



**Auditor of State
Betty Montgomery**

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

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Miami County Visitors & Convention Bureau
Miami County
405 SW Public Square
Suite 272
Troy, OH 45373

To the Board of Trustees:

We have audited the accompanying financial statements of the Miami County Visitors & Convention Bureau, (the Bureau), as of and for the years ended December 31, 2003 and 2002. 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 *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 basis of accounting prescribed or permitted by the Auditor of State, 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 balances of the Bureau as of December 31, 2003 and 2002, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 19, 2004, 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. 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.

Miami County Visitors & Convention Bureau
Miami County
Independent Accountants' Report
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This report is intended solely for the information and use of management, audit committee, Board of Trustees, and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by 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 19, 2004

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

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2003**

	<u>General Fund</u>
Cash Receipts:	
County Hotel/Motel Tax	\$222,454
Advertising	75
Earnings on Investments	857
Special Projects	13,697
Miscellaneous Receipts	<u>2,805</u>
 Total Cash Receipts	 <u>239,888</u>
Cash Disbursements:	
Administration	
Salary & Benefits	126,680
 Operations	
Rent	12,450
Utilities	7,117
Office Expense	5,158
Purchase Services	11,592
Repairs and Maintenance	1,570
Capital Outlay	1,620
Miscellaneous	<u>473</u>
 Total Operations	 39,980
 Marketing	
Advertisement	40,671
Printing	13,486
Promotions	4,442
Meetings, Shows & Seminars	7,049
Outside Services	10,934
Dues & Membership	4,523
Special Projects	18,888
Travel	<u>4,143</u>
 Total Marketing	 <u>104,136</u>
 Total Cash Disbursements	 <u>270,796</u>
 Total Receipts (Under) Disbursements	 (30,908)
 Cash Balances, January 1	 <u>126,129</u>
 Cash Balances, December 31	 <u><u>\$95,221</u></u>

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

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

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>General Fund</u>
Cash Receipts:	
County Hotel/Motel Tax	\$248,406
Advertising	15,978
Earnings on Investments	1,248
Special Projects	1,572
Miscellaneous Receipts	<u>8,737</u>
 Total Cash Receipts	 <u>275,941</u>
Cash Disbursements:	
Administration	
Salary & Benefits	118,585
 Operations	
Rent	12,158
Utilities	8,040
Office Expense	10,379
Purchase Services	14,574
Repairs and Maintenance	2,959
Capital Outlay	1,892
Miscellaneous	<u>716</u>
 Total Operations	 50,718
 Marketing	
Advertisement	25,432
Printing	28,076
Promotions	14,125
Meetings, Shows & Seminars	6,985
Outside Services	6,086
Dues & Membership	3,428
Sponsorships	7,000
Special Projects	9,408
Travel	<u>9,303</u>
 Total Marketing	 <u>109,843</u>
 Total Cash Disbursements	 <u>279,146</u>
 Total Receipts (Under) Disbursements	 (3,205)
 Cash Balances, January 1	 <u>129,334</u>
 Cash Balances, December 31	 <u><u>\$126,129</u></u>

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

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

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002**

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 twelve 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. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

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 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 Bureau prepares an annual budget for its fund and files the budget with the Miami County Commissioners. There is no legal requirement for the Bureau to prepare a budget.

A summary of 2003 and 2002 budgetary activity appears in Note 3.

F. 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Bureau's basis of accounting.

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	2003	2002
Demand deposits	\$51,718	\$83,488
Certificates of deposits	43,503	42,641
Total deposits	\$95,221	\$126,129

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2003 and 2002 follows:

2003 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$257,030	\$239,888	(\$17,142)
	\$257,030	\$239,888	(\$17,142)

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$264,608	\$270,796	(\$6,188)
	\$264,608	\$270,796	(\$6,188)

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$281,500	\$275,941	(\$5,559)
	\$281,500	\$275,941	(\$5,559)

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$281,486	\$279,146	\$2,340
	\$281,486	\$279,146	\$2,340

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

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

4. RETIREMENT SYSTEM

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

For 2003 and 2002, 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, 2003.

5. RISK MANAGEMENT

Commercial Insurance

The Bureau has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Directors and officers.

The Bureau is uninsured for the following risk:

- Errors and omissions.

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

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**Auditor of State
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND
ON INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

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 & Convention Bureau, (the Bureau), as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated August 19, 2004. 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.

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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2003-001. We also noted immaterial instances of noncompliance that we have reported to management of the Bureau in a separate letter dated August 19, 2004.

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. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Bureau in a separate letter dated August 19, 2004.

This report is intended solely for the information and use of the audit committee, management, and Board of Trustees, and is not intended to be and should not be used by 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 19, 2004

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

**SCHEDULE OF FINDING
DECEMBER 31, 2003 AND 2002**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2003-001

FINDING FOR RECOVERY REPAID UNDER AUDIT

The Board of Trustees held a Board meeting and Christmas dinner on December 13, 2001. The bill was approved for payment by the Executive Director on January 28, 2002 and included \$148.40 for alcoholic beverages. Alcoholic beverages are not considered a proper use of public funds. This resulted in monies having been improperly expended in the amount of one hundred forty-eight dollars and forty cents (\$148.40).

In accordance with the forgoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Diana Thompson and in favor of Miami County Visitors & Convention Bureau's General Fund for the amount of one hundred forty-eight dollars and forty cents (\$148.40). The Finding was repaid while under audit, as evidenced by receipt #148.



**Auditor of State
Betty Montgomery**

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MIAMI COUNTY VISITORS & CONVENTION 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
NOVEMBER 18, 2004**