

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

**FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998**

**SEACHRIST, KENNON & MARLING, A.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
BELMONT COUNTY TOURISM COUNCIL, INC.  
(A NON-PROFIT ORGANIZATION)  
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Belmont County Tourism Council  
Ohio Valley Mall Unit #485  
St. Clairsville, Ohio 43950

We have reviewed the Independent Auditor's Report of the Belmont County Tourism Council, Belmont County, prepared by Seachrist, Kennon & Marling, A.C., for the audit period January 1, 1998 through December 31, 1999. 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 is responsible for compliance with these laws and regulations.

JIM PETRO  
Auditor of State

January 11, 2001

**DECEMBER 31, 1999**

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May 5, 2000

Board of Directors  
Belmont County Tourism Council, Inc.  
St. Clairsville, OH 43950

## **INDEPENDENT AUDITOR'S REPORT**

We have audited the accompanying statement of financial position of Belmont County Tourism Council, Inc., (a non-profit organization) as of December 31, 1999 and 1998 and related statements of activities, net assets, and cash flow for the year 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 audit.

We conducted our audit in accordance with generally accepted auditing standards and 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 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.

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, 1999 and 1998, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated May 5, 2000 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.

Seachrist, Kennon & Marling, A.C.  
Certified Public Accountants

**BELMONT COUNTY TOURISM COUNCIL, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 1999 AND 1998**

<u>Assets</u>	<u>12/31/99</u>	<u>12/31/98</u>
Current assets:		
Cash in checking	\$ 33,204	\$ 16,958
Cash in Lodging Excise Tax Fund	<u>166,237</u>	<u>-0-</u>
Total cash and cash equivalents	<u>199,441</u>	<u>16,958</u>
 Total current assets	 <u>199,441</u>	 <u>16,958</u>
Fixed assets:		
Office equipment	10,566	10,566
Furniture and fixtures	13,726	13,726
Equipment	<u>1,063</u>	<u>1,063</u>
Total fixed assets	25,355	25,355
Less: accumulated depreciation	<u>(23,280)</u>	<u>(22,097)</u>
Net fixed assets	<u>2,075</u>	<u>3,258</u>
 Total assets	 <u>\$201,516</u>	 <u>\$ 20,216</u>
 <u>Liabilities and net assets</u>		
Current liabilities:		
Accounts payable	\$ 160	\$ 948
Payroll taxes payable	<u>1,573</u>	<u>1,407</u>
Total current liabilities	1,733	2,355
Net assets:		
Unrestricted	<u>199,783</u>	<u>17,861</u>
Total liabilities and net assets	<u>\$201,516</u>	<u>\$ 20,216</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, 1999 AND 1998**

	<u>12/31/99</u>	<u>12/31/98</u>
<u>Income</u>		
Belmont County Commissioners	\$ 214,976	\$ 113,900
Interest income	<u>706</u>	<u>355</u>
Net income	215,682	114,255
<u>General and administrative expenses</u>		
Salaries	49,996	48,128
Payroll taxes	4,003	3,810
Benefits	2,706	2,705
Brochures	3,198	3,541
Local promotion and entertainment	10,908	2,503
Advertising	27,807	17,912
Trade shows	4,257	4,703
Rent and utilities	15,123	14,812
Professional fees	1,100	1,213
Office supplies and expense	2,790	3,804
Auto expense	2,400	2,400
Professional meetings	953	726
Dues and subscriptions	2,887	2,268
Telephone	4,203	2,917
Miscellaneous	211	1,026
Travel expense	398	323
Postage and mailings	2,259	1,458
Insurance	1,646	208
Depreciation	1,183	1,183
Other payments - townships	<u>25,000</u>	<u>-0-</u>
Total general and administrative expenses	<u>163,028</u>	<u>115,640</u>
Increase (decrease) in net assets	<u>\$ 52,654</u>	<u>\$ (1,385)</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, 1999 AND 1998**

Net assets at December 31, 1998	\$ 17,861
(Increase) in net assets	52,654
Prior period adjustment – Note 4	<u>129,268</u>
Net assets at December 31, 1999	<u>\$199,783</u>
Net assets at December 31, 1997	\$ 19,246
(Decrease) in net assets	<u>(1,385)</u>
Net assets at December 31, 1998	<u>\$ 17,861</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, 1999 AND 1998**

	<u>12/31/99</u>	<u>12/31/98</u>
Increase (decrease) in net assets	\$ 52,654	\$(1,385)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	1,183	1,183
Prior period adjustment	129,268	-0-
Changes in assets and liabilities:		
Accounts payable increase (decrease)	(788)	24
Payroll taxes payable increase (decrease)	<u>166</u>	<u>(43)</u>
Net cash provided from operating activities	182,483	(221)
Cash flows from investing activities	<u>-0-</u>	<u>-0-</u>
Cash flows from financing activities:		
Payments of long-term debt	<u>-0-</u>	<u>(945)</u>
Net cash (used) in financing activities	<u>-0-</u>	<u>(945)</u>
Net increase (decrease) in cash and cash equivalents	182,483	(1,166)
Beginning cash and cash equivalents	<u>16,958</u>	<u>18,124</u>
Ending cash and cash equivalents	<u>\$199,441</u>	<u>\$ 16,958</u>
Supplemental disclosures of cash flow information:		
Income taxes paid	<u>\$ -0-</u>	<u>\$ -0-</u>
Interest paid	<u>\$ -0-</u>	<u>\$ -0-</u>

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



**BELMONT COUNTY TOURISM COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

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 generally accepted accounting principles 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, 2000. Payments are \$1,041.67 per month or \$12,500.04 per year.

**BELMONT COUNTY TOURISM COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

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.

NOTE 4: Due to a change in interpretation of State law, it was determined that all, not part of the 3% Excise Tax, is for the use of the Tourism Council. Therefore, a prior period adjustment was made at December 31, 1999 to add the prior fund balance to Tourism's fund balance and will be considered as such for all future years.

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

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May 5, 2000

To the Board of Directors  
Belmont County Tourism Council, Inc.  
St. Clairsville, OH 43950

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

We have audited the financial statements of Belmont County Tourism Council, Inc., as of and for the year ended December 31, 1999, and have issued our report thereon dated May 5, 2000. We conducted our audit in accordance with generally accepted auditing standards 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 instances of noncompliance that are required to be reported under Government Auditing Standards which is described in the accompanying Auditor's Report on Current Year's Findings.

### **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.

Seachrist, Kennon & Marling, A.C.  
Certified Public Accountants

**BELMONT COUNTY TOURISM COUNCIL, INC.**  
**AUDITOR'S REPORT ON CURRENT YEAR'S FINDINGS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

Finding 99-1:

Expenditures are not within the scope of tourism.

Statement of condition:

Expenditures are allowed only for the promotion of tourism.

Criteria:

Authorized expenditures with the By-Laws.

Effect of condition:

Five checks totaling \$25,000 were paid to townships within Belmont County for unspecified use.

Response:

Management agrees with this condition. States that there were extenuating circumstances surrounding their payments and no other such expenditures will be made.



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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**BELMONT COUNTY TOURISM COUNCIL**

**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  
JANUARY 30, 2001**