



Mary Taylor, CPA
Auditor of State

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

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Mary Taylor, CPA
Auditor of State

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 an 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 adverse 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.

Mary Taylor

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Auditor of State

August 6, 2008

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Miami County Visitors & 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, 2007 and 2006. 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.

Instead of the fund the accompanying financial statements present, GAAP require non-governmental not-for-profit entities to present temporarily restricted, permanently restricted and unrestricted funds separately. 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 GAAP presentation requirements. The Auditor of State permits, but does not require Bureaus to reformat their statements. The Bureau has elected not to follow GAAP statement formatting requirements. 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, 2007 and 2006 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, 2007 and 2006, 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 Miami County Visitors and Convention Bureau, Miami County, as of December 31, 2007 and 2006, and its cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

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 6, 2008, 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.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

August 6, 2008

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

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGE IN FUND CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2007**

	General Fund
Cash Receipts:	
County Hotel/Motel Tax	\$317,555
Advertising	2,400
Earnings on Investments	2,086
Special Projects	8,425
Reimbursements	4,853
Miscellaneous	20
Total Cash Receipts	335,339
 Cash Disbursements:	
Administration	
Salary & Benefits	90,118
 Operations	
Rent	12,082
Utilities	2,642
Office Expense	9,300
Purchase Services	8,093
Repairs and Maintenance	3,083
Capital Outlay	798
Miscellaneous	724
Total Operations	36,722
 Marketing	
Salaries	54,517
Advertisement	44,368
Printing	4,114
Promotions	10,286
Meetings, Shows & Seminars	6,096
Outside Services	18,179
Dues & Membership	3,138
Sponsorships	9,389
Special Projects	24,943
Travel	2,889
Total Marketing	177,919
Total Cash Disbursements	304,759
Total Receipts (Under) Disbursements	30,580
Cash Balance, January 1	166,600
Cash Balance, December 31	\$197,180

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

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

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGE IN FUND CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2006**

	General Fund
Cash Receipts:	
County Hotel/Motel Tax	\$307,743
Advertising	7,850
Earnings on Investments	1,102
Special Projects	9,286
Reimbursements	1,544
Total Cash Receipts	327,525
Cash Disbursements:	
Administration	
Salary & Benefits	82,571
Operations	
Rent	14,963
Utilities	2,573
Office Expense	5,143
Purchase Services	14,351
Repairs and Maintenance	797
Capital Outlay	802
Miscellaneous	853
Total Operations	39,482
Marketing	
Salaries	52,032
Advertisement	26,759
Printing	27,050
Promotions	13,760
Meetings, Shows & Seminars	4,418
Outside Services	14,298
Dues & Membership	2,533
Sponsorships	7,970
Special Projects	9,536
Travel	3,640
Total Marketing	161,996
Total Cash Disbursements	284,049
Total Receipts (Under) Disbursements	43,476
Cash Balance, January 1	123,124
Cash Balance, December 31	\$166,600

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

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

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

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 eleven 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. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Bureau recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

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

C. Cash and Investments

The Bureau values certificates of deposit 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 budgetary requirements of the Ohio Revised Code do not apply to the Bureau as it is organized as a not-for-profit, non-governmental entity. The Bureau's Code of Regulations also does not contain any budgetary requirements. The Bureau's agreement with the Miami County Commissioners for the collection of a hotel lodging excise tax requires the Bureau to present an annual budget to the County Commissioners.

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.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

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

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	<u>2007</u>	<u>2006</u>
Demand deposits	\$94,819	\$96,252
Certificates of deposit	102,361	70,348
Total deposits	<u>\$197,180</u>	<u>\$166,600</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

3. RETIREMENT SYSTEM

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

For 2007 and 2006, 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, 2007.

4. RISK MANAGEMENT

Commercial Insurance

The Bureau has obtained commercial insurance for the following risks:

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

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



Mary Taylor, CPA

Auditor of State

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, 2007 and 2006, and have issued our report thereon dated August 6, 2008, 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 as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Bureau's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the 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 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 Bureau's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Bureau's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Bureau's internal control will not prevent or detect a material financial statement misstatement.

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 internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the Bureau's management in a separate letter dated August 6, 2008.

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 did note certain noncompliance or other matters that we reported to the Bureau's management in a separate letter dated August 6, 2008.

We intend this report solely for the information and use of the audit committee, management, and Board of Trustees. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

August 6, 2008



Mary Taylor, CPA
Auditor of State

MIAMI COUNTY CONVENTION AND VISITORS 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
SEPTEMBER 23, 2008**