

September 25, 2024

WV State Auditors' Office – igs@wvsao.gov , Attn: Shellie Humphries
WV Joint Committee on Government & Finance –
https://www.wvlegislature.gov/Reports/Agency_Reports/AgencyReports.cfm
WVACVB – jnuzum@bowlesrice.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 Ripley CVB we respectfully submit the required information and confirm that Ripley CVB is in full compliance with all WV Code 7-18-13 requirements.

If you have any questions, please contact me at 304-834-9425. Our new Executive Director is expected to start 10/01/2024

Sincerely,



Meghan Parsons, Board of Directors President

Attachments: Income statement (Jan 1, 2023 – Dec 31, 2023), Balance sheet (Dec 31, 2023), Annual report (2023), and Annual audit (2023).

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Ripley Convention & Visitors Bureau

07/11/24

Balance Sheet

Accrual Basis

As of June 30, 2024

	Jun 30, 24	May 31, 24
ASSETS		
Current Assets		
Checking/Savings		
City Operating	168,899.00	124,185.46
Total Checking/Savings	168,899.00	124,185.46
Total Current Assets	168,899.00	124,185.46
Fixed Assets		
Accumulated Depreciation	-1,205.27	-908.88
Furniture and Equipment	2,366.11	2,366.11
Total Fixed Assets	1,160.84	1,457.23
Other Assets		
Website URL's	5,400.00	5,400.00
Total Other Assets	5,400.00	5,400.00
TOTAL ASSETS	175,459.84	131,042.69
LIABILITIES & EQUITY		
Equity		
Unrestricted Net Assets	115,604.65	115,604.65
Net Income	59,855.19	15,438.04
Total Equity	175,459.84	131,042.69
TOTAL LIABILITIES & EQUITY	175,459.84	131,042.69

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07/11/24

Accrual Basis

Ripley Convention & Visitors Bureau
Monthly Activity
As of June 30, 2024

Type	Date	Num	Name	Amount
City Operating				
Bill Pmt -Check	06/03/2024	2634	Cardmember Service	-19.19
Bill Pmt -Check	06/06/2024	2635	Matheny & Company AC	-400.00
Deposit	06/11/2024			34,339.23
Bill Pmt -Check	06/12/2024	2636	Matheny & Company AC	-75.00
Check	06/18/2024	eft	CAS Cable	-72.67
Bill Pmt -Check	06/19/2024	2637	New South Media, Inc.	-1,900.00
Bill Pmt -Check	06/19/2024	2638	WVACVB	-900.00
Bill Pmt -Check	06/26/2024	2639	H & H Holdings, LLC	-500.00
Deposit	06/26/2024			14,816.17
Bill Pmt -Check	06/30/2024	2640	WCHS TV	-300.00
Bill Pmt -Check	06/30/2024	2641	Matheny & Company AC	-275.00
Total City Operating				44,713.54
TOTAL				44,713.54

Ripley Convention & Visitors Bureau
Profit & Loss
June 2024

07/11/24

Accrual Basis

	Jun 24	Jul '23 - Jun 24
Ordinary Income/Expense		
Income		
City of Ripley	49,155.40	128,685.62
Total Income	49,155.40	128,685.62
Expense		
Advertising and Marketing		
Advertising Expense	2,200.00	5,983.38
Events Expenses	0.00	2,000.00
Total Advertising and Marketing	2,200.00	7,983.38
Operating Expenses		
Bank Service Charges	0.00	546.80
Conferences & Training	0.00	36.00
Depreciation Expense	296.39	296.39
Dues and Subscriptions	900.00	1,047.95
Insurance Expense	0.00	3,286.93
Interest Expense	19.19	134.79
Meals and Entertainment	0.00	131.32
Office	0.00	5,474.12
Professional Fees	750.00	4,710.00
Rent	500.00	6,900.00
Telephone & Internet Expense	72.67	1,166.96
Total Operating Expenses	2,538.25	23,731.26
Salaries and Personnel		
Taxes and Fringes		
PEIA Health Insurance	0.00	4,767.44
Taxes		
Federal Unemployment Expense	0.00	42.00
FICA Expense	0.00	2,295.00
WV Unemployment Expense	0.00	112.50
Total Taxes	0.00	2,449.50
Taxes and Fringes - Other	0.00	-101.15
Total Taxes and Fringes	0.00	7,115.79
Wages	0.00	30,000.00
Total Salaries and Personnel	0.00	37,115.79
Total Expense	4,738.25	68,830.43
Net Ordinary Income	44,417.15	59,855.19
Net Income	44,417.15	59,855.19

Ripley Convention and Visitors Bureau, Inc.

Independent Accountant's Review Report and Related Financial Statements

For the Year Ended June 30, 2024

Ripley Convention and Visitors Bureau, Inc.
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Ferrari & Associates, PLLC

616 Schubert Place | Morgantown, WV 26505

Independent Accountant's Review Report

To the Board Members of
Ripley Convention and Visitors Bureau, Inc.
Ripley, WV 25271

We have reviewed the accompanying financial statements of Ripley Convention and Visitors Bureau, Inc. (a West Virginia non-profit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows 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 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 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.

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 accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Ripley Convention and Visitors 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 accounting principles generally accepted in the United States of America.

Ferrari & Associates, PLLC

Morgantown, West Virginia
September 25, 2024

Ripley Convention and Visitors Bureau, Inc.
Statement of Financial Position
June 30, 2024

ASSETS

Current assets:

Cash and cash equivalents	\$ 168,899
Prepaid rent	<u>500</u>
Total current assets	<u>169,399</u>

Property and equipment, net	<u>1,161</u>
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Other noncurrent assets - web domains	<u>5,400</u>
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Total assets	<u>\$ 175,960</u>
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NET ASSETS

Without donor restrictions	<u>\$ 175,960</u>
Total net assets	<u>175,960</u>

Total liabilities and net assets	<u>\$ 175,960</u>
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Ripley Convention and Visitors Bureau, Inc.
Statement of Activities
For the Year Ended June 30, 2024

	Net Assets Without Donor Restrictions
Support and revenue	
Contributions from the City of Ripley	\$ 128,685
Total support and revenue	128,685
Expenses	
Program services	61,697
Management and general	6,633
Total expenses	68,330
Change in net assets	60,355
Net assets - beginning of year	115,605
Net assets - end of year	\$ 175,960

Ripley Convention and Visitors Bureau, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2024

	Program Expenses	Management and General	Total
Expenses			
Salaries and wages	\$ 27,000	\$ 3,000	\$ 30,000
Payroll taxes & related expenses	2,205	245	2,450
Employee benefits	4,199	467	4,666
Advertising	5,385	598	5,983
Rent	5,760	640	6,400
Professional fees	4,239	471	4,710
Telephone and internet	1,050	117	1,167
Events	2,000	-	2,000
Insurance	2,958	329	3,287
Office expenses	4,927	547	5,474
Travel, meals, and entertainment	150	17	167
Dues and subscriptions	943	105	1,048
Fiscal charges	614	68	682
Depreciation	266	30	296
Total expenses	\$ 61,697	\$ 6,633	\$ 68,330

See accompanying notes and independent accountant's review report.

Ripley Convention and Visitors Bureau, Inc.
Statement of Cash Flows
For the Year Ended June 30, 2024

Cash flows from operating activities:	
Change in net assets	\$ 60,355
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation	296
Change in:	
Prepaid rent	(500)
Accounts payable	(2,795)
Accrued payroll withholding and taxes payable	<u>(1,171)</u>
Net cash provided (used) by operating activities	<u>56,185</u>
Cash flows from investing activities:	
Purchase of web domains	<u>(5,400)</u>
Net cash provided (used) by operating activities	<u>(5,400)</u>
Net change in cash	50,785
Cash at beginning of year	<u>118,114</u>
Cash at end of year	<u><u>\$ 168,899</u></u>

Ripley Convention and Visitors Bureau, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2024

1. Organization and Nature of Business

Ripley Convention and Visitors Bureau, Inc. (the "Organization"), is a West Virginia not-for-profit organization dedicated to advancing, stimulating and promoting exhibits, conferences, conventions, and visitors to the City of Ripley, West Virginia.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting as contemplated by generally accepted accounting principles, and accordingly, reflect all significant receivables, payables, and other liabilities, that exist at yearend. Revenues are recognized as they are earned and expenses are recognized as they are incurred whether or not cash is received or paid out at that time.

Classification of Net Assets

The Organization has classified its net assets and its revenues, gains, and losses, based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions: represents net assets that are not subject to or are no longer subject to donor-imposed stipulations. Net assets without donor restriction are available for use by the Organization at the discretion of the Board of Directors.

Net Assets With Donor Restrictions: represents net assets whose use is limited by donor-imposed time and/or purpose restrictions. The Organization did not have any net assets with donor restrictions at June 30, 2024.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Advertising Costs

Advertising and marketing costs are expensed as incurred. Advertising expense for the year ended June 30, 2024 was \$5,983.

Ripley Convention and Visitors Bureau, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2024

Revenue

Contributions

Contributions from governmental agencies are received to assist in operations. This revenue is recognized by the Organization when received. Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions. In the absence of such stipulations, contributions are recorded as unrestricted support.

Promises to give and other contributions

Unconditional promises to give are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions of assets other than cash are recorded at their estimated fair value at the time of the contribution. These other contributions are considered to be available for general purposes unless restricted by the donor for specific purposes.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. For the year ending June 30, 2024 no services were received that met the criteria for recognition as donated services.

Accounts Receivable and Payable

Accounts receivable and the related revenues are recorded when the corresponding conditions are met. Accounts payable, payroll withholding and taxes payable, and the related expenses are recorded when the corresponding cost has been incurred. There was no yearend balances in accounts receivable and payable at June 30, 2024.

Property and Equipment

Purchases of property and equipment are capitalized at cost. Donated assets are capitalized, in accordance with Organization guidelines, at the estimated fair value at the date of receipt. The Organization capitalizes purchased or donated property and equipment based on an assessment of the individual asset's useful life and cost or fair value. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Equipment – 3 to 5 years

Website Domains

Purchases of website domains are stated at cost and amortized when placed in service. Amortization is calculated using the straight-line method over the estimated useful lives of the assets, generally three years. At June 30, 2024, website domains purchased by the Organization have not yet been placed in service.

Ripley Convention and Visitors Bureau, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2024

Functional Expenses

Expenses related to administering, promoting, developing and advancing existing activities for the Organization have been presented on a functional basis in the statement of functional expenses, and are summarized in the statement of activities. Expenses are charged to program, management and general, and fundraising, if any, as incurred.

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

For Federal tax purposes the Organization is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code; however, the Organization remains subject to tax on any business income unrelated to its tax-exempt purpose. Management believes there is no unrelated business taxable income associated with the Organization.

3. Concentrations of Risk

Financial instruments that potentially subject the Organization to concentration of credit risk consist principally of cash and cash equivalents. The Organization maintains its cash accounts in financial institutions located in West Virginia. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Organization's cash balances at various times throughout the year may be in excess of amounts insured. The Organization monitors its cash balance as well as the strength of the financial institution thereby mitigating its exposure to concentrations of credit risk.

During the year ended June 30, 2024, the Organization received a significant portion of its support and revenue in the form of contributions from the City of Ripley, West Virginia. A loss or substantial reduction in this funding may have a significant impact on the Organization.

4. Liquidity Management

The Organization monitors its liquidity so that it is able to meet its operating needs and other contractual commitments.

The following table reflects the Organization's financial assets as of June 30, 2024:

Total financial assets available to meet	
cash needs for general expenditures within one year	\$ <u>168,899</u>

Ripley Convention and Visitors Bureau, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2024

5. Property and Equipment

Property and equipment are summarized as follows:

	<u>2024</u>
Depreciable:	
Equipment	\$ 2,366
Total property and equipment	<u>2,266</u>
Less:	
Accumulated depreciation	<u>(1,205)</u>
Property and equipment, net	<u>\$ 1,161</u>

6. Subsequent Events

The Organization has evaluated subsequent events through September 25, 2024, the date on which the financial statements were available to be issued and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.
