

September 22, 2022

WV State Auditors' Office – lgs@wvsao.gov , Attn: Shellie Humphries
WV Joint Committee on Government & Finance – drew.ross@wvlegislature.gov and
steve.marsden@wvlegislature.gov
WVACVB – sgill@fulksandassociates.com

Dear WV State Auditor's Office, WV Joint Committee on Government & Finance, and WV Association of Convention & Visitor Bureaus,

As you are aware with the passing of Senate Bill 488 during the 2021 West Virginia Legislature's Regular Session several new requirements have been implemented on CVBs to qualify for distributions of Hotel Occupancy taxes by the county(s) and or the municipality(s) we serve.

In compliance with W.Va. Code §7-18-13a, CVBs are to now report to the WVS AO, the WV Joint Committee on Government & Finance, and the WVACVB 90 days following the end of the CVB's fiscal year the following:

- Balance sheet – annually,
- Income statement - annually, and
- Either an audit or a financial review – triennially W.Va. Code § 7-18-14.

In addition, CVBs are to be accredited by an accrediting body such as the WV Association of Convention and Visitors Bureaus (WVACVB) W.Va. Code §7-18-13a(b) which confirms compliance with the following industry standards as follows:

- Annual budget,
- Budget allocation within the industry standard of 40% - 40% - 20% (Marketing, Personnel, Administrative),
- Marketing plan targeting markets outside of 50 miles of their destination,
- Full time executive director,
- Physical office/ Visitor Center,
- Website, and
- Annual reporting to all the CVBs funding entities.

On behalf of the Board of Directors of the Summersville Convention & Visitors Bureau we respectfully submit the required information and confirm that the Summersville CVB is in full compliance with all WV Code 7-18-13 requirements.

If you have any questions, please contact either Executive Director Tracy McCoy, at tracy@summersvillecvb.com or 304-619-5539 or Board President Greg Bishop at gbishop89@gmail.com or 304-573-0986.

Sincerely,

Tracy McCoy-Executive Director

Greg Bishop-Board President

Attachments: Income statement (July 1, 2021 – June 30, 2022), Balance sheet (June 30, 2022), Annual report (2021-2022), and most recent Annual audit (2020-2021).

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SUMMERSVILLE CONVENTION & VISITORS BUREAU**Profit & Loss**

09/26/22

July 2021 through June 2022

Accrual Basis

| | Jul '21 - Jun 22 |
|---|-------------------|
| Ordinary Income/Expense | |
| Income | |
| 300 REVENUE | |
| 301 HOTEL/MOTEL TAX - CITY | 173,349.17 |
| 302 HOTEL/MOTEL TAX - COUNTY | 11,157.42 |
| 380 CITY FAIRS & FESTIVALS | 20.32 |
| 381 OTHER REVENUES | 884.44 |
| Total 300 REVENUE | <u>185,411.35</u> |
| Total Income | <u>185,411.35</u> |
| Gross Profit | 185,411.35 |
| Expense | |
| 901 PERSONNEL & SERVICES | |
| 902 EXECUTIVE DIRECTOR | 33,065.88 |
| 906 BRICKSTREET | 362.00 |
| Total 901 PERSONNEL & SERVICES | <u>33,427.88</u> |
| 920 ADVERTISING & MARKETING | |
| 922 TRAVEL | 1,125.60 |
| 923 MEALS & ENTERTAINMENT | 2,627.51 |
| 925 MEETINGS & SEMINARS | 2,063.22 |
| 926 POSTAGE | 1,411.84 |
| 928 Gift Baskets/Welcome Bags | 2,223.50 |
| 920 ADVERTISING & MARKETING - Other | 67,372.47 |
| Total 920 ADVERTISING & MARKETING | <u>76,824.14</u> |
| 940 CONTRACTUAL | |
| 941 ACCOUNTING | 7,696.62 |
| 944 TELEPHONE | 2,732.32 |
| 945 INSURANCE | 2,604.00 |
| 949 LICENSE & FEES | 25.00 |
| 951 DUES & SUBSCRIPTIONS | 3,290.40 |
| Total 940 CONTRACTUAL | <u>16,348.34</u> |
| 960 COMMODITIES | |
| 961 OFFICE SUPPLIES | 1,812.49 |
| Total 960 COMMODITIES | <u>1,812.49</u> |
| 970 CONTRIBUTIONS | |
| 971 DONATIONS & PROMOTIONS | 3,752.52 |
| Total 970 CONTRIBUTIONS | <u>3,752.52</u> |
| 980 FESTIVALS & SPECIAL EVENTS | |
| 982 POTATO FESTIVAL | |
| 982.1 POTATO FESTIVAL ADVERTISE | 469.89 |
| 982 POTATO FESTIVAL - Other | 5,000.00 |
| Total 982 POTATO FESTIVAL | <u>5,469.89</u> |
| 983 FOURTH OF JULY FIREWORKS | 7,600.00 |
| 987 MISCELLANEOUS | 797.79 |
| 991 Nat. Travel & Tourism Week | 5,750.00 |
| 993 City Pavilion Events | 43.73 |
| 980 FESTIVALS & SPECIAL EVENTS - Other | 3,001.40 |
| Total 980 FESTIVALS & SPECIAL EVENTS | <u>22,662.81</u> |

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SUMMERSVILLE CONVENTION & VISITORS BUREAU

Profit & Loss

09/26/22

July 2021 through June 2022

Accrual Basis

| | <u>Jul '21 - Jun 22</u> |
|----------------------|-------------------------|
| Loss on Investments | 15,451.32 |
| PAYROLL EXPENSE | 0.00 |
| Total Expense | <u>170,279.50</u> |
| Net Ordinary Income | 15,131.85 |
| Other Income/Expense | |
| Other Expense | |
| Ask My Accountant | 0.00 |
| Total Other Expense | <u>0.00</u> |
| Net Other Income | 0.00 |
| Net Income | <u><u>15,131.85</u></u> |

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SUMMERSVILLE CONVENTION & VISITORS BUREAU

Balance Sheet

As of June 30, 2022

09/26/22

Accrual Basis

| | <u>Jun 30, 22</u> |
|--|--------------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| 100 PETTY CASH | 100.00 |
| 101 CASH-CTB GENERAL OPERATING | 85,380.06 |
| 102 CASH - BIDDY BASKETBALL | 2,619.27 |
| INVESTMENT - NICHOLAS CCF | 78,982.69 |
| Total Checking/Savings | <u>167,082.02</u> |
| Accounts Receivable | |
| Accounts Receivable | 538.65 |
| Total Accounts Receivable | <u>538.65</u> |
| Other Current Assets | |
| ACCOUNTS RECEIVABLE--CITY | 29,349.17 |
| ACCOUNTS RECEIVABLE--COUNTY | 11,157.42 |
| Total Other Current Assets | <u>40,506.59</u> |
| Total Current Assets | <u>208,127.26</u> |
| Fixed Assets | |
| 109 EQUIPMENT | 7,571.14 |
| 110 FURNITURE & FIXTURES | 33,365.93 |
| 130 ACCUMULATED DEPRECIATION | -34,506.10 |
| Total Fixed Assets | <u>6,430.97</u> |
| Other Assets | |
| DEPOSITS | 6,750.00 |
| Total Other Assets | <u>6,750.00</u> |
| TOTAL ASSETS | <u><u>221,308.23</u></u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| Accounts Payable | 2,509.70 |
| Total Accounts Payable | <u>2,509.70</u> |
| Other Current Liabilities | |
| ACCRUED WAGES | 1,863.17 |
| BIDDY BASKETBALL LIABILITY | 2,619.27 |
| PAYROLL LIABILITIES | 1,670.61 |
| Total Other Current Liabilities | <u>6,153.05</u> |
| Total Current Liabilities | <u>8,662.75</u> |
| Total Liabilities | <u>8,662.75</u> |
| Equity | |
| UNRESTRICTED NET ASSETS | 197,513.63 |
| Net Income | 15,131.85 |
| Total Equity | <u>212,645.48</u> |
| TOTAL LIABILITIES & EQUITY | <u><u>221,308.23</u></u> |

**NICHOLAS COUNTY COMMISSION
AGENDA
WEDNESDAY
AUGUST 17, 2022**

| | | |
|------------|--|---|
| 9:00 a.m. | <p>Review of the Commission Minutes of July 13, 2022, July 20, 2022 and August 01, 2022 with motion to approve</p> <hr/> <p>Upon Review of the Exonerations as presented by the Nicholas County Assessor, move to approve accordingly</p> | <p>Upon Review of Estate and Fiduciary matters as presented by the Nicholas County Clerk, move to approve accordingly unless otherwise noted</p> |
| 9:15 a. m. | <p>Tracy McCoy with Summersville CVB Re: CVB annual report</p> | <p>Upon submission of Budget Revisions received from the elected officials and department heads, the Commission will take appropriate action as deemed necessary</p> |
| 9:30 a.m. | <p>Norville Clark and Pat Doverspike with Nicholas County Resource and Drop in Center Re: Requesting donation to help with reopening</p> | <p>Upon Review of Invoices as submitted by various departmental offices, the Commission will take the appropriate action as deemed necessary</p> |
| 9:45 a.m. | <p>John Tuggle Executive Director Region 4 Planning & Development Council Re: Overview of the Brownfield Assessment Grant project and Hazard Mitigation plan</p> | <p>EXECUTIVE SESSION - under authority of West Virginia Code</p> |
| 10:00 a.m. | <p>Rhonda White and Joe Hamric representing Old Main Foundation Re: Basement floor repairs needed - presenting proposal for financial assistance</p> | <p>A. §§6-9A-4(b) (2) (A), (b)(9) and (b)(12) to discuss a. Legal, personnel and deliberative matters; b. Matters not considered public records; c. Matters related to construction planning, commercial competition matters, the purchase, sale or lease of property, and/ or the investment of public funds</p> |
| 10:15 a.m. | <p>Cassandra Lawson Senior Project Specialist Region 4 Planning & Development Council 1) Birch River PSD/Mill Creek Waterline Extension Project Resolution #2 2) Hinkle Mountain Broadband Expansion Project Resolution #19 3) Hinkle Mountain Broadband Expansion Project - Time Extension Requests</p> | |
| 10:45 a.m. | <p>Nicholas County Building Commission Re: Property Matters</p> | |
| 11:45 a.m. | <p>At the Request of Commissioner Cole - Discussion to alter Make & Model of Vehicle of Homeland Security & Emergency Management Vehicle that was approved by the Commission on November 17, 2021.</p> | |
| 11:55 a.m. | <p>PUBLIC COMMENT PERIOD</p> | |



**Nicholas County Commission
Annual Report
August 17th, 2022**

Good morning! It is a great pleasure to be here on behalf of the Summersville Convention & Visitor's Bureau to present the Annual Report. Thank you, Commissioners, for your continued encouragement and support of tourism within Nicholas County.

The CVB continues to maintain its accreditation with the WV Association of CVB's, in addition to being a continued member of the West Virginia Hospitality and Travel Association and the Southeast Tourism Society. Locally, I represent the CVB as an active member of the Nicholas County Potato Festival Committee, the Summersville Area Chamber of Commerce, the Summersville Mural Committee, the Nicholas County NRGDA Committee, the Summersville Arena & Conference Center Advisory Board, and am joining the Summersville Rotary Club.

Funding for the CVB is provided by a portion of the Hotel/Motel Tax that is collected within Nicholas County and the City of Summersville. At least 40% of the received funding is invested in marketing tourism in Nicholas County with a particular focus on the Summersville area. The marketing budget primarily targets areas at least fifty miles away, and focuses mainly on the mid-Atlantic, and the northeast and southeast regions, which include WV, Kentucky, Tennessee, North and South Carolina, Ohio, Pennsylvania, Virginia, DC, and New York. With the passing of the Airbnb Bill, we are very pleased to report that taxes collected from Marketplace Facilitators are currently being remitted to our local taxing authorities.

Being honest, we all know that the past few years have proven to be quite difficult, with the various unique challenges that we were presented with during the COVID pandemic. Not only did we experience the tragic loss of community members and loved ones, but our community was hit economically as well. Since returning to normal was just not an option after experiencing such an event, instead as I like to say, we worked very hard at establishing a new sense of normal and moving forward from there. And as in typical Nicholas County fashion, we rose above the proverbial ashes of despair and are well on our way to a full recovery. The Hotel/Motel Tax for the 2021-2022 Fiscal Year supports this by showing an approximate 48% increase from the previous year, and an almost 5% increase from 2018-2019 which was pre-pandemic.

Throughout the year dollars earmarked for marketing are spent on various advertising projects which include print, digital, tv/radio, billboards, and social media. You may have seen our ads last year in **WV Living Magazine, USA Today, Ohio Magazine, Travel, Taste + Tour, or Blue Ridge Motorcycle Magazine**. Or perhaps heard us on **The Boss 97 FM** or saw us on **WSAZ** during the Triple Crown. The CVB continues to participate in the Advertising Co-op program that is offered each season by the WV Department of Tourism and provides valuable opportunities thru cost sharing. The latest copy of **WV LIVING** includes our ad, and features articles on a couple of our wonderful local tourism partners and has been provided to you.

In January of 2022, we received 15,000 copies of the **2022 Summersville Visitors Guide**. To date, approximately 13,000 have been distributed to the local hotels, campgrounds, cabins, attractions, restaurants, stores, WVU Summersville Regional Hospital, trade shows, other CVB's, and Welcome Centers across the state. A digital copy is also available on our website. Each of you have been provided with a copy of the **2022 Summersville Visitors Guide**.

The West Virginia Department of Tourism unveiled the brand-new set of **2022 WV Travel Guides** which beautifully highlights some of what our area has to offer, along with the State as a whole. A set of the travel guides along with the brand-new **WV Highway Map** have also been provided to you.

The CVB continues to have an increasingly strong social media presence, posting on Facebook and Instagram regularly. Page guests really enjoy seeing pictures and video clips of the area, and greatly appreciate that we regularly share upcoming local events that may enhance their visit with us. For the 21-22 FY year, our CVB Facebook reach was over 355,000 which was up 162% from the previous year, and Facebook page visits were up 63% from the previous year. Our Instagram reach was up approximately 173% from the previous year.

Our monthly e-newsletter is distributed to over 7,000 recipients and is also shared on our social media pages as well. These newsletters focus on the wide variety of reasons there are to visit our wonderful area and to also provide information regarding upcoming events. Each of you have been provided with a printed copy of the newsletter. The CVB website typically averages approximately 20,000 users annually. We are continually working on keeping it updated and user friendly.

During the first week of May the CVB hosted a full schedule of events as part of our community recognition of National Travel and Tourism Week. The week started off with a community kick-off that included a proclamation declaration by Mayor Shafer, live music by Matt Kiser, and a free hot dog lunch prepared and served by IHeart Church.

Rita Suiter a Hospitality Training professional from Five Star Customer Service Strategies in Georgia delivered two days of Hospitality training open to the entire community. The training emphasized that providing excellent hospitality is the responsibility of all members of our community, not just Hotel and Restaurant employees. We had excellent attendance at the training and were very proud to see many of our local businesses represented, including a large number of WVU Medicine Employees.

WV Department of Tourism Secretary Chelsea Ruby graciously accepted our invitation to be our keynote speaker at our Annual Tourism Awards Luncheon. Governor Justice sent his regional representative to deliver a personal greeting from him as well, due to his inability to attend. Numerous awards were given to students across the County that entered the Art contest, as well as to the winners

which were voted on as the “Best of the Greater Summersville Area” Tourism awards, which is open to all Nicholas County nominees. Ch.59 News, SCTV, and the Nicholas Chronicle were present to capture the event.

The week finished out with encouragement from the CVB to our community members to get out and explore all the wonderful things our area has to offer in hopes of renewing a sense of community pride and supporting our local businesses. Some believe National Travel & Tourism Week is the time to focus on attracting guests, which is what we work tirelessly on doing the other 51 weeks of the year. Instead, this one week is dedicated to educating our locals as to why supporting and promoting tourism within our community plays such an integral part in Nicholas County’s overall success.

The CVB continues to work at maintaining a positive community presence by hosting, supporting, promoting, sponsoring, or participating in, various local events throughout the County. Some of these events include the Nicholas County Potato Festival, the Mt. Nebo St. Patrick’s Day Parade, the Scenic Mountain Triathlon, the Mountain Made Makers Market, the annual Lighthouse Festival, the Wally’s Squadron R/C Fly In, the annual Grape Stomp Festival, and various others, just to name a few.

While increased gas prices and overall inflation this season has encouraged travelers to change their plans, there seems to be no drastic measures being taken by most, such as completely canceling vacation. This works out well for WV, especially our wonderful area, because not only are we so accessible to most by a reasonable road trip, but we also offer lots of economical outdoor recreation opportunities.

This concludes my Annual Report, please feel free to reach out to me at anytime if you have questions or would like further information. Again, thank you for your time today, for your continued support of the Summersville CVB, and for all you do to help the CVB promote our beautiful area.

Tracy R. McCoy
Executive Director



ROBERT L. SHAFER, MAYOR

AGENDA

Regular Meeting of
Summersville City Council
August 22, 2022 at 7:00pm

MEETING IN COUNCIL CHAMBERS
POSTED ON 8/17/22

Topics:

- Convene Regular Meeting of City Council
- Consideration of Council Minutes of Meeting held on August 8, 2022
- Public Comment
- Summersville Area Convention and Visitor's Bureau (CVB) Annual Report and Update – Tracy McCoy
- Approval of Engagement Letter - City of Summersville/Spilman Thomas & Battle (Hydro)
- Approval of Memorandum of Understanding (MOU) – Nicholas County Board of Education/City of Summersville (School Officers)
- Recorder's Report
- Mayor's Report
- Council Reports: Wayne Halstead, Stevie LeRose, Jim Epling, Mike Steadham, Brandon Waters, Eugene Underwood, Chuck Shaw
- Adjournment



**Summersville City Council
Annual Report
August 22nd, 2022**

Good evening! It is a pleasure to be here on behalf of the Summersville Convention & Visitor's Bureau to present the Annual Report. Thank you, Mayor, and City Council, for your continued encouragement and support of tourism within Summersville and Nicholas County.

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AUDIT REPORT
OF
**SUMMERSVILLE
CONVENTION AND VISITORS
BUREAU, INC.**

FOR THE YEARS ENDED
JUNE 30, 2021 AND 2020



SOMERVILLE & COMPANY_{PLLC}

CPAs & CONSULTANTS

C O N T E N T S

| | <u>P A G E</u> |
|--|----------------|
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| STATEMENTS OF FINANCIAL POSITION ----- | 3 |
| STATEMENTS OF ACTIVITIES ----- | 4 - 5 |
| STATEMENTS OF CASH FLOWS ----- | 6 |
| NOTES TO FINANCIAL STATEMENTS ----- | 7 - 13 |

AUDIT REPORT
OF
**SUMMERSVILLE
CONVENTION AND VISITORS
BUREAU, INC.**

FOR THE YEARS ENDED
JUNE 30, 2021 AND 2020



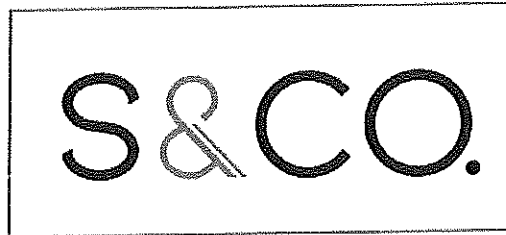
SOMERVILLE & COMPANY^{P.C.}

CPAs & CONSULTANTS

C O N T E N T S

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SOMERVILLE BUILDING
501 FIFTH AVENUE
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SOMERVILLE & COMPANY^{PLLC}

CPAs & CONSULTANTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Summersville Convention and Visitors Bureau, Inc.
Summersville, West Virginia

We have audited the accompanying financial statements of Summersville Convention and Visitors Bureau, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

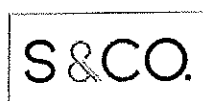
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



WWW.S-CO.COM

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Summersville Convention and Visitors Bureau, Inc. as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Somerville & Company, P.L.L.C.

Huntington, West Virginia

December 23, 2021

SUMMERSVILLE CONVENTION AND VISITORS BUREAU, INC.

STATEMENTS OF FINANCIAL POSITION

June 30, 2021 and 2020

ASSETS

| | <u>2021</u> | <u>2020</u> |
|-----------------------------|-------------------|-------------------|
| Assets | | |
| Cash and cash equivalents | \$ 57,106 | \$ 54,462 |
| Accounts receivable | 40,507 | 38,394 |
| Other receivables | 179 | 2,261 |
| Prepaid expenses | 6,750 | 9,500 |
| Investments | 94,434 | 71,130 |
| Property and equipment, net | <u>3,685</u> | <u>5,587</u> |
| Total Assets | <u>\$ 202,661</u> | <u>\$ 181,334</u> |

LIABILITIES AND NET ASSETS

| | | |
|----------------------------------|-------------------|-------------------|
| Liabilities | | |
| Accounts payable | \$ 2,510 | \$ 2,467 |
| Accrued taxes | 775 | 1,496 |
| Accrued wages and benefits | <u>1,863</u> | <u>2,157</u> |
| Total Liabilities | 5,148 | 6,120 |
| Net Assets | | |
| Without donor restrictions | <u>197,513</u> | <u>175,214</u> |
| Total Liabilities and Net Assets | <u>\$ 202,661</u> | <u>\$ 181,334</u> |

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

SUMMERSVILLE CONVENTION AND VISITORS BUREAU, INC.

STATEMENT OF ACTIVITIES

For the year ended June 30, 2021

| | <u>Without Donor</u> <u>Restrictions</u> | <u>With Donor</u> <u>Restrictions</u> | <u>Total</u> |
|---|---|--|--------------|
| Revenues and Support | | | |
| City hotel/motel tax | \$ 137,349 | \$ - | \$ 137,349 |
| County hotel/motel tax | 11,157 | - | 11,157 |
| Advertising revenue | - | - | - |
| Donations | - | 2,750 | 2,750 |
| Special events | - | - | - |
| Other income | 779 | - | 779 |
| Investment income, net | 17,446 | - | 17,446 |
| Management fees | - | - | - |
| | 166,731 | 2,750 | 169,481 |
| Total Revenues and Support | | | |
| Net Assets Released From Restrictions | 2,750 | (2,750) | - |
| | 169,481 | - | 169,481 |
| Total Increase | | | |
| Expenses | | | |
| Program Services | | | |
| Salaries and wages | 34,166 | - | 34,166 |
| Payroll taxes | 3,380 | - | 3,380 |
| Special events | 10,318 | - | 10,318 |
| Advertising | 68,601 | - | 68,601 |
| Donations | 11,741 | - | 11,741 |
| Telephone/communications | 2,388 | - | 2,388 |
| Postage and shipping | - | - | - |
| Dues and fees | 2,656 | - | 2,656 |
| Insurance | 2,576 | - | 2,576 |
| Travel and vehicles | - | - | - |
| Supplies | 1,285 | - | 1,285 |
| Conferences and meetings | - | - | - |
| Equipment maintenance | - | - | - |
| | 137,111 | - | 137,111 |
| Total Program Services Expenses | | | |
| Management and General Professional services | 8,169 | - | 8,169 |
| | 145,280 | - | 145,280 |
| Total Expenses | | | |
| Net Increase (Decrease) | 24,201 | - | 24,201 |
| Depreciation | (1,902) | - | (1,902) |
| Change in Net Assets | 22,299 | - | 22,299 |
| Net Assets at Beginning of Year | 175,214 | - | 175,214 |
| Net Assets at End of Year | \$ 197,513 | \$ - | \$ 197,513 |

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

SUMMERSVILLE CONVENTION AND VISITORS BUREAU, INC.

STATEMENT OF ACTIVITIES

For the year ended June 30, 2020

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|---|---------------------------------------|------------------------------------|--------------|
| Revenues and Support | | | |
| City hotel/motel tax | \$ 175,858 | \$ - | \$ 175,858 |
| County hotel/motel tax | 6,536 | - | 6,536 |
| Advertising revenue | - | 50 | 50 |
| Donations | - | 39,079 | 39,079 |
| Special events | 9,233 | - | 9,233 |
| Other income | 5,606 | - | 5,606 |
| Investment income, net | 992 | - | 992 |
| Management fees | 33,038 | - | 33,038 |
| | <hr/> | <hr/> | <hr/> |
| Total Revenues and Support | 231,263 | 39,129 | 270,392 |
| Net Assets Released From Restrictions | <hr/> | <hr/> | <hr/> |
| | 39,129 | (39,129) | - |
| | <hr/> | <hr/> | <hr/> |
| Total Increase | 270,392 | - | 270,392 |
| Expenses | | | |
| Program Services | | | |
| Salaries and wages | 67,866 | - | 67,866 |
| Payroll taxes | 6,000 | - | 6,000 |
| Special events | 61,129 | - | 61,129 |
| Advertising | 91,974 | - | 91,974 |
| Donations | 34,168 | - | 34,168 |
| Telephone/communications | 4,284 | - | 4,284 |
| Postage and shipping | 3,202 | - | 3,202 |
| Dues and fees | 3,020 | - | 3,020 |
| Insurance | 2,737 | - | 2,737 |
| Travel and vehicles | 2,646 | - | 2,646 |
| Supplies | 3,523 | - | 3,523 |
| Conferences and meetings | 1,640 | - | 1,640 |
| Equipment maintenance | 248 | - | 248 |
| | <hr/> | <hr/> | <hr/> |
| Total Program Services Expenses | 282,437 | - | 282,437 |
| Management and General Professional services | <hr/> | <hr/> | <hr/> |
| | 8,226 | - | 8,226 |
| | <hr/> | <hr/> | <hr/> |
| Total Expenses | 290,663 | - | 290,663 |
| Net Increase (Decrease) | <hr/> | <hr/> | <hr/> |
| | (20,271) | - | (20,271) |
| Depreciation | <hr/> | <hr/> | <hr/> |
| | (3,018) | - | (3,018) |
| Change in Net Assets | <hr/> | <hr/> | <hr/> |
| | (23,289) | - | (23,289) |
| Net Assets at Beginning of Year | <hr/> | <hr/> | <hr/> |
| | 198,503 | - | 198,503 |
| Net Assets at End of Year | <hr/> | <hr/> | <hr/> |
| | \$ 175,214 | \$ - | \$ 175,214 |

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

SUMMERSVILLE CONVENTION AND VISITORS BUREAU, INC.

STATEMENTS OF CASH FLOWS

For the years ended June 30, 2021 and 2020

| | <u>2021</u> | <u>2020</u> |
|--|------------------|------------------|
| Cash Flows From Operating Activities | | |
| Change in Net Assets | \$ 22,299 | \$ (23,289) |
| Adjustments to reconcile change in net assets to net cash provided by operating activities | | |
| Depreciation | 1,902 | 3,018 |
| Unrealized gain | (11,413) | (209) |
| Realized gain | (5,967) | (422) |
| (Increase) decrease in assets: | | |
| Accounts receivable | (2,113) | 40,581 |
| Other receivables | 2,082 | 12,484 |
| Prepaid expenses | 2,750 | 336 |
| Increase (decrease) in liabilities: | | |
| Accounts payable | 43 | 1,967 |
| Accrued taxes | (721) | (1,267) |
| Accrued wages and benefits | (294) | (823) |
| Deferred revenue | - | (2,052) |
| Total adjustments | <u>(13,731)</u> | <u>53,613</u> |
| Net Cash Provided By Operating Activities | 8,568 | 30,324 |
| Cash Flows From Investing Activities | | |
| Investment activity | <u>(5,924)</u> | <u>(25,361)</u> |
| Change in Cash and Cash Equivalents | 2,644 | 4,963 |
| Cash and Cash Equivalents at Beginning of Year | <u>54,462</u> | <u>49,499</u> |
| Cash and Cash Equivalents at End of Year | <u>\$ 57,106</u> | <u>\$ 54,462</u> |

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

SUMMERSVILLE CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

1. Summary of significant accounting policies:

A. Organization:

Summersville Convention and Visitors Bureau, Inc. (the Bureau) is a nonprofit organization that receives revenue from hotel and motel taxes collected by the city and county governments to promote the city of Summersville and surrounding communities.

B. Basis of accounting:

The accompanying financial statements of the Bureau have been prepared on the accrual basis of accounting.

C. Business activity:

The Bureau encourages tourists to visit and enjoy the historic, cultural, and recreational opportunities the destination offers. The Bureau also serves as the community's marketing agency by promoting the city's/county's assets to visitors with the objective of increasing the economic impact to the local economy.

D. Cash and cash equivalents:

For the purposes of the Statements of Cash Flows, all cash accounts, short-term investments, and all highly liquid debt instruments purchased with an original maturity of three months or less are considered to be cash equivalents.

E. Investments:

Investments in marketable securities with readily determinable fair values and all investments in debt securities are stated at their fair values in the Statements of Financial Position. Gains and losses are included in the Statements of Activities.

F. Property and equipment:

The Bureau observes a policy of capitalizing expenditures in excess of \$500 for property and equipment at cost. Contributed property and equipment is recorded at fair value at the date of donation. Depreciation is being provided over the estimated useful lives of the assets using the straight-line method as follows:

| | <u>Range of Lives</u> |
|--------------------------------|-----------------------|
| Office equipment and furniture | 3 - 15 years |
| Leasehold improvements | 15 - 40 years |

SUMMERSVILLE CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

1. Summary of significant accounting policies (Continued):

G. Donated assets:

Noncash donations are recorded as contributions at their estimated fair values on the date of the donation.

H. Income taxes:

The Bureau is exempt from Federal and State income taxes under Section 501(c)(6) of the Internal Revenue Code and similar state statutes relating to not-for-profit organizations.

I. Net assets:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objective of the Bureau. These net assets may be used at the discretion of the Bureau's management and board of directors.

Net Assets With Donor Restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Bureau or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Bureau currently does not have net assets with restrictions that are perpetual in nature.

J. Revenue recognition:

We have analyzed the provisions of the FASB's Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*, and have concluded that no changes are necessary to conform with the new standard. Our sales contain a single delivery element and revenue is recognized at a single point in time when ownership, risks, and rewards transfer.

K. Accounting for uncertain tax positions:

The Bureau follows the provisions of ASC Topic 740, *Income Taxes*, relating to unrecognized tax benefits. This standard requires an entity to recognize a liability for tax positions when there is a 50% or greater likelihood that the position will not be sustained upon examination. The Bureau is liable for taxes to the extent of any unrelated business income as defined by IRS regulations. The Bureau believes that it has not engaged in any unrelated business income as defined by IRS regulations and that it is more likely than not that this position would be sustained upon examination. As such, there were no liabilities recorded for uncertain tax positions as of June 30, 2021 and 2020.

SUMMERSVILLE CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

1. Summary of significant accounting policies (Continued):

L. Accounting estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Bureau to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the report period. Actual results could differ from those estimates.

M. Functional expense and cost allocation:

The costs of providing program and other activities have been listed on a function basis in the Statements of Activities.

N. Advertising costs:

Advertising costs are expensed as incurred.

O. Adoption of accounting pronouncement:

As of July 1, 2020, the Bureau adopted the provisions of FASB ASC Topic 606, *Revenue from Contracts with Customers*, which provides a comprehensive revenue recognition model for all contracts with customers. The new model requires revenue recognition to depict the transfer of promised goods or services to customers at an amount that reflects the consideration expected to be received in exchange for those goods or services. The Bureau has adopted Topic 606 using the modified retrospective approach. The adoption of this standard had no significant effect on the June 30, 2021 financial statements.

2. Liquidity and availability:

Financial assets available for general expenditure, that is, without donor restrictions limiting their use, within one year of the Statements of Financial Position date, comprise the following:

| | <u>2021</u> | <u>2020</u> |
|---------------------------|-------------------|-------------------|
| Cash and cash equivalents | \$ 57,106 | \$ 54,462 |
| Accounts receivable | 40,507 | 38,394 |
| Other receivables | 179 | 2,261 |
| Investments | <u>94,434</u> | <u>71,130</u> |
| | <u>\$ 192,226</u> | <u>\$ 166,247</u> |

As part of the Bureau's liquidity management plan, cash in excess of daily requirements is invested in money market funds, short-term investments, or long-term investments.

SUMMERSVILLE CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

3. Accounts receivable:

Accounts receivable consists of funds due from the City of Summersville for hotel and motel tax.

The Bureau utilizes the direct charge-off method of accounting for accounts receivable bad debts. This method does not result in a materially different provision for uncollectible bad debts than would result from the use of the reserve method.

4. Investments:

Investments are carried at fair value at June 30, 2021 and 2020 as follows:

| <u>June 30, 2021</u> | <u>Cost</u> | <u>Fair Value</u> | <u>Unrealized Gain</u> |
|--------------------------------------|------------------|-------------------|------------------------|
| Nicholas County Community Foundation | \$ <u>77,700</u> | \$ <u>94,434</u> | \$ <u>16,734</u> |

| <u>June 30, 2020</u> | <u>Cost</u> | <u>Fair Value</u> | <u>Unrealized Gain</u> |
|--------------------------------------|------------------|-------------------|------------------------|
| Nicholas County Community Foundation | \$ <u>65,809</u> | \$ <u>71,130</u> | \$ <u>5,321</u> |

Investment return for the years ended June 30, 2021 and 2020 is summarized as follows:

| | <u>2021</u> | <u>2020</u> |
|------------------------------|------------------|---------------|
| Interest and other income | \$ 1,168 | \$ 1,085 |
| Realized gains | 5,967 | 422 |
| Unrealized gains | 11,413 | 209 |
| Investment management fees | <u>(1,102)</u> | <u>(724)</u> |
| Total investment income, net | \$ <u>17,446</u> | \$ <u>992</u> |

SUMMERSVILLE CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

5. Fair value measurements:

Fair values of assets measured on a recurring basis at June 30, 2021 and 2020 are as follows:

| <u>Fair Value Measurements at Reporting Date Using:</u> | | | | |
|---|-------------------|---|--|--|
| | <u>Fair Value</u> | <u>Quoted Prices In Active Markets for Identical Assets (Level 1)</u> | <u>Significant Other Observable Inputs (Level 2)</u> | <u>Significant Unobservable Inputs (Level 3)</u> |
| <u>June 30, 2021</u> | | | | |
| Nicholas County Community Foundation | \$ <u>94,434</u> | \$ <u>94,434</u> | \$ <u>-</u> | \$ <u>-</u> |
| <u>June 30, 2020</u> | | | | |
| Nicholas County Community Foundation | \$ <u>71,130</u> | \$ <u>71,130</u> | \$ <u>-</u> | \$ <u>-</u> |

Financial assets valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets valued using Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets. Financial assets valued using Level 3 inputs are based on unobservable inputs. There were no Level 2 or Level 3 inputs for the years ended June 30, 2021 and 2020.

6. Property and equipment, net:

A summary of property and equipment as of June 30, 2021 and 2020 is as follows:

| | <u>2021</u> | <u>2020</u> |
|-------------------------------|-----------------|-----------------|
| Equipment | \$ 7,571 | \$ 7,571 |
| Furniture and fixtures | <u>30,620</u> | <u>30,620</u> |
| | 38,191 | 38,191 |
| Less accumulated depreciation | <u>(34,506)</u> | <u>(32,604)</u> |
| | <u>\$ 3,685</u> | <u>\$ 5,587</u> |

SUMMERSVILLE CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

7. Contingent liabilities:

Grant funds are subject to audit by granting agencies to determine if the Bureau is in compliance with grant requirements. Any disallowed expenses must be refunded to the granting agency. The amount, if any, of expenses which may be disallowed by granting agencies cannot be determined at this time. The Bureau's management believes such amounts, if any, would be immaterial.

8. Net assets released from restrictions:

Net assets were released throughout the years ended June 30, 2021 and 2020 from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the donors.

| | <u>2021</u> | <u>2020</u> |
|---|-----------------|------------------|
| Satisfaction of advertising revenue | \$ - | \$ 50 |
| Satisfaction of local grants | <u>2,750</u> | <u>39,079</u> |
| Total net assets released from restrictions | <u>\$ 2,750</u> | <u>\$ 39,129</u> |

9. Credit risk:

The Bureau maintains cash balances at various local, high quality financial institutions in Summersville, West Virginia. Financial instruments that potentially subject the Bureau to concentrations of credit risk consist of cash and cash equivalents in the financial institutions and accounts receivable. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation. Cash and cash equivalents exceeding federally insured limits totaled \$-0- at June 30, 2021. Accounts receivable have been adjusted for all known uncollectible accounts.

10. Revenues and support concentration:

A majority of the Bureau's funding comes from the City of Summersville. A loss or decrease in this funding could adversely affect the operation of the Bureau.

11. Related party transactions:

For the years ended June 30, 2021 and 2020, the Bureau incurred the following income and expense with a not-for-profit organization with common board membership:

| | <u>2021</u> | <u>2020</u> |
|-----------------------|------------------|------------------|
| Management fee income | <u>\$ -</u> | <u>\$ 33,038</u> |
| Donation expense | <u>\$ 10,991</u> | <u>\$ 30,811</u> |

SUMMERSVILLE CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

12. Risks and uncertainties:

Since March, 2020 financial markets and economic conditions in general have undergone a significant negative impact as a result of the COVID-19 health crisis. The extent of the impact of COVID-19 on the Bureau's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and the related impact on participants, contributors and grantors, employees, and vendors, all of which are uncertain and cannot be predicted. As such, the extent to which COVID-19 may impact the Bureau's financial position and results of operations cannot be reasonably estimated at this time.

13. Subsequent events:

The Bureau has evaluated all subsequent events through December 23, 2021, the date the financial statements were available to be issued.