

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

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Operating Receipts	
Admissions	\$ 225,500
Privilege Fees	77,778
Rentals	325,041
Sustaining and Entry Fees	103,328
Pari-mutuel wagering commission	143
Taxes	2,452
Other Operating Receipts	<u>39,185</u>
<i>Total Operating Receipts</i>	<u>773,427</u>
 Operating Disbursements	
Wages and Benefits	35,905
Utilities	113,614
Professional Services	150,043
Equipment and Grounds Maintenance	152,164
Property and Rent Services	156,299
Race Purse	97,871
Senior Fair	47,647
Junior Fair	10,986
Capital Outlay	79,098
Arena Project Costs	200,000
Other Operating Disbursements	<u>292,719</u>
<i>Total Operating Disbursements</i>	<u>1,336,346</u>
 <i>Excess (Deficiency) of Operating Receipts</i>	
<i>Over (Under) Operating Disbursements</i>	<u>(562,919)</u>
 Non-Operating Receipts (Disbursements)	
State Support	254,001
County and Other Local Support	3,600
Donations/Contributions	332,785
Investment Income	<u>1</u>
 <i>Net Non-Operating Receipts (Disbursements)</i>	<u>590,387</u>
 <i>Excess (Deficiency) of Receipts Over (Under) Disbursements</i>	27,468
 Cash Balance, Beginning of Year	<u>472,737</u>
 <i>Cash Balance, End of Year</i>	<u><u>\$ 500,205</u></u>

The notes to the financial statement are an integral part of this statement.
No assurance is provided on these financial statements.

RICHLAND COUNTY AGRICULTURAL SOCIETY
RICHLAND COUNTY
NOTES TO THE FINANCIAL STATEMENTS
NOVEMBER 30, 2023

Note 1 – Reporting Entity

The Richland County Agricultural Society, Richland 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 1850 to operate an annual agricultural fair. The Society sponsors the week – long Richland County Fair during August. During the fair, harness races are held, culminating in the running of the Northern Ohio Colt Stakes. Richland County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of 27 directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Richland 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, and community events including a flea market and “Christmas Wonderland.” The reporting entity does not include any other activities or entities of Richland County, Ohio.

Notes 6 and 7, respectively, summarize the Junior Fair Board’s and Junior Livestock Sale Committee’s financial activity.

The Society’s management believes these financial statements present all activities for which the Society is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Basis of Accounting

This financial statement follows the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. 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(D) 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.

The Society’s mutual fund investment is recorded at cost.

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Capital Assets

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

Income Tax Status

The Society is a not-for-profit organization, exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. The Society is not a private foundation within the meaning of Section 509 (a). Contributions to the Society are deductible per Section 170(b) (1) (A) (v1). Management is unaware of any actions or events that would jeopardize the Society’s tax status.

Race Purse

North Ohio Colt Stakes stake races are held during the Richland 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 the United States Trotting 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 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:

	2023
Demand deposits	\$ 500,205
Total deposits	500,205

The Society does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. All associated employee payroll withholdings were remitted as of November 30, 2023.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation.

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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 \$200 as State Support.

Pari-mutuel Wagering

The Society does not record the Total Amount Bet or the Payoff to Bettors in the accompanying 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)	\$ 7,042
Less: Payoff to Bettors	(5,659)
Parimutuel Wagering Commission	1,442
Tote Service Set Up Fee	(673)
Tote Service Commission	(420)
State Tax	(206)
Society Portion	\$ 143

Note 5 – 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 Richland County Fair. The Society disbursed \$0 directly to the Junior Fair Board and \$10,986 directly to vendors to support Junior Fair activities. These expenses are reflected as a disbursement in the accompanying financial statement as Junior Fair Disbursement. 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	\$ 16,981
Receipts	20,502
Disbursements	(18,272)
Ending Cash Balance	\$ 19,211

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Note 6 – 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 Richland County’s auction. A commission of 3 percent 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:

	Junior Livestock Committee Regular Checking 2023	Junior Livestock Committee Vision 2020 2023
Beginning Cash Balance	\$ 96,891	\$ 330,188
Receipts	1,273,586	676,000
Disbursements	(1,283,379)	73,800
Ending Cash Balance	\$ 87,098	\$ 1,079,988

Note 7 – Auxiliary Committee

The Auxiliary Committee is a separate committee comprised of a dedicated group of 11 ladies who have a special interest in the Richland County Fairgrounds. Most of them are from a rural background and have been fair goers since early childhood. They volunteer their time to assist where needed, but primarily work in the food service area where they prepare and serve food for the scheduled events held at the fairgrounds throughout the year. The accompanying financial statement does not include the Auxiliary Committee’s activities. The Auxiliary’s financial activity for the fiscal year ended November 30, 2023, follows:

	2023
Beginning Cash Balance	\$ 49,885
Receipts	193,245
Disbursements	(101,253)
Ending Cash Balance	\$ 141,877

Note 8 – Equine Council

The Equine Council is a separate council charged with providing wholesome and enjoyable educational experiences for equine participants of all ages, specifically the youth who participate in the Richland County Junior Fair Horse Program. The Equine Council is comprised of volunteers dedicated to improve the equestrian opportunities within Richland county and the surrounding areas. The accompanying financial statement does not include the Equine Council’s activities. The Equine Council’s financial activity for the fiscal year ended November 30, 2023, follows:

	2023
Beginning Cash Balance	\$ -
Receipts	29,521
Disbursements	(11,722)
Ending Cash Balance	\$ 17,799

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Note 8– Risk Management

The Richland County Commissioners provide general insurance coverage for all the buildings on the Richland County Fairgrounds pursuant to Ohio Revised Code § 1711.24. A private company provides general liability and vehicle insurance, with limits of \$1,000,000 and \$3,000,000 aggregate. This policy includes crime coverage for employee dishonesty with limits of liability of \$1,000,000.

The Society provides workers' compensation coverage on all employees through the State of Ohio workers' compensation fund. Coverage is currently in effect through November 30, 2023.

Note 9 – 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.