



**Auditor of State
Betty Montgomery**

**LOGAN COUNTY CONVENTION AND TOURISM BUREAU
LOGAN COUNTY**

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**Auditor of State
Betty Montgomery**

Logan County Convention and Tourism Bureau
100 South Main St.
Bellefontaine, Ohio 43311

To the Board of Directors:

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 government 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 cursive script that reads "Betty Montgomery".

Betty Montgomery
Auditor of State

August 31, 2006

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Logan County Convention and Tourism Bureau
100 South Main St.
Bellefontaine, Ohio 43311

To the Board of Directors:

We have audited the accompanying financial statements of the Logan County Convention and Tourism Bureau (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 balance of the Bureau, 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 August 31, 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

August 31, 2006

**LOGAN COUNTY CONVENTION AND TOURISM BUREAU
LOGAN COUNTY**

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

Cash Receipts:

City Motel Tax	\$27,329
County Motel Tax	46,626
Honda Homecoming Income	27,429
Heritage Days Income	12
Post Card Income	7
Tour Income	350
Bike Tour Income	770
Interest Income	177
	102,700
Total Cash Receipts	102,700

Cash Disbursements:

Operating Expenses:	
Contract Services	50,340
Supplies	1,323
Telephone - Toll Free	156
Subscriptions and Dues	27
Postage and Shipping	2,607
Brochure Storage	600
Travel	1,171
Conferences, Conventions and Meetings	875
Bank Charges	163
Tour Expenses	468
Publications	436
Ohio Historic West Expense	3,377
Honda Homecoming Expense	15,709
Promotional	2,101
Bicycle Tours Expense	716
Brochures Distribution	6,360
Other Expenses	485
	86,914
Total Cash Disbursements	86,914

Total Receipts Over Disbursements	15,786
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Fund Cash Balance, January 1	29,102
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Fund Cash Balance, December 31	\$44,888
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The notes to the financial statements are an integral part of this statement.

**LOGAN COUNTY CONVENTION AND TOURISM BUREAU
LOGAN COUNTY**

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

Cash Receipts:

City Motel Tax	\$22,502
County Motel Tax	44,104
Tour Income	4,230
Honda Homecoming Income	25,928
Heritage Days Income	512
Post Card Income	4
Bike Tour Income	885
Interest Income	102
	98,267
Total Cash Receipts	98,267

Cash Disbursements:

Operating Expenses:

Contract Services	50,340
Audit Fees	2,220
Supplies	2,582
Telephone - Toll Free	289
Subscriptions and Dues	77
Postage and Shipping	3,548
Brochure Storage	600
Printing	42
Travel	574
Conferences, Conventions and Meetings	487
Bank Charges	194
Tour Expenses	1,994
Advertising	685
Publications	4,228
Ohio Historic West Expense	3,298
Volunteer Program Expense	105
Honda Homecoming Expense	16,631
Promotional	359
Bike Tour Expense	610
Brochures Distribution	7,806
Capital Outlay	123
Other Expenses	27
	96,819
Total Cash Disbursements	96,819

Total Receipts Over Disbursements	1,448
Fund Cash Balance, January 1	27,654
Fund Cash Balance, December 31	\$29,102

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

**LOGAN COUNTY CONVENTION AND TOURISM BUREAU
LOGAN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Logan County Convention and Tourism Bureau (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 is a standing committee within the Logan County Chamber of Commerce, Inc., a non-profit corporation under Ohio Revised Code Chapter 1702 and the Internal Revenue Code Section 501(c) 6. The Bureau is directed by a twenty-two member Board of Directors. The Board of Directors establishes programs to encourage the business development and usage of convention and tourism attractions, as well as the Chamber of Commerce member's businesses that are convention and tourism related. The Board of Directors acts in strategic planning for the future of the Convention and Tourism Bureau and presents options and recommendations to the Chamber of Commerce Board concerning convention and tourism issues.

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

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 the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. This basis recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary requirements are not applicable to the Bureau, but the Bureau passes an operating budget annually.

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Cash and Investments

The Bureau maintains checking and savings accounts. These accounts 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:

1. General Fund

The General Fund reports all financial resources except those required to be accounted for in another fund.

E. Budgetary Process

The Bureau prepares an annual budget for its fund. The Bureau is not required to comply with the budgetary requirements of Ohio Revised Code Section 5705. The Bureau does adopt a budget for each year. A summary of 2005 and 2004 budgetary activity is presented in Note 3.

**LOGAN COUNTY CONVENTION AND TOURISM BUREAU
LOGAN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Property, Plant, and Equipment

The Bureau records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

2. CASH AND INVESTMENTS

The carrying amount of cash and investments at December 31 follows:

	2005	2004
Demand deposits	\$8,531	\$9,173
Savings account	36,357	19,929
Total deposits	\$44,888	\$29,102

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	\$98,900	\$102,700	\$3,800

2005 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$96,835	\$86,914	\$9,921

2004 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$95,400	\$98,267	\$2,867

2004 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$95,150	\$96,819	(\$1,669)

**LOGAN COUNTY CONVENTION AND TOURISM BUREAU
LOGAN COUNTY**

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

3. AGREEMENT WITH CHAMBER OF COMMERCE

The Bureau has an agreement with the Logan County Chamber of Commerce (the Chamber) which states that the Bureau will reimburse the Chamber for services included but not limited to staff support and office equipment needed to maintain and promote the tourism industry of Logan County. This reimbursement is reported as Contract Services on the financial statements of the Bureau.

4. RISK MANAGEMENT

The Bureau is insured under the Chamber of Commerce and is covered for the following risks:

- Property Coverage, and
- General Liability

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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***

Logan County Convention and Tourism Bureau
100 South Main St.
Bellefontaine, Ohio 43311

To the Board of Directors:

We have audited the financial statements of the Logan County Convention and Tourism Bureau (the Bureau) as of and for the years ended December 31, 2005 and 2004, and have issued our report thereon dated August 31, 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.

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*.

We intend this report solely for the information and use of the management and the Board of Directors. 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

August 31, 2006



**Auditor of State
Betty Montgomery**

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LOGAN COUNTY CONVENTION AND TOURISM BUREAU

LOGAN 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
OCTOBER 17, 2006**