



**WOOD COUNTY AGRICULTURAL SOCIETY
WOOD COUNTY**

REGULAR AUDIT

FOR THE FISCAL YEARS ENDED NOVEMBER 30, 2024-2023

**WOOD COUNTY AGRICULTURAL SOCIETY
WOOD COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Wood County Agricultural Society
Wood County
P.O. Box 146
Bowling Green, Ohio 43402-0146

To the Board of Directors:

Report on the Audit of the Financial Statements

Unmodified, Adverse, and Qualified Opinions

We have audited the financial statements of Wood County Agricultural Society, Wood 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 year ended November 30, 2024, 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.

Additional Opinion Qualification

In our opinion, except for the possible effects of the matter described in the *Basis for Additional Opinion Qualification* section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements as of and for the year ended November 30, 2023, and the related notes of Wood County Agricultural Society, Wood County, Ohio in accordance with the financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(C) permit, described in Note 2.

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.

Basis for Additional Opinion Qualification

Admissions receipts are reported at \$498,848 for the year ended November 30, 2023, which is 48 percent of total operating receipts for the year ended November 30, 2023. We were unable to obtain sufficient appropriate audit evidence supporting the amounts recorded as admissions receipts. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

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.

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 July 22, 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

July 22, 2025

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

Operating Receipts

Taxes	\$263
Admissions	361,185
Privilege Fees	117,069
Rentals	324,287
Sustaining and Entry Fees	11,600
Pari-mutuel Wagering Commission	1,322
Other Operating Receipts	125,791

<i>Total Operating Receipts</i>	<u>941,517</u>
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Operating Disbursements

Wages and Benefits	292,926
Utilities	144,843
Professional Services	325,183
Equipment and Grounds Maintenance	136,145
Property and Rent Services	169,882
Race Purse	110,654
Senior Fair	27,899
Junior Fair	512,591
Capital Outlay	113,266
Other Operating Disbursements	133,856

<i>Total Operating Disbursements</i>	<u>1,967,245</u>
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Excess of Operating Disbursements

<i>Over Operating Receipts</i>	<u>(1,025,728)</u>
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Non-Operating Receipts (Disbursements)

State Support	166,917
Local Support	108,256
Donations/Contributions	705,545
Investment Income	4,889
Debt Service	(13,915)

<i>Net Non-Operating Receipts (Disbursements)</i>	<u>971,692</u>
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<i>Excess of Disbursements Over Receipts</i>	(54,036)
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Cash Balance, Beginning of Year	<u>345,661</u>
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<i>Cash Balance, End of Year</i>	<u><u>\$291,625</u></u>
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The notes to the financial statements are an integral part of this statement.

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

Note 1 – Reporting Entity

The Agricultural Society of Wood County (the Society), Wood County, Ohio 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 1883 to operate an annual agricultural fair. The Society sponsors the eight-day long Wood County Fair during August. During the fair, harness races are held, culminating in the running of the Wood County Harness Racing Speed Program. Wood County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of 23 directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Wood 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 and harness racing during fair week. Other year-round activities at the fairgrounds including facility rental, track and stall rental, community events, and animal shows. The reporting entity does not include any other activities or entities of Wood County, Ohio.

Note 7 summarizes a small portion of the Junior Fair Board's financial activity. A majority of the Junior Fair Board's and all of the Junior Livestock Sale Committee's financial activity are reported in the Society's financial statement.

Public Entity Risk Pool

The Society participates in a public entity risk pool, the Public Entities Pool of Ohio (PEP). Note 5 to the financial statement provides additional information for this 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 balance (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.

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.

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

Accumulated Leave

Society employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. The financial statement does not include a liability for unpaid leave.

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 Wood County stake races are held during the Wood 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 Ohio Harness Horseman Association 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 Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at November 30 was as follows:

Wood County Agricultural Society
Wood County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2024
(Continued)

	2024
Demand deposits	\$160,044
Other time deposits	131,581
Total deposits	<u>\$291,625</u>

Deposits

Deposits are insured by the Federal Deposit 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, 2024, in the amount of \$5,879 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.

	2024
Total Amount Bet (Handle)	\$6,570
Less: Payoff to Bettors	<u>(5,248)</u>
Parimutuel Wagering Commission	1,322
Tote Service Set Up Fee	(1,300)
Tote Service Commission	(89)
State Tax	<u>(174)</u>
Society Portion	<u><u>(\$241)</u></u>

Note 5 – 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 Wood County Commissioners provide general insurance coverage for all the buildings on the Wood 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 \$2,000,000, respectively. This policy includes crime coverage for employee dishonesty with limits of liability of \$100,000.

Wood County Agricultural Society
Wood County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2024
(Continued)

Risk Pool Membership

The Society is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Society's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31 (The latest information available):

	<u>2023</u>
Cash and investments	\$ 43,996,442
Actuarial liabilities	\$ 19,743,401

Note 6 – 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 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 Wood County Fair. The Society disbursed \$512,591 directly to vendors to support Junior Fair activities. These expenses are reflected as a disbursement in the accompanying financial statement as Junior Fair Disbursement. Wood County paid the Society \$19,756 to support Junior Club work. The Junior Fair Board accounts for some of 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:

	<u>2024</u>
Beginning Cash Balance	\$11,540
Receipts	17,288
Disbursements	<u>(19,409)</u>
Ending Cash Balance	<u><u>\$9,419</u></u>

Wood County Agricultural Society
Wood County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2024
(Continued)

Note 8 – Other Operating Receipts

Other operating receipts primarily consisted of fees and sales.

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

Operating Receipts

Taxes	\$35
Admissions	498,848
Privilege Fees	122,851
Rentals	293,319
Sustaining and Entry Fees	9,350
Pari-mutuel Wagering Commission	1,071
Other Operating Receipts	106,219

<i>Total Operating Receipts</i>	<u>1,031,693</u>
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Operating Disbursements

Wages and Benefits	237,185
Utilities	138,107
Professional Services	235,956
Equipment and Grounds Maintenance	89,398
Property and Rent Services	183,897
Race Purse	100,434
Senior Fair	47,319
Junior Fair	472,634
Capital Outlay	30,416
Other Operating Disbursements	127,749

<i>Total Operating Disbursements</i>	<u>1,663,095</u>
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Excess of Operating Disbursements
Over Operating Receipts

<u>(631,402)</u>

Non-Operating Receipts (Disbursements)

State Support	58,483
Local Support	93,077
Donations/Contributions	655,072
Investment Income	3,408
Debt Service	(12,217)

<i>Net Non-Operating Receipts (Disbursements)</i>	<u>797,823</u>
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<i>Excess of Receipts Over Disbursements</i>	166,421
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Cash Balance, Beginning of Year	<u>179,240</u>
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<i>Cash Balance, End of Year</i>	<u><u>\$345,661</u></u>
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The notes to the financial statements are an integral part of this statement.

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

Note 1 – Reporting Entity

The Agricultural Society of Wood County (the Society), Wood County, Ohio 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 1883 to operate an annual agricultural fair. The Society sponsors the eight-day long Wood County Fair during August. During the fair, harness races are held, culminating in the running of the Wood County Harness Racing Speed Program. Wood County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of 25 directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Wood 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 and harness racing during fair week. Other year-round activities at the fairgrounds including facility rental, track and stall rental, community events, and animal shows. The reporting entity does not include any other activities or entities of Wood County, Ohio.

Note 8 summarizes a small portion of the Junior Fair Board's financial activity. A majority of the Junior Fair Board's and all of the Junior Livestock Sale Committee's financial activity are reported in the Society's financial statement.

Public Entity Risk Pool

The Society participates in a public entity risk pool, the Public Entities Pool of Ohio (PEP). Note 5 to the financial statement provides additional information for this 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 balance (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.

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.

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

Accumulated Leave

Society employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. The financial statement does not include a liability for unpaid leave.

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 Wood County stake races are held during the Wood 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 Ohio Harness Horseman Association 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 Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at November 30 was as follows:

Wood County Agricultural Society
Wood County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2023
(Continued)

	2023
Demand deposits	\$216,685
Other time deposits	128,976
Total deposits	<u>\$345,661</u>

Deposits

Deposits are insured by the Federal Deposit 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, 2023, in the amount of \$6,129 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.

	2023
Total Amount Bet (Handle)	\$5,432
Less: Payoff to Bettors	<u>(4,361)</u>
Parimutuel Wagering Commission	1,071
Tote Service Set Up Fee	(1,200)
State Tax	<u>(127)</u>
Society Portion	<u><u>(\$256)</u></u>

Note 5 – 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 Wood County Commissioners provide general insurance coverage for all the buildings on the Wood 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 \$2,000,000, respectively. This policy includes crime coverage for employee dishonesty with limits of liability of \$100,000.

Wood County Agricultural Society
Wood County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2023
(Continued)

Risk Pool Membership

The Society is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Society's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2023</u>
Cash and investments	\$ 43,996,442
Actuarial liabilities	\$ 19,743,401

Note 6 – 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 7 – Debt

Debt outstanding at November 30, 2023, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ag Credit - Farm Equipment Loan	<u>\$13,364</u>	5.70%

On February 28, 2020 the Society entered into a tractor loan with Ag Credit for \$48,562. The loan bears an interest rate of 5.70 percent and matures on March 1, 2025. Proceeds of the loan were used to purchase a tractor and is collateralized by the tractor.

Wood County Agricultural Society
Wood County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2023
(Continued)

Amortization of the above debt, including interest, is scheduled as follows:

Fiscal Year Ending November 30:	Ag Credit - Farm Equipment Loan
2024	\$10,643
2025	3,685
	<u>\$14,328</u>

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 Wood County Fair. The Society disbursed \$472,634 directly to vendors to support Junior Fair activities. These expenses are reflected as a disbursement in the accompanying financial statement as Junior Fair Disbursement. Wood County paid the Society \$12,056 to support Junior Club work. The Junior Fair Board accounts for some of 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	\$12,432
Receipts	15,940
Disbursements	<u>(16,832)</u>
Ending Cash Balance	<u>\$11,540</u>

Note 9 – Other Operating Receipts

Other operating receipts primarily consisted of fees and sales.



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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**

Wood County Agricultural Society
Wood County
P.O. Box 146
Bowling Green, Ohio 43402-0146

To the Board of Directors:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*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 Wood County Agricultural Society, Wood County, Ohio (the Society) and have issued our report thereon dated July 22, 2025, wherein we noted the Society followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit. We also qualified our opinion over admissions receipts for the year ending November 30, 2023 due to the lack of appropriate audit evidence supporting the receipts.

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 certain deficiencies in internal control, described in the accompanying schedule of findings as items 2024-001 and 2024-002 that we consider to be material weaknesses.

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 Findings

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

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

July 22, 2025

**WOOD COUNTY AGRICULTURAL SOCIETY
WOOD COUNTY**

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

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

In 2023, donations/contributions were incorrectly classified as state support in the Enterprise Fund in the amount of \$93,182.

This error was the result of inadequate policies and procedures in reviewing the financial statements. Failure to complete accurate financial statements and notes to the financial statements could lead to the Board making misinformed decisions. The accompanying financial statements have been adjusted to correct this and other immaterial errors in the amounts of \$944 and \$1,268.

The Society should adopt policies and procedures, including a final review of the financial statements and notes to the financial statements by the Secretary/Treasurer and the Board, to help identify and correct errors and omissions.

Officials' Response:

The Wood County Agricultural Society has reviewed the finding summary and has a better understanding of the posting issues and to hope to have these issues fixed in the system for future postings.

FINDING NUMBER 2024-002

Material Weakness – Admissions

Implementing effective internal controls is an important responsibility of management. Effective internal controls can help assure that transactions are complete, occurred, are accurately reported, properly cutoff, and properly classified.

Due to inadequate policies and procedures regarding the collection of admission receipts, the following internal control weaknesses in the 2023 admission receipts process were noted:

- The Society did not perform daily ticket reconciliations to track tickets sold for gate admissions or grandstand events or utilize the ticket software.
- There was no sufficient supporting documentation to support cash collected for admission receipts.

Admission receipts of \$184,420 out of total admission receipts of \$498,848 for the fiscal year ended November 30, 2023, were recorded in the Society's ledger but lacked any supporting documentation.

These weaknesses resulted in completeness and accuracy issues on receipts collected for admissions. Failure to implement controls and maintain admission records could result in errors or fraud to occur without detection and could also result in funds being lost, stolen, or going unaccounted for by the Society. As a result of these deficiencies, we qualified our opinion over admission receipts in 2023.

The Society should implement policies and procedures including the use of the ticket software and performing daily ticket reconciliations to help ensure the accuracy of admissions receipts. Additionally, the Treasurer or Fair Manager should verify the ticket software reports and daily ticket reconciliations match the amounts received and deposited. Any overages and shortages should be followed up on and investigated.

Officials' Response:

The Wood County Agricultural Society started using a ticket software in 2024 that will help rectify the issue.

OHIO AUDITOR OF STATE KEITH FABER



WOOD COUNTY AGRICULTURAL SOCIETY

WOOD 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 8/5/2025

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