



Hatfield-McCoy Convention & Visitors Bureau

P.O. Box 218 - 325 Stratton Street - Logan, WV 25601

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E-mail: hatfieldmccoycvb@frontier.com

March 14, 2024

WV State Auditors' Office, Attn: Shellie Humphries
WV Joint Committee on Government & Finance
WV Association Convention & Visitors Bureau Attn: Jordan Nuzum

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

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/Motel 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 West Virginia Association CVB 90 days following the end of the CVB's fiscal year the following:

- Balance sheet – annually
- Income statement – annuals
- 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 & 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 Hatfield McCoy Convention & Visitors Bureau, we respectfully submit the required information and Confirm that the Hatfield McCoy CVB is in full compliance with all WV Code 7-18-13 requirements.

If you have any questions, please contact either Debrina Williams, Executive Director at debrina.williams@frontier.com or 304.752.6020 or Glenn Yost, President of the Hatfield McCoy CVB Board of Directors via email at gyost@frontier.com or 304.687.3074.

Sincerely,

Debrina Williams

Debrina Williams, Executive Director

Attachments: Income statement (January 1, 2023 – December 31, 2023), Balance Sheet (Dec. 31, 2023), Annual Report (2023) and Annual Financial review.

ASSETS

Current Assets

Petty Cash	\$	100.00
Regular Checking Account		80,222.22
Savings Account		<u>702.36</u>

Total Current Assets 81,024.58

Property and Equipment

Total Property and Equipment 0.00

Other Assets

CD Deposit		<u>150,000.00</u>
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Total Other Assets 150,000.00

Total Assets \$ 231,024.58

LIABILITIES AND CAPITAL

Current Liabilities

State Payroll Taxes Payable	(\$	<u>130.00</u>)
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Total Current Liabilities (130.00)

Long-Term Liabilities

Total Long-Term Liabilities 0.00

Total Liabilities (130.00)

Capital

Beginning Balance Equity	73,507.23
Retained Earnings	171,788.02
Net Income	<u>(14,140.67)</u>

Total Capital 231,154.58

Total Liabilities & Capital \$ 231,024.58

Hatfield McCoy CVB
Income Statement
For the Twelve Months Ending December 31, 2023

	December 2023	December 2022	This Year 2023	% of Income 2023	Last Year 2022	Difference
Revenues						
Logan Hotel/Motel Tax	0.00	28,016.09	106,028.82	45.74	98,832.29	7,196.53
Man Hotel/Motel Tax	119.91	98.04	6,744.98	2.89	5,708.45	1,036.53
Chapmanville Hotel/Motel Tax	12,818.46	0.00	44,244.34	18.97	29,694.08	14,550.26
Logan County Commission	8,224.42	0.00	69,786.20	30.11	70,414.33	(628.13)
Motorcoach Tours	0.00	0.00	0.00	0.00	2,309.35	(2,309.35)
Appalachian Heritage Days	0.00	0.00	5,000.00	2.14	0.00	5,000.00
Investment Income	0.00	9.00	0.00	0.00	35.70	(35.70)
Fee Refunds	0.00	0.00	0.00	0.00	132.00	(132.00)
Total Revenues	21,162.79	28,123.13	231,804.34	99.85	207,126.20	24,678.14
Cost of Sales						
Total Cost of Sales	0.00	0.00	0.00	0.00	0.00	0.00
Gross Profit	21,162.79	28,123.13	231,804.34	99.85	207,126.20	24,678.14
Expenses						
Advertising/Marketing	5,456.70	3,165.84	106,484.03	45.65	83,716.38	22,767.65
Appalachian Heritage Days	0.00	0.00	9,179.60	3.93	10,522.28	(1,342.68)
Leadership Logan	280.02	0.00	1,123.75	0.48	0.00	1,123.75
Accounting Fees	0.00	0.00	4,025.00	1.73	525.00	3,500.00
Membership Dues	0.00	0.00	1,529.10	0.66	629.10	900.00
Insurance	0.00	0.00	1,419.75	0.61	1,425.01	(5.26)
Contract Labor	6,906.11	6,332.10	81,596.77	35.20	73,601.45	7,995.32
Office Supplies Expense	725.21	655.80	5,100.18	2.19	4,202.94	897.24
Office Expense-Misc.	181.78	222.42	2,123.72	0.91	2,161.05	(37.33)
Postage and Shipping Expense	0.00	141.60	231.70	0.10	633.49	(401.79)
Motorcoach Tours	0.00	1,875.53	0.00	0.00	2,525.53	(2,525.53)
Rollin Thru the Decades	0.00	0.00	758.27	0.33	0.00	758.27
Publications	0.00	0.00	216.24	0.09	163.40	52.84
Travel Expense	1,349.16	355.12	3,817.87	1.64	2,706.18	1,111.69
Meals and Entertainment	0.00	40.39	1,518.27	0.65	680.94	837.33
Conferences Expense	0.00	295.00	8,123.49	3.48	2,344.88	5,778.61
Meetings Expense	0.00	888.58	107.42	0.05	925.13	(817.71)
Interest Expense	0.00	0.00	0.00	0.00	0.00	0.00
Payroll Tax Expense	0.00	0.00	(130.00)	(0.06)	0.00	(130.00)

West Virginia Sales Tax	0.00	0.00	0.00	0.00	1.02	(1.02)
Hospitality Gift Expense	0.00	0.00	573.54	0.25	0.00	573.54
Wages Expense	8,750.00	8,225.65	17,578.55	7.54	11,287.34	6,291.21
Other Expense	67.76	(64.13)	567.76	0.24	550.04	17.72
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Total Expenses	23,716.74	22,133.90	245,945.01	105.65	198,601.16	47,343.85
	<hr/>				<hr/>	
Net Income	<u>(\$ 2,553.95)</u>	<u>\$ 5,989.23</u>	<u>(\$ 14,140.67)</u>	<u>(5.80)</u>	<u>\$ 8,525.04</u>	<u>(22,665.71)</u>
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Hatfield-McCoy Convention & Visitors Bureau, Inc.

Statement of Cash Receipts and Disbursements

Year Ended December 31, 2022

Hatfield-McCoy Convention & Visitors Bureau, Inc.

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Independent Accountant's Review Report

To the Board of Directors of
Hatfield-McCoy Convention & Visitors Bureau, Inc.

We have reviewed the accompanying statement of cash receipts and disbursements of Hatfield-McCoy Convention & Visitors Bureau, Inc. (a nonprofit organization), as of December 31, 2022, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company 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 Statement

Management is responsible for the preparation and fair presentation of the financial statement 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 the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is 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 statement for it 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 Hatfield-McCoy Convention & Visitors Bureau, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.



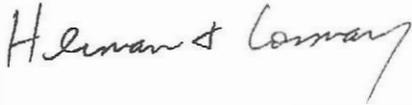
To the Board of Directors of
Hatfield-McCoy Convention & Visitors Bureau, Inc.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying statement of cash receipts and disbursements in order for it to be in accordance with the cash basis of accounting.

Basis of Accounting

We draw attention to Note A of the financial statement, which describes the basis of accounting. The financial statement has been 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.



Charleston, WV
July 3, 2023

Hatfield-McCoy Convention & Visitors Bureau, Inc.

Statement of Cash Receipts and Disbursements

December 31, 2022

Revenue, Gains, and Other Support	
Hotel/Motel tax	\$204,649
Motor Coach tours	2,309
Interest	36
Other income	<u>132</u>
Total Revenue, Gains and Other Support	<u>207,126</u>
Expenses	
Wages	11,417
Taxes	1
Contract labor	73,602
Advertising	83,880
Office expense	6,997
Membership dues	629
Conference/travel expense	6,657
Insurance	1,425
Professional fees	525
Other expenses	<u>13,598</u>
Total Expenses	<u>198,731</u>
Increase in Cash	8,395
Cash - Beginning of Year	<u>236,770</u>
Cash - End of Year	<u>\$245,165</u>

See accompanying notes and independent accountant's review report.

Hatfield-McCoy Convention & Visitors Bureau, Inc.

Notes to the Financial Statements

December 31, 2022

Note A – Summary of Significant Accounting Policies

Nature of Operations - Hatfield-McCoy Convention & Visitors Bureau, Inc. is a non-stock nonprofit corporation established to promote tourism in Logan County and its surrounding communities.

Basis of Accounting - The Organization's policy is to prepare its financial statements on the cash basis of accounting; consequently, revenues are recognized when received rather than when promised or earned and certain expenses and asset purchases are recorded when cash is disbursed rather than when the obligation is incurred, payroll taxes that have been withheld but not yet deposited with the taxing authority but related to compensation paid are recorded when withheld.

Cash and Cash Equivalents - For purposes of the statement of cash flows, cash includes only deposits in bank accounts available for operating expenses.

Classification of Support – The Organization reports gifts of cash and other assets as restricted support if they are received with donor or grantor stipulations that limit the use of the donated assets. When the restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, with donor restricted net assets are reclassified to without donor restricted net assets and reported on the statement of support, revenues, expenses, and changes in net assets – cash basis as net assets released from restrictions. Donor-imposed restrictions met in the same year in which the contribution is recognized are reported as changes in net assets without donor restrictions during that year.

Income Taxes - The Hatfield-McCoy Convention & Visitors Bureau, Inc. is a nonprofit corporation under section 501(c)(6) of the Internal Revenue Code and is exempt from income taxes from its nonprofit activities. The Internal Revenue Service has classified the organization as a non-profit that is not a private foundation.

Management has determined that the company does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Because tax matters are subject to some degree of uncertainty, there can be no assurance that the company's tax returns will not be challenged by the taxing authorities and that the company will not be subject to additional tax, penalties and interest as a result of such challenge.

The company has exempt organization tax filings open to Internal Revenue Service audit for years ending December 31, 2020, 2021 and 2022.

Advertising Costs - Hatfield-McCoy Convention & Visitors Bureau, Inc. expenses advertising costs as they are incurred.

Hatfield-McCoy Convention & Visitors Bureau, Inc.

Notes to the Financial Statements

December 31, 2022

Note A – Summary of Significant Accounting Policies (Continued)

Estimates - The preparation of financial statements in conformity with the modified cash basis requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note B – Subsequent Events

The organization has evaluated all subsequent events through July 3, 2023, which is the date the financial statements were available to be issued. The organization believes that there have been no significant subsequent events.

Note C - Functional Classification of Expenses

	<u>Program Services</u>	<u>Management and General</u>	<u>Total Expenses</u>
Wages	\$ 9,134	\$ 2,283	\$ 11,417
Taxes	1	-0-	1
Contract labor	66,242	7,360	73,602
Advertising	83,880	-0-	83,880
Office expense	1,399	5,598	6,997
Membership dues	315	314	629
Conference/travel expense	4,660	1,997	6,657
Insurance	-0-	1,425	1,425
Professional fees	-0-	525	525
Other expenses	<u>2,720</u>	<u>10,878</u>	<u>13,598</u>
	<u>\$168,351</u>	<u>\$30,380</u>	<u>\$198,731</u>

Note D – Liquidity and Availability of Financial Assets

The following table reflects Hatfield-McCoy Convention & Visitors Bureau, Inc. financial assets as of December 31, 2022, reduced by amounts not available for general expenditures within one year or because they have been set aside for a specific program.

Financial assets:

Cash and cash equivalents	<u>\$245,165</u>
Financial assets, at year-end	<u>\$245,165</u>

Elk Visitor Center

The West Virginia Division of Natural Resources (WVDNR) has awarded a \$6.7 million contract to the March-Westin Company, Inc. of Morgantown to construct a new Tomblin Wildlife Management Area Visitor Center and Elk Viewing Platform in Logan County.

Construction on the new Elk Visitor Center, set to open in 2025, will draw thousands of visitors to witness the elk herd's majesty, boosting the local economy and supporting ongoing elk management. The elk viewing tower, with enhanced accessibility, will complement the visitor center's 2,000-square feet of displays, conference facilities, and offices. An additional 500-square feet will highlight the elk program's history. Beyond the visitor center, the facility includes 3,300-square feet tailored to managing West Virginia's growing elk herd.

Funding for the project comes from \$2.5 million in Abandoned Mine Lands grants awarded by Gov. Justice, along with \$2.1 million from the West Virginia Department of Economic Development and an additional \$2.1 million from hunting and fishing license funds.



Executive Committee Officers

Glenn T. Yost, President
McDonald Land Company

John Fekete, Vice-President
Deputy Executive Director – Hatfield McCoy
Regional Recreational Authority
Mayor – Town of Man

Diana Barnette, Treasurer
Appalachian Outpost
Cinema 8 Fountain Place Mall

Board Members

Eddie Keefer
Mountain State Harley Davidson
Keefer's Powersports

Joel S. McNeely
Mayor – Town of Chapmanville

Serafino Nolletti
Mayor City of Logan

Hugh Phillips
General Manager – Holiday Inn Express

Tim Tomblin
Coalfield Jamboree Theatre
Dairy Delight

Valerie Williams
General Manager – Chief Logan Lodge/
Conference Center

Chris Zeto
Marketing Director – Hatfield McCoy Trails

Staff

Kansas V. Moore
Administrative Assistant

Hatfield & McCoy

Convention & Visitors Bureau



PHYSICAL:
325 Stratton Street | Logan, WV 25601

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PO Box 218 | Logan, WV 25601

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304.752.6020

hatfieldmccoycvb.com



The Hatfield McCoy Convention and Visitors Bureau was founded in 2008 and is dedicated to promoting tourism in Logan County and its surrounding areas.

Logan County is comprised of three main cities: Chapmanville, Logan, and Man, with many small surrounding communities.



ANNUAL REPORT 2023

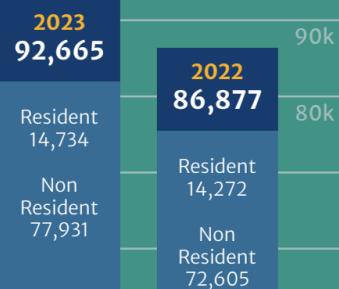
Recreation in Hatfield McCoy Country

The Hatfield McCoy Convention & Visitors Bureau continues to be an integral partner in marketing the Hatfield McCoy Trails and other attractions in Hatfield McCoy Tourism Region. They serve as a wonderful example of the power of leveraging public and private marketing dollars to implement marketing campaigns that no single partner could do on their own. We truly appreciate their leadership and partnership, their ongoing efforts continue to help all of us in the Hatfield McCoy Regional grow our visitation.

Jeffrey T. Lusk
Executive Director
Hatfield McCoy
Regional Recreation Authority



Permits Sales Growth



From the President of the Board

The Hatfield McCoy CVB continues to see continued growth in the tourism industry which is indicative of the support of the State Tourism Department and continued growth of the Hatfield McCoy Trail System. Logan County has never really been a tourist destination but that has certainly changed over the last 20 years. The growth in tourism has resulted in many new lodging providers in our county and resulted an economic impact to our area once thought not possible. We are proud of our community and have been diligent in spending our motel/hotel tax revenues in a manner to continue our growth. Our board and staff are committed to our County and the growth in jobs in the tourism industry.

Glenn T. Yost
President of the Board | Hatfield McCoy CVB

2023 Financial Information

Assets	2023	2022
Current Assets		
Petty Cash	\$ 100.00	100.00
Regular Checking Account	80,222.22	207,591.49
Savings Account	702.36	35,675.66
Total Current Assets	81,024.58	243,367.15
Property and Equipment		
Total Property and Equipment	0.00	0.00
Other Assets		
CD Deposit	\$ 150,000.00	0.00
Total Other Assets	150,000.00	0.00
Total Assets	\$ 231,024.58	243,367.15
Liabilities and Capital		
Current Liabilities		
State Payroll Taxes Payable	(130.00)	(130.00)
Total Current Liabilities	(130.00)	(130.00)
Long-Term Liabilities		
Total Long-Term Liabilities	0.00	0.00
Total Liabilities	(130.00)	(130.00)
Current Capital		
Beginning Balance Equity	\$ 73,507.23	73,507.23
Retained Earnings	171,507.23	163,262.98
Net Income	(14,140.67)	6,726.94
Total Capital	231,154.58	243,497.15
Total Liabilities & Capital	\$ 231,024.58	243,367.15

Collaborative Partnerships

A collaboration between the Hatfield-McCoy CVB and the National Coal Heritage Area Authority, with support from the Logan County Commission and Southern WV Community and Technical College allowed us to present year two of Appalachian Heritage Days. All of the seniors at Logan County high schools attended the first day presentation of Mother Jones in Heaven followed by an evening performance that was open to the public. Friday's events kicked off as we welcomed eighth grade students from Chapmanville Middle School, Logan Middle School, and Man Middle School for a day of storytelling, traditional Appalachian music, and table exhibits displaying artifacts and historical information. The Aracoma Story was represented by a cast of actors portraying characters from Logan's historical past. The day wrapped up with a lively concert of traditional musicians including Roger Bryant, Liam Farley, Chris Haddox, Brayden Williamson, and Bobby Taylor and the Kanawha Tradition. Special thanks to Southern WV Community and Technical College for hosting the event and assisting with logistics.

Christy Bailey
National Coal Heritage Area Authority



Source: Tourism Economics 2023; Dean Runyan Associates, 2022

Logan County, WV

We offer an exciting, progressive community full of rich traditions. Our county is filled with a variety of historic, scenic, and entertaining attractions. The Hatfield-McCoy Trails offer something for every skill level rider, from the scenic mountain views to the tight and twisting trails many of which connect to small ATV friendly towns such as Man, Chapmanville, and Logan. West Virginia has long been called "Almost Heaven," so it's only natural the Hatfield-McCoy Trails have become known as "Trails Heaven."



A Word from Our Executive Director

The Hatfield McCoy Convention & Visitors Bureau (HMCVB) is pleased to present our 2023 Annual Report. We represent the municipalities of the Town of Chapmanville, City of Logan, Town of Man, and the Logan County Commission.

Our county's combined resources enable us to continue to produce significant gains in our tourism economy through increases in average hotel occupancy, demand, and lodging revenue. As a CVB, we have the responsibility of serving as the steward of the hotel/motel tax funds.

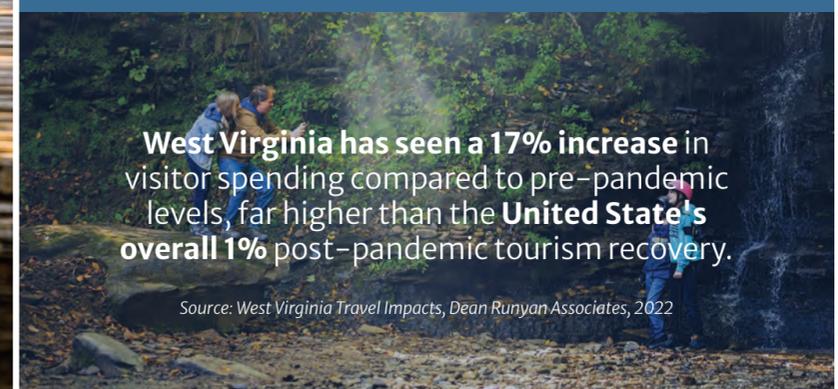
This year has been an exciting time in the Hatfield McCoy Mountain Region as we continue to welcome visitors to our destination. The permit sales for the Hatfield McCoy Trails continue to climb as visitors enjoy experiencing the great outdoor adventure.

As we look toward the future, we are excited for the announcements of several tourism based economic development endeavors coming to the region including:

- Construction of a new visitor center and viewing platform that will allow tourists to better see the state's growing elk herd in Logan County
- AML grant funding – themed Mountain Coaster, simulated 3-D coal mine, authentic coal camp structures displaying mining and railroad artifacts
- WV DOT grant – purpose of completing a new access trail, trailhead and bridge for the Hatfield Family Cemetery

We continue to see an increase in new lodging accommodations, coffee shops and restaurants opening as the tourism industry continues to grow in Logan County. The Hatfield McCoy CVB would like to thank our tourism partners for their continued support. Together we look forward to welcoming more visitors to the Hatfield McCoy Mountain region.

Debrina Williams
Executive Director | Hatfield McCoy CVB



West Virginia has seen a 17% increase in visitor spending compared to pre-pandemic levels, far higher than the **United State's overall 1%** post-pandemic tourism recovery.

Source: West Virginia Travel Impacts, Dean Runyan Associates, 2022

Tourism By The Numbers

Annual Impact



\$7 Billion+
Total economic impact



\$887 Million
Tax revenue generated



59,000+
Total employment



Nearly \$2 Billion
Total income