

August 28, 2025

WV State Auditors' Office – lgs@wvsao.gov, Attn: Shellie Humphries
WV Joint Committee on Government & Finance –
https://www.wvlegislature.gov/Reports/Agency_Reports/AgencyReports.cfm
WVACVB – jnuzum@bowlesrice.com

Dear WV State Auditor's Office, WV Joint Committee on Government & Finance, and WV Association of Convention & Visitor Bureaus,

As you are aware with the passing of Senate Bill 488 during the 2021 West Virginia Legislature's Regular Session several new requirements have been implemented on CVBs to qualify for distributions of Hotel Occupancy taxes by the county(s) and or the municipality(s) we serve.

In compliance with W.Va. Code §7-18-13a, CVBs are to now report to the WWSAO, the WV Joint Committee on Government & Finance, and the WVACVB 90 days following the end of the CVB's fiscal year the following:

- Balance sheet – annually,
- Income statement - annually, and
- Either an audit or a financial review – triennially W.Va. Code § 7-18-14.

In addition, CVBs are to be accredited by an accrediting body such as the WV Association of Convention and Visitors Bureaus (WVACVB) W.Va. Code §7-18-13a(b) which confirms compliance with the following industry standards as follows:

- Annual budget,
- Budget allocation within the industry standard of 40% - 40% - 20% (Marketing, Personnel, Administrative),
- Marketing plan targeting markets outside of 50 miles of their destination,
- Full time executive director,
- Physical office/ Visitor Center,
- Website, and
- Annual reporting to all the CVBs funding entities.

On behalf of the Board of Directors of the McDowell County Convention and Visitors Bureau, we respectfully submit the required information and confirm that the McDowell County Convention and Visitors Bureau is in full compliance with all WV Code 7-18-13 requirements.

If you have any questions, please contact either Jennifer Justice, Executive Director, at jennifer.justice@mcdowellcvb.com or 681-203-0499 or Tara Elder, Board President at taraelder@gmail.com or 304-237-7567

Sincerely,

Tara Elder, President of the McDowell County CVB Board
Jennifer D Justice, Executive Director



Attachments: Income statement July 1, 2024 – June 30, 2025, Balance sheet June 30, 2025, Annual report 2024/25, and Financial review for 2023 and 2024.

McDowell County Convention & Visitor Bureau

08/20/25

Balance Sheet

Accrual Basis

As of June 30, 2025

	<u>Jun 30, 25</u>
ASSETS	
Current Assets	
Checking/Savings	
Mountain Mud Checking	5,508.89
Pioneer Community Bank	25,751.09
Pioneer Savings Account	<u>2,097.34</u>
Total Checking/Savings	<u>33,357.32</u>
Total Current Assets	<u>33,357.32</u>
TOTAL ASSETS	<u>33,357.32</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	<u>26,014.77</u>
Total Accounts Payable	<u>26,014.77</u>
Total Current Liabilities	<u>26,014.77</u>
Total Liabilities	<u>26,014.77</u>
Equity	
Opening Balance Equity	108,679.51
Unrestricted Net Assets	-90,856.39
Net Income	<u>-10,480.57</u>
Total Equity	<u>7,342.55</u>
TOTAL LIABILITIES & EQUITY	<u>33,357.32</u>

McDowell County Convention & Visitor Bureau

Profit & Loss

July 2024 through June 2025

	<u>Jul '24 - Jun 25</u>
Ordinary Income/Expense	
Income	
Direct Public Support	
Grant Income	24,999.95
Sponsorship for Mountain Mud	1,750.00
Total Direct Public Support	<u>26,749.95</u>
Indirect Public Support	
Revenue-Occ Tax-Bradshaw	72.34
Revenue-Occ Tax-Gary	413.97
Revenue-Occ Tax-Kimball	1,370.57
Revenue-Occ Tax-McDowell Co	62,641.15
Revenue-Occ Tax-Northfork	5,354.14
Revenue-Occ Tax-War	228.40
Revenue-Occ Tax-Welch	12,219.33
Total Indirect Public Support	<u>82,299.90</u>
Investments	
Interest-Savings, Short-term CD	27.43
Total Investments	<u>27.43</u>
Other Types of Income	
Cash Back Rewards	125.48
Miscellaneous Revenue	45.00
Other Types of Income - Other	1,092.35
Total Other Types of Income	<u>1,262.83</u>
Refund	5,516.71
Visitors Guide Advertisement Fee	700.00
Total Income	<u>116,556.82</u>
Gross Profit	116,556.82
Expense	
Advertising/Marketing/Web Site	47,203.52
Business Expenses	
Business Registration Fees	25.00
Total Business Expenses	<u>25.00</u>
Contract Services	
Accounting Fees	3,000.00
Catering	184.78
Total Contract Services	<u>3,184.78</u>
Facilities and Equipment	
Rent, Parking, Utilities	3,600.00
Facilities and Equipment - Other	281.08
Total Facilities and Equipment	<u>3,881.08</u>
Operations	
Books, Subscriptions, Reference	272.23
Mileage	1,226.29
Office Supplies	47.83
Postage, Mailing Service	127.11
Supplies	1,960.87
Telephone, Telecommunications	1,120.63
Training	2,296.08
Total Operations	<u>7,051.04</u>

McDowell County Convention & Visitor Bureau

Profit & Loss

July 2024 through June 2025

	<u>Jul '24 - Jun 25</u>
Other Types of Expenses	
Employee Health Insurance	19,769.60
Insurance - Liability, D and O	1,808.21
Memberships and Dues	850.35
Other Types of Expenses - Other	0.45
	<hr/>
Total Other Types of Expenses	22,428.61
Payroll, Fees & Taxes-Paychex	40,532.43
Travel and Meetings	
Conference, Convention, Meeting	1,757.60
Travel	679.57
Travel and Meetings - Other	293.76
	<hr/>
Total Travel and Meetings	2,730.93
	<hr/>
Total Expense	127,037.39
	<hr/>
Net Ordinary Income	-10,480.57
	<hr/>
Net Income	<u><u>-10,480.57</u></u>

2024/2025

ANNUAL REPORT



EXPLORE
McDOWELL

Adventure
Awaits



A word from the Executive Director of the McDowell County Convention and Visitors Bureau (CVB)

The McDowell County Convention and Visitors Bureau (CVB) and the Board of Directors are pleased to present our 2024-2025 Annual Report. The McDowell County CVB represents the entire county of McDowell which includes the municipalities of the Town of Anawalt, Town of Bradshaw, Town of Davy, City of Gary, Town of Jaeger, City of Keystone, Town of Kimball, Town of Northfork, City of War, City of Welch and the surrounding communities of these municipalities.

The McDowell County CVB has used a large portion of its advertising dollars over the last 4 years to partner with WV Tourism through their co-op advertising program to purchase advertising campaigns. The co-op advertising program allows partners to buy advertising at discounted rates and matches the funds from 50 to 75 percent of the cost of the advertising purchase. This allows partners to stretch their advertising dollars further. We were able to purchase our Almost Heaven Swing through the co-op.

McDowell County has also partnered with Hatfield and McCoy and others in the region on regional advertising. Regional advertising is an opportune way to stretch our marketing dollars.

I completed the Appalachian Region Commission's Appalachian Leadership Institute (ALI). I also attended my second of three one-week sessions at market college hosted by Southeast Tourism Society (STS) in Macon, Georgia. ALI and Marketing college will give me skills, resources and a network to better advertise McDowell County. I am so excited to implement the things that I have learned to help McDowell County and its Tourism economy grow.

McDowell County has begun re-branding from Meet McDowell to Explore McDowell. We feel that Explore McDowell will attract more people looking for adventure and the exciting things that McDowell County has to offer. In this re-branding we will have a new logo, new campaigns, produce a new visitors guide and a new and redesigned website. As part of the re-branding initiative we participated in WV Living Magazine's Day of Play. Where I spent two days showcasing places and attractions that McDowell County has to offer to our visitors. I had a blast riding the Indian Ridge Hatfield and McCoy trail and getting muddy. I also want to express my appreciation to all our partners that make this type of advertising possible, thank you.

We are excited about the changes and the new possibilities that the upcoming year will bring.

Jennifer D. Justice,
Executive Director
304-436-4242
Jennifer.justice@mcdowellcvb.com



OUR MISSION

The McDowell County Convention and Visitors Bureau exists to establish McDowell County as a new and exciting destination for tourists. Our goal is to promote the area, local businesses, events and activities to develop the region as a new place for adventurers to explore.

Highlights

Re-Branding



Participated in WV Living Magazine's Day of Play

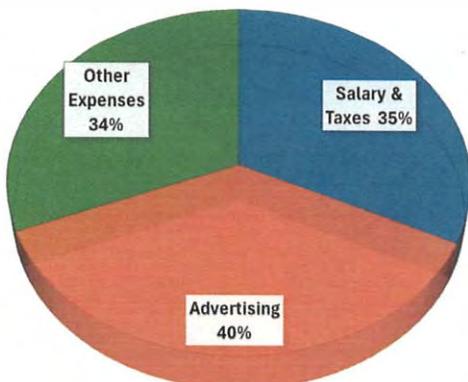


Jennifer Justice completed her second year of Marketing College with Southeast Tourism Society

Received and Installed our Almost Heaven Swing. Almost 60,000 views on Facebook

Financial Overview

\$82,300 Occupancy Tax Income
\$116,557 Total Income
Total Expenses: \$127,037
\$40,532 Salary & Taxes
\$47,204 Advertising
\$39,301 Other Expenses
 We spent \$10,480 or 9% more than we brought in.



Co-op advertising is a program through WV Tourism that offers a dollar for dollar match of money spent in advertising buys. This allows participants to get more advertising for their money. The co-op program also offers free bonus marketing to participants.

\$47,204
Advertising

\$25,000
Spring/Summer 25 Advertising
Co-op buys with WV Tourism

\$8,750
Fall and Winter 24/25 Advertising
Co-op buys with WV Tourism

\$33,750
spent on advertising Co-op buys with
WV Tourism by McDowell County CVB

\$33,750 McDowell County CVB
\$33,750 WV Tourism match
More than \$67,500 total spent on
 advertising McDowell County
 through the Co-Op program
 including bonuses provided by
 WV Tourism for our spending levels

2024/25 McDOWELL COUNTY CVB OFFICERS

Tara Elder-President
Consultant Ashland Resort

Kenneth Gentry-Vice President
Mayor Town of Davy

Tameka Baker-Secretary
Assistant Vice President/ Welch Market
Leader Pioneer Community Bank

David Green-Treasure
McDowell County House of Delgates,
Owner/Operator Sure Group
Insurance & Sure Clean Laundries

24/25 BOARD MEMBERS

Holly Maben
Mayor City of Keystone

Harold McBride
Mayor City of Welch

Robert Little
Mayor City of Gary

David Deel
Mayor City of War

Adam Gianato
Mayor Town of Kimball

Brian Harrison
Mayor Town of Bradshaw

Jay Chatman
McDowell County Historical
Society President
Board member
National Coal Heritage Area
Authority

David Grubb
Owner and Operator
The Bears Den ATV Cottage

Kathy Gentry
Executive Director of
Safe Housing and Economic
Development, Inc., Member of
Welch City Council

Aaron Roberts
Tourism Instructor McDowell County Career &
Technical School Owner/Operator Black Gold
Off-Road Tours, EDA board

PARTNERS AND MEMBERSHIPS



SOUTHEAST
TOURISM SOCIETY



Appalachian
Leadership
Institute
an ARC initiative



Address: 143 Wyoming Street Welch, WV 24801
Phone: 304-436-4242
Email: info@mcdowellcvb.com
Website: Meetmcdowell.com



**MCDOWELL COUNTY CONVENTION
AND VISITORS BUREAU, INC.**

Reviewed Financial Statements

June 30, 2024 and 2023

MCDOWELL COUNTY CONVENTION AND VISITORS BUREAU, INC.

Reviewed Financial Statements

June 30, 2024 and 2023

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Board of Directors
McDowell County Convention and Visitors Bureau, Inc..
Welch, West Virginia

We have reviewed the accompanying financial statements of McDowell County Convention and Visitors Bureau, Inc. (the Bureau) (a not-for-profit organization), which comprise the statements of assets, liabilities, and net assets—modified cash basis as of June 30, 2024 and 2023, and the related statement of support, revenue, and expenses—modified cash basis and statement of functional expenses—modified cash basis for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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; this includes determining that the modified cash basis of accounting the company uses is an acceptable basis for the preparation of 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Bureau and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis of accounting.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with 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 conclusion is not modified with respect to this matter.

Gray, Griffith & Mays, a.c.

Charleston, West Virginia
July 1, 2025

MCDOWELL COUNTY CONVENTION AND VISITORS BUREAU, INC.

STATEMENTS OF ASSETS, LIABILITIES, AND NET ASSETS – MODIFIED CASH BASIS

June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 48,923	\$ 74,041
Total assets	<u>\$ 48,923</u>	<u>\$ 74,041</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Payable, cognizant agency	\$ 31,100	\$ 44,575
Net assets:		
Net assets without donor restrictions	<u>17,823</u>	<u>29,466</u>
Total liabilities and net assets	<u>\$ 48,923</u>	<u>\$ 74,041</u>

See Independent Accountant's Review Report and Notes to Financial Statements.

MCDOWELL COUNTY CONVENTION AND VISITORS BUREAU, INC.

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS – MODIFIED CASH BASIS

For the years ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Revenues and support:		
Lodging tax	\$ 94,057	\$ 93,373
Donations	18,038	11,221
Other revenue	<u>8,294</u>	<u>5,981</u>
Total revenues and support	<u>120,389</u>	<u>110,575</u>
Expenses:		
Program services	104,743	120,242
Management and general	<u>27,289</u>	<u>33,460</u>
Total expenses	<u>132,032</u>	<u>153,702</u>
Change in net assets	(11,643)	(43,127)
Net assets, beginning of year	<u>29,466</u>	<u>72,593</u>
Net assets, end of year	<u>\$ 17,823</u>	<u>\$ 29,466</u>

See Independent Accountant's Review Report and Notes to Financial Statements.

MCDOWELL COUNTY CONVENTION AND VISITORS BUREAU, INC.

STATEMENTS OF FUNCTIONAL EXPENSES – MODIFIED CASH BASIS

For the year ended June 30, 2024

	Program Services	Management and General	Total
Salaries, benefits, and payroll taxes	\$ 36,172	\$ 15,501	\$ 51,673
Marketing and promotion	49,624	-	49,624
Professional fees	3,320	3,319	6,639
Occupancy	3,290	2,194	5,484
Business taxes and licenses	-	25	25
Information technology	-	-	-
Insurance	-	1,813	1,813
Travel and meetings	6,224	1,799	8,023
Supplies	3,956	2,638	6,594
Miscellaneous	2,157	-	2,157
	<u>\$ 104,743</u>	<u>\$ 27,289</u>	<u>\$ 132,032</u>

For the year ended June 30, 2023

	Program Services	Management and General	Total
Salaries, benefits, and payroll taxes	\$ 46,075	\$ 19,747	\$ 65,822
Marketing and promotion	56,728	-	56,728
Professional fees	5,351	5,349	10,700
Occupancy	4,416	2,944	7,360
Business taxes and licenses	-	25	25
Information technology	853	568	1,421
Insurance	-	1,768	1,768
Travel and meetings	2,574	708	3,282
Supplies	3,528	2,351	5,879
Miscellaneous	717	-	717
	<u>\$ 120,242</u>	<u>\$ 33,460</u>	<u>\$ 153,702</u>

See Independent Accountant's Review Report and Notes to Financial Statements.

MCDOWELL COUNTY CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICES

Nature of Activities

McDowell County Convention and Visitors Bureau, Inc., (the Bureau) operates a convention and visitors bureau for McDowell County, West Virginia to promote tourism, serve tourists, aid in advertising for local businesses, and to showcase all that McDowell County has to offer.

Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Modifications to the cash basis of accounting include accruing for marketing materials received in advance of invoice. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Bureau and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Bureau and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets without donor restrictions. The Bureau does not have net assets with donor restrictions at June 30, 2024 and 2023.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without restrictions.

See Independent Accountant's Review Report.

MCDOWELL COUNTY CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICES (Continued)

Use of Estimates

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

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial statements.

Advertising expense

Advertising and marketing costs are expensed as incurred. Advertising expense totaled \$49,624 and \$56,728 for the years ended June 30, 2024 and 2023, respectively.

Income taxes

The Bureau is a not-for-profit corporation exempt from Federal and West Virginia state income taxes under the provisions of the Internal Revenue Code Section 501(c)(3). For the year ended June 30, 2024 and 2023 management believes there have been no material uncertain tax positions needing to be accounted for in the financial statements. These returns are open for examination by the taxing authorities generally for three years after filing.

Functional Allocation of Expenses

The cost of providing the various programs and activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated by management based on estimates among the programs and supporting services benefited. The allocated expenses are consistent with the allocations used in the preparation of the tax-exempt filings of the Bureau.

MCDOWELL COUNTY CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

2 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2024, consist of the following:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	<u>\$ 48,923</u>	<u>\$ 74,041</u>

As part of the Bureau's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

3 – OPERATING LEASE

The Bureau leases office space under an operating lease. The lease requires monthly payments of \$300 and is leased on a month-to-month basis.

4 – ECONOMIC DEPENDENCE

The Bureau receives a legislatively mandated percentage of hotel occupancy tax collected by the county and various municipalities in McDowell County, West Virginia. Approximately 78 and 84% of revenues were derived from these sources for the year ended June 30, 2024 and 2023, respectively. If these revenues decrease significantly, it could have a substantial negative impact on the operations of and services provided by the Bureau.

5 – RELATED PARTY TRANSACTIONS

The Bureau's Board of Directors is composed of a broad spectrum of community and business leaders. From time to time, the Bureau in the normal course of business, may enter into transactions with organizations in which a director has a personal economic interest or in which the director exerts significant influence. It is the policy of the Bureau that directors abstain from voting on issues involving matters in which a conflict of interest is identified.

See Independent Accountant's Review Report.

MCDOWELL COUNTY CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

6 – SUBSEQUENT EVENTS

The Bureau's management has evaluated the events and transactions occurring after June 30, 2024, through the date of the Accountant's Review Report, which is the date the financial statements were available to be issued. No significant events were noted requiring adjustments to or disclosure in the financial statements.

See Independent Accountant's Review Report.