

FAYETTE COUNTY TRAVEL,  
TOURISM AND CONVENTION BUREAU

FAYETTE COUNTY, OHIO

Financial Statements

Years Ended June 30, 2000 and 1999





**STATE OF OHIO**  
**OFFICE OF THE AUDITOR**  

---

**JIM PETRO, AUDITOR OF STATE**

35 North Fourth Street, 1<sup>st</sup> Floor  
Columbus, Ohio 43215  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-728-7398

Board of Trustees  
Fayette County Travel, Tourism and Convention Bureau  
Washington Courthouse, Ohio

We have reviewed the Independent Auditor's Report of the Fayette County Travel, Tourism and Convention Bureau, Fayette County, prepared by Van Krevel & Company, for the audit period July 1, 1998 to June 30, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Fayette County Travel, Tourism and Convention Bureau is responsible for compliance with these laws and regulations.

**JIM PETRO**  
Auditor of State

April 6, 2001

Fayette County Travel, Tourism and Convention Bureau  
Fayette County, Ohio.

Table of Contents

<u>Title</u>	<u>Page(s)</u>
Independent Auditor's Report	1-2
Statements of Financial Position-Cash Basis As of June 30, 2000 and 1999	3
Statements of Support, Cash Receipts and Cash Disbursements For the Years Ended June 30, 2000 and 1999	4-5
Notes to the Financial Statements	6-7
Independent Auditor's Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	8-9

**VAN KREVEL & COMPANY**

Certified Public Accountants

P. O. Box 1432

Dublin, Ohio 43017-6432

614/761-3743

Board of Trustees  
Fayette County Travel, Tourism and Convention Bureau  
Fayette County, Ohio  
101 East East Street  
Washington C.H., Ohio 43160

Independent Auditor's Report

We have audited the accompanying statements of financial position-cash basis of the Fayette County Travel, Tourism and Convention Bureau (a non-profit organization) as of June 30, 2000 and 1999, and the related statements of support, cash receipts and cash disbursements for the years then ended. These financial statements are the responsibility of the Bureau's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, these financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position-cash basis of the Fayette County Travel, Tourism and Convention Bureau, as of June 30, 2000, and 1999, and its support, cash receipts and cash disbursements for the years then ended on the basis of accounting described in Note 1.

Independent Auditor's Report  
Page 2

In accordance with *Government Auditing Standards*, we have also issued our report dated February 1, 2001, on our consideration of the Bureau's internal control over financial reporting and our tests of its compliance with certain provisions of laws and regulations.

This report is intended solely for the information and use of management, the Board of Trustees and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

*/s/ Van Krevel & Company*

VAN KREVEL & COMPANY

February 1, 2001

Fayette County Travel, Tourism and Convention Bureau  
Fayette County, Ohio

Combined Statements of Financial Position-Cash Basis  
June 30, 2000 and 1999

	June 30, <u>2000</u>	June 30, <u>1999</u>
Cash	\$ 65,284	\$ 55,058
Certificates of Deposit	<u>70,475</u>	<u>10,000</u>
	<u>\$135,759</u>	<u>\$ 65,058</u>
Net Assets		
Unrestricted		
Undesignated	\$111,608	\$ 54,319
Board Designated	<u>24,151</u>	<u>10,739</u>
	<u>135,759</u>	<u>65,058</u>
Total Net Assets	<u>\$135,759</u>	<u>\$ 65,058</u>

The accompanying notes are an integral part of these financial statements

Fayette County Travel, Tourism and Convention Bureau  
Fayette County, Ohio

Statements of Support, Cash Receipts and Cash Disbursements  
Years Ended June 30, 2000 and 1999

	<u>June 30,</u> <u>2000</u>	<u>June 30,</u> <u>1999</u>
<u>Support and Cash Receipts</u>		
Lodging Tax	\$174,410	\$136,332
Interest Income	<u>1,611</u>	<u>6,022</u>
	176,021	142,354
 <u>Cash Disbursements</u>		
Office Supplies & Expense	1,036	2,012
Postage	2,132	3,037
Bank Charges	259	102
Management Fee	15,503	9,750
Payroll Expense	6,914	22,568
Rent	2,250	2,700
Telephone	1,741	2,491
Travel	0	898
Mural Maintenance	1,850	209
Advertising	28,924	25,638
Insurance	2,439	2,946
Dues & Subscriptions	345	463
Meetings & Seminars	3,315	6,910
Professional Fees	0	3,577
Lodging Tax Paid to Municipalities	0	27,120
Promotion	1,768	960
Community Donations	8,525	7,000
Tourism Assistance Grants	<u>28,319</u>	<u>36,366</u>
	105,320	154,747
 Increase (Decrease) in Net Assets	 70,701	 (12,393)
 Net Assets-Beginning of Year (Restated)	 <u>65,058</u>	 <u>77,451</u>
 Net Assets-End of Year	 <u>\$135,759</u>	 <u>\$ 65,058</u>

The accompanying notes are an integral part of these financial statements.



Fayette County Travel, Tourism and Convention Bureau  
Fayette County, Ohio

Statement of Support, Cash Receipts and Cash Disbursements  
Years Ended June 30, 2000 and 1999  
(Continued)

	June 30, <u>2000</u>	June 30, <u>1999</u>
Net Assets-Beginning of Year	\$ 65,058	\$ 73,347
Adjustments to Net Assets-Beginning of Year	<u>0</u>	<u>4,104</u>
Net Assets-Beginning of Year (Restated)	<u>\$ 65,058</u>	<u>\$ 77,451</u>

The accompanying notes are an integral part of these financial statements.

Fayette County Travel, Tourism and Convention Bureau  
Fayette County, Ohio

Notes to Financial Statements  
June 30, 2000 and 1999

**1. Summary of Significant Accounting Policies**

A. Description of Entity. The Fayette County Travel, Tourism and Convention Bureau is an affiliate of the Fayette County Chamber of Commerce, Inc. The Bureau was formed in 1993 to promote and foster tourism, visitors, meetings and conventions within Fayette County, Ohio. The Bureau's management believes these financial statements present all activities for which the Bureau is financially accountable.

Funding for the operating of the Bureau is provided by the Fayette County Commissioners out of a county bed tax.

B. Basis of Accounting. The accompanying financial statements have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. The cash basis differs from generally accepted accounting principles primarily because the receipts are recognized when received rather than when earned and disbursements are recognized when a payment is made rather than when a liability is incurred.

C. Hotel and Lodging Bed Tax. The Bureau's primary source of revenue is a bed tax levied by the Fayette County Commissioners against occupied hotel and motel rooms located in Fayette County. This tax is collected by the County Auditor and distributed to the Bureau on a quarterly basis.

D. Cash Deposits. The Bureau maintains its cash balances in two demand deposit accounts at a local commercial bank. The Bureau maintains investments in certificates of deposit (with original maturity dates of one year or less at another local commercial bank.

All cash balances are insured by the Federal Depository Insurance Corporation.

E. Budgetary Process. The Bureau prepares an annual budget for its internal use. However, there is no legal requirement for the Bureau to prepare a budget.

Fayette County Travel, Tourism and Convention Bureau  
Fayette County, Ohio

Notes to Financial Statements  
June 30, 2000 and 1999

**1. Summary of Significant Accounting Policies (continued)**

F. Income Taxes. The Bureau is a non-profit organization that is exempt from taxes under Section 501(c)(6) of the Internal Revenue Code.

**2. Administrative Expenses.** The Bureau contracts with the Fayette County Chamber of Commerce to provide office space and utilities. As of September 30, 1999, the Bureau also contracts with the Chamber to provide accounting and secretarial services. Consequently, the Bureau has no payroll or related liabilities after September, 1999. Management fees and rents totaled \$17,753 and \$12,450 for the years ended June 30, 2000 and 1999, respectively.

**3. Concentration of Credit Risk.** The Bureau received \$174,410 from July 1, 1999 through June 30, 2000, and \$136,332 from July 1, 1998 through June 30, 1999, from lodging excise tax which is levied by Fayette County. A reduction of that tax could have a significant impact on the operations of the Bureau.

**4. Unrestricted Net Assets - Board Designated.** The Board had designated certain funds received from the Fayette County Auditor as the Formula Grant Fund. These funds are set aside and designated for the City of Washington to receive 25% of the total excise tax collected after deduction of the County Auditor fees. These Formula Grant funds can only be accessed by request of Washington City Council and approval of the Bureau's Board of Trustees.

**5. Restatement of Beginning Net Assets.** At June 30, 1998, the cash balance and unrestricted net assets-Board Designated were understated by the omission of one cash account at a local bank. The addition of this account increased the cash balances and net assets by \$4,104 at July 1, 1998.

**6. Subsequent Events.** There were no subsequent events to be reported.

VAN KREVEL & COMPANY  
Certified Public Accountants  
P. O. Box 1432  
Dublin, Ohio 43017-6432  
614/761-3743

Report on Compliance and on Internal Control  
Required by *Government Auditing Standards*

Board of Trustees  
Fayette County Travel, Tourism and Convention Bureau  
Fayette County, Ohio  
101 East East Street  
Washington C.H., Ohio 43160

We have audited the accompanying financial statements of the Fayette County Travel, Tourism and Convention Bureau (a non-profit organization), as of and for the years ended June 30, 1999 and June 30, 2000, and have issued our report thereon dated December 23, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### Compliance

As part of obtaining reasonable assurance about whether the Bureau's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on determination of financial statement amounts. 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 that are required to be reported under *Government Auditing Standards*.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Bureau's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily

disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to the Board of Trustees of The Bureau in a separate letter dated December 23, 2000..

This report is intended solely for the information and use of the official authorized to receive this report under Section 117.06, Ohio Revised Code, and is not intended to be used by anyone other than these specific parties.

*/s/ Van Krevel & Company*

VAN KREVEL & COMPANY

February 1, 2001





STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**FAYETTE COUNTY TRAVEL, TOURISM AND CONVENTION BUREAU**

**FAYETTE COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
APRIL 17, 2001**