
Athens County Convention and Visitors Bureau, Inc.

Athens County

Regular Audit

January 1, 1998 Through December 31, 1999

Fiscal Years Audited Under GAGAS: 1999 & 1998

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MICHAEL A. BALESTRA, CPA, INC.

CERTIFIED PUBLIC ACCOUNTANTS

528 S. WEST STREET, P.O. Box 687

PIKETON, OHIO 45661

TELEPHONE (740) 289-4131

FAX (740) 289-3639

E-MAIL-mbalcpa@bright.net

Athens County Convention and Visitor's Bureau, Inc.
Athens County
January 1, 1998 through December 31, 1999

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

Board of Trustees
Athens County Convention and Visitors Bureau, Inc.
607 East State Street
Athens, Ohio 45701

We have reviewed the independent auditor's report of the Athens County Convention and Visitors Bureau, Inc., Athens County, prepared by Michael A. Balestra, CPA, Inc., 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 Athens County Convention and Visitors Bureau, Inc. is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro", written over a large, stylized flourish that loops around the text.

JIM PETRO
Auditor of State

May 25, 2000

MICHAEL A. BALESTRA, CPA, INC.

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Member American Institute of Certified Public Accountants

Ohio Society of Certified Public Accountants

Independent Auditors' Report

Board of Trustees
Athens County Convention and Visitors Bureau, Inc.
607 East State Street
Athens, Ohio 45701

We have audited the accompanying financial statements of the Athens County Convention and Visitors Bureau, Inc., (the "Bureau") as of and for the years ended December 31, 1999 and 1998, as listed in the table of contents. These financial statements are the responsibility of the management of the Athens County Convention and Visitors Bureau, Inc. 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 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 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 discussed in Note 1, the Bureau prepares its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and fund cash balances of the Athens County Convention and Visitors Bureau, Inc., for the years ended December 31, 1998 and 1999, and its 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 April 26, 2000 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 grants.

Michael A. Balestra, CPA, Inc.
Michael A. Balestra, CPA, Inc.

April 26, 2000

ATHENS COUNTY CONVENTION AND VISITOR'S BUREAU, INC.
ATHENS COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND CASH
BALANCE-GOVERNMENTAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1999 AND 1998

	1999 <u>General</u>	1998 <u>General</u>
Cash Receipts		
Intergovernmental	\$217,341	\$205,916
Grants	0	630
Interest	2,981	3,354
Other	<u>6,834</u>	<u>5,087</u>
Total Cash Receipts	\$227,156	\$214,987
Cash Disbursements:		
Current:		
General government	<u>215,756</u>	<u>201,241</u>
Total receipts over cash disbursements	11,400	13,746
Fund cash balance, January 1	<u>109,033</u>	<u>95,287</u>
Fund cash balance, December 31	<u>\$ 120,433</u>	<u>\$ 109,033</u>

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

Athens County Convention and Visitor's Bureau, Inc.
Athens County, Ohio
Notes to the Financial Statements

1. Summary of Significant Accounting Policies

A. Description of the Corporation

The Bureau is a legally separate, not-for-profit corporation, served by a self-appointing board of trustees. The Bureau is funded primarily by the City of Athens and Athens County from lodging taxes assessed and collected by those governments and distributed to the Bureau. These taxes are collected from hotels and motels within Athens County and are required to be used to promote tourism and travel in Athens County. The corporation receives about one half of these collected taxes.

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 were prepared on the cash basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when a payment is made rather than when a liability is incurred.

C. Cash and Investments

The 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 funds into the following type:

General Fund

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

E. 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.

F. Federal Income Taxes - The Bureau qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal income tax is required.

G. Budgetary Process - The Bureau is not subject to the provisions of Section 5705 of the Revised Code as property tax revenues are not utilized to finance its operations. However, under the Bureau's policy, the Director provides the Board of Trustees with an annual budget that is used as a guideline to control the disbursements of the Bureau.

Athens County Convention and Visitor's Bureau, Inc.
Athens County, Ohio
Notes to the Financial Statements

2. Equity in Pooled Cash and Investments

The Ohio Revised Code prescribes allowable deposits and investments. The carry amount of cash and investments at December 31, 1999 and 1998, was as follows:

Deposits:

	<u>1999</u>	<u>1998</u>
Checking account	\$ 45,247	\$ 55,657
Money market account	59,909	38,770
Certificates of deposit	<u>15,254</u>	<u>14,583</u>
Total Cash Deposits	\$120,410	\$109,010

Deposits are insured by the Federal Depository Insurance Corporation.

The Bureau had \$23.00 of petty cash on hand at December 31, 1999 and 1998.

3. Lodging Tax

Lodging tax is assessed and collected by the City of Athens and Athens County on all hotels and motels within their respective jurisdiction. These taxes are required to be used to promote travel and tourism in the area. The Bureau pays operational and promotional expenses from these funds. In 1999 and 1998, the Bureau received Lodging Tax in the amount of \$162,480 and \$153,523, respectively, from Athens County and \$54,861 and \$52,394, respectively, from the City of Athens.

4. Risk Management

The Bureau has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Errors and Omissions

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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*

Board of Trustees
Athens County Convention and Visitors Bureau, Inc.
607 East State Street
Athens, Ohio 45701

We have audited the financial statements of the Athens County Convention and Visitors Bureau, Inc. (the "Bureau") as of and for the years then ended December 31, 1999 and 1998, and have issued our report thereon dated April 26, 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 reasonable assurance about whether the Bureau'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 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 financial statements 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 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 operation that we consider to be material weaknesses.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by any one other than these specified parties.

Michael A. Balestra, CPA, Inc.
Michael A. Balestra, CPA, Inc.

April 26, 2000



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CONVENTION AND VISITORS BUREAU, INC.

ATHENS 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.

By: *Susan Babbitt*

Date: JUNE 6, 2000