

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

If you have any questions, please contact either Tracy McCoy-Executive Director, at [tracy@summersvillecvb.com](mailto:tracy@summersvillecvb.com) or 304-619-5539.

Sincerely,

Tracy R. McCoy-Executive Director  
Summersville Convention & Visitors Bureau

Attachments:Income statement, Balance sheet , Annual report and Annual audit.

## 2022-2023 Annual Report

Greetings! It is a pleasure to be here on behalf of the Summersville Convention & Visitors Bureau to present the 2022-2023 Annual Report. Thank you for your continued encouragement, partnership, and support, as we work tirelessly to encourage tourism and attract visitors to our wonderful community.

In 2022-2023, the CVB Board consisted of the following: Greg Bishop-President, Ashleigh Wall and Stevie LeRose-Vice President, Susan James-Secretary, Elizabeth Dix, Jay Borrell, Sam Cowell, David Ridgeway, Elizabeth Anderson, Lindsey Skidmore, Mike Dotson, and Jaclyn Wood.

The CVB successfully passed the re-accreditation application process in 2023 remaining in good standing with the WV Association of CVB's which qualifies us to continue to receive hotel/motel tax funding. We are a continued member in good standing with the West Virginia Hospitality and Travel Association, the Southeast Tourism Society, and the Appalachian Forest Heritage Area.

Locally, I continue to represent the CVB as a member of the Nicholas County Potato Festival Committee, the Summersville Area Chamber of Commerce, the Richwood Area Chamber of Commerce, the Summersville Mural Committee, the Nicholas County Veterans Memorial Park Board, the Summersville Arena & Conference Center Advisory Board, the Nicholas County School Improvement Council, the Summersville Rotary Club, and the New River Career and Technical College Business Advisory Committee.

The CVB's sole source of funding comes from a portion of the Hotel/Motel Tax that is collected within the City of Summersville, and Nicholas County. At least 40% of our received funding is invested in marketing tourism in Summersville and Nicholas County. The marketing budget continues to primarily target areas at least 50 miles away, focusing mainly on the mid-Atlantic, and the northeast and southeast regions which include WV, Kentucky, Tennessee, North Carolina, Ohio, Pennsylvania, Virginia, DC, and New York. With the passing of the Airbnb Bill, we are pleased to see those taxes continuing to be collected and remitted to our local taxing authorities.

When I was here to present the annual report last year, I was excited to announce that the 2021-2022 Hotel/Motel Tax report numbers showed that we were well on our way to a full recovery by yielding an almost 5% increase from pre-pandemic numbers in 2018-2019. For 2022-2023, we saw a total Hotel/Motel tax amount across the City of Summersville and all of Nicholas County of \$554,762.26 which is a 2.45% increase over the 2021-2022 year. (City-\$442,695.91,-1.5%, County-\$112,066.35, +21.8%).

Having the newest National Park in our backyard has already helped us gain more national and international attention, and we are very confident that being home to WV's newest State Park is only going to continue to drive attention our way. Since the Governor's announcement about the new State

Park, we have been the focus of many news outlets and publications as I'm sure you have all seen or heard. With the new City of Summersville Recreation Complex and the Summersville Lake State Park, the CVB is extremely proud and excited to not just witness, but be part of, these incredible projects. As we all know, change is absolutely required for growth. Our community is undeniably changing and growing for the better, every single day. We were very excited to participate in the Governors visit to unveil the new State Park. Many were in attendance, and our community was well represented at the event.

We were also very excited to host Governor Justice and members of the WVDT at the Nicholas County Career and Technical Center in the Spring as they made the exciting announcement that all 55 WV Counties had signed up to take part in the Hospitality & Tourism education program. It was a great opportunity to proudly display the amazingly beautiful Almost Heaven WV swings, and a cabin for Mountain Lake Campground, which are constructed by Nicholas County students.

Throughout the year dollars earmarked for marketing are spent on various projects which include print, digital, tv/radio, billboards, social media, social media influencers, and more. You may have seen our ads in **WV Living Magazine, USA TODAY, Ohio Magazine, Travel, Taste, + Tour, or the WVU Football/Basketball programs**, just to name a few. Or perhaps heard us on **Lake Country 3WS or Boss Country 97 FM**. The CVB continues to participate in the Advertising Co-Op program offered seasonally by the WV Department of Tourism. Valuable advertising opportunities are offered through cost-sharing.

In March of 2023, we received 15,000 copies of the **2023 Summersville Visitors Guide**. We worked with New South Media on the production of this year's guide, and the positive response has been overwhelming. Everyone has enjoyed the updated look with more vibrant pictures and larger size. Throughout the year, those guides are distributed to local hotels, campgrounds, cabins, attractions, restaurants, stores, trade shows, other CVBs, tourists, and Welcome Centers across the state. A digital copy is also available on our website. Each of you has been provided with a copy of the **2023 Summersville Visitors Guide**.

Once again, the WV Department of Tourism unveiled a beautiful **2023 WV Travel Guide**, which wonderfully highlights some of what our area has to offer, along with the State as a whole. A copy of the Travel guide has been provided to you.

The CVB continues to have an increasingly strong social media presence, posting on our platforms regularly. We continue to send out newsletters to over 7,000 recipients highlighting the many exciting things to do in and around our community. We work hard to keep our local community members and tourists aware of upcoming events in the area.

The CVB takes great pride in maintaining a positive community presence by hosting, supporting, promoting, sponsoring, or participating in various events throughout the entire county. Some of the events in 2022-2023 included the Nicholas County Potato Festival, the Mt. Nebo St. Patrick's Day Parade, City of Summersville Thanksgiving Dinner, the Summersville Christmas Store, the Scenic Mountain Triathlon, the Mountain Made Makers Market, the Lighthouse Festival, Music in the Pavilion, City of Summersville 4<sup>th</sup> of July Fireworks, Summersville Oktoberfest, Children's Home Society Hook Line and Sinker Fishing Tournament, National Travel & Tourism Week, WV Jeep Fest, the WV Gold Star Mothers Bridge Ride, Wally's Squadron R/C Fly-In, the W.V. Hellbender Hootenanny, Cherry River Festival, Tour Around the World Dining Experience, Kirkwood Wine & Music Festival, Monster Con, Taste of Nicholas County, U.S. Army Corps of Engineers Earth Day Lake Clean-up event, and many more.

Earlier this year, much time was dedicated to helping the new boards of both the Nicholas County Fair and the Craigsville Fall Festival as they worked extremely hard on making those events better than ever before.

After listening to our tourism partners, we decided to change how we celebrated National Travel & Tourism Week this year. We created and shared videos each day of that week highlighting each different sector of our local tourism industry. We had Meeting Monday, Treasure Hunt Tuesday, Way Fare Wednesday, Thirsty Thursday, Foodie Friday, and Sleep-Over Saturday. In addition, Amanda Legg from the WVDT came and went into both Richwood High School and the Nicholas County High School where she and I presented to all 9<sup>th</sup> through 12<sup>th</sup> Graders about considering the Tourism Industry as a potential career choice. We concluded the week by holding a Student Contest Tourism Awards Luncheon, where winners of the Art, Essay, and Advertisement, contests were celebrated. Local business owner Ashleigh Wall, and Amanda Legg of the WVDT, were our guest speakers. The contest entries were kept on display on the foyer walls within the Arena & Conference Center.

As part of our marketing efforts this year, we also executed two different Travel Influencer visits. The first was a joint effort between the Summersville CVB and Visit Southern WV CVB. We took advantage of an opportunity to have Travel Influencer Jared Kreiss visit our community and enjoy a complete outdoor recreation adventure. Some of his experiences included lodging at Summersville Lake Retreat & Lighthouse, paddle boarding on Summersville Lake, hiking the Long Point Trail, and at Carnifex Ferry State Park. While here, he also took a tour of Kirkwood Winery and Isaiah Morgan Distillery and did a tour of the Lighthouse. Jared enjoyed dining at a variety of our restaurants as well. As required in the contract, Jared provided beautiful pictures and video clips through posts made on his social media pages to reach his 72.4 thousand followers.

The second Travel Influencer trip was done through WV Living Magazine in celebration of WV Day. Two of their own influencers traveled to different areas across the state to encourage everyone to enjoy a WV Day of Play. While in the Summersville Area, the influencers enjoyed lodging in a retro camper at the Summersville Lake Retreat & Lighthouse. They enjoyed Paddle Boarding on the Lake, shopping, and Lunch in Richwood, hiking the Long Point Trail, a tour of the Lighthouse, Ice Cream at the Campfire Grill, meals, and shopping in Summersville, and much more. The influencers provided beautiful imagery and short video clips that were highlighted on WV Day, though their various social media platforms as well as in their WV Weekender Email blast.

Also, in partnership with the Visit Southern WV CVB, we hosted a visit by the members of Fishing University as seen on the Outdoor Channel. During their visit they lodged at one of our hotels and enjoyed filming their fishing experience at Summersville Lake. A very important part of their trip was a visit to Nicholas County High School where they and our Board Member Sam Cowell, who is employed by the WV DNR, promoted careers in the outdoors to the students. The segment is supposed to air in January.

I just recently had the opportunity to attend the 2023 Governors' Conference on Tourism at Canaan Valley Resort. During Governor Justice's visit, he proudly announced that in 2022, WV experienced its best tourism year yet, with the economic impact exceeding 7 billion dollars. That marks a 17 percent increase in visitor spending compared to pre-pandemic levels, which is higher than the country's overall rate of just 1 percent increase. Over \$100 million of that was taxable sales generated by vacation rentals last year. Visitors to WV in 2022 totaled more than thirty times the state's population, which in 2022 was

approximately 1.79 million people. Governor Justice also reported that in 2022 there were 53,000 jobs in the WV tourism industry, with 1 person out of 16 working in the tourism industry, with a 2-billion-dollar total annual income. 2022 data more specific to our community will be available soon, and I will be glad to provide that information to you once I have access to it.

As I near my two-year mark, it continues to be an incredible honor to fill the position as Executive Director of the Convention & Visitors Bureau. The CVB proudly continues its mission to promote our amazing community and to assist with providing outstanding visitor experiences. We are grateful for the support of our community, partners, and dedicated team members. As we look to the future, we remain committed to our vision of making the Summersville area and all of Nicholas County a premier vacation destination. Thank you all for your trust and investment in our work. Working together in unity, our community will continue to grow and thrive.

That concludes my report. if you have any questions, I would be happy to address them at this time or you can reach out to me at your convenience. Thank you!

# SUMMERSVILLE CONVENTION & VISITORS BUREAU

## Statement of Activity

July 2022 - June 2023

	TOTAL
Revenue	
47900 300 REVENUE	
301 HOTEL/MOTEL TAX - CITY	179,000.00
302 HOTEL/MOTEL TAX - COUNTY	30,202.90
378 CARRY FORWARD	80,729.55
<b>Total 47900 300 REVENUE</b>	<b>289,932.45</b>
<b>Total Revenue</b>	<b>\$289,932.45</b>
GROSS PROFIT	<b>\$289,932.45</b>
Expenditures	
64200 920 ADVERTISING & MARKETING	107,087.69
922 TRAVEL	4,539.55
923 MEALS & ENTERTAINMENT	2,068.57
925 MEETINGS & SEMINARS	3,108.06
926 POSTAGE	2,000.51
928 GIFT BASKETS/WELCOME BAGS	1,274.30
<b>Total 64200 920 ADVERTISING &amp; MARKETING</b>	<b>120,078.68</b>
66000 PAYROLL EXPENSE	35,961.43
932 PAYROLL TAXES	2,928.05
935 WORKERS COMPENSATION INS	317.75
<b>Total 66000 PAYROLL EXPENSE</b>	<b>39,207.23</b>
66700 940 CONTRACTUAL	
941 ACCOUNTING	9,670.03
944 TELEPHONE / INTERNET	2,605.26
945 INSURANCE	2,618.65
949 LICENSE & FEES	35.00
951 DUES & SUBSCRIPTIONS	4,766.70
<b>Total 66700 940 CONTRACTUAL</b>	<b>19,695.64</b>
960 COMMODITIES	
961 OFFICE SUPPLIES	2,186.21
<b>Total 960 COMMODITIES</b>	<b>2,186.21</b>
970 CONTRIBUTIONS	
971 DONATIONS & PROMOTIONS	14,823.00
<b>Total 970 CONTRIBUTIONS</b>	<b>14,823.00</b>
980 FESTIVALS & SPECIAL EVENTS	
982 POTATO FESTIVAL	5,000.00
983 FOURTH OF JULY FIREWORKS	8,000.00
987 MISCELLANEOUS	1,709.67
991 NAT. TRAVEL & TOURISM WEEK	3,161.28
993 CITY PAVILION EVENTS	3,295.54
<b>Total 980 FESTIVALS &amp; SPECIAL EVENTS</b>	<b>21,166.49</b>

# SUMMERSVILLE CONVENTION & VISITORS BUREAU

## Statement of Activity

July 2022 - June 2023

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	TOTAL
Unapplied Cash Bill Payment Expense	0.00
<b>Total Expenditures</b>	<b>\$217,157.25</b>
NET OPERATING REVENUE	<b>\$72,775.20</b>
NET REVENUE	<b>\$72,775.20</b>

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# SUMMERSVILLE CONVENTION & VISITORS BUREAU

## Statement of Financial Position

As of June 30, 2023

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
100 PETTY CASH	100.00
101 CASH-CTB GENERAL OPERATING	111,029.66
102 CASH - BIDDY BASKETBALL	2,619.27
103 CASH-BB&T ARMORY	0.00
INVESTMENT - NICHOLAS CCF	128,982.69
<b>Total Bank Accounts</b>	<b>\$242,731.62</b>
Accounts Receivable	
11000 ACCOUNTS RECEIVABLE	-5,214.45
<b>Total Accounts Receivable</b>	<b>\$ -5,214.45</b>
Other Current Assets	
12000 Undeposited Funds	0.00
Accounts Receivable (Audit)	0.00
ACCOUNTS RECEIVABLE--CITY	29,349.17
ACCOUNTS RECEIVABLE--COUNTY	11,157.42
GRANT RECEIVABLE	0.00
<b>Total Other Current Assets</b>	<b>\$40,506.59</b>
<b>Total Current Assets</b>	<b>\$278,023.76</b>
Fixed Assets	
109 EQUIPMENT	7,571.14
110 FURNITURE & FIXTURES	33,365.93
115CONSTRUCTION WORK IN PROGRESS	0.00
130 ACCUMULATED DEPRECIATION	-34,506.10
<b>Total Fixed Assets</b>	<b>\$6,430.97</b>
Other Assets	
DEPOSITS	6,750.00
PREPAID EXPENSES	0.00
<b>Total Other Assets</b>	<b>\$6,750.00</b>
<b>TOTAL ASSETS</b>	<b>\$291,204.73</b>

# SUMMERSVILLE CONVENTION & VISITORS BUREAU

## Statement of Financial Position

As of June 30, 2023

	TOTAL
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 Accounts Payable	2,509.70
<b>Total Accounts Payable</b>	<b>\$2,509.70</b>
Other Current Liabilities	
210 STATE WITHHOLDING	0.00
24000 PAYROLL LIABILITIES	1,678.01
Accounts Payable (Audit)	0.00
Accounts Payable - Adjustments	0.00
ACCRUED WAGES	1,863.17
BIDDY BASKETBALL LIABILITY	2,619.27
DEFERRED REVENUE	0.00
<b>Total Other Current Liabilities</b>	<b>\$6,160.45</b>
<b>Total Current Liabilities</b>	<b>\$8,670.15</b>
<b>Total Liabilities</b>	<b>\$8,670.15</b>
Equity	
30000 OPENING BALANCE EQUITY	0.00
32000 UNRESTRICTED NET ASSETS	209,759.38
Net Revenue	72,775.20
<b>Total Equity</b>	<b>\$282,534.58</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$291,204.73</b>

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## C O N T E N T S

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## INDEPENDENT AUDITORS' REPORT

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

### ***Opinion***

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, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Summersville Convention and Visitors Bureau, Inc. as of June 30, 2022 and 2021, 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.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Summersville Convention and Visitors Bureau, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management 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, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Summersville Convention and Visitors Bureau, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Summersville Convention and Visitors Bureau, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Summersville Convention and Visitors Bureau, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Huntington, West Virginia

"Date"

## STATEMENTS OF FINANCIAL POSITION

June 30, 2022 and 2021

## ASSETS

	2022	2021
<b>Assets</b>		
Cash and cash equivalents	\$ 88,305	\$ 57,106
Accounts receivable	95,831	40,507
Other receivables	539	179
Prepaid expenses	7,600	6,750
Investments	78,983	94,434
Property and equipment, net	<u>4,518</u>	<u>3,685</u>
<b>Total Assets</b>	<u>\$ 275,776</u>	<u>\$ 202,661</u>

## LIABILITIES AND NET ASSETS

<b>Liabilities</b>		
Accounts payable	\$ 7,240	\$ 2,510
Accrued taxes	1,074	775
Accrued wages and benefits	<u>503</u>	<u>1,863</u>
<b>Total Liabilities</b>	8,817	5,148
<b>Net Assets</b>		
Without donor restrictions	<u>266,959</u>	<u>197,513</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 275,776</u>	<u>\$ 202,661</u>

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

SUMMERSVILLE CONVENTION AND VISITORS BUREAU, INC.

Draft

STATEMENT OF ACTIVITIES

For the year ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues and Support</b>			
City hotel/motel tax	\$ 224,730	\$ -	\$ 224,730
County hotel/motel tax	15,101	-	15,101
Donations	-	-	-
Special events	20	-	20
Other income	884	-	884
Investment income, net	<u>(15,451)</u>	<u>-</u>	<u>(15,451)</u>
<b>Total Revenues and Support</b>	<b>225,284</b>	<b>-</b>	<b>225,284</b>
<b>Net Assets Released From Restrictions</b>			
	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Increase</b>	<b><u>225,284</u></b>	<b><u>-</u></b>	<b><u>225,284</u></b>
<b>Expenses</b>			
<b>Program Services</b>			
Salaries and wages	28,551	-	28,551
Payroll taxes	2,920	-	2,920
Special events	20,698	-	20,698
Advertising	79,844	-	79,844
Donations	3,753	-	3,753
Telephone/communications	2,732	-	2,732
Dues and fees	3,315	-	3,315
Insurance	2,604	-	2,604
Supplies	<u>1,811</u>	<u>-</u>	<u>1,811</u>
<b>Total Program Services Expenses</b>	<b>146,228</b>	<b>-</b>	<b>146,228</b>
<b>Management and General</b>			
Professional services	<u>7,697</u>	<u>-</u>	<u>7,697</u>
<b>Total Expenses</b>	<b><u>153,925</u></b>	<b><u>-</u></b>	<b><u>153,925</u></b>
<b>Net Increase</b>	<b>71,359</b>	<b>-</b>	<b>71,359</b>
<b>Depreciation</b>	<u>(1,913)</u>	<u>-</u>	<u>(1,913)</u>
<b>Change in Net Assets</b>	<b>69,446</b>	<b>-</b>	<b>69,446</b>
<b>Net Assets at Beginning of Year</b>	<u>197,513</u>	<u>-</u>	<u>197,513</u>
<b>Net Assets at End of Year</b>	<b><u>\$ 266,959</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 266,959</u></b>

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

SUMMERSVILLE CONVENTION AND VISITORS BUREAU, INC.

Draft

STATEMENT OF ACTIVITIES

For the year ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues and Support</b>			
City hotel/motel tax	\$ 137,349	\$ -	\$ 137,349
County hotel/motel tax	11,157	-	11,157
Donations	-	2,750	2,750
Special events	-	-	-
Other income	779	-	779
Investment income, net	17,446	-	17,446
<b>Total Revenues and Support</b>	<b>166,731</b>	<b>2,750</b>	<b>169,481</b>
<b>Net Assets Released</b>			
From Restrictions	2,750	(2,750)	-
<b>Total Increase</b>	<b>169,481</b>	<b>-</b>	<b>169,481</b>
<b>Expenses</b>			
<b>Program Services</b>			
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
Dues and fees	2,656	-	2,656
Insurance	2,576	-	2,576
Supplies	1,285	-	1,285
<b>Total Program Services Expenses</b>	<b>137,111</b>	<b>-</b>	<b>137,111</b>
<b>Management and General</b>			
Professional services	8,169	-	8,169
<b>Total Expenses</b>	<b>145,280</b>	<b>-</b>	<b>145,280</b>
<b>Net Increase</b>	<b>24,201</b>	<b>-</b>	<b>24,201</b>
<b>Depreciation</b>	<b>(1,902)</b>	<b>-</b>	<b>(1,902)</b>
<b>Change in Net Assets</b>	<b>22,299</b>	<b>-</b>	<b>22,299</b>
<b>Net Assets at Beginning of Year</b>	<b>175,214</b>	<b>-</b>	<b>175,214</b>
<b>Net Assets at End of Year</b>	<b>\$ 197,513</b>	<b>\$ -</b>	<b>\$ 197,513</b>

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

SUMMERSVILLE CONVENTION AND VISITORS BUREAU, INC.

Draft

STATEMENTS OF CASH FLOWS

For the years ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>Cash Flows From Operating Activities</b>		
Change in Net Assets	\$ 69,446	\$ 22,299
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	1,913	1,902
Unrealized (gain) loss	18,020	(11,413)
Realized (gain) loss	(2,643)	(5,967)
(Increase) Decrease in assets:		
Accounts receivable	(55,324)	(2,113)
Other receivables	(360)	2,082
Prepaid expenses	(850)	2,750
Increase (Decrease) in liabilities:		
Accounts payable	4,730	43
Accrued taxes	299	(721)
Accrued wages and benefits	(1,360)	(294)
Total adjustments	<u>(35,575)</u>	<u>(13,731)</u>
Net Cash Provided By Operating Activities	<u>33,871</u>	<u>8,568</u>
<b>Cash Flows From Investing Activities</b>		
Purchase of property and equipment	(2,746)	-
Investment activity	74	(5,924)
Net Cash Used In Investing Activities	<u>(2,672)</u>	<u>(5,924)</u>
Change in Cash and Cash Equivalents	31,199	2,644
Cash and Cash Equivalents at Beginning of Year	<u>57,106</u>	<u>54,462</u>
Cash and Cash Equivalents at End of Year	<u>\$ 88,305</u>	<u>\$ 57,106</u>

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

**SUMMERSVILLE CONVENTION AND VISITORS BUREAU, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2022 and 2021**

**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>
<b>Office equipment and furniture</b>	<b>3 - 15 years</b>
<b>Leasehold improvements</b>	<b>15 - 40 years</b>

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

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:

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, 2022 and 2021.

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2022 and 2021**

**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.

**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>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 88,305	\$ 57,106
Accounts receivable	95,831	40,507
Other receivables	539	179
Investments	<u>78,983</u>	<u>94,434</u>
	<u>\$ 263,658</u>	<u>\$ 192,226</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.

**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.

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

4. Investments:

Investments are carried at fair value at June 30, 2022 and 2021 as follows:

<u>June 30, 2022</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain</u>
Nicholas County Community Foundation	\$ <u>80,268</u>	\$ <u>78,983</u>	\$ <u>(1,285)</u>

  

<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>

Investment return for the years ended June 30, 2022 and 2021 is summarized as follows:

	<u>2022</u>	<u>2021</u>
Interest and dividend income	\$ 1,293	\$ 1,168
Realized gains	2,643	5,967
Unrealized gains (losses)	(18,019)	11,413
Investment management fees	<u>(1,368)</u>	<u>(1,102)</u>
Total investment income (loss), net	\$ <u>(15,451)</u>	\$ <u>17,446</u>

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

5. Fair value measurements:

Fair values of assets measured on a recurring basis at June 30, 2022 and 2021 are as follows:

Fair Value Measurements at Reporting Date Using:

	<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, 2022</u>				
Nicholas County Community Foundation	\$ <u>78,983</u>	\$ <u>78,983</u>	\$ <u>-</u>	\$ <u>-</u>
<u>June 30, 2021</u>				
Nicholas County Community Foundation	\$ <u>94,434</u>	\$ <u>94,434</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, 2022 and 2021.

6. Property and equipment, net:

A summary of property and equipment as of June 30, 2022 and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
Equipment	\$ 17,863	\$ 15,117
Furniture and fixtures	<u>23,074</u>	<u>23,074</u>
	40,937	38,191
Less accumulated depreciation	<u>(36,419)</u>	<u>(34,506)</u>
	\$ <u>4,518</u>	\$ <u>3,685</u>

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

**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, 2022 and 2021 from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the donors.

	<u>2022</u>	<u>2021</u>
Satisfaction of local grants	\$ _____ -	\$ <u>2,750</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, 2022. 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, 2022 and 2021, the Bureau incurred the following income and expense with a not-for-profit organization with common board membership:

	<u>2022</u>	<u>2021</u>
Donation expense	\$ _____ -	\$ <u>10,991</u>

**12. Reclassifications:**

Certain amounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

**13. Subsequent events:**

The Bureau has evaluated all subsequent events through "Date", the date the financial statements were available to be issued.