



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Summit Agricultural Society  
Summit County  
P.O. Box 89  
Tallmadge, Ohio 44278

We have performed the procedures enumerated below on the Summit 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 Directors 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. We agreed the December 1, 2021 beginning fund balances for each fund recorded to the November 30, 2021 balances in the prior year Hinkle Report. We found no exceptions. We also agreed the December 1, 2022 beginning fund balances for each fund recorded to the November 30, 2022 balances. We found no exceptions.
3. We agreed the 2023 and 2022 bank reconciliation as of November 30, 2023 and 2022 to the total fund cash balances reported in the General Ledger and the financial statements filed by the Society in the Hinkle System. The amounts did not agree. The November 30, 2023 fund cash balances were overstated by \$75.
4. We confirmed the November 30, 2023 bank account balances with the Society's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2023 bank reconciliation without exception.

### **Cash (Continued)**

5. We selected 5 reconciling debits (such as outstanding checks and deposit corrections) from the November 30, 2023 bank reconciliation:
  - a. We traced three debits to the subsequent December bank statement, and two deposit correction debits in subsequent month bank statements. We found no exceptions.
  - b. We traced the amounts and dates to the General Ledger and determined the debits were dated prior to November 30. We found no exceptions.

### **Intergovernmental Cash Receipts**

1. We selected a total of 4 receipts from the Distribution Transaction Detail Report (State DTL) from 2023 and a total of 3 from 2022.
  - 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 code(s). 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 2 days of admission/grandstand cash receipts from the year ended November 30, 2023 and 2 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.). However, no ticket recapitulation sheets were produced for credit card sales for 2023 and 2022. The amounts agreed for July 28, 2022 and July 29, 2023.

For July 31, 2022, the amount recorded in the receipt ledger for July 31, 2022 was \$58,580.

- a. The ticket sales recapitulation reported 4,351 general admission tickets, 1,396 kid tickets, and 862 Grandstand admissions sold on that date.
- b. The admission price per ticket was \$10 for general admission tickets, \$3 for kid tickets, and \$10 for Grandstand admissions.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$56,318 plus credit card sales of \$2,093 from credit card sales at gates without windows for July 31, 2022, for a grand total of \$58,411, which is a shortage of the amount recorded by \$169.

For July 27, 2023, the amount recorded in the receipt ledger for July 27, 2023 was \$31,684.

- a. The ticket sales recapitulation reported 2,785 general admission tickets, 388 kid tickets, 138 Grandstand admissions, and 2 Grandstand admissions less regular admissions sold on that date.
- b. The admission price per ticket was \$10 for general admission tickets, \$3 for kid tickets, \$15 for Grandstand admissions, and \$5 for Grandstand admissions less regular admissions.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$31,094 plus admissions totaling \$620 from credit card sales at gates without windows for July 27, 2023, for a grand total of \$31,714, which exceeds the amount recorded by \$30.

### **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.

### **Pari-mutuel Wagering Commission Receipts and Disbursements**

We obtained copies of the race schedules approved by the Board of Directors. We selected 1 race day from the year ended November 30, 2023 and 1 race day from the year ended November 30, 2022 and performed the following procedures:

- a. Traced Pari-mutuel wagering Commission receipts to the Summit County Fair Analysis and to cash receipt ledger postings. The amounts agreed.
- b. Traced disbursement to ledger postings for totalizer service and pari-mutuel state tax disbursement and agreed amounts to the Summit County Fair Analysis. We found no exceptions.

### **Sustaining and Entry (Purse) Receipts and Disbursements**

We obtained copies of the race schedules approved by the Board of Directors. We selected 1 race day from the year ended November 30, 2023 and 1 race day from the year ended November 30, 2022 and performed the following procedures:

- a. Traced authorized race dates to the cash receipt ledger postings and determined whether there are purse receipt postings for each authorized race day. The cash receipts ledger reported wagering receipts for the authorized dates.
- b. Traced authorized race dates to the cash disbursement ledger postings and determined whether there were purse disbursement postings for each authorized race day. The cash disbursements ledger reported wagering disbursements for the authorized dates.

### **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 fund(s), and was recorded in the proper year. We found no exceptions.

## Debt

1. From the prior agreed-upon procedures documentation, we observed the following notes and loans outstanding as of November 30, 2021.
  - a. These amounts agreed to the Society's December 1, 2021 balances on the summary we used in procedure 3.
  - b. We inspected the debt's agreements for all outstanding debt, and we confirmed the Society was in compliance with the debt covenants listed below.

Issue	Principal outstanding as of November 30, 2021:	Debt Covenant
Bobcat Note	\$25,000	No debt covenants noted.
SBA COVID-19 Economic Injury Disaster Loan	149,900	Borrower will not sell, lease, license or otherwise transfer (including by granting security interests, liens, or other encumbrances in) all or any part of the Collateral or Borrower's interest in the Collateral without Secured Party's written or electronically communicated approval, except that Borrower may sell inventory in the ordinary course business on customary terms. Borrower may collect and use amounts due on accounts and other rights to payment arising or created in the ordinary course of business, until notified otherwise by Secured Party in writing or by electronic communication.
Holiday Mart Show Note	15,000	No debt covenants noted.

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. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of debt service payments owed during 2023 and 2022 and agreed these payments from the General Ledger to the related debt payment 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 2022 from the debt documents to amounts recorded in the Receipt Ledger. The amounts agreed.
5. For new debt issued during 2022, we inspected the SBA COVID-19 Economic Injury Disaster Loan Agreement, the Society must use the proceeds to prepare for the fair. We inspected the expenditure ledger and observed the Society expended the funds to prepay contracts, to have startup cash for the fair, and make improvements such as parking lot paving and to replace the overhang concrete. We found no exceptions.

### Debt (Continued)

6. We inquired of management, inspected the receipt ledger, and the prior agreed-upon procedures report to determine whether the Society had a loan outstanding from a prior year as 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 1 payroll check for 5 employees from 2023 and 1 payroll check for 5 employees from 2022 from the Payroll Ledger and:
  - a. We compared the hours and pay rate, or salary recorded in the Payroll Summary Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found 1 instance where an employee was overpaid by \$21. We brought this to the attention of management and noted that they entered the salary amount incorrectly in the accounting system and subsequently adjusted this amount in the system. In addition, we found 3 instances where an employee's pay rate was not approved by the Board. However, because we did not inspect all payroll checks, our report provides no assurance regarding whether or not other similar errors occurred.
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:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2024	December 8, 2023	\$5,005	\$5,005
State income taxes	January 15, 2024	December 8, 2023	449	449
Local income tax: City of Tallmadge	February 28, 2024	December 8, 2023	472	472

We found no exceptions.

### Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the General Ledger 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 General Ledger 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 obtained and inspected the Society's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code §§ 149.43(E)(2) and 149.43(B)(7)(c) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
2.
  - a. We inquired with Society management and determined that the Society did not have any completed public records requests during the engagement period.
  - b. The Society did not have any denied public records requests during the engagement period.
  - c. The Society did not have any public records requests with redactions 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 inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
5. We inquired with Society management and determined that the Society did not have a policy manual during the engagement period therefore the public records policy could not be included as required by Ohio Rev. Code § 149.43(E)(2).
6. We observed that the Society's poster describing their Public Records Policy was displayed conspicuously in all branches of the Society as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
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.



### **Sunshine Law Compliance (Continued)**

11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
- Executive sessions were only held at regular or special meetings.
  - 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).
  - 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 years ended November 30, 2023 and 2022 in the Hinkle system. We found no exceptions.

### **Related Party Transactions**

1. We inquired with management and identified the following Related Party Transactions:

#	Check #	Check Date	Amount	Vendor
1	50719	5/24/2022	\$10,321	Fairway Electric
2	50654	4/26/2022	1,538	Fairway Electric
3	50645	4/25/2022	2,269	Fairway Electric
4	50587	3/22/2022	5,517	Fairway Electric
5	52743	11/27/2023	1,256	Fairway Electric
6	51984	6/27/2023	907	Fairway Electric
7	9600	6/26/2023	8,716	Fairway Electric
8	51728	3/1/2023	10,000	Fairway Electric

We found no exceptions.

2. We confirmed the transactions with the financial institution. We found no exceptions.
3. We obtained supporting evidence for the Related Party Transactions identified in procedure 1. We found no exceptions.

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.

A handwritten signature in black ink, reading "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber  
Auditor of State  
Columbus, Ohio

January 8, 2025

# OHIO AUDITOR OF STATE KEITH FABER



**SUMMIT COUNTY AGRICULTURAL SOCIETY**

**SUMMIT 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 2/6/2025**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)