

CLINTON COUNTY CONVENTION AND VISITORS BUREAU

Regular Audit

Years Ended December 31, 2005 and 2004



**Auditor of State
Betty Montgomery**

Board of Directors
Clinton County Convention and Visitors Bureau
13 North South Street
Wilmington, Ohio 45177

We have reviewed the *Independent Auditor's Report* of the Clinton County Convention and Visitors Bureau, prepared by Cassady, Schiller & Associates Inc., for the audit period January 1, 2004 through December 31, 2005. 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 Clinton County Convention and Visitors Bureau is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

June 6, 2006

This Page is Intentionally Left Blank.

CLINTON COUNTY CONVENTION AND VISITORS BUREAU

REGULAR AUDIT

YEARS ENDED DECEMBER 31, 2005 AND 2004

TABLE OF CONTENTS

Independent Auditor's Report.....	1
Audited Financial Statements:	
Statement of Cash Receipts and Disbursements and Changes in Cash Balances – For the Years Ended December 31, 2005 and December 31, 2004.....	2
Notes to the Financial Statements.....	3-4
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	5
Schedule of Prior Audit Findings	6

This Page is Intentionally Left Blank.



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Clinton County Convention and Visitors Bureau

We have audited the accompanying financial statements of the Clinton County Convention and Visitors Bureau, Clinton County, Ohio (the Organization), as of and for the years ended December 31, 2005 and 2004. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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*, 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 statement is 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described more fully in Note 1, the Organization has prepared these financial statements on the cash receipts and disbursements basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash receipts and disbursements and cash balances arising from the cash transactions of the Organization, as of December 31, 2005 and 2004 for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2006 on our consideration of the Organization'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

A handwritten signature in black ink, consisting of the letters 'CSA' in a stylized, cursive font.

May 15, 2006

CERTIFIED PUBLIC ACCOUNTANTS

4705 Lake Forest Drive
Cincinnati, Ohio 45242
513/483.6699 Fax: 513.483.6690
800/378.8606



**CLINTON COUNTY CONVENTION AND VISITORS BUREAU
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS AND
CHANGES IN CASH BALANCES
YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004**

	<u>2005</u>	<u>2004</u>
Cash receipts:		
Motel tax - Clinton County	\$ 140,137	\$ 133,938
Motel tax - City of Wilmington	71,416	62,635
Interest	432	136
Miscellaneous	<u>319</u>	<u>125</u>
Total cash receipts	212,304	196,834
Cash disbursements:		
Compensation and related	73,253	74,188
Advertising, marketing and promotion	31,438	24,513
Rent	14,400	14,000
Utilities	11,310	10,514
Office supplies and related	10,188	9,102
Printing and reproduction	9,771	15,404
Postage	9,048	9,506
Trade shows and seminars	8,429	4,054
Equipment purchases and lease payments	7,722	7,520
Travel and entertainment	6,576	6,173
Memberships and subscriptions	4,982	3,424
Telephone	2,947	2,898
Property and liability insurance	1,985	1,917
Building and equipment maintenance	1,938	2,237
Professional services	1,188	3,281
Research	1,078	1,175
Contributions	1,000	1,000
Website development and related	654	1,677
Licenses and permits	120	120
Bank and finance service charges	89	55
Miscellaneous	67	39
Total cash disbursements	<u>198,183</u>	<u>192,797</u>
Total cash receipts over cash disbursements	14,121	4,037
Beginning cash balance, January 1	<u>45,600</u>	<u>41,563</u>
Ending cash balance, December 31	<u>\$ 59,721</u>	<u>\$ 45,600</u>

CLINTON COUNTY CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2005 AND 2004

1. Summary of significant accounting policies

A. Description of the entity

The Clinton County Convention and Visitors Bureau, the Organization, is not-for-profit corporation formed under the laws of the State of Ohio. The purpose of the Organization is to promote and publicize the City of Wilmington and Clinton County, Ohio, to attract tourists into the County for their consumption of goods and services provided by the City's and County's hospitality, industry and the general business community.

B. Basis of accounting

The Organization's Statement of Cash Receipts and Disbursements and Cash Balances were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The cash basis of accounting records cash receipts and cash disbursements. Cash receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Accordingly, the accompanying Statements of Cash Receipts and Disbursements and Cash Balances is not intended to present the financial position and results of operations in conformity with accounting principles generally accepted in the United States of America.

C. Cash deposits

During the fiscal years 2005 and 2004, the Organization's funds were in an interest bearing checking account.

D. Income taxes

The Organization is exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code.

2. Cash and investments

The Organization maintains a checking and a savings account. The carrying amount of cash and deposits at December 31 follows:

	<u>2005</u>	<u>2004</u>
Operating account	\$ 3,107	\$ 13,980
Petty cash	200	200
Savings account	<u>56,414</u>	<u>31,420</u>
Total	<u>\$ 59,721</u>	<u>\$ 45,600</u>

CLINTON COUNTY CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2005 AND 2004

3. Cash receipts

The Organization's primary source of cash receipts is from the City of Wilmington's Hotel Lodging Excise Tax (3%) and Clinton County Motel/Hotel Bed Tax (3%).

The Organization entered into an agreement with the City of Wilmington in 1997 to promote and publicize the City and to bring patronage to the City's businesses. The Code of Regulation requires that the amounts allocated to the Organization will be appropriated by City Council in its annual appropriations ordinance and may be amended as requested by the appropriate authority and approved by City Council.

The Organization entered into an agreement with Clinton County in 1997 to promote and publicize the County and to bring patronage to the County's business. The Code of Regulation states that the amounts available to the Organization will be based on the proceeds collected less amounts for certain expenses and appropriations to any township or municipality which does not have any hotel lodging excise tax.

4. Lease obligations

The Organization leases office space located at 13 North South Street in Wilmington, Ohio from R.L.R. Investments. The Organization is required to pay the utility expenses and provide liability insurance coverage. The lease term is for the period April 2004 to March 2007 at \$1,200 per month.

The Organization leased a new copier from IKON Office Solutions, Inc. in January 2006. The lease will terminate in December 2008. The minimum monthly lease payments are \$289, which provides for 5,000 prints per month. The print charge is \$.0161 per print above the monthly 5,000 prints.

The Organization leases a postage machine from American Express Business Finance. The lease commenced September 2004 and will terminate in August 2007. The monthly payment is \$270.

Future minimum payments are:

2006	\$ 21,108
2007	9,228
2008	<u>3,468</u>
	<u>\$ 33,804</u>

5. Concentration of receipts

The Organization receives almost all of its support from the City of Wilmington and Clinton County Hotel Lodging Excise Tax.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS



To the Board of Directors
Clinton County Convention and Visitors Bureau

We have audited the financial statements of the Clinton County Convention and Visitors Bureau as of and for the years ended December 31, 2005 and 2004, and have issued our report thereon dated May 15, 2006, wherein we noted that the Organization prepared its financial statements using the cash receipts and disbursements basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audits 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*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the Organization's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion 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 that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of 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 determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits, 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 Audit Standards*.

This report is intended solely for the information and use of management and the Board of Directors, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, consisting of the letters 'CSA' in a stylized, cursive font.

May 15, 2006

CERTIFIED PUBLIC ACCOUNTANTS

4705 Lake Forest Drive
Cincinnati, Ohio 45242
513/483.6699 Fax: 513.483.6690
800/378.8606



CLINTON COUNTY CONVENTION AND VISITORS BUREAU

SCHEDULE OF PRIOR AUDIT FINDINGS

DECEMBER 31, 2005 AND 2004

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	<u>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid</u>
No findings were noted in the prior year audit.			



**Auditor of State
Betty Montgomery**

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

CLINTON COUNTY CONVENTION AND VISITORS BUREAU

CLINTON 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
JUNE 20, 2006**