

**THE GREATER COLUMBUS CONVENTION
AND VISITOR'S BUREAU
dba EXPERIENCE COLUMBUS**

FRANKLIN COUNTY

REGULAR AUDIT

DECEMBER 31, 2019 & 2018



OHIO AUDITOR OF STATE
KEITH FABER



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Board of Directors
Greater Columbus Convention and Visitor's Bureau DBA Experience Columbus
277 West Nationwide Blvd
Columbus, Ohio 43215

We have reviewed the *Independent Auditor's Report* of the Greater Columbus Convention and Visitor's Bureau DBA Experience Columbus, Franklin County, prepared by Wilson, Shannon & Snow, Inc., for the audit period January 1, 2019 through December 31, 2019. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Greater Columbus Convention and Visitor's Bureau DBA Experience Columbus is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads 'Keith Faber'.

Keith Faber
Auditor of State
Columbus, Ohio

May 11, 2020

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**THE GREATER COLUMBUS CONVENTION
AND VISITOR'S BUREAU
dba EXPERIENCE COLUMBUS**

FRANKLIN COUNTY

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INDEPENDENT AUDITOR'S REPORT

The Greater Columbus Convention and Visitor's Bureau
dba Experience Columbus
Franklin County
277 West Nationwide Blvd.
Columbus, Ohio 43215

To the Board of Directors:

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of The Greater Columbus Convention and Visitor's Bureau, dba Experience Columbus, Franklin County, Ohio (the Organization), (a not-for-profit corporation), which comprise the consolidated statement of financial position as of December 31, 2019 and 2018, the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

The Greater Columbus Convention and Visitor's Bureau
dba Experience Columbus
Franklin County
Independent Auditor's Report

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Greater Columbus Convention and Visitor's Bureau, Franklin County, Ohio as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2020, on our consideration of the Organization'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 internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Wilson, Sherman & Sons, Inc.

Newark, Ohio
March 30, 2020

**THE GREATER COLUMBUS CONVENTION AND VISITOR'S BUREAU
dba EXPERIENCE COLUMBUS
FRANKLIN COUNTY**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2019 AND 2018**

ASSETS	<u>2019</u>	<u>2018</u>
Current Assets:		
Cash and Cash Equivalents	\$ 5,064,633	\$ 4,822,656
Prepaid Expenses and Deposits	685,806	592,607
Accounts Receivable	<u>147,878</u>	<u>156,277</u>
Total Current Assets	5,898,317	5,571,540
Noncurrent Assets:		
Property and Equipment, Net	<u>345,063</u>	<u>400,068</u>
TOTAL ASSETS	<u>\$ 6,243,380</u>	<u>\$ 5,971,608</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 850,636	\$ 611,701
Accrued Expenses	520,321	470,333
Deferred Revenue	90,050	129,075
Loan Payable	<u>5,247</u>	<u>5,000</u>
Total Current Liabilities	1,466,254	1,216,109
Noncurrent Liabilities:		
Loan Payable	<u>9,262</u>	<u>14,509</u>
TOTAL LIABILITIES	<u>1,475,516</u>	<u>1,230,618</u>
NET ASSETS		
Without Donor Restrictions	<u>4,767,864</u>	<u>4,740,990</u>
TOTAL NET ASSETS	<u>4,767,864</u>	<u>4,740,990</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 6,243,380</u>	<u>\$ 5,971,608</u>

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

THE GREATER COLUMBUS CONVENTION AND VISITOR'S BUREAU
dba EXPERIENCE COLUMBUS
FRANKLIN COUNTY

CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	Without Donor Restrictions	
	2019	2018
OPERATING ACTIVITIES		
Revenues and Other Support		
Columbus Bed Tax	\$ 10,563,348	\$ 10,132,437
Promotional Revenue, Franklin County	2,175,000	2,140,000
Program Revenue	1,098,678	798,870
Sports Marketing	961,500	964,650
Contributions	864,319	826,052
Publication Revenue	553,213	756,932
Contributed Services	221,476	238,745
Promotional Revenue, City of Columbus	100,000	-
Other	79,744	75,695
	16,617,278	15,933,381
EXPENSES		
Convention Marketing	7,550,120	7,386,764
Tourism Marketing	3,606,080	3,846,154
Communication and Public Relations	1,253,611	1,041,921
Sports Marketing	2,744,726	2,470,782
Supporting Services:		
Management and General	1,436,044	1,422,629
	16,590,581	16,168,250
Change in Net Assets from Operations	26,697	(234,869)
NON-OPERATING ACTIVITIES		
Interest	177	255
	177	255
CHANGE IN NET ASSETS	26,874	(234,614)
NET ASSETS, BEGINNING OF YEAR	4,740,990	4,975,604
NET ASSETS, END OF YEAR	\$ 4,767,864	\$ 4,740,990

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

THE GREATER COLUMBUS CONVENTION AND VISITOR'S BUREAU
dba EXPERIENCE COLUMBUS
FRANKLIN COUNTY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Convention Marketing</u>	<u>Tourism Marketing</u>	<u>Communication and Public Relations</u>	<u>Sports Marketing</u>	<u>Management and General</u>	<u>Total</u>
Personnel Services	\$ 3,577,258	\$ 875,398	\$ 651,286	\$ 1,287,965	\$ 974,234	\$ 7,366,141
Promotion:						
Advertising	796,587	1,930,014	68,865	171,794	-	2,967,260
Travel and Lodging	300,374	82,465	104,658	88,695	15,304	591,496
Meals and Entertainment	521,836	54,215	139,246	209,820	51,381	976,498
Publications	3,095	-	1,569	-	-	4,664
Program Development	1,091,250	112,847	46,665	211,149	32,094	1,494,005
Promotional Items	57,359	81,147	24,292	32,698	2,222	197,718
Project Expenses	40,279	66,984	-	817	38,500	146,580
Facilities Rent	339,366	106,610	65,578	135,802	87,405	734,761
Building Occupancy	4,762	13,012	975	2,548	1,454	22,751
Professional Fees	90,085	91,296	27,472	141,230	36,305	386,388
Auto, Van, Parking	14,226	5,549	2,395	6,281	3,352	31,803
Computer Expenses	96,972	5,003	1,776	9,640	124,592	237,983
Equipment Rental and Maintenance	17,713	5,106	2,818	6,990	4,086	36,713
Insurance	10,492	2,937	2,283	4,703	2,431	22,846
Office Supplies	39,779	73,882	35,048	15,294	14,772	178,775
Postage and Mailing	25,875	33,024	5,445	1,829	5,798	71,971
Telephone	21,147	11,558	4,891	30,939	5,579	74,114
Miscellaneous	150,000	-	-	24,778	-	174,778
Sponsorship and Events	246,339	14,034	49,567	326,711	1,436	638,087
Subscriptions and Memberships	28,697	23,312	7,405	9,737	20,482	89,633
Depreciation	76,629	17,687	11,377	25,306	14,617	145,616
Total Functional Expenses	<u>\$ 7,550,120</u>	<u>\$ 3,606,080</u>	<u>\$ 1,253,611</u>	<u>\$ 2,744,726</u>	<u>\$ 1,436,044</u>	<u>\$ 16,590,581</u>

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

**THE GREATER COLUMBUS CONVENTION AND VISITOR'S BUREAU
dba EXPERIENCE COLUMBUS
FRANKLIN COUNTY**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	<u>Convention Marketing</u>	<u>Tourism Marketing</u>	<u>Communication and Public Relations</u>	<u>Sports Marketing</u>	<u>Management and General</u>	<u>Total</u>
Personnel Services	\$ 3,417,801	\$ 832,565	\$ 597,982	\$ 1,285,015	\$ 880,549	\$ 7,013,912
Promotion:						
Advertising	766,660	2,134,099	60,060	166,989	-	3,127,808
Travel and Lodging	319,831	63,753	58,523	79,639	46,623	568,369
Meals and Entertainment	581,502	60,778	107,432	168,901	62,974	981,587
Publications	1,876	-	-	-	-	1,876
Program Development	754,325	240,470	25,372	170,898	47,820	1,238,885
Promotional Items	132,310	76,202	18,454	35,104	4,467	266,537
Project Expenses	48,762	53,500	-	-	24,100	126,362
Facilities Rent	343,120	107,478	66,409	133,153	88,542	738,702
Building Occupancy	6,727	11,417	2,030	1,344	1,529	23,047
Professional Fees	174,138	68,485	27,214	142,478	72,628	484,943
Auto, Van, Parking	16,819	8,490	2,863	5,204	3,766	37,142
Computer Expenses	113,778	4,357	2,727	9,433	116,181	246,476
Equipment Rental and Maintenance	18,630	5,753	2,715	7,383	4,514	38,995
Insurance	10,311	2,873	2,087	4,358	2,362	21,991
Office Supplies	65,739	77,778	17,058	22,139	19,065	201,779
Postage and Mailing	29,126	37,238	5,675	2,030	2,984	77,053
Telephone	46,368	10,332	3,857	44,935	5,494	110,986
Miscellaneous	210,495	64	-	25,158	-	235,717
Sponsorship and Events	223,364	11,993	15,790	127,356	2,206	380,709
Subscriptions and Memberships	37,207	21,328	14,119	13,337	21,988	107,979
Depreciation	67,875	17,201	11,554	25,928	14,837	137,395
Total Functional Expenses	<u>\$ 7,386,764</u>	<u>\$ 3,846,154</u>	<u>\$ 1,041,921</u>	<u>\$ 2,470,782</u>	<u>\$ 1,422,629</u>	<u>\$ 16,168,250</u>

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

THE GREATER COLUMBUS CONVENTION AND VISITOR'S BUREAU
dba EXPERIENCE COLUMBUS
FRANKLIN COUNTY

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets from Operations	\$ 26,697	\$ (234,869)
Adjustments to reconcile net assets to net cash used in operating activities:		
Depreciation	145,616	137,395
Changes in Assets and Liabilities:		
Decrease in Accounts Receivable	8,399	108,488
Decrease (Increase) in Prepaid Expenses and Deposits	(93,199)	89,020
Increase in Accounts Payable	238,935	140,951
Increase in Accrued Expenses	49,988	21,269
Decrease in Deferred Revenue	(39,025)	(627,056)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	337,411	(364,802)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Loan Principal Payments	(5,000)	(4,764)
Purchase of Property and Equipment	(90,611)	(97,968)
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	(95,611)	(102,732)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest	177	255
NET CASH PROVIDED BY INVESTING ACTIVITIES	177	255
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	241,977	(467,279)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,822,656	5,289,935
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 5,064,633	\$ 4,822,656
Schedule of Noncash Capital and Financing Activities:		
Loan Interest Expense Paid	\$ 834	\$ 1,070

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

**THE GREATER COLUMBUS CONVENTION AND VISITOR'S BUREAU
DBA EXPERIENCE COLUMBUS
FRANKLIN COUNTY**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 and 2018**

Note 1. Nature of Organization

Nature of organization: The Greater Columbus Convention & Visitor's Bureau, dba Experience Columbus ("the Organization") is the official destination marketing organization for Greater Columbus. The Organization established the Experience Columbus Foundation to further promote its mission. The Organization is the sole member of the Experience Columbus Foundation. The activity of the Experience Columbus Foundation is consolidated into the Organization's financial statements.

The Greater Columbus Sports Commission operates within Experience Columbus and was organized to promote, attract, and service sporting events for Greater Columbus. The Greater Columbus Sports Commission established The Greater Columbus Sports Foundation ("Sports Foundation") to further promote its mission. The Organization is the sole member of the Sports Foundation. The activity of the Sports Foundation is consolidated into the Organization's financial statements.

Note 2. Summary of Significant Accounting Policies

Basis of presentation: The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP) which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

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 objectives of the organization. These net assets may be used at the discretion of the Organization's management and the 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 the actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities. The Organization did not report donor restricted net assets at December 31, 2019 and December 31, 2018.

Consolidation: The consolidated financial statements include the accounts of the Organization, the Experience Columbus Foundation, and the Sports Foundation. All significant intercompany balances and transactions have been eliminated in the consolidated financial statements.

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

**THE GREATER COLUMBUS CONVENTION AND VISITOR'S BUREAU
DBA EXPERIENCE COLUMBUS
FRANKLIN COUNTY**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 and 2018
(Continued)**

Note 2. Summary of Significant Accounting Policies (Continued)

Measure of operations: The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the fulfillment of the Organization's mission. Nonoperating activities are limited to resources that generate interest income and other activities considered to be of a more unusual or nonrecurring nature.

Cash and cash equivalents: For purposes of the statement of cash flows, the Organization considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

The Organization's cash balance fluctuates during the year and can exceed federally insured limits. Management monitors regularly the financial condition of the banking institution, along with the balances in cash and cash equivalents and tries to keep this potential risk to a minimum. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents. Protection of the Organization's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution. The Organization's deposits are not subject to credit risk.

Property and equipment: Property and equipment are recorded at cost, less accumulated depreciation. Provisions for depreciation are computed under the straight-line method based upon the estimated useful lives of the assets, which range from 3 to 10 years. Leasehold improvements are amortized over the lesser of the lease term or the estimated useful life of the asset. Depreciation expense was \$145,616 and \$137,395 for 2019 and 2018, respectively. Property and equipment that are donated are recorded at fair value at the date of donation. Major renewals and betterments over \$500 are capitalized and depreciated. Maintenance and repairs, which do not improve or extend the life of the respective assets, are charged to expense as incurred. Upon disposal of assets, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is included in income.

Contributions: Contributions received are 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. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Promotion, publication and program revenue: The Organization obtains promotional support from the City of Columbus and Franklin County to promote Greater Columbus. The Organization receives support from member and community attendance at programs and special events. The Organization also receives support to assist in reducing the costs of certain publications and the costs associated with attending trade shows and conventions.

**THE GREATER COLUMBUS CONVENTION AND VISITOR'S BUREAU
DBA EXPERIENCE COLUMBUS
FRANKLIN COUNTY**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 and 2018
(Continued)**

Note 2. Summary of Significant Accounting Policies (Continued)

Contributed services and materials: The Organization receives support from its members and the community in the form of publications, meeting facilities, lodging, meals, and transportation. The estimated fair value of these services is reported as income and expense in the period in which the services are rendered and materials are donated.

Functional expenses: The costs of providing programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among Convention Marketing, Tourism Marketing, Communication and Public Relations, Sports Marketing, and Management and General programs benefited. Such allocations are determined by management on an equitable basis based on staff size in each department.

Income taxes: The Organization is exempt from income taxes under Section 501(c)(6) of the Internal Revenue Code and applicable state law, except for taxes pertaining to unrelated business income, if any. The Greater Columbus Sports Foundation and the Experience Columbus Foundation are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state law, except for taxes pertaining to unrelated business income, if any.

The Organization follows Financial Accounting Standards Board (FASB) guidance on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods. During the years ended December 31, 2019 and 2018, respectively, the Organization did not incur any interest, penalties, or unrecognized tax benefits which were recorded as liabilities attributed to forms 990 and 990T income tax returns. The returns of the Organization for 2018, 2017, and 2016 are subject to examination by the taxing authority, generally for three years after the due date.

Advertising expense: The Organization expenses advertising costs as incurred. Advertising expenses were \$2,967,260 and \$3,127,808 for 2019 and 2018, respectively.

Deferred Revenue: Deferred revenue is comprised of trade show deposits, event deposits, and deferred membership dues. Revenues generated from these items are deferred and recognized at the event date or straight-line over the course of the membership period.

Accrued Expenses: These expenses consist of accrued wages, vacation leave, and payroll withholdings to the extent that payments are attributable to services already rendered and are not contingent on a specific event that is outside the control of the Organization and the employee.

**THE GREATER COLUMBUS CONVENTION AND VISITOR'S BUREAU
DBA EXPERIENCE COLUMBUS
FRANKLIN COUNTY**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 and 2018
(Continued)**

Note 3. Availability and Liquidity

The following represents the Organization's financial assets at December 31:

Financial assets at December 31:	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 5,064,633	\$ 4,822,656
Accounts receivable	<u>147,878</u>	<u>156,277</u>
Total financial assets available to meet general expenses over the next twelve months	<u>\$ 5,212,511</u>	<u>\$ 4,978,933</u>

The Organization's goal is generally to maintain financial assets to meet 90 days of operating and program expenses. The Organization has a \$500,000 line of credit available to meet cash flow needs.

Note 4. Property and Equipment

Property and equipment consisted of the following at December 31, 2019:

<u>Description</u>	<u>Balance 12/31/18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/19</u>
Office Furniture & Equipment	\$ 702,668	\$ 62,300	\$ -	\$ 764,968
Computer Equipment	519,796	24,596	-	544,392
Leasehold Improvements	<u>535,588</u>	<u>3,715</u>	-	<u>539,303</u>
Total Property and Equipment, Cost	1,758,052	90,611	-	1,848,663
Accumulated Depreciation	<u>(1,357,984)</u>	<u>(145,616)</u>	-	<u>(1,503,600)</u>
Total Property and Equipment, Net	<u>\$ 400,068</u>	<u>\$ (55,005)</u>	<u>\$ -</u>	<u>\$ 345,063</u>

Property and equipment consisted of the following at December 31, 2018:

<u>Description</u>	<u>Balance 12/31/17</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/18</u>
Office Furniture & Equipment	\$ 649,766	\$ 55,022	\$ (2,120)	\$ 702,668
Computer Equipment	478,342	41,454	-	519,796
Leasehold Improvements	<u>534,096</u>	<u>1,492</u>	-	<u>535,588</u>
Total Property and Equipment, Cost	1,662,204	97,968	(2,120)	1,758,052
Accumulated Depreciation	<u>(1,222,709)</u>	<u>(137,395)</u>	<u>2,120</u>	<u>(1,357,984)</u>
Total Property and Equipment, Net	<u>\$ 439,495</u>	<u>\$ (39,427)</u>	<u>\$ -</u>	<u>\$ 400,068</u>

**THE GREATER COLUMBUS CONVENTION AND VISITOR'S BUREAU
DBA EXPERIENCE COLUMBUS
FRANKLIN COUNTY**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 and 2018
(Continued)**

Note 5. Prepaid Expenses and Deposits

At December 31, prepaid expenses and deposits consisted of the following:

	<u>2019</u>	<u>2018</u>
Prepaid Program Expenses	\$ 370,281	\$ 270,506
Prepaid Office Expenses	123,855	138,889
Prepaid Sports Marketing	68,542	85,467
Prepaid Insurance	65,956	53,958
Prepaid Professional Association Dues	46,485	31,331
Prepaid Conferences and Seminars	10,127	12,086
Prepaid Other	560	370
	<u>560</u>	<u>370</u>
Total	<u>\$ 685,806</u>	<u>\$ 592,607</u>

Note 6. Contributed Services Revenues

Contributed services are as follows at December 31:

	<u>2019</u>	<u>2018</u>
Convention Marketing:		
Production Costs	\$ 64,580	\$ 64,845
Travel, Lodging, Meals & Incidentals	30,448	19,515
Facility Fees	-	21,000
	<u>95,028</u>	<u>105,360</u>
Total Convention Marketing	<u>95,028</u>	<u>105,360</u>
Tourism Marketing:		
Visitors Center - Rent	<u>30,000</u>	<u>30,000</u>
Sports Marketing:		
Production Costs	50,662	79,872
Facility Fees	20,950	12,000
	<u>71,612</u>	<u>91,872</u>
Total Sports Marketing	<u>71,612</u>	<u>91,872</u>
Communication & Public Relations		
Food & Beverage Fees	-	10,675
Facility Fees	15,300	498
Production Costs	9,130	-
Other Program Costs	406	340
	<u>24,836</u>	<u>11,513</u>
Total Communications & Public Relations	<u>24,836</u>	<u>11,513</u>
Total Contributed Services Revenue	<u><u>\$ 221,476</u></u>	<u><u>\$ 238,745</u></u>

**THE GREATER COLUMBUS CONVENTION AND VISITOR'S BUREAU
DBA EXPERIENCE COLUMBUS
FRANKLIN COUNTY**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 and 2018
(Continued)**

Note 7. Accounts Payable

At December 31, accounts payable consisted of the following:

	<u>2019</u>	<u>2018</u>
Public Accounts Payable	\$ 433,061	\$ 425,676
Other Accounts Payable	272,055	28,596
Accounts Payable - Sports Commission	95,638	138,914
Private Accounts Payable	49,882	17,061
Other Accounts Payable - Sports Commission	-	1,454
	<u> </u>	<u> </u>
Total	<u>\$ 850,636</u>	<u>\$ 611,701</u>

Note 8. Loan Payable

In November of 2017 the Organization purchased a company vehicle. The Organization obtained a loan for \$25,810. The loan will be fully paid in August of 2022. Amounts due on the loan for principal are as follows at December 31:

	<u>Balance</u> <u>at 12/31/18</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>at 12/31/19</u>	<u>Amounts</u> <u>Due in</u> <u>One Year</u>
Loan Payable	<u>\$ 19,509</u>	<u>\$ -</u>	<u>\$ (5,000)</u>	<u>\$ 14,509</u>	<u>\$ 5,247</u>

	<u>Balance</u> <u>at 12/31/17</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>at 12/31/18</u>	<u>Amounts</u> <u>Due in</u> <u>One Year</u>
Loan Payable	<u>\$ 24,273</u>	<u>\$ -</u>	<u>\$ (4,764)</u>	<u>\$ 19,509</u>	<u>\$ 5,000</u>

The following is the summary of the future annual principal and interest requirements for the vehicle loan:

<u>Year Ending</u> <u>December 31,</u>	<u>Loan Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 5,247	\$ 587	\$ 5,834
2021	5,507	327	5,834
2022	3,755	68	3,823
Total	<u>\$ 14,509</u>	<u>\$ 982</u>	<u>\$ 15,491</u>

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FOR THE YEARS ENDED DECEMBER 31, 2019 and 2018
(Continued)**

Note 9. Line of Credit

The Organization (which includes the operations of the Greater Columbus Sports Commission) has a \$500,000 line of credit with a bank. Interest is payable monthly at the daily LIBOR rate plus 2.70%. The Organization did not have outstanding balances at December 31, 2019 or 2018.

Note 10. Retirement Plan/Disability Plan

The Organization has a 401(k) retirement plan that covers all eligible employees. Eligible employees may elect to defer a portion of their annual wages as a contribution to the plan. The Organization contributes, on behalf of each eligible participant, a discretionary matching contribution equal to 100% of salary reductions up to 3% of compensation, then 50% of salary reductions up to the next 3% of compensation. The Organization also contributes 5% of each participating individual's compensation to the plan. The Organization may make additional contributions to the Plan at the discretion of the Board of Trustees. Expenses related to this plan were \$411,582 and \$395,640 in 2019 and 2018, respectively.

The Organization also has a self-funded disability plan providing for benefits if an employee is unable to work for medical reasons. The Plan provides benefits of 66% of the employee's current salary for the period of disability, not to exceed eight weeks. Disability payments of \$0 and \$4,530 were paid in 2019 and 2018 respectively.

Note 11. Lease Commitments

The Organization leases two facilities under operating leases expiring at various dates through 2024. Rent expense was \$734,761 and \$738,702 in 2019 and 2018, respectively. The future minimum lease payments at December 31, 2019 are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2020	\$ 419,296
2021	413,715
2022	352,328
2023	352,328
2024	322,967
Total	<u>\$ 1,860,634</u>

Note 12. Risk Management

The Organization is subjected to certain types of risk in the performance of its normal functions. They include risks the Organization might be subjected to by its employees in the performance of their normal duties. The Organization manages these types of risks through commercial insurance. The amount of settlements has not exceeded insurance coverage for any of the past three years. There has not been a significant reduction of coverage since the prior year in any of the major categories of risk.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 and 2018
(Continued)**

Note 13. Contingent Liabilities

The Organization is not involved in any litigation that, in the opinion of management, would have a material effect on the consolidated financial statements at December 31, 2019.

Note 14. Related Entities

The Columbus Local Organizing Committee (CLOC) is a separate legal entity created under the provisions of Internal Revenue Code Section 501(c)(3) for the purpose of managing and promoting events affiliated with the Organization. The Organization has no ownership or voting control in the CLOC although the Organization's Chief Executive Officer serves on the CLOC Board of Directors. During 2018, the Organization transferred its event operational responsibilities specific to the American Society of Association Executives (ASAE), which was held in August, 2019. A summary of CLOC's financial information at December 31, 2019 is as follows:

Total Assets	\$ 54,300
Total Liabilities	<u>-</u>
Total Net Assets	<u>\$ 54,300</u>
Total Revenues	<u>\$ 2,904,876</u>
Total Expenses	<u>\$ 3,983,216</u>

At December 31, 2019, \$200,000 was included in accounts payable due to the CLOC from the Organization.

Note 15. Related Party

The Organization leases building space from a Board Member of which he excuses himself from deliberations on the lease.

Note 16. Subsequent Event

On March 11, 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a new coronavirus as a "pandemic". First identified in late 2019 and known now as COVID-19, the outbreak has impacted thousands of individuals worldwide. In response, many countries have implemented measures to combat the outbreak which have impacted global business operations. As of the date of issuance of the financial statements, the Organization's operations have not been significantly impacted, however, the Organization continues to monitor the situation. No impairments were recorded as of the balance sheet date; however, due to significant uncertainty surrounding the situation, management's judgment regarding this could change in the future. In addition, while the Organization's results of operations, cash flows and financial condition could be negatively impacted, the extent of the impact cannot be reasonably estimated at this time.

The Organization has evaluated subsequent events through March 30, 2020, the date that the financial statements were available to be issued.

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

The Greater Columbus Convention and Visitor's Bureau
dba Experience Columbus
Franklin County
277 West Nationwide Blvd.
Columbus, Ohio 43215

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of The Greater Columbus Convention and Visitor's Bureau, dba Experience Columbus, Franklin County, (the Organization) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Organization's financial statements and have issued our report thereon dated March 30, 2020.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Organization's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Organization's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Organization'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, opining 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*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Wilson, Sherman & Snow, Inc.

Newark, Ohio
March 30, 2020

OHIO AUDITOR OF STATE KEITH FABER



GREATER COLUMBUS CONVENTION AND VISITOR BUREAU

FRANKLIN 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
MAY 21, 2020**