Board's financial activity for the fiscal year ended November 30, 2024, follows:

	2024
Beginning Cash Balance	\$7,730
Receipts	40,516
Disbursements	<u>(27,537)</u>
Ending Cash Balance	<u><u>\$20,709</u></u>

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 market or through the Sandusky County's auction. A commission of \$10 per head on auction sales covers auction costs. The Junior Livestock Committee retains this money. The accompanying financial statement does not include the Junior Livestock Committee's activities. The Junior Livestock Committee's financial activity for the fiscal year ended November 30, 2024, follows:

	2024
Beginning Cash Balance	\$47,436
Receipts	631,933
Disbursements	<u>(618,080)</u>
Ending Cash Balance	<u><u>\$61,289</u></u>

Note 10 – Other Operating Receipts

Other operating receipts consist mainly of utility and other miscellaneous fees collected.

Sandusky County Agricultural Society
Sandusky County
Statement of Receipts, Disbursements and
Change in Fund Balance (Regulatory Cash Basis)
For the Fiscal Year Ended November 30, 2023

Operating Receipts

Admissions	\$429,684
Privilege Fees	81,763
Rentals	178,822
Other Operating Receipts	<u>170,167</u>
<i>Total Operating Receipts</i>	<u>860,436</u>

Operating Disbursements

Wages and Benefits	163,724
Utilities	132,275
Professional Services	354,017
Equipment and Grounds Maintenance	94,990
Property and Rent Services	168,482
Senior Fair	40,560
Junior Fair	36,238
Capital Outlay	152,292
Other Operating Disbursements	<u>57,807</u>

<i>Total Operating Disbursements</i>	<u>1,200,385</u>
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<i>Excess of Operating Disbursements Over Operating Receipts</i>	<u>(339,949)</u>
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Non-Operating Receipts (Disbursements)

State Support	52,625
Local Support	3,000
Donations/Contributions	233,118
Investment Income	4,130
Debt Service	<u>(5,200)</u>

<i>Net Non-Operating Receipts (Disbursements)</i>	<u>287,673</u>
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<i>Excess of Disbursements Over Receipts</i>	<u>(52,276)</u>
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Cash Balance, Beginning of Year	<u>303,692</u>
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<i>Cash Balance, End of Year</i>	<u><u>\$251,416</u></u>
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The notes to the financial statement are an integral part of this statement.

Sandusky County Agricultural Society
Sandusky County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2023

Note 1 – Reporting Entity

Sandusky County Agricultural Society, Sandusky County, Ohio (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 1852 to operate an annual agricultural fair. The Society sponsors the week-long Sandusky County Fair during August. Sandusky County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of twenty-two directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Sandusky County and pay an annual membership fee to the Society.

The reporting entity includes all activity occurring on the fairgrounds. Other year-round activities at the fairgrounds including facility rental, track rental, and community events including a monthly flea market and the fall family fun fest. The reporting entity does not include any other activities or entities of Sandusky County, Ohio.

Notes 8 and 9, respectively, summarize the Junior Fair Board's and Junior Livestock Sale Committee's financial activity.

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(C). This basis is similar to the cash receipts and disbursements accounting basis. The Society 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).

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(C) permit.

Deposits and Investments

The Society's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Sandusky County Agricultural Society
Sandusky County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2023

Money market mutual funds and equity securities are recorded at cost values. Investments are held at the Sandusky County Community Foundation in the name of the Society are reported at cost value.

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.

Leases

The Society is the lessee in various leases (as defined by GASB 87) related to buildings, vehicles, and other equipment under noncancelable leases. Lease disbursements are recognized when they are paid.

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.

Note 3 – Deposits and Investments

The Society maintains a deposits and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at November 30 was as follows:

	<u>2023</u>
Cash	\$600
Depository Accounts	152,098
Sandusky County Community Foundation	98,718
Total deposits and investments	<u>\$251,416</u>

The Sandusky County Community Foundation holds investments in equity securities under the name of the Society. Equity securities are not eligible investments for Society under Ohio law

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation and are collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments

Investments are held with the Sandusky County Community Foundation in the name of the Society. These investments are held at a financial institution's trust department and hold the securities in book entry form in the Society's name.

Sandusky County Agricultural Society
Sandusky County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2023

The Society's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses will be realized in subsequent periods, if any cannot be determined.

Note 4 – 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 Sandusky County Commissioners provide general insurance coverage for all the buildings on the Sandusky County Fairgrounds pursuant to Ohio Revised Code Section 1711.24. A private company provides general liability and vehicle insurance with aggregate limits of \$200,000 and \$2,000,000, respectively. This policy includes crime coverage for employee dishonesty with limits of liability of 50,000.

Note 5 – 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, 2023.

Note 6 – Debt

The Society has a \$100,000 Line of Credit at a local bank and had no balance as of November 30, 2023. This note bears a prime plus one at a floor of interest rate of 8.5 percent and is due to the bank on demand. The note was entered into on May 7th, 2022, and is to Mature on December 31, 2025, and is subject to annual review.

Note 7 – Related Party Transactions

The Society does purchase some items from the local vendors who do have a relationship with eight board members. These transactions are done at an arm's length transaction. The total value of these purchases total \$2,156. Eight board members were personally reimbursed for expenses paid by the Society. The total value of these reimbursements totaled \$4,913. One employee was reimbursed for expenses paid by the Society. The total value of these reimbursements totaled \$399. Eight board members are related in different capacities, parent to child, cousins, son-in-law to sister in-law, and brother-in-laws.

The Society does purchase services from the Treasurer's Holland, CPA office. Total amount of transactions was \$1,500 for the fiscal year for services in helping with the capacity of the fiscal job.

Sandusky County Agricultural Society
Sandusky County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2023

Note 8 – 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 Sandusky County Fair. The Society disbursed \$9,433 directly to the Junior Fair Board and \$26,805 directly to vendors to support Junior Fair activities. These expenses are reflected as a disbursement in the accompanying financial statement as Junior Fair Disbursement. Sandusky County paid the Society \$3,000 to support Junior Club work. The Junior Fair Board accounts for its activities separately. The accompanying financial statement does not include this activity. The Junior Fair Board's financial activity for the fiscal year ended November 30, 2023, follows:

	2023
Beginning Cash Balance	\$10,700
Receipts	38,424
Disbursements	<u>(41,394)</u>
Ending Cash Balance	<u><u>\$7,730</u></u>

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 market or through the Sandusky County's auction. A commission of \$10 per head on auction sales covers auction costs. The Junior Livestock Committee retains this money. The accompanying financial statement does not include the Junior Livestock Committee's activities. The Junior Livestock Committee's financial activity for the fiscal year ended November 30, 2023, follows:

	2023
Beginning Cash Balance	\$62,313
Receipts	528,215
Disbursements	<u>(543,092)</u>
Ending Cash Balance	<u><u>\$47,436</u></u>

Note 10 – Other Operating Receipts

Other operating receipts consist mainly of utility and other miscellaneous fees collected.



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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**

Sandusky County Agricultural Society
Sandusky County
712 North Street, Suite 101
Fremont, Ohio 43420-1158

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements as of and for the years ended November 30, 2024 and 2023 and the related notes to the financial statements of Sandusky County Agricultural Society, Sandusky County, Ohio (the Society) and have issued our report thereon dated November 7, 2025, wherein we noted the Society followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Society's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control. Accordingly, we do not express an opinion on the effectiveness of the Society's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Society's financial statements will not be prevented, or detected and corrected, on a timely basis. 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 deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2024-001 that we consider to be a material weakness.

Sandusky County Agricultural Society
Sandusky County
Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Society's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion 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 that are required to be reported under *Government Auditing Standards*.

Society's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Society's response to the finding identified in our audit and described in the accompanying schedule of findings. The Society's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Society's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Society's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEITH FABER
Ohio Auditor of State



Tiffany L Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

November 7, 2025

**SANDUSKY COUNTY AGRICULTURAL SOCIETY
SANDUSKY COUNTY**

**SCHEDULE OF FINDINGS
NOVEMBER 30, 2024 AND 2023**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2024-001

Material Weakness

Financial Reporting

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; 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 as discussed in AU-C Section 210 paragraphs .A14 & .A16.

Donation/Contribution receipts in the amount of \$87,641 were improperly recorded as sale of assets in 2023.

This error was the result of inadequate policies and procedures in posting transactions to appropriate account codes in the Society's accounting system. Failure to classify transactions properly caused a material error in the Society's financial statements. The accompanying financial statements have been adjusted to correct this error.

The Society should adopt policies and procedures to help ensure transactions are appropriately recorded, including a final review of the financial statements and notes to the financial statements by the Treasurer and Board of Directors to help identify and correct errors and omissions.

Officials' Response:

The Treasurer will try to record receipts properly in the correct line item.

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OHIO AUDITOR OF STATE KEITH FABER



SANDUSKY COUNTY AGRICULTURAL SOCIETY

SANDUSKY 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 11/25/2025

65 East State 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