



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B55215

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

May 11, 2020

Board of Directors
Orange County Convention & Visitors Bureau, Inc.
d/b/a Visit French Lick West Baden
PO Box 71
French Lick, IN 47432

We have reviewed the audit report of Orange County Convention & Visitors Bureau, Inc. d/b/a Visit French Lick West Baden, which was opined upon by Krueger & Associates, CPAs, LLC, Independent Public Accountants, for the period January 1, 2019 to December 31, 2019. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition of Orange County Convention & Visitors Bureau, Inc. d/b/a Visit French Lick West Baden as of December 31, 2019 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Krueger & Associates, CPAs, LLC prepared the audit report in accordance with the guidelines established by the State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

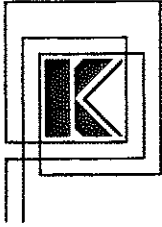
Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

**ORANGE COUNTY CONVENTION &
VISITORS BUREAU, INC.
French Lick, Indiana**

**FINANCIAL STATEMENTS
For the Years Ended December 31, 2019 and 2018**

ORANGE COUNTY CONVENTION & VISITORS BUREAU, INC.
French Lick, Indiana

<u>TABLE OF CONTENTS</u>	<u>PAGE</u>
AUDITORS' REPORT.....	1 - 2
EXHIBIT A STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS.....	3
EXHIBIT B STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS.....	4
NOTES TO FINANCIAL STATEMENTS.....	5 - 8



Krueger & Associates, CPA's, LLC

1845 Newton Street • Jasper, Indiana 47546 • (812) 482-4454 • (812) 482-4459 Fax

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Orange County Convention & Visitors Bureau

We have audited the accompanying financial statements of Orange County Convention & Visitors Bureau (a nonprofit organization), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of revenue, expenses, and changes in net assets—modified cash basis for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Orange County Convention & Visitors Bureau as of December 31, 2019 and 2018, and its revenue, and expenses for the years then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Kreiger & Associates, CPAs, LLC

Certified Public Accountants

Jasper, IN

April 6, 2020

ORANGE COUNTY CONVENTION & VISITORS BUREAU, INC.
French Lick, Indiana

EXHIBIT A

STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS -
 MODIFIED CASH BASIS
 December 31, 2019 and 2018

ASSETS

	<u>2019</u>	<u>2018</u>
CURRENT ASSETS		
Cash in bank	\$959,785	\$954,383
Total Current Assets	<u>959,785</u>	<u>954,383</u>
PROPERTY AND EQUIPMENT		
Property and equipment	401,939	401,939
Less accumulated depreciation	<u>(85,711)</u>	<u>(68,343)</u>
Total property and equipment	<u>316,228</u>	<u>333,596</u>
TOTAL ASSETS	<u><u>\$1,276,013</u></u>	<u><u>\$1,287,979</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accrued payroll taxes	<u>\$114</u>	<u>\$4,125</u>
TOTAL LIABILITIES	<u>114</u>	<u>4,125</u>
NET ASSETS		
Without donor restrictions		
Undesignated	<u>1,275,899</u>	<u>1,283,854</u>
TOTAL NET ASSETS	<u>1,275,899</u>	<u>1,283,854</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$1,276,013</u></u>	<u><u>\$1,287,979</u></u>

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

ORANGE COUNTY CONVENTION & VISITORS BUREAU, INC.
French Lick, Indiana

EXHIBIT B

STATEMENTS OF REVENUE, EXPENSES AND
 CHANGES IN NET ASSETS - MODIFIED CASH BASIS
 For the Year Ended December 31,

	Without donor restrictions	
	2019	2018
SUPPORT AND REVENUE		
Support and other revenues	\$1,102,144	\$1,046,629
Interest income	3,338	3,206
Total Support and Revenue	1,105,482	1,049,835
Expenses		
Marketing expense	611,224	554,742
Event sponsorship	185,679	140,800
Insurance	1,717	2,128
Equipment lease expense	6,052	6,411
Office equipment expense	1,968	4,566
Legal and professional	4,155	4,095
Memberships and dues	16,893	16,863
Repairs and maintenance	8,500	9,405
Salaries	101,445	88,315
Executive director	50,000	38,514
Employee benefits	30,612	21,088
Miscellaneous	150	250
Payroll taxes	13,414	11,749
Supplies	19,466	19,341
Telephone	5,884	5,669
Travel	30,821	20,494
Utilities	8,089	8,673
Depreciation expense	17,368	17,368
Total Expenses	1,113,437	970,471
 (Decrease) in Net Assets	 (7,955)	 79,364
Net assets - Beginning of year	1,283,854	1,204,490
Net assets - End of year	\$1,275,899	\$1,283,854

The accompanying notes are an integral part of the financial statements

ORANGE COUNTY CONVENTION & VISITORS BUREAU, INC.

NOTES TO THE FINANCIAL STATEMENTS December 31, 2019 AND 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Orange County Convention & Visitors Bureau, Inc. (hereinafter referred to as “the Organization”) was established in order to promote conventions and tourism in Orange County, Indiana.

Basis of Accounting

The Organization’s financial statements are presented on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Financial Statement Presentation

Net assets and revenue, gains, and losses are classified based on donor-imposed restrictions. Accordingly, net assets of Orange County Convention & Visitors Bureau, Inc. and changes therein are classified and reported as:

Without Donor Restrictions - Those resources not subject to donor-imposed restrictions. The board of directors has discretionary control over these resources. Designated amounts represent those net assets that the board has set aside for a particular purpose.

With Donor Restrictions - Those resources subject to donor-imposed restrictions that will be satisfied by action of Orange County Convention & Visitors Bureau, Inc. or by the passage of time.

Orange County Convention & Visitors Bureau, Inc. has elected to present contributions with donor restrictions that are fulfilled in the same period within the net assets without donor restrictions class. Orange County Convention & Visitors Bureau, Inc. has no permanently restricted net assets as of December 31, 2019 and 2018.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fund Accounting

The accounts of the Organization’s are maintained in accordance with the principles of fund accounting. The cost of the Organization’s program have been reported on a functional basis.

ORANGE COUNTY CONVENTION & VISITORS BUREAU, INC.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three month or less to be cash equivalents.

Property and depreciation

Office furniture is recorded at cost or at estimated market value at the time of receipt in case of donated equipment. Depreciation is computed by the straight line method over the estimated useful lives of the respective asset accounts as follows:

Leasehold Improvements	5-39 years
Furniture and Fixtures	5-10

Furniture, equipment, and leasehold improvements are capitalized at cost. It is the Organization's policy to capitalize expenditures for these items in excess of \$1,000 and have a useful life in excess of one year. Maintenance and repairs that do not improve or extend the useful lives of the respective assets are currently expensed.

The Organization leases certain items of office equipment. The lease payments are expensed when paid.

Federal and State Income Taxes

The Organization is recognized as a nonprofit corporation under Section 501 of the Internal Revenue Code by both the state and federal taxing authorities. Therefore, no provision for federal or state income taxes is included in the financial statements. The Organization is other than a private foundation.

Property and Equipment

The costs and related accumulated depreciation of property and equipment consisted of the following as of December 31,

	<u>2019</u>	<u>2018</u>
Building Improvements	\$345,346	\$345,346
Furniture and equipment	<u>56,593</u>	<u>56,593</u>
	401,939	401,939
Less accumulated depreciation	<u>(85,711)</u>	<u>(68,343)</u>
Net carrying value	<u>\$316,228</u>	<u>\$333,596</u>

ORANGE COUNTY CONVENTION & VISITORS BUREAU, INC.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation charged to expense for the 12 months ended December 31, 2019 and 2018, was \$17,368 and \$17,368, respectively, computed on a declining balance.

Advertising

The Organization expenses all advertising costs when incurred.

Date of Management's Review

Management has evaluated subsequent events through April 6, 2020 the date on which the financial statements were available to be issued.

NOTE 2: CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash balances at various financial institutions. Cash balances at these institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000 in 2019 and 2018. At December 31, 2019 and 2018, uninsured balances consisted of \$171,627 and \$194,984, respectively.

NOTE 3: INCOME TAXES

There are no material tax positions taken by the Organization which require recognition or disclosure under the provisions of FASB ASC 740 (formerly Fin 48) "Accounting for Uncertainty in Income Taxes." The Organization's federal and state income tax returns for all years after 2016 are subject to examination by taxing authorities.

NOTE 4: CONTINGENCIES

The Organization is primarily funded by support and revenues awarded by agencies of the State and local communities. A significant reduction in the level of this support, if it were to occur, would have a serious effect on the Organization's programs and activities.

ORANGE COUNTY CONVENTION & VISITORS BUREAU, INC.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 5: RELATED PARTY TRANSACTIONS

The Organization purchases services and products from a company owned by a current board member. The purchases involved are for computer and office technology support and service, and are disclosed to, and approved by, the board of directors.

NOTE 6: RETIREMENT PLAN

The Company has a defined contribution plan that covers all employees with at least one year of service and 21 years of age. The amount of contribution to the plan is determined annually by the Company's management, at its sole discretion. In the event that a participant terminates his employment with the Company prior to the completion of the vesting period, amounts accumulated in the participant's trust account are forfeited. Retirement plan expense for the years ended December 31, 2019 and 2018 was \$3,225 and \$2,047, respectively.