

**BELMONT COUNTY TOURISM COUNCIL, INC.  
(A NON-PROFIT ORGANIZATION)**

**FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000**

**SEACHRIST, KENNON & MARLING, A.C.  
CERTIFIED PUBLIC ACCOUNTANTS**





STATE OF OHIO  
OFFICE OF THE AUDITOR

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To the Board of Directors  
Belmont County Tourism Council, Inc.

We have reviewed the Independent Auditor's Report of the Belmont County Tourism Council, Inc., Belmont County, prepared by Seachrist, Kennon & Marling, A.C., for the audit period January 1, 2000 through December 31, 2001. 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 Belmont County Tourism Council, Inc. is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO  
Auditor of State

July 25, 2002

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**BELMONT COUNTY TOURISM COUNCIL, INC.**  
**(A NON-PROFIT ORGANIZATION)**  
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## **INDEPENDENT AUDITOR'S REPORT**

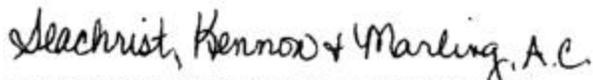
To the Board of Directors  
Belmont County Tourism Council, Inc.

We have audited the accompanying statement of financial position of Belmont County Tourism Council, Inc., (a non-profit organization) as of December 31, 2001 and 2000 and related statements of activities, net assets, and cash flow for the years then ended. These financial statements are the responsibility of Belmont County Tourism Council'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 Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Belmont County Tourism Council, Inc., as of December 31, 2001 and 2000, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated June 24, 2002 on our consideration of Belmont County Tourism Council, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.



Wheeling, West Virginia  
June 24, 2002

**BELMONT COUNTY TOURISM COUNCIL, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2001 AND 2000**

	<u>12/31/01</u>	<u>12/31/00</u>
<u>Assets</u>		
Current assets:		
Cash in checking	\$ 86,083	\$ 64,163
Cash in Lodging Excise Tax Fund	<u>207,976</u>	<u>158,414</u>
Total cash and cash equivalents	<u>294,059</u>	<u>222,577</u>
 Total current assets	 294,059	 222,577
Fixed assets:		
Office equipment	15,255	14,816
Furniture and fixtures	13,726	13,726
Equipment	<u>1,063</u>	<u>1,063</u>
 Total fixed assets	 30,044	 29,605
Less: accumulated depreciation	<u>(26,738)</u>	<u>(25,194)</u>
 Net fixed assets	 <u>3,306</u>	 <u>4,411</u>
 Total Assets	 <u><u>\$ 297,365</u></u>	 <u><u>\$ 226,988</u></u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable	\$ 5,492	\$ 3,187
Payroll taxes payable	<u>1,928</u>	<u>1,713</u>
 Total current liabilities	 7,420	 4,900
Net assets:		
Unrestricted	<u>289,945</u>	<u>222,088</u>
 Total Liabilities and Net Assets	 <u><u>\$ 297,365</u></u>	 <u><u>\$ 226,988</u></u>

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

**BELMONT COUNTY TOURISM COUNCIL, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000**

	<u>12/31/01</u>	<u>12/31/00</u>
<u>Income</u>		
Belmont County Commissioners	\$ 305,809	\$ 232,370
Interest income	<u>1,915</u>	<u>1,891</u>
 Total income	 307,724	 234,261
 <u>General and administrative expenses</u>		
Salaries	64,177	60,366
Payroll taxes	5,165	4,966
Benefits	1,674	1,674
Brochures	3,930	5,149
Local promotion and entertainment	2,506	10,202
Advertising	38,907	30,864
Trade shows	5,108	5,258
Rent and utilities	15,381	15,519
Professional fees	3,913	2,574
Office supplies and expense	4,916	3,690
Auto expense	2,400	2,400
Professional meetings	1,066	515
Dues and subscriptions	3,393	3,728
Telephone	4,893	4,580
Miscellaneous	451	1,294
Travel expense	395	445
Postage and mailings	3,296	2,588
Insurance	1,217	1,517
Depreciation	1,544	1,914
GAP Program	19,689	10,000
Bicentennial	49,859	32,793
Contracted services	5,987	5,924
Repairs and maintenance	<u>-</u>	<u>3,996</u>
 Total general and administrative expenses	 <u>239,867</u>	 <u>211,956</u>
 Increase (decrease) in net assets	 <u>\$ 67,857</u>	 <u>\$ 22,305</u>

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

**BELMONT COUNTY TOURISM COUNCIL, INC.**  
**STATEMENT OF NET ASSETS**  
**FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000**

**12/31/2001:**

Net assets at December 31, 2000	\$ 222,088
Increase in net assets	<u>67,857</u>
Net assets at December 31, 2001	<u><u>\$ 289,945</u></u>

**12/31/2000:**

Net assets at December 31, 1999	\$ 199,783
Increase in net assets	<u>22,305</u>
Net assets at December 31, 2000	<u><u>\$ 222,088</u></u>

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

**BELMONT COUNTY TOURISM COUNCIL, INC.**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000**

	<u>12/31/01</u>	<u>12/31/00</u>
Increase (decrease) in net assets	\$ 67,857	\$ 22,305
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	1,544	1,914
Changes in assets and liabilities:		
Accounts payable increase (decrease)	2,305	3,027
Payroll taxes payable increase (decrease)	<u>215</u>	<u>140</u>
Net cash provided (used) from operating activities	71,921	27,386
Cash flows from investing activities:		
Purchase of fixed assets	<u>(439)</u>	<u>(4,250)</u>
Net cash provided (used) in investing activities	<u>(439)</u>	<u>(4,250)</u>
Net increase (decrease) in cash and cash equivalents	71,482	23,136
Beginning cash and cash equivalents	<u>222,577</u>	<u>199,441</u>
Ending cash and cash equivalents	<u>\$ 294,059</u>	<u>\$ 222,577</u>
Supplemental disclosures of cash flow information:		
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>
Interest paid	<u>\$ -</u>	<u>\$ -</u>

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

**BELMONT COUNTY TOURISM COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2001**

NOTE 1: Accounting Policies

Nature of Business – Belmont County Tourism Council, Inc. is a non-profit organization formed to promote the Ohio Valley as a tourism area.

Accounting Method and Financial Statement Presentation - The Council prepares its financial statements on the accrual basis of accounting. The financial statements are also prepared in compliance with Statement of Financial Accounting Standards (SFAS) No. 117 “Financial Statements of Not-for-Profit Organizations.” Under SFAS 117 the Council is required to present information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, permanently restricted. All of the Council’s assets are unrestricted.

Property and Equipment - Property and equipment are capitalized at cost. Depreciation is calculated on the straight-line method over the assets estimated useful lives.

Income Taxes - The Tourism Council is exempt from Federal income taxes under section 501(c)(4) of the Internal Revenue Code, except for taxes on unrelated business income.

Statement of Cash Flows - For the purposes of the Statement of Cash Flows, cash and cash equivalents include time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less.

Deposit Funds - Funds of the Council, on deposit in banks, are maintained in accounts insured by the F.D.I.C. Funds in the Lodging Excise Tax Fund, are maintained by the county in their accounts, all of which are F.D.I.C. insured or collateralized. The county has been audited by the State of Ohio Auditor’s office.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

NOTE 2: Contract

Renewal Agreement - The contract between the County of Belmont, State of Ohio and the Belmont County Tourism Council, Inc., (a non-profit organization) of St. Clairsville, Ohio is in effect and shall continue until terminated by either of the above stated parties. A lease contract with the Ohio Valley Mall is valid through January 31, 2002. Payments are \$1,125.00 per month or \$13,500.00 per year.

**BELMONT COUNTY TOURISM COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2001**

NOTE 3: Contingencies

Belmont County Tourism Council receives all of its funding from the Belmont County 3% motel bed tax, which is collected by the county and then distributed to the tourism council. A significant reduction of this support would have a major effect on the operations of the Council.

# **SEACHRIST, KENNON & MARLING, A.C.**

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## **REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Belmont County Tourism Council, Inc.

We have audited the financial statements of Belmont County Tourism Council, Inc., as of and for the year ended December 31, 2001, and have issued our report thereon dated June 24, 2002. We conducted our audit 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.

### Compliance

As part of obtaining assurance about whether Belmont County Tourism Council, Inc.'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 the determination of financial statement 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 that are required to be reported under Government Auditing Standards.

### Internal Control over Financial Reporting

In planning and performing our audit, we considered Belmont County Tourism Council, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and 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 operations that we considered to be material weaknesses.

This report is intended for the information of the Board of Directors of Belmont County Tourism Council, Inc., management and grantor agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Deachrist, Kennon & Marling, A.C.*

Wheeling, West Virginia

June 24, 2002





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**BELMONT COUNTY TOURISM COUNCIL, INC.**

**BELMONT 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  
AUGUST 13, 2002**