

CLINTON COUNTY CONVENTION AND VISITORS BUREAU

Regular Audit

Years Ended December 31, 2007 and 2006



Mary Taylor, CPA
Auditor of State

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

We have reviewed the *Report of Independent Auditors* of the Clinton County Convention and Visitors Bureau, prepared by Cassady Schiller & Associates Inc., for the audit period January 1, 2006 through December 31, 2007. 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.

Mary Taylor

Mary Taylor, CPA
Auditor of State

February 25, 2009

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CLINTON COUNTY CONVENTION AND VISITORS BUREAU

REGULAR AUDIT

YEARS ENDED DECEMBER 31, 2007 AND 2006

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REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
Clinton County Convention and Visitors Bureau

We have audited the Statement of Cash Receipts and Disbursements and Changes in Cash Balances of the Clinton County Convention and Visitors Bureau, Clinton County, Ohio (the Organization), as of and for the years ended December 31, 2007 and 2006. 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 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 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 the 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 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, 2007 and 2006 for the years then ended in conformity with the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2008 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 that reads 'CSA'.

October 29, 2008

CERTIFIED PUBLIC ACCOUNTANTS

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**CLINTON COUNTY CONVENTION AND VISITORS BUREAU
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS AND
CHANGES IN CASH BALANCES
YEARS ENDED DECEMBER 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
Cash receipts:		
Motel tax - Clinton County	\$ 166,341	\$ 199,235
Motel tax - City of Wilmington	77,112	85,557
Interest	314	672
Miscellaneous	<u>266</u>	<u>125</u>
Total cash receipts	244,033	285,589
Cash disbursements:		
Compensation and related	80,691	78,873
Advertising, marketing and promotion	50,722	36,545
Professional services	30,785	3,726
Printing and reproduction	27,539	17,626
Trade shows and seminars	15,341	8,673
Rent	14,400	14,400
Utilities	13,143	13,223
Office supplies and related	10,830	17,466
Postage	10,223	11,402
Travel and entertainment	9,332	8,087
Equipment purchases and lease payments	7,504	18,542
Memberships and subscriptions	5,111	5,180
Telephone	3,038	2,997
Building and equipment maintenance	2,784	3,418
Website development and related	2,315	2,733
Property and liability insurance	1,953	1,936
Contributions	750	1,200
Miscellaneous	600	-
Bank and finance service charges	160	48
Licenses and permits	120	150
Grants	-	6,832
Research	-	1,110
Total cash disbursements	<u>287,341</u>	<u>254,167</u>
Total cash receipts over cash disbursements (cash disbursements over cash receipts)	(43,308)	31,422
Beginning cash balance, January 1	<u>91,143</u>	<u>59,721</u>
Ending cash balance, December 31	<u>\$ 47,835</u>	<u>\$ 91,143</u>

CLINTON COUNTY CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2007 AND 2006

1. Summary of significant accounting policies

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.

Basis of accounting

The accompanying financial statements have been prepared on the cash receipts and disbursements basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under that basis, the only asset recognized is cash, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements. Noncash transactions are not recognized in the financial statements.

Cash deposits

During the fiscal years 2007 and 2006, the Organization's funds were in an interest bearing checking account.

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>2007</u>	<u>2006</u>
Petty Cash	\$ 200	\$ 200
Operating Account	4,518	3,068
Savings Account	<u>43,117</u>	<u>87,875</u>
Total	<u>\$ 47,835</u>	<u>\$ 91,143</u>

CLINTON COUNTY CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2007 AND 2006

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 2007 to March 2010 at \$1,200 per month.

The Organization has renewed a lease of a copier from IKON Office Solutions, Inc. in August 2008. The lease term is for the period of September 2008 to August 2011. The minimum monthly lease payments are \$240.81 without tax, which provides for 3,000 prints per month. The print charge is \$.0164 per print above the monthly 5,000 prints.

The Organization leases a postage machine from Neopost Inc. The lease began July 2007 and will terminate in June 2012. The monthly payment is \$288.22 without tax.

Future minimum payments are:

2008	\$	19,064
2009		20,991
2010		10,190
2011		5,627
2012		1,850
	\$	<u>57,722</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.

**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, 2007 and 2006, and have issued our report thereon dated October 29, 2008, 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 audit, we considered Clinton County Convention and Visitors Bureau's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clinton County Convention and Visitors Bureau's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Clinton County Convention and Visitors Bureau's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Clinton County Convention and Visitors Bureau's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Clinton County Convention and Visitors Bureau's financial statements that is more than inconsequential will not be prevented or detected by the Clinton County Convention and Visitors Bureau's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Clinton County Convention and Visitors Bureau's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Clinton County Convention and Visitors Bureau'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

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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 or other matters that are required to be reported under *Government Auditing 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 cursive, stylized font.

October 29, 2008

CLINTON COUNTY CONVENTION AND VISITORS BUREAU

SCHEDULE OF PRIOR AUDIT FINDINGS

DECEMBER 31, 2007 AND 2006

<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.			



Mary Taylor, CPA
Auditor of State

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
MARCH 10, 2009**