

September 28, 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 – sgilli@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 WWSAO, 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 Beckley-Raleigh County CVB, we respectfully submit the required information and confirm that Beckley-Raleigh County CVB is in full compliance with all WV Code 7-18-13 requirements.

If you have any questions, please contact either Lisa Strader, Director of VSWV at lisa@visitwv.com or 304-252-2244 or me Leslie Baker, Board Chair at lgbharley@beckleymine.com or 304-256-1747.

Sincerely,

Leslie Baker, Board Chair

Lisa Strader, Director of VSWV

Attachments: Income statement (July 1, 2021 – June 30, 2022), Balance sheet (June 30, 2022), Annual report (2021), and Annual audit/review (2021).

*Beckley Raleigh County
Convention and Visitors Bureau
1408 Harper Road
Beckley, WV 25801
304-252-2244*

September 28, 2022

To whom it may concern:

Attached you will find an agreement between Beckley-Raleigh County CVB and Visit Southern West Virginia that allows Visit Southern WV staff to act on behalf of BRCCVB and maintain all day-to-day business responsibilities.

This is being attached to be in full compliance with all WV Code 7-18-13 requirements for Annual Reporting.

Thank you.

Sincerely,

Leslie Baker, Board Chair of BRCCVB
Lisa Strader, Director of VSWV

AGREEMENT

BY AND BETWEEN THE NEW RIVER TRAVEL COUNCIL, INC., DOING BUSINESS AS THE VISIT SOUTHERN WEST VIRGINIA (herin, "VSWV") AND BECKLEY-RALEIGH COUNTY CONVENTION AND VISITORS BUREAU (herein, "BRCCVB").

WHEREAS, the VSWV is engaged in promoting tourism in a nine county area of southern West Virginia, maintaining Raleigh County as the primary county of their promotions; and

WHEREAS, BRCCVB is a convention and visitors bureau located in Raleigh County and is the recipient of certain tax revenues from Beckley and Raleigh County which revenues are dedicated to the promotion of conventions and tourism in Beckley and Raleigh County (herein collectively referred to as Raleigh County); and

WHEREAS, VSWV and BRCCVB believe that their common goals can be advanced by working together and in conjunction with the neighboring counties in this region.

WHEREAS, the VSWV staff will act on behalf of BRCCVB and maintain all day to day business, promotional and marketing activities as approved by the board of directors. This includes providing a permanent office, visitors welcome center and full time staffing at a minimum of 40 hours per week.

NOW, THEREFORE, in consideration of the premises stated above, the payments hereinafter set forth and the mutual covenants and understandings hereby assumed, the Parties agree as follows:

1. VSWV proposes to provide certain marketing/promotional services and programs within a professional organizational framework designated to inform the potential traveler of what Raleigh County and the region has to offer and enticing travelers and groups to visit Raleigh County and the region.

Such services will include, but not necessarily be limited to:

- (A) Representation at travel shows and special events directed at bringing people to Raleigh County for travel and recreation.
- (B) Distribution of brochures and other informative printed materials regarding attractions and other points of interest in Raleigh County.
- (C) Provide regular local telephone service and an 800 Toll-Free service to out of state inquiries for tourism information. Such requests will be promptly and efficiently processed in accordance with office procedural policy.
- (D) Include Raleigh County in regional promotional literature.
- (E) Provide consulting services to any Raleigh County business or individual who is actively engaged in or contemplating a tourism related enterprise.
- (F) Include Raleigh County in all VSWV sponsored Group Tour promotional materials aimed at attracting groups of travelers.

(G) Promote Raleigh County - its attractions, facilities, accessibility, climate, scenic beauty, hospitality, history, wildlife, festivals/fairs and other related events through personal representation at tour operator meetings and conventions.

(H) Administer any and all programs allied with and vital to the goals of a professional travel promotion organization within the framework of budgetary restrictions.

(I) Develop and maintain a cooperative working relationship with all types of travel professionals in order to help increase tourism related traffic within the region and Raleigh County.

(J) Arrange for "FAM" trips (familiarization tours of local attractions and facilities) within the area for tour bus operators, travel writers, bloggers, influencers, and other persons likely to arrange trips for groups or influence travel decisions into southern West Virginia in general and Raleigh County in particular within the bounds of staffing time and schedules.

(K) Assist in the creation of marketing pieces representing BRCCVB as needed. Store brochures vital to the promotional efforts of the overall program for request fulfillment and distribution. (Mail and telephone tourism inquires to members, interstate information centers, conventions, reunions, etc., individual and bulk distributions).

(L) Use all marketing/advertising methods and tools available to promote Raleigh County and scenic southern West Virginia whenever possible as long as personnel and budgets permit (i.e., displays, all media, including radio, television, videos, digital, website, newspapers, magazines, printed materials, mailings, billboards, etc.).

(M) Assist in promoting convention, weddings and other group meetings through marketing and advertising.

(N) Plan itineraries which will be available to groups and individuals.

(O) Maintain contacts with the West Virginia Tourism Office as well as regional and national travel related organizations in order to keep abreast of current trends and opportunities available to southern West Virginia within the field of travel promotion.

(P) Participate in any other program or activity determined to be in the best interests of the entire county of Raleigh, as well as the total area served by VSWV. This participation will extend to the travel industry related individuals and businesses covered by the promotional umbrella of the VSWV.

(Q) Regional board representation of tourist related businesses and attractions in Raleigh County, on VSWB Board.

(R) Eagerly work with all governmental bodies, civic groups, interested citizens, the Chambers of Commerce, and any business located within the boundaries of Raleigh County and the region in order to obtain our common goal of promoting travel and obtaining our fair share of the tourism dollar.

(S) VSWV will provide the BRCCVB reports of its total operation on at least an annual basis. A yearly budget, as prepared and approved, will be distributed to the Board members at the beginning of each fiscal year. An audit or review will

also be made available at the end of each year with time allowed for the preparation of such by a CPA firm.

2. The BRCCVB shall pay to VSWV an amount equal to fifty percent (50%) of the total hotel/motel taxes as collected by the Raleigh County Commission and the City of Beckley during the term of this Agreement. Ten percent (10%) of this amount will be dedicated to projects approved and directed by the Board of Directors of the BRCCVB.

Payment will be made monthly by the BRCCVB to the VSWV. Such payments shall be made within thirty (30) days after the receipt of such funds from the respective taxing authorities. Attached with payment will be a copy of the check paid by the taxing authority.

3. This contract is an act of faith, good-will, and hope between West Virginians who have acted on the premise that unity means strength and a better chance to achieve economic gain for Raleigh County and southern West Virginia.

4. The initial term of this Agreement shall be one (1) year from the date signed by the BRCCVB, and shall thereafter automatically renew on an annual basis. Provided, however, after the first year, either party may terminate this Agreement by giving the other party one hundred twenty (120) days prior notice.

5. During the term of this Agreement, the BRCCVB may designate a representative to sit on the Board of Directors of VSWV.

NEW RIVER TRAVEL COUNCIL, INC.

d/b/a VSWV
By: La Strade

Its: Director

Date: Sept 29, 2021

BECKLEY-RALEIGH COUNTY CVB

By: Jessie Payne Baker

Its: President

Date: Sept. 29, 2021

Beckley-Raleigh County CVB

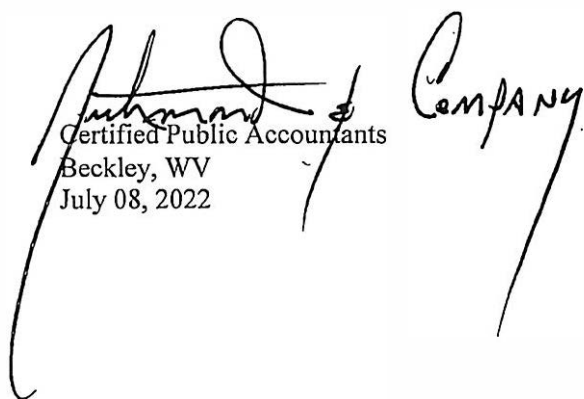
Financial Statements

June 30, 2022

RICHMOND & COMPANY

Certified Public Accountants
Accounting Corporation
Post Office Box 1204
Beckley, WV 25802-1204
(304) 252-7353

The accompanying financial statements of Beckley-Raleigh County CVB as of June 30, 2022, and for the three months and the twelve months then ended, were not subjected to an audit, review or compilation engagement by us and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on these financial statements.


Certified Public Accountants
Beckley, WV
July 08, 2022

Beckley-Raleigh County CVB
Statement of Assets, Liabilities and Net Assets - Cash Basis
As of June 30, 2022

ASSETS

Current Assets

Cash - United Bank	\$ 258,512.01
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Total Current Assets	\$ 258,512.01
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LIABILITIES AND NET ASSETS

Net Assets

Net Assets from Activities	\$ 258,512.01
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Total Net Assets	\$ 258,512.01
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See accompanying notes
No assurance is provided on these financial statements

Beckley-Raleigh County CVB
Statement of Revenues and Expenses - Cash Basis

	1 Quarter Ended June 30, 2022	Percent	4 Quarters Ended June 30, 2022	Percent
Revenues				
Raleigh County	\$ 139,271.12	54.60 %	\$ 604,124.00	55.88 %
City of Beckley	<u>115,824.07</u>	<u>45.40</u>	<u>477,071.32</u>	<u>44.12</u>
Total Revenues	<u>255,095.19</u>	<u>100.00</u>	<u>1,081,195.32</u>	<u>100.00</u>
Expenses				
Southern WV Convention & Visitor's Bureau	229,585.67	90.00	973,075.79	90.00
Advertising	16,815.18	6.59	31,503.42	2.91
Taxes & Licenses	0.00	0.00	25.00	0.00
Professional Services	0.00	0.00	3,500.00	0.32
Friends of Charity Grant	0.00	0.00	2,000.00	0.18
Appalachian Festival	0.00	0.00	2,000.00	0.18
Theatre of West Virginia	2,000.00	0.78	2,000.00	0.18
Rhododendron Festival	0.00	0.00	700.00	0.06
Insurance	<u>0.00</u>	<u>0.00</u>	<u>1,649.44</u>	<u>0.15</u>
Total Expenses	<u>248,400.85</u>	<u>97.38</u>	<u>1,016,453.65</u>	<u>94.01</u>
Increase (Decrease) in Net Assets	<u>\$ 6,694.34</u>	<u>2.62 %</u>	<u>\$ 64,741.67</u>	<u>5.99 %</u>

See accompanying notes
No assurance is provided on these financial statements

Beckley-Raleigh County CVB
Notes to Financial Statements
June 30, 2022

1. Omission of Substantially All Disclosures

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, net assets, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

**BECKLEY-RALEIGH COUNTY CONVENTION &
VISITOR'S BUREAU, INC.
BECKLEY, WEST VIRGINIA**

**FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

**RICHMOND & COMPANY, CPA'S, A.C.
P.O. BOX 1204
BECKLEY, WV 25802-1204**

BECKLEY-RALEIGH COUNTY CONVENTION & VISITOR'S BUREAU, INC.

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RICHMOND & COMPANY

Rolfe A. Richmond, CPA
Pio J. DeFlaviis, CPA
Andrew F. Conner, CPA
J. Alan Hart, CPA

CERTIFIED PUBLIC ACCOUNTANTS
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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Beckley-Raleigh County Convention & Visitor's Bureau, Inc.

Beckley, West Virginia

We have reviewed the accompanying financial statements of Beckley-Raleigh County Convention & Visitor's Bureau, Inc. (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets-cash basis as of June 30, 2022, and the related statement of revenues, expenses, and changes in net assets-cash basis and functional expenses-cash basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible for 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

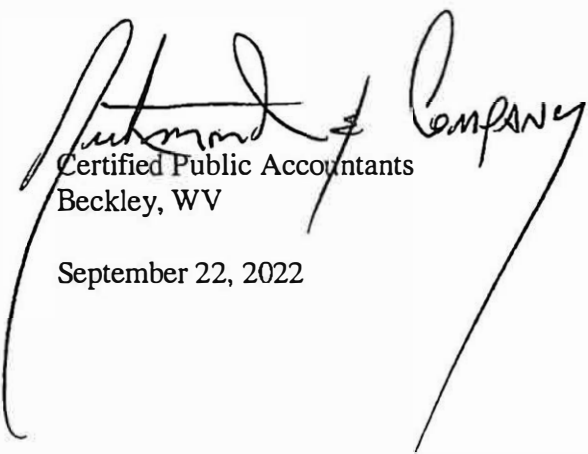
We are required to be independent of Beckley-Raleigh County Convention & Visitor's Bureau, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the cash basis of accounting.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.



Certified Public Accountants
Beckley, WV

September 22, 2022

BECKLEY-RALEIGH COUNTY CONVENTION & VISITOR'S BUREAU, INC.
STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS - CASH BASIS
JUNE 30, 2022

ASSETS	<u>2022</u>
Cash and cash equivalents	<u><u>\$ 258,512</u></u>
 NET ASSETS 	
Net assets without donor restrictions	<u><u>\$ 258,512</u></u>

See accompanying notes and independent accountants' review report.

BECKLEY-RALEIGH COUNTY CONVENTION & VISITOR'S BUREAU, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET ASSETS - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	2022
Revenues and support	
Lodging tax - Raleigh County	\$ 604,124
Lodging tax - City of Beckley	477,071
Total Revenues and support	1,081,195
Expenses	
New River Travel Council, Inc.	973,076
Advertising	31,503
Taxes and licenses	25
Professional fees	3,500
Festivals	6,700
Insurance	1,649
Total Expenses	1,016,453
Change in Net Assets	64,742
Net Assets Without Donor Restrictions, Beginning of Year	193,770
Net Assets Without Donor Restrictions, End of Year	\$ 258,512

See accompanying notes and independent accountants' review report.

BECKLEY-RALEIGH COUNTY CONVENTION & VISITOR'S BUREAU, INC.
STATEMENT OF FUNCTIONAL EXPENSES - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Program Services</u>	<u>Management & General</u>	<u>Total</u>
New River Travel Council, Inc.	\$ 973,076	\$ -	\$ 973,076
Advertising	31,503	-	31,503
Taxes and licenses	25	-	25
Professional fees	-	3,500	3,500
Festivals	6,700	-	6,700
Insurance	1,649	-	1,649
TOTAL	<u>\$ 1,012,953</u>	<u>\$ 3,500</u>	<u>\$ 1,016,453</u>

See accompanying notes and independent accountants' review report.

BECKLEY-RALEIGH COUNTY CONVENTION & VISITOR'S BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF ORGANIZATION

Beckley-Raleigh County Convention & Visitor's Bureau, Inc. (the "Organization") is a nonprofit corporation organized under the laws of the State of West Virginia. The Organization, located in Raleigh County, West Virginia, operates a convention and visitors bureau to represent the common interests of the area's tourism industry and to encourage increased economic activity and development in order to further the general welfare and prosperity of the City of Beckley and Raleigh County area.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING: The accompanying financial statements have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Accordingly, certain revenues are recognized when received and certain expenses are recognized when paid.

FINANCIAL STATEMENT PRESENTATION: The Organization's financial statements present financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

CASH AND CASH EQUIVALENTS: For the purposes of financial reporting, the Organization considers all liquid investments with an initial maturity of six months or less to be cash equivalents. Restricted cash, if any, and other instruments with maturities of more than three months are excluded from cash and cash equivalents.

REVENUE AND SUPPORT: Revenues are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Revenues, Expenses and Changes in Net Assets as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as without donor restrictions.

INCOME TAXES: The Organization is exempt from income taxes as a nonprofit (tax exempt) organization under Section 501(c)(4) of the Internal Revenue Code. Accordingly, no provision for income taxes is reflected in these financial statements.

As a "tax exempt" entity, benefits of a tax position consist mainly of substantiating the exempt status. Management believes that it is more likely than not that this position will be sustained on examination by the various taxing authorities the records are subject to, based on the technical merits of the position. Interest and penalties will be included in income tax expense if a tax position is not sustained under examination.

CONCENTRATIONS: The Organization's cash balances were insured by the Federal Deposit Insurance Corporation up to \$250,000 at June 30, 2022.

The Organization receives a legislatively mandated percentage of hotel occupancy tax collected by the City of Beckley and the Raleigh County Commission. For the year ended June 30, 2022, substantially all revenues were derived from these sources, and any material change could have a near-term impact on the Organization.

ADVERTISING: Advertising is expensed as payment is made.

See independent accountants' review report.

BECKLEY-RALEIGH COUNTY CONVENTION & VISITOR'S BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 3 - RELATED PARTY

The Organization remits 90 percent of hotel occupancy tax received to the New River Travel Council (dba Visit Southern West Virginia) primarily for advertising and promotion. Total amount of hotel occupancy tax remitted to the New River Travel Council for the year ended June 30, 2022, was \$973,076. The New River Travel Council is a related party whose employees perform duties for the Organization, at no additional cost to the Organization.

NOTE 4 – AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of June 30, 2022, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year. Amounts already appropriated for expenditure within one year have not been subtracted as unavailable.

Financial assets – cash and cash equivalents	<u>2022</u> \$ 258,512
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 258,512</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 5 - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through September 22, 2022, the date which the financial statements were available to be issued.