



**Mary Taylor, CPA**  
Auditor of State



**LOGAN COUNTY CONVENTION AND TOURIST BUREAU  
LOGAN COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Cover Letter .....	1
Independent Accountants' Report.....	3
Statement of Cash Receipts, Cash Disbursements, and Change in Fund Cash Balance – General Fund - For the Year Ended December 31, 2007 .....	5
Statement of Cash Receipts, Cash Disbursements, and Change in Fund Cash Balance – General Fund - For the Year Ended December 31, 2006 .....	6
Notes to the Financial Statements .....	7
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	11

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**Mary Taylor, CPA**  
Auditor of State

Logan County Convention and Tourist Bureau  
Logan County  
100 S. Main St.  
Bellefontaine, OH 43311

To the Board of Directors:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

*Mary Taylor*

**Mary Taylor, CPA**  
Auditor of State

August 6, 2008

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Logan County Convention and Tourist Bureau  
Logan County  
100 S. Main St.  
Bellefontaine, OH 43311

To the Board of Directors:

We have audited the accompanying financial statements of the Logan County Convention and Tourist Bureau, Logan County, (the Bureau), as of and for the years ended December 31, 2007 and 2006. These financial statements are the responsibility of the Bureau's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Bureau has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

While the Bureau does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Bureau has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2007 and 2006 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Bureau as of December 31, 2007 and 2006, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of Logan County Convention and Tourist Bureau, Logan County, as of December 31, 2007 and 2006, and its cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

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The Bureau has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 6, 2008, on our consideration of the Bureau's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

August 6, 2008



**LOGAN COUNTY CONVENTION AND TOURIST BUREAU  
LOGAN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGE IN FUND CASH BALANCE  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007**

**Cash Receipts:**

City Motel Tax	\$28,835
County Motel Tax	56,402
Honda Homecoming Income	30,536
Tour Income	5,540
Golf Packages	4,484
Interest Income	2,552
Total Cash Receipts	<u>128,349</u>

**Cash Disbursements:**

**Operating Expenses:**

Cell phone	190
Contract Services	56,278
Supplies	1,183
Telephone - Toll Free	179
Subscriptions and Dues	25
Postage and Shipping	1,921
Brochure Storage	600
Travel	1,047
Conferences, Conventions and Meetings	1,218
Bank Charges	235
Tour Expenses	7,412
Media Event	63
Advertising	5,716
Publications	3,247
Travel Show	207
Ohio Historic West Expense	3,422
Volunteer Program Expense	320
Honda Homecoming Expense	24,151
Promotional	6
Bicycle Tours Expense	2,125
Golf Package Disbursements	4,732
Brochures Distribution	6,360
Other Expense	127
Total Cash Disbursements	<u>120,764</u>

Total Receipts Over Disbursements 7,585

Fund Cash Balance, January 1 60,848

Fund Cash Balance, December 31 \$68,433

*The notes to the financial statements are an integral part of this statement.*

**LOGAN COUNTY CONVENTION AND TOURIST BUREAU  
LOGAN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGE IN FUND CASH BALANCE  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2006**

**Cash Receipts:**

City Motel Tax	\$29,025
County Motel Tax	53,928
Honda Homecoming Income	28,988
Post Card Income	7
Tour Income	50
Golf Packages	2,716
Interest Income	1,473
Total Cash Receipts	<u>116,187</u>

**Cash Disbursements:**

Operating Expenses:

Contract Services	53,200
Audit Fees	2,604
Supplies	1,012
Telephone - Toll Free	144
Subscriptions and Dues	59
Postage and Shipping	2,039
Brochure Storage	600
Travel	1,188
Education	208
Conferences, Conventions and Meetings	319
Bank Charges	209
Tour Expenses	89
Advertising	1,150
Publications	6,663
Ohio Historic West Expense	3,295
Volunteer Program Expense	164
Honda Homecoming Expense	19,139
Promotional	156
Bicycle Tours Expense	290
Golf Package Disbursements	2,716
Brochures Distribution	4,935
Brochures-UPS Fees	48
Total Cash Disbursements	<u>100,227</u>

Total Receipts Over Disbursements	15,960
Fund Cash Balance, January 1	<u>44,888</u>
Fund Cash Balance, December 31	<u><u>\$60,848</u></u>

*The notes to the financial statements are an integral part of this statement.*

**LOGAN COUNTY CONVENTION AND TOURISM BUREAU  
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007 AND 2006**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Logan County Convention and Tourist Bureau (the "Bureau") is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Bureau is a standing committee within the Logan County Chamber of Commerce, a non-profit corporation under Ohio Revised Code Chapter 1702 and the Internal Revenue Code Section 501(c) 6. The Bureau is directed by a twenty-two member Board of Directors. The Board of Directors establishes programs to encourage the business development and usage of convention and tourism attractions, as well as the Chamber of Commerce member's businesses that are convention and tourism related. The Board of Directors acts in strategic planning for the future of the Convention and Tourist Bureau and presents options and recommendations to the Chamber of Commerce Board concerning convention and tourism issues.

The Bureau's management believes these financial statements present all activities for which the Bureau is financially accountable.

**B. Basis of Accounting**

These financial statements follow the basis of accounting the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. This basis recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

**C. Cash and Investments**

The Bureau maintains checking and savings accounts. These accounts are valued at cost.

**D. Fund Accounting**

The Bureau uses fund accounting to segregate cash and investments that are restricted as to use. The Bureau classifies its funds into the following type:

**1. General Fund**

The General Fund reports all financial resources except those required to be accounted for in another fund.

**E. Budgetary Process**

The Bureau is not required to comply with the budgetary requirements of Ohio Revised Code Section 5705; however the Bureau prepares an annual budget for its fund. A summary of 2007 and 2006 budgetary activity is presented in Note 3.

**F. Property, Plant, and Equipment**

The Bureau records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**LOGAN COUNTY CONVENTION AND TOURIST BUREAU  
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007 AND 2006  
(Continued)**

**2. CASH**

The carrying amount of cash at December 31 was as follows:

	<b>2007</b>	<b>2006</b>
Demand deposits	\$9,932	\$18,154
Savings account	58,501	42,694
Total deposits	\$68,433	\$60,848

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2007 and 2006 follows:

**2007 Budgeted vs. Actual Receipts**

	<b>Budgeted Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
General	\$100,150	\$128,349	\$28,199

**2007 Budgeted vs. Actual Budgetary Basis Expenditures**

	<b>Appropriation Authority</b>	<b>Budgetary Expenditures</b>	<b>Variance</b>
General	\$96,660	\$120,764	(\$24,104)

**2006 Budgeted vs. Actual Receipts**

	<b>Budgeted Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
General	\$100,150	\$116,187	\$16,037

**2006 Budgeted vs. Actual Budgetary Basis Expenditures**

	<b>Appropriation Authority</b>	<b>Budgetary Expenditures</b>	<b>Variance</b>
General	\$96,660	\$100,227	(\$3,567)

**4. AGREEMENT WITH CHAMBER OF COMMERCE**

The Bureau has an agreement with the Logan County Chamber of Commerce (the Chamber) which states that the Bureau will reimburse the Chamber for services included but not limited to staff support and office equipment needed to maintain and promote the tourism industry of Logan County. This reimbursement is reported as Contract Services on the financial statements of the Bureau.

**LOGAN COUNTY CONVENTION AND TOURIST BUREAU  
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007 AND 2006  
(Continued)**

**5. RISK MANAGEMENT**

The Bureau is insured under the Chamber of Commerce and is covered for the following risks:

- Property Coverage, and
- General Liability

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Logan County Convention and Tourist Bureau  
Logan County  
100 S. Main St.  
Bellefontaine, OH 43311

To the Board of Directors:

We have audited the financial statements of the Logan County Convention and Tourist Bureau, Logan County, (the Bureau), as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated August 6, 2008, wherein we noted the Bureau followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control over Financial Reporting

In planning and performing our audit, we considered the Bureau's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Bureau's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Bureau's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Bureau's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Bureau's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Bureau's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted a matter that we reported to the Bureau's management in a separate letter dated August 6, 2008.

### **Compliance and Other Matters**

As part of reasonably assuring whether the Bureau's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain noncompliance or other matters that we reported to the Bureau's management in a separate letter dated August 6, 2008.

We intend this report solely for the information and use of the management, Board of Directors, and finance committee. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

August 6, 2008





**Mary Taylor, CPA**  
Auditor of State

**LOGAN COUNTY CONVENTION AND TOURIST BUREAU**

**LOGAN COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 4, 2008**