



**Auditor of State
Betty Montgomery**

**MIAMI COUNTY VISITORS & CONVENTION BUREAU
MIAMI COUNTY**

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**Auditor of State
Betty Montgomery**

Miami County Visitors and Convention Bureau
Miami County
405 SW Public Square, Suite 272
Troy, Ohio 45373

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your Bureau to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

A handwritten signature in black ink that reads "Betty Montgomery".

Betty Montgomery
Auditor of State

June 29, 2006

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Miami County Visitors and Convention Bureau
Miami County
405 SW Public Square, Suite 272
Troy, Ohio 45373

To the Board of Trustees:

We have audited the accompanying financial statements of the Miami County Visitors and Convention Bureau, Miami County, (the Bureau), as of and for the years ended December 31, 2005 and 2004. 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 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Bureau has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Revisions to GAAP would require the Bureau to reformat its financial statement presentation and make other changes effective for the years ended December 31, 2005 and 2004. While the Bureau does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Bureau has elected not to reformat its statements. Since this Bureau does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2005 and 2004 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Bureau as of December 31, 2005 and 2004, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of the Miami County Visitors and Convention Bureau, Miami County, as of December 31, 2005 and 2004, and its cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Bureau to include Management's Discussion and Analysis for the years ended December 31, 2005 and 2004. The Bureau has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2006, on our consideration of the Bureau'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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



Betty Montgomery
Auditor of State

June 29, 2006

**MIAMI COUNTY VISITORS & CONVENTION BUREAU
MIAMI COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGE IN FUND CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2005**

	General Fund
Cash Receipts:	
County Hotel/Motel Tax	\$267,160
Advertising	7,182
Earnings on Investments	792
Special Projects	1,305
	276,439
 Cash Disbursements:	
Administration	
Salary & Benefits	78,248
Operations	
Rent	15,251
Utilities	2,338
Office Expense	5,360
Purchase Services	7,178
Repairs and Maintenance	1,210
Capital Outlay	5,414
Miscellaneous	824
	37,575
Marketing	
Salaries	49,700
Advertisement	32,368
Printing	6,473
Promotions	5,408
Meetings, Shows & Seminars	4,076
Outside Services	12,522
Dues & Membership	2,565
Sponsorships	11,237
Special Projects	1,333
Travel	3,937
	129,619
Total Cash Disbursements	245,442
Total Receipts (Under) Disbursements	30,997
Cash Balance, January 1	92,127
Cash Balance, December 31	\$123,124

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

**MIAMI COUNTY VISITORS & CONVENTION BUREAU
MIAMI COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGE IN FUND CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2004**

	General Fund
Cash Receipts:	
County Hotel/Motel Tax	\$253,062
Advertising	14,239
Earnings on Investments	450
Special Projects	540
Reimbursements	2,019
Miscellaneous Receipts	148
 Total Cash Receipts	 270,458
Cash Disbursements:	
Administration	
Salary & Benefits	128,321
Operations	
Rent	13,785
Utilities	2,421
Office Expense	5,810
Purchase Services	14,382
Repairs and Maintenance	2,294
Miscellaneous	306
 Total Operations	 38,998
Marketing	
Advertisement	37,222
Printing	24,679
Promotions	9,347
Meetings, Shows & Seminars	3,254
Outside Services	18,434
Dues & Membership	3,383
Sponsorships	5,000
Special Projects	838
Travel	4,083
 Total Marketing	 106,240
 Total Cash Disbursements	 273,559
 Total Receipts (Under) Disbursements	 (3,101)
 Cash Balance, January 1	 95,228
 Cash Balance, December 31	 \$92,127

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

**MIAMI COUNTY VISITORS & CONVENTION BUREAU
MIAMI COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Miami County Visitors & Convention Bureau, Miami County, (the Bureau) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Bureau was founded in July 1990 as a private, not-for-profit organization (501-C6). The Bureau is directed by an appointed twelve member Board of Trustees. The Bureau serves the public by encouraging economic development of the County through the promotion of tourism.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

Certificates of deposit are valued at cost.

D. Fund Accounting

The Bureau uses fund accounting to segregate cash and investments that are restricted as to use. The Bureau classifies its fund into the following type:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources of the Bureau.

E. Budgetary Process

The Bureau prepares an annual budget for its fund and files the budget with the Miami County Commissioners.

A summary of 2005 and 2004 budgetary activity appears in Note 3.

F. 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 statements.

**MIAMI COUNTY VISITORS & CONVENTION BUREAU
MIAMI COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Bureau's basis of accounting.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	2005	2004
Demand deposits	\$78,537	\$48,203
Certificates of deposits	44,587	43,924
Total deposits	\$123,124	\$92,127

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2005 and 2004 follows:

2005 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$259,300	\$276,439	\$17,139
	\$259,300	\$276,439	\$17,139

2005 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$259,750	\$245,442	\$14,308
	\$259,750	\$245,442	\$14,308

2004 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$271,000	\$270,458	(\$542)
	\$271,000	\$270,458	(\$542)

2004 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$275,061	\$273,559	\$1,502
	\$275,061	\$273,559	\$1,502

**MIAMI COUNTY VISITORS & CONVENTION BUREAU
MIAMI COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004
(Continued)**

4. RETIREMENT SYSTEM

The Bureau's employees are not considered government employees so they belong to the Social Security System.

For 2005 and 2004, members of the Social Security System contributed 6.2% of their gross salaries. The Bureau contributed an amount equal to 6.2% of participants' gross salaries. The Bureau has paid all contributions required through December 31, 2005.

5. RISK MANAGEMENT

Commercial Insurance

The Bureau has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Directors and officers.
- Errors and omissions.

The Bureau also provides health insurance to full-time employees through a private carrier.

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Miami County Visitors and Convention Bureau
Miami County
405 SW Public Square, Suite 272
Troy, Ohio 45373

To the Board of Trustees:

We have audited the financial statements of the Miami County Visitors and Convention Bureau, Miami County, (the Bureau), as of and for the years ended December 31, 2005 and 2004, and have issued our report thereon dated June 29 2006, wherein we noted the Bureau followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Bureau's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting 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 material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the Bureau's management dated June 29, 2006, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

Compliance and Other Matters

As part of reasonably assuring whether the Bureau's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*. In a separate letter to the Bureau's management dated June 29, 2006, we reported other matters related to noncompliance we deemed immaterial.

Miami County Visitors and Convention Bureau
Miami County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required By *Government Auditing Standards*
Page 2

We intend this report solely for the information and use of the management, audit committee, and Board of Trustees. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

June 29, 2006

**MIAMI COUNTY VISITORS AND CONVENTION BUREAU
MIAMI COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2005**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2003-001	Finding for Recovery \$148.40 expenditure not for proper public purpose	Yes, Repaid during prior audit.	N/a



**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

MIAMI COUNTY VISITORS AND CONVENTION BUREAU

MIAMI 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 1, 2006**