



OHIO AUDITOR OF STATE  
**KEITH FABER**





**AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.**  
**SUMMIT COUNTY**  
**DECEMBER 31, 2021**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Auditor's Report .....	1
Prepared by Management:	
Management's Discussion and Analysis .....	5
Basic Financial Statements:	
Statement of Net Position .....	9
Statement of Revenues, Expenses and Changes in Net Position .....	10
Statement of Cash Flows .....	11
Notes to the Basic Financial Statements .....	12
Other Information:	
Statement of Revenues, Expenses and Changes in Net Position – CVB .....	21
Statement of Revenues, Expenses and Changes in Net Position - John S. Knight Center .....	22
Statement of Revenues, Expenses and Changes in Net Position - Greystone Hall .....	23
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by Government Auditing Standards .....	25

**This page intentionally left blank.**

# OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
ContactUs@ohioauditor.gov  
(800) 282-0370

## INDEPENDENT AUDITOR'S REPORT

Akron/Summit Convention & Visitors Bureau, Inc.  
Summit County  
John S. Knight Center  
77 East Mill Street  
Akron, Ohio 44308

To the Board of Directors:

### Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the financial statements of the Akron/Summit Convention & Visitors Bureau, Inc., Summit County, Ohio (ASCVB), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the ASCVB's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Akron/Summit Convention & Visitors Bureau, Inc., Summit County, Ohio as of December 31, 2021, and the changes in financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the ASCVB, 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.

#### **Emphasis of Matter**

As discussed in Note 13 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the ASCVB. Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the 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 the ASCVB's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's 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 auditor's 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 GAAS and *Government 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 GAAS and *Government 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 the ASCVB'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 the ASCVB'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.

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis*, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Information**

Management is responsible for the other information included in the annual financial report. The other information comprises the schedules of revenues, expenses and changes in net position for the Convention & Visitors Bureau, Inc., John S. Knight Center, and Greystone Hall but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated Report Date, on our consideration of the ASCVB'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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the ASCVB's 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 ASCVB's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio

September 28, 2022

**This page intentionally left blank.**



**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Management’s Discussion and Analysis**  
**For the Years Ended December 31, 2021 and 2020**  
**(Unaudited)**

The following Management Discussion and Analysis (MD&A) provides a summary overview of the financial performance of the Akron/Summit Convention & Visitors Bureau, Inc. (herein referred to as the ASCVB) for the years ended December 31, 2021 and 2020. Information in the MD&A should be read in conjunction with the ASCVB’s financial statements and corresponding notes to the financial statements.

**Financial Highlights and Outlook**

The following information on the travel trends and booking pace for the Akron/Summit Convention & Visitors Bureau (ASCVB), John S. Knight Center (Center) and Greystone Hall (Greystone) is based on analysis of past, existing and future initiatives, as well as fundamental industry indicators.

The prolonged pathway in this COVID-19 post pandemic travel era is having a distressing effect on the hospitality ecosystem. While travel concerns are declining significantly, ongoing workforce shortages remain a stumbling block for the industry’s financial growth. This slowed recovery will continue to have considerable repercussions on the financial position, cash flow and operating revenue of the ASCVB for an unforeseen time period. Additionally, the distribution channel disruption and increased cost of goods continue to present logistic and financial challenges.

The ASCVB will continue to strive to market the sector and provide financial stewardship that will put it in the best possible position to further recovery and transfer into a new normal.

The subsequent information is offered as a high-level summary of key elements and indicators:

- Summit County bed tax gross collections showed an increase in 2021 vs. 2020 of 37.8%
  - 2021 Total Gross County Collections: \$4,109,001
  - 2020 Total Gross County Collections: \$2,557,326
- Smith Travel Research reports for the Akron/Summit County Metropolitan Statistical Area (through December 2021) indicated the following results for 2021 vs. 2020:

	<u>Akron/Summit MSA</u>	<u>Statewide</u>
○ Occupancy:	55.4% = Increase of 30.04%	52.7% = Increase of 32.08%
○ Average Daily Rate:	\$85.04 = Increase of 18.82%	\$98.74 = Increase of 21.67%
○ RevPAR:	\$47.10 = Increase of 54.32%	\$52.07 = Increase of 60.91%

- Number of Events:
  - In 2021, the Center hosted 65 Events vs. 26 in 2020.
  - In 2021, Greystone hosted 31 Events vs. 20 in 2020.
  - Attendance for events ebbed and flowed with increase and decrease in COVID variants.
- The ASCVB intends to apply for forgiveness of a Paycheck Protections Program Loan that was received in the amount of \$681,117.
- Multiple campaigns and initiative were implemented: Let’s Start Planning, Pivotal Sales, DEFY Convention Campaign, Social Media boosting, Partnerships in Motion and Akron[RE]Bound.
- There were no new hotels, increased inventory or rooms created in the market in 2021.
- The ASCVB believes the slow return of business travel and the increased “remote” workplace formats create a new norm for the business and conference market.
- Staffing challenges, notably highest in food service and housekeeping positions, create substantial challenges to hotel property management and profit margins.

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Management's Discussion and Analysis**  
**For the Years Ended December 31, 2021 and 2020**  
**(Unaudited)**

**Overview of the Financial Statements**

The ASCVB's financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America, promulgated by the Governmental Accounting Standards Board (GASB).

The basic financial statements of the ASCVB together with the notes, which are essential to a full understanding of the data contained in the financial statements, are comprised of the following:

- Statement of Net Position – This statement presents information on all of the ASCVB's assets and liabilities, with the difference between the two reported as net position.
- Statement of Revenues, Expenses and Changes in Net Position – This statement shows how the ASCVB's net position has changed during the most recent year. Revenue is reported generally when earned, and expenses are reported when incurred.
- Statement of Cash Flows – This statement reports cash and cash equivalent activities for the year resulting from operating, capital and related financing activities, and investing activities.
- The notes to the financial statements provide additional information that is essential to a full understanding of the financial statements.

**Financial Analysis of the ASCVB's Net Position and Revenues, Expenses and Changes in Net Position**

The table below provides a summary of the ASCVB's financial position and operations for 2021, 2020 and 2019. Certain amounts may vary slightly due to differences caused by rounding to thousands.

**Condensed Statements of Net Position**  
**December 31**

(Amounts in thousands)

	2021	Change	2020	Change	2019
Current assets	\$ 5,778	42%	\$ 4,055	-19%	\$ 4,984
Capital assets, net of accumulated depreciation and amortization	599	1%	591	0%	592
Long-term assets	97	87%	52	-66%	155
<b>Total assets</b>	<b>6,474</b>	<b>38%</b>	<b>4,698</b>	<b>-18%</b>	<b>5,731</b>
Current liabilities	1,525	15%	1,331	-14%	1,545
Long-term liabilities	953	252%	271	30%	208
<b>Total liabilities</b>	<b>2,478</b>	<b>55%</b>	<b>1,602</b>	<b>-9%</b>	<b>1,753</b>
Net investment in capital assets	599	1%	591	2%	582
Restricted for capital assets	1,669	-1%	1,688	0%	1,688
Unrestricted (deficit)	1,728	112%	817	-52%	1,708
<b>Total net position</b>	<b>3,996</b>	<b>29%</b>	<b>3,096</b>	<b>-22%</b>	<b>3,978</b>
<b>Total liabilities and net position</b>	<b>\$ 6,474</b>	<b>38%</b>	<b>\$ 4,698</b>	<b>-18%</b>	<b>\$ 5,731</b>

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Management's Discussion and Analysis**  
**For the Years Ended December 31, 2021 and 2020**  
**(Unaudited)**

During 2021, net position increased by approximately \$900,000 and during 2020, net position decreased by approximately \$882,000.

The following table summarizes the changes in revenue and expenses for the ASCVB between 2021, 2020 and 2019.

**Condensed Statements of Revenue, Expenses and Changes in Net Position**  
**For the Years Ended December 31**  
**(Amounts in thousands)**

	2021	Change	2020	Change	2019
<b><u>Operating Revenues</u></b>					
Hotel/motel tax	\$ 3,091	58%	\$ 1,952	-46%	\$ 3,608
Space, rent, and food and ancillary service	1,570	72%	912	-71%	3,167
<b>Total operating revenues</b>	<b>4,661</b>	<b>63%</b>	<b>2,864</b>	<b>-58%</b>	<b>6,775</b>
<b><u>Operating Expenses</u></b>					
Payroll and benefits	2,675	3%	2,599	-32%	3,839
Property insurance	96	-5%	101	-1%	102
Utilities	313	15%	273	-28%	377
Advertising and promotion	376	25%	302	-53%	649
Supplies	40	60%	25	-64%	69
Maintenance and repairs	227	14%	199	-21%	253
Contracted services	161	89%	85	-76%	350
Food services	306	16%	264	-71%	896
Depreciation and amortization	153	7%	143	13%	126
Other	244	63%	150	-34%	229
<b>Total operating expenses</b>	<b>4,591</b>	<b>11%</b>	<b>4,141</b>	<b>-40%</b>	<b>6,890</b>
<b><u>Nonoperating Revenues (Expenses)</u></b>					
Investment and other income (loss)	831	110%	395	-13067%	3
<b>Total nonoperating revenues and expenses</b>	<b>831</b>	<b>110%</b>	<b>395</b>	<b>-13067%</b>	<b>3</b>
<b>Change in net position</b>	<b>\$ 901</b>	<b>202%</b>	<b>\$ (882)</b>	<b>688%</b>	<b>\$ (112)</b>

**Operating Revenues**

Operating revenues consist of a portion of hotel/motel taxes collected on rooms occupied. These revenues are a function of price and occupancy. A hotel/motel tax is levied by Summit County and the City of Akron; these taxes are collected by the County and distributed as revenue to the ASCVB for operations. The remaining revenues largely come from convention facility sales.

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Management's Discussion and Analysis**  
**For the Years Ended December 31, 2021 and 2020**  
**(Unaudited)**

**Operating Expenses**

Operating expenses increased by approximately \$450,000 due to a gradual resumption of business activities, reinstatement of full salaries and hiring of previously laid-off staff.

**Capital Assets**

At the end of 2021, the ASCVB had approximately \$599,000 invested in capital assets. The net investment in capital assets includes improvements to the John S. Knight Convention Center.

Capital asset acquisitions are capitalized at cost and depreciated using the straight-line method, based upon estimated useful lives of the assets. See Note 4 to the financial statements for additional information.

**Long-term Debt**

At the end of 2021, the ASCVB had two outstanding loans totaling \$831,117. See Note 8 to the financial statements for additional information.

**Economic Factors**

Despite strained economic factors, the ASCVB has been able to contain costs. The ASCVB anticipates a flat revenue stream and will continue to contain costs to stay within the operating budget.

**Contacting the ASCVB's Financial Management**

This report is designed to provide a general overview of the ASCVB's finances for all interested parties. Questions and requests for additional information regarding this report should be addressed to the President/CEO, Akron/Summit Convention & Visitors Bureau, Inc., 77 E. Mill Street, Akron, OH 44308.

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Statement of Net Position**  
**December 31, 2021 and 2020**

<u>Assets</u>	2021	2020
<b>Current Assets</b>		
Cash and cash equivalents	\$ 1,726,296	\$ 1,991,367
Short-term investments	1,536,548	568,412
Accounts receivable less allowance for doubtful accounts of \$10,000 in 2021 and 2020	744,968	827,093
Accounts receivable:		
Summit County	873,930	482,890
City of Akron	158,841	26,341
Employee Retention Tax Credit	575,275	-
Inventory	44,589	50,412
Prepaid expenses	117,402	108,185
<b>Total Current Assets</b>	<b>5,777,849</b>	<b>4,054,700</b>
<b>Noncurrent Assets</b>		
Property and equipment, net of depreciation and amortization	599,455	591,264
Accounts receivable, net of current	97,273	51,616
<b>Total Noncurrent Assets</b>	<b>696,728</b>	<b>642,880</b>
<b>Total Assets</b>	<b>6,474,577</b>	<b>4,697,580</b>
 <b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	107,934	69,919
Accrued expenses	457,691	350,411
Unearned revenue and customer deposits, current portion	959,426	910,820
<b>Total Current Liabilities</b>	<b>1,525,051</b>	<b>1,331,150</b>
<b>Long-term Liabilities</b>		
Small Business Administration loan	150,000	150,000
Paycheck Protection Program Loan	681,117	-
Unearned revenue and customer deposits, net of current	121,854	120,458
<b>Total Long-term Liabilities</b>	<b>952,971</b>	<b>270,458</b>
<b>Total Liabilities</b>	<b>2,478,022</b>	<b>1,601,608</b>
 <b>Net Position</b>		
Net investment in capital assets	599,455	591,264
Restricted for capital assets	1,669,414	1,688,222
Unrestricted	1,727,686	816,486
<b>Total Net Position</b>	<b>\$ 3,996,555</b>	<b>\$ 3,095,972</b>

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

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Fund Type**  
**For the Years Ended December 31, 2021 and 2020**

	2021	2020
<b><u>Operating Revenues:</u></b>		
Summit County	\$ 2,953,089	\$ 1,813,848
City of Akron	138,000	138,000
Space income	314,381	144,495
Rental income	98,800	92,716
Food service	688,079	475,091
Ancillary service	469,037	200,205
<b>Total Operating Revenues</b>	4,661,386	2,864,355
<b><u>Operating Expenses:</u></b>		
Salaries and wages	2,120,058	2,034,680
Payroll taxes and employee benefits	554,964	564,100
Property insurance	95,994	100,843
Utilities	313,386	272,690
Promotion	226,658	211,228
Advertising and printing	149,326	90,978
Office supplies and accessories	33,153	17,192
Postage	7,207	8,974
Dues and subscriptions	14,908	17,281
Professional fees	129,405	31,964
Travel	8,930	18,284
Maintenance and repairs	227,219	199,372
Contracted services	161,714	84,889
Food services	306,429	263,943
Lease	5,400	4,933
Audiovisual	64,987	15,775
Trade shows	595	3,778
Miscellaneous	17,846	57,658
Depreciation and amortization	153,256	142,813
<b>Total Operating Expenses</b>	4,591,435	4,141,375
Operating Income (Loss)	69,951	(1,277,020)
<b><u>Non-Operating Revenues (Expenses):</u></b>		
Utility reimbursement to City of Akron	(31,199)	6,525
Interest income (expense)	-	(234)
Economic Impact Disaster Loan (EIDL) Advance	-	10,000
Summit County CARES Act grant	-	250,000
Food and Beverage Grant	60,000	-
Employee Retention Credit (ERC)	792,020	-
Investment and other income	9,811	129,087
<b>Total Non-Operating Revenues (Expenses)</b>	830,632	395,378
Change in Net Position	900,583	(881,642)
<b>Net Position, Beginning of Year</b>	3,095,972	3,977,614
<b>Net Position, End of Year</b>	\$ 3,996,555	\$ 3,095,972

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

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Statement of Cash Flows**  
**For the Years Ended December 31, 2021 and 2020**

	2021	2020
<b><u>Cash Flows from Operating Activities:</u></b>		
Cash received from customers, taxes and subsidies	\$ 4,224,316	\$ 3,325,136
Cash payments to suppliers for goods and services	(1,728,536)	(1,411,073)
Cash payments to employees for services	(2,567,742)	(2,677,203)
<b>Net cash provided (used) by operating activities</b>	<b>(71,962)</b>	<b>(763,140)</b>
<b><u>Cash Flows from Capital and Related Financing Activities:</u></b>		
Cash refunds (payments) of interest	-	(234)
Purchases of capital assets	(161,447)	(141,931)
Payments on capital lease obligations	-	(10,600)
Payments of utility reimbursements	(31,199)	6,525
Summit County grant proceeds	-	255,000
EIDL advance proceeds	-	10,000
Food and Beverage grant proceeds	60,000	-
BWC refund of prior period expense	5,983	81,320
Small Business Administration loan proceeds	-	150,000
Payroll Protection Program loan proceeds	681,117	-
Employee Retention Credit received	216,745	-
<b>Net cash provided (used) by capital and related financing activities</b>	<b>771,199</b>	<b>350,080</b>
<b><u>Cash Flows from Investing Activities:</u></b>		
Interest on investments	8,692	43,450
Redemption of investments	1,034,000	2,102,000
Purchase of investments	(2,007,000)	(567,000)
<b>Net cash provided (used) by investing activities</b>	<b>(964,308)</b>	<b>1,578,450</b>
Increase (decrease) in cash and cash equivalents	(265,071)	1,165,390
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>1,991,367</b>	<b>825,977</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 1,726,296</b>	<b>\$ 1,991,367</b>
<b><u>Reconciliation of Operating Loss to Net Cash Provided (Used) by Operating Activities</u></b>		
Operating income	\$ 69,951	\$ (1,277,020)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	153,256	142,813
Increase/decrease in operating assets and liabilities		
Accounts receivable	36,468	143,495
Accounts receivable - Summit County	(391,040)	457,089
Accounts receivable - City of Akron	(132,500)	8,737
Inventory	5,823	17,418
Prepaid expenses	(9,217)	35,510
Accounts payable	38,015	(64,219)
Accrued expenses	107,280	(78,423)
Unearned revenue and customer deposits	50,002	(148,540)
Total adjustments	(141,913)	513,880
<b>Net cash provided (used) by operating activities</b>	<b>\$ (71,962)</b>	<b>\$ (763,140)</b>

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

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Summit County**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2021 and 2020**

---

---

**Note 1 – Description of the Entity**

The Akron/Summit Convention & Visitors Bureau, Inc. (the ASCVB) is a non-profit organization governed by a Board of Directors composed of fifteen (15) members. Appointments are made to the Board of Directors by the City of Akron (7), Summit County (7) and the Tri County Labor Council (1).

The Board of Directors governs the operation of the ASCVB, including the John S. Knight Center (the Center), and Greystone Hall (Greystone). It is the purpose of the ASCVB to actively promote the Akron/Summit County area as an ideal location for conventions of all sizes, plus tourism for the area's various points of interest. It is also the purpose of the ASCVB to completely manage and maintain the John S. Knight Center and Greystone Hall – a convention center and event venue (owned by the City of Akron) located in downtown Akron.

***Reporting Entity***

The reporting entity has been defined in accordance with GASB Statement No. 14, *The Financial Reporting Entity* as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus and Amendment of GASB Statements No. 14 and No. 34*. The reporting entity is composed of the primary government. The primary government consists of all organizations, activities, and functions that are not legally separate from the ASCVB. For the ASCVB, this includes general operations.

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

The financial statements of the ASCVB have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Pursuant to GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance*, the ASCVB follows GASB guidance as applicable to proprietary funds.

The ASCVB's financial statements consist of a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows. The ASCVB uses a single proprietary fund to maintain its financial records on an accrual basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Proprietary fund reporting focuses on the determination of the changes in net position, financial position and cash flows. A proprietary fund may be used to account for any activity for which a fee is charged to external users for goods and services.

***Measurement Focus and Basis of Accounting***

The proprietary fund is accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the ASCVB are included on the statement of net position. The statement of changes in net position presents increases (revenues) and decreases (expenses) in total net position. The statement of cash flows provides information about how the ASCVB finances and meets the cash flow needs of its enterprise activity.



**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Summit County**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2021 and 2020**

---

---

**Note 2 – Summary of Significant Accounting Policies (continued)**

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the ASCVB's proprietary fund are bed tax revenues collected by the County Fiscal Officer and event revenue. Operating expenses for the proprietary fund include the costs of facility maintenance, operation of the John S. Knight Center and Greystone Hall, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

***Cash and Investments***

Cash and cash equivalents include investments with original maturities of three months or less at the time of purchase. Cash equivalents are carried at fair value. Investments with an initial maturity of more than three months are reported as investments. An analysis of the ASCVB's investment account at year end is provided in Note 3.

***Capital Assets***

All capital assets (including land, structures and equipment) are capitalized at cost and updated for additions and retirements during the fiscal period. Donated capital assets are recorded at their acquisition values as of the date received. The ASCVB maintains a capitalization threshold of \$2,500. The ASCVB does not possess any infrastructure. Improvements are capitalized, but the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated using the straight-line method over the estimated useful lives of the respective assets:

Furniture, fixtures and equipment	5-10 years
Computer software	5 years
Vehicles	5 years
Leasehold improvements	Life of the lease
Equipment under capital leases	Life of the lease

***Recognition of Revenues and Expenses***

The ASCVB accounts for transactions using the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized in the period incurred.

The ASCVB recognizes revenues at the time persuasive evidence of an arrangement exists, the service is provided or prices are fixed or determinable and collection is reasonably assured. Income from space, food and ancillary services for scheduled events is deferred and recognized in the period in which the event takes place.

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Summit County**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2021 and 2020**

---

---

**Note 2 – Summary of Significant Accounting Policies (continued)**

***Inventory***

Inventory consists of food, beverages and related supplies and is carried at the lower of cost (first in, first out) or market. The expenses are recorded upon consumption.

***Use of Estimates***

The preparation of the financial statements in accordance with GAAP requires management 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Accounts Receivable and Allowance for Doubtful Accounts***

Accounts receivable represents amounts invoiced to/due from customers for events held at the John S. Knight Center and Greystone Hall; credit is extended based on an evaluation of a business or individual's financial condition and generally, collateral is not required. Receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Amounts due on events taking place in excess of one year are classified as long-term. Management determines the allowance for doubtful accounts by identifying delinquent accounts for events that have taken place during the year and using historical experience. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received.

Accounts receivable – Summit County represents amounts due from Summit County for bed tax collected in the final quarter of the calendar year.

Accounts receivable – City of Akron represents amounts due from the City of Akron per the ASCVB's management agreement with the city.

***Income Taxes***

The ASCVB is exempt from income taxes under the current provisions of the Internal Revenue Code, Section 501(c)(6). With few exceptions, the ASCVB is no longer subject to income tax examinations by tax authorities for years before 2011.

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Summit County**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2021 and 2020**

---

---

**Note 2 – Summary of Significant Accounting Policies (continued)**

*Net Position*

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. The net position component “net investment in capital assets,” consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed by creditors, grantors or laws or regulations of other governments. The ASCVB applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**Note 3 – Deposits and Investments**

State statutes classify monies held by the ASCVB into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the ASCVB treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies held by the ASCVB can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Summit County**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2021 and 2020**

---

---

**Note 3 – Deposits and Investments (continued)**

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the ASCVB and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payments for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

***Cash on Hand***

At December 31, 2021 and 2020, the ASCVB had \$11,297 and \$10,027, respectively, in undeposited cash on hand, which is included on the Statement of Net Position as part of “Cash and Cash Equivalents”.

***Deposits***

At December 31, 2021 and 2020, the carrying amount of the ASCVB’s deposits was \$3,251,547 and \$2,549,752, respectively (including \$1,536,548 and \$568,412, respectively, of non-negotiable certificates of deposit), and the bank balance was \$1,734,548 and \$950,896, respectively. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, as of December 31, 2021 and 2020, none of the ASCVB’s bank balance was exposed to custodial credit risk as discussed below.

Custodial credit risk is the risk that, in the event of bank failure, the ASCVB’s deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the ASCVB. Although the securities were held by the Federal Reserve Bank of Boston and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the ASCVB to a successful claim by the FDIC.

***Investments***

The ASCVB has no formal investment policy however, the ASCVB’s investments were limited to certificates of deposit at December 31, 2021 and 2020.

Interest Rate Risk: The ASCVB has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the ASCVB, and that an investment must be purchased with the expectation that it will be held to maturity.

Credit Risk: The ASCVB has no investment policy that specifically addresses credit risk beyond requiring the ASCVB to invest in securities authorized by State statute.

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Summit County**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2021 and 2020**

**Note 3 – Deposits and Investments (continued)**

Concentration of Credit Risk: The ASCVB places no limit on the amount that may be invested in any one issuer.

**Note 4 – Capital Assets**

Capital asset activity for the year ended December 31, 2021 was as follows:

	Balance 1/1/2021	Additions	Deletions	Balance 12/31/2021
<u>Historical Cost</u>				
Furniture, fixtures and equipment	\$ 1,447,308	\$ 14,504	\$ (160,797)	\$ 1,301,015
Computer software	499	-	(499)	-
Vehicles	13,314	-	-	13,314
Leasehold improvements	1,762,439	146,943	(1,401,362)	508,020
Equipment under capital leases	59,640	-	-	59,640
<i>Total historical cost</i>	<u>3,283,200</u>	<u>161,447</u>	<u>(1,562,658)</u>	<u>1,881,989</u>
<u>Accumulated Depreciation and Amortization</u>				
Furniture, fixtures and equipment	(1,112,277)	(78,309)	160,797	(1,029,789)
Computer software	(499)	-	499	-
Vehicles	(13,314)	-	-	(13,314)
Leasehold improvements	(1,535,032)	(46,121)	1,401,362	(179,791)
Equipment under capital leases	(30,814)	(28,826)	-	(59,640)
<i>Total accumulated depreciation and amortization</i>	<u>(2,691,936)</u>	<u>(153,256)</u>	<u>1,562,658</u>	<u>(1,282,534)</u>
Capital Assets, Net	<u>\$ 591,264</u>	<u>\$ 8,191</u>	<u>\$ -</u>	<u>\$ 599,455</u>

Capital asset activity for the year ended December 31, 2020 was as follows:

	Balance 1/1/2020	Additions	Deletions	Balance 12/31/2020
<u>Historical Cost</u>				
Furniture, fixtures and equipment	\$ 1,305,377	\$ 141,931	\$ -	\$ 1,447,308
Computer software	499	-	-	499
Vehicles	13,314	-	-	13,314
Leasehold improvements	1,762,439	-	-	1,762,439
Equipment under capital leases	59,640	-	-	59,640
<i>Total historical cost</i>	<u>3,141,269</u>	<u>141,931</u>	<u>-</u>	<u>3,283,200</u>
<u>Accumulated Depreciation and Amortization</u>				
Furniture, fixtures and equipment	(1,012,276)	(100,001)	-	(1,112,277)
Computer software	(499)	-	-	(499)
Vehicles	(13,314)	-	-	(13,314)
Leasehold improvements	(1,498,184)	(36,848)	-	(1,535,032)
Equipment under capital leases	(24,850)	(5,964)	-	(30,814)
<i>Total accumulated depreciation and amortization</i>	<u>(2,549,123)</u>	<u>(142,813)</u>	<u>-</u>	<u>(2,691,936)</u>
Capital Assets, Net	<u>\$ 592,146</u>	<u>\$ (882)</u>	<u>\$ -</u>	<u>\$ 591,264</u>

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Summit County**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2021 and 2020**

**Note 5 – Operating Leases**

The ASCVB leases the John S. Knight Center from the City of Akron for a nominal rental of \$1 per year.

The ASCVB also leases certain equipment and vehicles under noncancelable leases expiring in various years through 2024. The following is a schedule of the future minimum lease payments required under the operating leases.

Year Ending December 31:	<u>Payment</u>
2022	\$ 5,400
2023	5,400
2024	<u>450</u>
Total Minimum Lease Payment	<u>\$ 11,250</u>

**Note 6 – Retirement Plan**

The ASCVB sponsors an employee benefit plan, which qualifies under Section 401(k) of the Internal Revenue Code. The plan covers all employees, including those covered by the collective bargaining union agreement that choose to participate and meet certain age and service requirements. The plan allows the employees to defer up to 15% of their annual compensation; and also requires the ASCVB to make a mandatory contribution of at least 3% of each employee’s compensation to adhere to Safe Harbor 401(k) requirements. For the year ending 2021, an expense for employee contributions was accrued in the amount of \$47,081; and for the year ending 2020, an expense for employee contributions was made in the amount of \$56,087.

**Note 7 – Short-term Borrowings**

The ASCVB has a line of credit borrowing agreement with PNC bank. Under the terms of this agreement, the ASCVB has available a \$500,000 line of credit. Interest is payable monthly at the bank’s prime lending rate (3.50% at December 31, 2021) and is collateralized by the ASCVB’s investment account. There were no borrowings under this agreement at December 31, 2021 and 2020.

**Note 8 – Long-term Debt**

As of December 31, 2021, the ASCVB had the following long-term debt outstanding:

	<u>Principal</u>	<u>Interest</u>
Small Business Administration Economic Impact Disaster Loan	\$ 150,000	2.75%
Paycheck Protection Program	<u>681,117</u>	1.00%
Total Long-term Debt Outstanding	<u>\$ 831,117</u>	

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Summit County**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2021 and 2020**

---

---

**Note 8 – Long-term Debt (continued)**

On May 28, 2020, the ASCVB received an Economic Impact Disaster Loan (EIDL) in the amount of \$150,000 from the Small Business Administration (SBA) in response to the COVID-19 pandemic. The purpose of this loan was to provide cash flows to businesses negatively impacted by the pandemic. The loan carries an interest rate of 2.75%. The first loan payment was originally due 12 months after the loan funds were received. The SBA has since extended that deferment period to 30 months with the first payment due in November 2022. No amortization schedule is available for this loan.

On January 26, 2021, the ASCVB received a Paycheck Protection Program loan in the amount of \$681,117 from PNC Bank in response to the COVID-19 pandemic. The purpose of this loan was to provide cash flows to businesses negatively impacted by the pandemic to incentivize the retention of employees. The loan carries an interest rate of 1.00%. The first loan payment is due 18 months after the funds are received. Per the requirements of the SBA program, this loan will be forgiven provided that adequate tracking of eligible payroll costs is provided to the SBA within the required timeframe. The ASCVB intends to provide the necessary documentation for the requirements of this program.

**Note 9 – Collective Bargaining Agreement**

Two full-time and a majority of the part-time employees of the John S. Knight Center are covered by a collective bargaining agreement. An agreement was negotiated during 2017. The agreement covers the period beginning July 1, 2017 and expiring June 30, 2020. In May of 2020, a 1-year extension of this contract was agreed upon by both parties extending the agreement and all of its terms through June 30, 2021. In June of 2021, a 1-year extension of the same contract was agreed upon by both parties extending the agreement and all of its terms through June 30, 2022.

**Note 10 – Risk Management**

The ASCVB is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the years ended December 31, 2021 and 2020, the ASCVB contracted with SeibertKeck to obtain coverage for the risks listed below.

The ASCVB is covered for property damage, general liability, automobile liability, and other crime liabilities through the purchased coverage provided by SeibertKeck.

Settled claims have not exceeded this coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

**Note 11 – Restricted Net Position**

Under the terms of the lease agreement with the City of Akron discussed in Note 6, the ASCVB is required to “establish and fund a recurring capital cost fund to pay for repairs and maintenance” of the John S. Knight Center and related improvements. The amount of restricted funds was \$1,669,414 and \$1,688,222, respectively, at December 31, 2021 and 2020.

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Summit County**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2021 and 2020**

---

---

**Note 12 – Contingencies**

The ASCVB may be party to various legal proceedings. In the opinion of the ASCVB, the ultimate disposition of these proceedings will not have a materially adverse effect on the ASCVB's financial position. No provision has been made in the financial statements for the effect, if any, of such contingencies.

**Note 13 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the ASCVB. The impact on the ASCVB's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

The ASCVB received \$60,000 from the State of Ohio for a Food & Beverage grant which was a sub-grant of their CARES Act funds.

**Note 14 – Subsequent Events**

On May 25, 2022, the ASCVB received notice that the Payroll Protection Program (PPP) loan from the SBA was approved for forgiveness. The SBA made a payment of \$690,274 (\$681,117 principal and \$9,157 accrued interest) to PNC and the outstanding amount of the loan was closed.

In June of 2022, a new 3-year union contract was agreed upon by both parties for the period of July 1, 2022 – June 30, 2025.



**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Convention & Visitors Bureau**  
**For the Years Ended December 31, 2021 and 2020**

	2021	2020
<b><u>OPERATING REVENUES:</u></b>		
Summit County	\$ 2,953,089	\$ 1,813,848
City of Akron	138,000	138,000
<b>Total Operating Revenues</b>	3,091,089	1,951,848
<b><u>OPERATING EXPENSES:</u></b>		
Salaries and wages	429,606	440,718
Payroll taxes and employee benefits	114,477	125,192
Property insurance	9,599	10,156
Utilities	12,874	13,988
Promotion	207,747	193,242
Advertising and printing	141,299	78,070
Office supplies and accessories	5,522	2,159
Postage	4,851	5,390
Dues and subscriptions	13,397	16,576
Professional fees	33,783	13,381
Travel	6,824	14,539
Maintenance and repairs	3,589	3,003
Lease	2,700	2,467
Trade shows	595	3,778
Miscellaneous	464	15,838
<b>Total Operating Expenses</b>	987,327	938,497
Operating Income (Loss)	2,103,762	1,013,351
<b><u>NON-OPERATING REVENUES (EXPENSES):</u></b>		
Management Fee	31,199	(6,525)
EIDL Advance	-	10,000
Summit County CRF grant	-	250,000
Food and Beverage Grant	60,000	-
Employee Retention Credit (ERC)	792,020	-
Investment and other income	9,811	129,087
<b>Total Non-Operating Revenues (Expenses)</b>	893,030	382,562
Change in Net Position	\$ 2,996,792	\$ 1,395,913

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**John S. Knight Center**  
**For the Years Ended December 31, 2021 and 2020**

	2021	2020
<b><u>OPERATING REVENUES:</u></b>		
Space income	\$ 283,881	\$ 129,695
Food service	381,446	350,657
Ancillary service	455,763	192,758
<b>Total Operating Revenues</b>	1,121,090	673,110
<b><u>OPERATING EXPENSES:</u></b>		
Salaries and wages	1,476,067	1,454,880
Payroll taxes and employee benefits	403,641	414,922
Property insurance	77,746	80,054
Utilities	298,535	255,814
Promotion	15,882	14,828
Advertising and printing	4,500	11,523
Office supplies and accessories	22,280	8,612
Postage	2,336	3,584
Dues and subscriptions	1,511	705
Professional fees	84,172	12,223
Travel	2,106	3,488
Maintenance and repairs	199,058	190,840
Contracted services	156,854	81,918
Food services	214,431	214,619
Lease	2,700	2,466
Audiovisual	64,629	15,295
Miscellaneous	17,382	41,820
Depreciation and amortization	150,007	139,213
<b>Total Operating Expenses</b>	3,193,837	2,946,804
Operating Income (Loss)	(2,072,747)	(2,273,694)
<b><u>NON-OPERATING REVENUES (EXPENSES):</u></b>		
Interest income (expense)	-	(234)
<b>Total Non-Operating Revenues (Expenses)</b>	-	(234)
Change in Net Position	\$ (2,072,747)	\$ (2,273,928)

**Akron/Summit Convention & Visitors Bureau, Inc.**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Greystone Hall**  
**For the Years Ended December 31, 2021 and 2020**

	2021	2020
<b><u>OPERATING REVENUES:</u></b>		
Space income	\$ 30,500	\$ 14,800
Rental income	98,800	92,716
Food service	306,633	124,434
Ancillary service	13,274	7,447
<b>Total Operating Revenues</b>	449,207	239,397
<b><u>OPERATING EXPENSES:</u></b>		
Salaries and wages	214,385	139,082
Payroll taxes and employee benefits	36,846	23,986
Property insurance	8,649	10,633
Utilities	1,977	2,888
Promotion	3,029	3,158
Advertising and printing	3,527	1,385
Office supplies and accessories	5,351	6,421
Postage	20	-
Professional fees	11,450	6,360
Travel	-	257
Maintenance and repairs	24,572	5,529
Contracted services	4,860	2,971
Food services	91,998	49,324
Audiovisual	358	480
Depreciation and amortization	3,249	3,600
<b>Total Operating Expenses</b>	410,271	256,074
Operating Income (Loss)	38,936	(16,677)
<b><u>NON-OPERATING REVENUES (EXPENSES):</u></b>		
Utility reimbursement to City of Akron	31,199	6,525
Management Fee	31,199	6,525
<b>Total Non-Operating Revenues (Expenses)</b>	62,398	13,050
Change in Net Position	\$ 101,334	\$ (3,627)

**This page intentionally left blank.**



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

Akron/Summit Convention & Visitors Bureau, Inc.  
Summit County  
John S. Knight Center  
77 East Mill Street  
Akron, Ohio 44308

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Akron/Summit Convention & Visitors Bureau, Inc., Summit County, (the ASCVB) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the ASCVB's basic financial statements and have issued our report thereon dated September 28, 2022. We noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the ASCVB.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Entity's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the Entity's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Entity's financial statements will not be prevented, or detected and corrected, on a timely basis. 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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Entity's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio

September 28, 2022

# OHIO AUDITOR OF STATE KEITH FABER



**AKRON SUMMIT CONVENTION AND VISITORS BUREAU**

**SUMMIT COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 10/13/2022**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)