

**MEDINA COUNTY CONVENTION
AND VISITORS BUREAU**

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2002



**Auditor of State
Betty Montgomery**

Board of Trustees
Medina County Convention and Visitors Bureau
124 West Lafayette Road
Medina, OH 44256

We have reviewed the Independent Auditor's Report of the Medina County Convention and Visitors Bureau, Medina County, prepared by Gary B. Fink & Associates, Inc., for the audit period January 1, 2002 through December 31, 2002. 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 Medina 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

August 19, 2003

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**MEDINA COUNTY CONVENTION AND VISITORS BUREAU
FOR THE YEAR ENDED
DECEMBER 31, 2002**

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Medina County Convention and Visitors Bureau
124 West Lafayette Road
Medina, Ohio 44256

We have audited the accompanying statement of cash receipts, cash disbursements and change in cash balance of the Medina County Convention and Visitors Bureau (the Bureau) (a nonprofit organization), as of and for the year ended December 31, 2002. This financial statement is the responsibility of the Bureau's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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. 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 statement. 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 described in Note 1, the Bureau prepares its financial statement on the cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash balance of the Medina County Convention and Visitors Bureau, as of December 31, 2002, and the cash receipts and disbursements for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 18, 2003 on our consideration of the Medina County Convention and Visitors Bureau's internal control over financial reporting and our tests of its compliance with certain provisions of laws and regulations. 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.



GARY B. FINK & ASSOCIATES, INC.
Certified Public Accountants

July 18, 2003

FINANCIAL STATEMENT

**Medina County Convention and Visitors Bureau
Statement of Cash Receipts, Cash Disbursements and
Change in Cash Balance
For the Year Ended December 31, 2002**

Cash Receipts	
County Room Taxes	\$239,723
Membership Dues	5,562
Interest	451
Amish Heartland	600
Advertising	5,635
Miscellaneous	496
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Total Cash Receipts	252,467
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Cash Disbursements	
Payroll	73,659
Payroll Taxes	5,607
Medical Insurance	22,321
IRA	1,777
Rent	8,877
Contract Labor	65
Telephone	4,700
Postage	7,249
Office Supplies	3,567
Photography/Art	943
Advertising/Brochure	71,539
Printing	4,253
Dues/Subscriptions	4,728
Conference/Meetings	8,451
Travel	7,877
Insurance	3,732
Professional/Consultation	5,300
Promotional	5,314
Leased Equipment	1,757
Automobile/Van Lease	1,049
Automobile/Van Expense	4,109
Bank Service Charges	507
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Total Cash Disbursements	247,381
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Total Receipts Over Disbursements	5,086
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Cash Balance, January 1, 2002	115,093
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Cash Balance, December 31, 2002	<u><u>\$120,179</u></u>

The notes to the financial statement are an integral part of this statement.

MEDINA COUNTY CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2002

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Nature of Operations

The Medina County Convention and Visitors Bureau, (the Bureau), was formed in 1991 to promote tourism in Medina County. A countywide bed tax and membership dues support the Bureau. The Bureau has actively been attracting more visitors to Medina County through various travel brochures, advertisements in travel magazines and booths in various shows around the State of Ohio.

The Bureau operates under a nine member Board of Trustees. Three Trustees are appointed by the Medina County Commissioners to represent the Cities, Villages and Townships in Medina County and six are elected by the membership with one from each major city in the county and one representative each from a lodging facility, food service operator and attraction/event located in Medina County.

B. Basis of Accounting

This financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

C. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statement.

2. **EQUITY IN POOLED CASH**

At December 31, 2002, the carrying amount of the Bureau's deposits was as follows:

Demand Deposits

Checking	\$2,284
Savings	117,895
Total Deposits	<u>\$120,179</u>

MEDINA COUNTY CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2002

3. **INCOME TAXES**

The Bureau is a not-for-profit organization as described in Section 501(c)(6) of the Internal Revenue Code, and the Bureau is exempt from federal and state income taxes.

4. **RISK MANAGEMENT**

The Bureau has obtained the following commercial insurance through the Westfield Insurance Company:

- a. Comprehensive property and general liability
- b. Public officials and employee liability
- c. Vehicles

The Bureau also provides health insurance for all Bureau employees through a private carrier.

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

Board of Trustees
Medina County Convention and Visitors Bureau
124 West Lafayette Road
Medina, Ohio 44256

We have audited the statement of cash receipts, cash disbursements and change in cash balance of the Medina County Convention and Visitors Bureau (the Bureau), as of and for the year ended December 31, 2002, and have issued our report thereon dated July 18, 2003. 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 reasonable assurance about whether the Bureau's statement of cash receipts, cash disbursements and change in cash balance is free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, 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 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 our opinion on the statement of cash receipts, cash disbursements and change in cash balance 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 statement 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 consider to be material weaknesses.

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

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

A handwritten signature in black ink, appearing to read 'G. B. Fink', with a stylized flourish at the end.

GARY B. FINK & ASSOCIATES, INC.
Certified Public Accountants

July 18, 2003



**Auditor of State
Betty Montgomery**

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MEDINA COUNTY CONVENTION AND VISITORS BUREAU

MEDINA 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
SEPTEMBER 18, 2003**