

August 8, 2024

WV State Auditors' Office – lgs@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 WVSAO, 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 Upshur County CVB, we respectfully submit the required information and confirm that Upshur County CVB is in full compliance with all WV Code 7-18-13 requirements.

If you have any questions, please contact either (Lacy Ramey, Executive Director), at lramsey@visitbuckhannon.org or 304-473-1400 or me at trperry@upshurcounty.org or 304-472-0535 ext. 2.

Sincerely,

Tabatha Perry, Board President Upshur County CVB

Lacy Ramsey, Executive Director Upshur County CVB

Attachments: Income statement (July 1, 2023 – June 30, 2024), Balance sheet (June 30, 2024), Annual Financial Review (2022-2023).

Upshur County Convention & Visitors Bureau

Profit and Loss

July 2023 - June 2024

	TOTAL
Income	
INCOME	53.48
Event Center Alcohol	15.01
Event Center Rental	494.57
H-M Tax (County)	19,054.94
H/M Tax (City of Buckhannon)	93,805.22
Sub-Lease	7,458.00
Total INCOME	120,881.22
Interest Income	96.59
Total Income	\$120,977.81
GROSS PROFIT	\$120,977.81
Expenses	
101 Salaries	
66000 Payroll Expenses	29,001.87
Fines & Penalties	21.60
FUTA	7,854.19
SUTA	1,408.36
Total 66000 Payroll Expenses	38,286.02
Total 101 Salaries	38,286.02
102 Financial Review	4,000.00
103 Utilities	2,820.23
105 Postage and Shipping	683.85
106 Office Expenses	1,822.49
110 Rent	11,700.00
Bank Service Fees	325.00
Insurance	3,909.00
Loan Interest	1,912.57
MARKETING EXPENSES	13.90
201 Ad Design	106.36
202 Website Development	842.75
203 Brochures & Literature	1,415.04
213 Direct Advertising	35,210.55
215 Memberships & Subscriptions	2,063.31
216 Highway Signs	675.00
217 Phone & Internet	1,439.40
219 Travel / Mileage / Trainings	1,009.78
Partnership Projects	1,053.97
Total MARKETING EXPENSES	43,830.06
Meals	17.86
Misc Expenses	999.70
301 Event Center Amenities	1,389.14
Total Misc Expenses	2,388.84
registration and license	25.00

	TOTAL
SBA Loan Payments	1,285.00
Travel Expenses	82.59
WV Workers Comp	743.00
Total Expenses	\$113,831.51
NET OPERATING INCOME	\$7,146.30
Other Income	
Vendor Refund	2,134.00
Total Other Income	\$2,134.00
Other Expenses	
Depreciation	5,243.34
Reconciliation Discrepancies	-244.57
Total Other Expenses	\$4,998.77
NET OTHER INCOME	\$ -2,864.77
NET INCOME	\$4,281.53

Upshur County Convention & Visitors Bureau

Balance Sheet

As of June 30, 2024

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Advertising Account	0.00
Checking	41,756.57
Progressive Bank	0.00
Savings	47,404.12
Total Bank Accounts	\$89,160.69
Accounts Receivable	
11000 Accounts Receivable	53.48
Total Accounts Receivable	\$53.48
Other Current Assets	
12000 Undeposited Funds	0.00
Deposit on Films	0.00
Other Receivable	0.00
Prepaid Licenses & Permits	0.00
Uncategorized Asset	-15.01
Total Other Current Assets	\$ -15.01
Total Current Assets	\$89,199.16
Fixed Assets	
Accumulated	0.00
Furniture & Fixtures	0.00
Total Fixed Assets	\$0.00
TOTAL ASSETS	\$89,199.16
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 Accounts Payable	0.00
Total Accounts Payable	\$0.00
Other Current Liabilities	
24000 Payroll Liabilities	
Federal Unemployment	99.56
Federal Withholding	1,392.20
Medicare Company	0.00
Medicare Employee	0.00
Social Security Company	0.00
Social Security Employee	0.00
State Unemployment	0.00
State Withholding	160.00
Total 24000 Payroll Liabilities	1,651.76
Prepaid Insurance	92.00
Total Other Current Liabilities	\$1,743.76

Upshur County Convention & Visitors Bureau

Balance Sheet

As of June 30, 2024

	TOTAL
Total Current Liabilities	\$1,743.76
Long-Term Liabilities	
EIDL Loan	0.00
Total Long-Term Liabilities	\$0.00
Total Liabilities	\$1,743.76
Equity	
32000 Retained Earnings	83,173.87
Net Income	4,281.53
Total Equity	\$87,455.40
TOTAL LIABILITIES AND EQUITY	\$89,199.16

**UPSHUR COUNTY CONVENTION & VISITORS BUREAU
CORPORATION**

**FINANCIAL STATEMENTS
WITH INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

JUNE 30, 2023

TABLE OF CONTENTS

	PAGE
BUREAU MEMBERS	1
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	2
FINANCIAL SECTION	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses and Revenues	5
Statement of Cash Flows	6
Notes to Financial Statements	7-11

**UPSHUR COUNTY CONVENTION & VISITORS BUREAU CORPORATION
BUREAU MEMBERS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>OFFICE</u>	<u>NAME</u>	<u>TERM</u>
<u>ELECTIVE</u>		
President	Rise Hanifan	2021-2024
Vice President	Tabatha Perry	2020-2023
Board Member	Kevin Campbell	2021-2024
Board Member	Jenny Fluke	2021-2024
Board Member	Cheryl Lewis	2022-2025
Secretary	John Waltz	2022-2025
Board Member	Ronna Dittman	2022-2025
Board Member	Randy Sanders	2021-2024
Treasurer	Kathy McMurray	2022-2025
Board Member	Jenny Powers	2023-2026
Board Member	Lori Meadows	2023-2026

Appointive

Executive Director	Lacy Ramsey
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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Upshur County Convention & Visitors Bureau

We have reviewed the accompanying financial statements of the Upshur County Convention & Visitors Bureau (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, 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 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.

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.



Buckhannon, WV
May 14, 2024

UPSHUR COUNTY CONVENTION & VISITORS BUREAU CORPORATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023

ASSETS

Cash and cash equivalents	\$ 135,930
Accounts receivable	9,564
Property and equipment, net	<u> </u>
TOTAL ASSETS	<u>\$ 145,494</u>

LIABILITIES AND NET ASSETS

Liabilities

Accounts payable and accrued expenses	\$ 212
Accrued payroll taxes	1,578
Loans payable	<u>60,000</u>
Total liabilities	<u>61,790</u>

Net Assets

Without donor restrictions	<u>83,704</u>
Total net assets	<u>83,704</u>

TOTAL LIABILITIES AND NET ASSETS	<u>\$ 145,494</u>
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The accompanying independent accountant's review report and notes are integral parts of this statement.

UPSHUR COUNTY CONVENTION & VISITORS BUREAU CORPORATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Without Donor Restrictions</u>
Earned Revenue	
Hotel and motel tax revenue	\$ 120,426
Event center revenue	42,895
Interest income	179
Other income	<u>8,571</u>
Total earned revenue	<u>172,071</u>
 Expenses	
Salaries and wages	73,504
Payroll taxes	7,187
Promotion and advertising	15,100
Rent	20,862
Utilities	5,074
Meetings, conferences and training	530
Postage and shipping	437
Licenses and permits	1,193
Dues and subscriptions	1,453
Office supplies and expenses	1,205
Depreciation	488
Event center material and supplies	17,492
Professional fees	4,000
Chamber services	5,732
Interest	600
Miscellaneous expenses	<u>10,820</u>
Total Expenses	<u>165,677</u>
Change in Net Assets	6,394
Net Assets at Beginning of Year	<u>77,310</u>
Net Assets at End of Year	<u><u>\$ 83,704</u></u>

The accompanying independent accountant's review report and notes are integral parts of this statement.

UPSHUR COUNTY CONVENTION & VISITORS BUREAU CORPORATION
STATEMENT OF FUNCTIONAL EXPENSES AND REVENUES
FOR THE YEAR ENDED JUNE 30, 2023

	<u>CVB</u>	<u>Event Center</u>	<u>Total</u>
REVENUES			
Hotel and motel tax revenue	\$ 120,426	\$	\$ 120,426
Event center revenue		42,895	42,895
Interest income	179		179
Other income	8,571		8,571
Total Revenues	<u>129,176</u>	<u>42,895</u>	<u>172,071</u>
EXPENSES			
Salaries and wages	51,376	22,128	73,504
Payroll taxes	5,495	1,692	7,187
Promotion and advertising	12,072	3,028	15,100
Rent	9,900	10,962	20,862
Utilities	5,074		5,074
Meetings, conferences and training	530		530
Postage and shipping	437		437
Licenses and permits	693	500	1,193
Dues and subscriptions	1,453		1,453
Office supplies and expenses	1,024	181	1,205
Depreciation		488	488
Event center materials and supplies		17,492	17,492
Professional fees	4,000		4,000
Chamber services	5,732		5,732
Interest	600		600
Miscellaneous expenses	3,012	7,808	10,820
Total Expenses	<u>101,398</u>	<u>64,279</u>	<u>165,677</u>
Net Revenues (Expenses)	<u>\$ 27,778</u>	<u>\$ (21,384)</u>	<u>\$ 6,394</u>

The accompanying independent accountant's compilation report and notes are integral parts of this statement.

UPSHUR COUNTY CONVENTION & VISITORS BUREAU CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 6,394
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	488
(Increase) decrease in assets:	
Accounts receivable	2,853
Increase (Decrease) in liabilities:	
Accounts payable	(3,768)
Accrued payroll taxes	463
	<u>6,430</u>
Net cash used in operating activities	<u>6,430</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Net cash used in investing activities	<u> </u>
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CASH FLOWS FROM FINANCING ACTIVITIES:

Net cash provided by financing activities	<u> </u>
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NET INCREASE IN CASH AND CASH EQUIVALENTS	6,430
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CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>129,500</u>
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CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 135,930</u></u>
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Supplemental Disclosures:	
Interest paid	<u><u>\$600</u></u>

The accompanying independent accountant's review report and notes are integral parts of this statement.

UPSHUR COUNTY CONVENTION & VISITORS BUREAU CORPORATION NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Upshur County Convention & Visitors Bureau Corporation (the Bureau) is a nonprofit corporation incorporated on June 10, 2010, in order to achieve the following objectives:

The Bureau was established to: 1) increase and promote travel in Upshur County, West Virginia through the promotion of tours, preparation and distribution of brochures and other publications, and the publication of information or educational bulletins or documents designed to improve travel facilities in the area; 2) educate area citizens about effective methods of serving the public and to help develop a greater knowledge of our area's historic and scenic attractions and natural wonders; 3) encourage additional facilities for development of the travel trade; 4) work in cooperation with local Chambers of Commerce, historical societies, other public, private, civil, federal, state and local organizations concerned with the travel industry; and 5) encourage visitors to use the facilities and areas within Upshur County in a wise, responsible and respectful manner. The primary source of revenue comes from the City of Buckhannon in the form of hotel/motel taxes.

Basis of Accounting

The financial statements of the Bureau have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Basis of Presentation

Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Without donor restrictions – Consists of net assets available to support operations and not subject to donor restrictions.

With donor restrictions – Consists of net assets that are subject to donor-imposed restrictions. Some restrictions may be temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature, such as those that are restricted by a donor that the resources be maintained in perpetuity.

Support that is restricted by the donor is reported as an increase in without donor restrictions net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in with donor restrictions net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), with donor restrictions net assets are reclassified to without donor restrictions net assets and reported in the Statement of Activities as net assets released from restrictions. Grant awards are classified as refundable advances until expended for the purpose of the grants since they are conditional promises to give.

The independent accountant's compilation report is an integral part of these notes.

UPSHUR COUNTY CONVENTION & VISITORS BUREAU CORPORATION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1. Summary of Significant Accounting Policies (Continued)

With donor restrictions (Continued)

Gifts of land, buildings, and equipment are presented as without restrictions support unless explicit donor stipulations specify how the donated assets must be used.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as with donor restrictions support.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Bureau considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Property and Equipment

The Bureau records all property and equipment at cost and all donated property and equipment at fair market value and is depreciating these assets using the straight-line method over the asset's established useful lives. The Bureau has adopted a capitalization policy of \$5,000 for purposes of capitalizing fixed assets.

Income Taxes

The Bureau is a not-to-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Bureau's Forms 990, Return of Organization Exempt from Income Tax, are generally subject to examination by the Internal Revenue Service for three years after they are filed.

Allowance for Bad Debts

The Bureau uses the allowance method of computing bad debts. All receivables were considered collectable at June 30, 2023.

Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management must make estimates based on future events that effect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from these statements.

Advertising

All advertising costs have been expensed in the statement of activities.

The independent accountants' compilation report is an integral part of these notes.

**UPSHUR COUNTY CONVENTION & VISITORS BUREAU CORPORATION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Note 1. Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses

The costs of providing the Bureau's various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Statement of Cash Flows

For purposes of statement of cash flows, the Bureau considers all highly liquid debt investments purchased with a maturity of three months or less to be cash equivalent.

Note 2. Deposits and Investments

Custodial Credit Risk

At year end, the Bureau's bank balances were \$135,930, which were fully insured under the Federal Depository Insurance Corporation coverage limit of \$250,000.

Note 3. Accounts Receivable

Receivables at June 30, 2023 were as follows:

City of Buckhannon - hotel/motel tax	\$ 5,108
County – hotel/motel tax	4,456
	<hr/>
Total Receivables	\$ 9,564
	<hr/>

Note 4. Property and Equipment

Property and equipment consisted of the following at June 30, 2023:

Furniture and fixtures	\$ 60,222
Less accumulated depreciation	60,222
	<hr/>
Property and equipment net	\$ -0-
	<hr/>

The independent accountant's review report is an integral part of these notes.

**UPSHUR COUNTY CONVENTION & VISITORS BUREAU CORPORATION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Note 5. Lease of Property and Equipment

The Bureau rents office space for \$900 per month and subleases to the Chamber of Commerce for \$621.50 per month for rent and utilities. The Bureau also entered into a 40 year commitment to lease the WV National Guard Buckhannon Readiness Center for \$1,217 per month. The lease was transferred to the City of Buckhannon effective April 1, 2023.

Note 6. Risk Management

The Bureau is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Bureau carries insurance with the West Virginia Counties Group for umbrella (general liability) insurance for these various risks. The Bureau is covered for workers' compensation under Brick Street Insurance.

The Organization cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have a material effect on the Organization's future operations and financial position.

Note 7. Concentration of Risk

The Bureau receives a significant amount of its revenues from the City of Buckhannon in the form of hotel/motel taxes. The amount of revenues is solely dependent on the number of hotel rooms in Buckhannon, the occupancy rate of those rooms and the average rental rate. The hotel/motel room tax is collected by the City of Buckhannon and the City is statutorily required to give the Bureau sixty percent of the net collections. The loss reduction of these revenues would have an adverse effect on the Bureau's financial condition.

The independent accountant's review report is an integral part of these notes.

UPSHUR COUNTY CONVENTION & VISITORS BUREAU CORPORATION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 8. Loans Payable

U.S. Small Business Administration

Installment agreement with 334 monthly
payments of \$257.00 with interest rate of
2.75%. Secured by Organization's assets. 60,000

Less: current portion 1,452

Noncurrent portion \$ 58,548
=====

Scheduled maturities at June 30, 2023 are as follows:

June 30, 2024	\$ 1,452
2025	1,493
2026	1,534
2027	1,577
2028	1,621
Thereafter	52,323
Total	\$ 60,000 =====

Note 9. Liquidity and Availability of Financial Assets

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and cash equivalents	\$ 135,930
Grants and accounts receivable	9,564
Total	\$ 145,494 =====

It's the Organization's liquidity policy to structure its financial assets to be available as its general expenditures and other liabilities come due.

Note 10. Subsequent Event

The Bureau's management has evaluated subsequent events through May 14, 2024, the date which the financial statements were available to be issued.

The independent accountant's review report is an integral part of these notes.