

September 11, 2026

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 WVS AO, 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 Webster County CVB, we respectfully submit the required information and confirm that the Webster County CVB is in full compliance with all WV Code 7-18-13 requirements.

If you have any questions, please contact either Alexandria Fliegel, Executive Director, at webstercvb@websterwv.com or (681) 213-1216 or me mrmanp@aol.com or (304) 644-7554.

Sincerely,

Kent Walker, Board Chair

Alexandria Fliegel, Executive Director

Attachments: Income statement (July 2025 – June 2026), Balance sheet (June 30, 2026), Annual report (2025-26), and Audit (2026).

Webster County Convention and Visitors Bureau Inc

07/16/26

Profit & Loss

Accrual Basis

July 2025 through June 2026

	Jul '25 - Jun 26
Ordinary Income/Expense	
Income	
Donations	
Sarah Beckstrom Project	594.29
Donations - Other	32,866.00
Total Donations	33,460.29
Hotel/Motel Occupancy Tax	60,753.83
Local Economic Development Assi	5,000.00
Refunds	65.93
Total Income	99,280.05
Gross Profit	99,280.05
Expense	
AmeriCorp	6,375.00
Backpack Bash	248.98
Dues and Subscriptions	450.00
Landscaping	8,858.15
Marketing Expense	7,331.26
Misc. Expense	377.78
Museum Supplies	640.18
Office Supplies	747.87
Outdoor Furniture	1,818.70
Payroll Expenses	23,029.55
Payroll Services	200.00
Professional Fees	200.00
Rent Expense	88.00
Repairs and Maintenance	610.09
Shipping & Mailing	56.03
Telephone Expense	1,629.10
Travel Expense	808.16
Utilities	
electric bill	3,862.89
Garbage Service	382.80
sewer bill	385.28
Water bill	604.86
Utilities - Other	75.00
Total Utilities	5,310.83
Total Expense	58,779.68
Net Ordinary Income	40,500.37
Net Income	40,500.37

Webster County Convention and Visitors Bureau Inc
Balance Sheet
As of June 30, 2026

	Jun 30, 26
ASSETS	
Current Assets	
Checking/Savings general checking	40,665.43
Total Checking/Savings	40,665.43
Total Current Assets	40,665.43
Fixed Assets	
Furniture and Equipment	34.77
Total Fixed Assets	34.77
TOTAL ASSETS	40,700.20
LIABILITIES & EQUITY	
Equity	
Opening Balance Equity	1,166.12
Retained Earnings	-966.29
Net Income	40,500.37
Total Equity	40,700.20
TOTAL LIABILITIES & EQUITY	40,700.20



Webster County CVB 2025-2026 Annual Report

Introduction

The Webster County CVB was organized in October 2019 with the objectives of “To increase and promote tourism in Webster County, West Virginia, through the promotion of tours, preparation and distribution of brochures and other publications, and the publication of informational or educational bulletins or documents designed to improve travel facilities in the area; to help develop a greater knowledge of our area's historic and scenic attractions, natural wonders, and other interesting features; to encourage sustainable and equitable development of additional facilities for the sustainable development of the tourism trade; to work in cooperation with local Economic Development Authority, Chambers of Commerce, Historical Societies, other public, private, civil, federal, state and local organizations concerned with the tourism industry; and to encourage visitors to use the facilities and areas within Webster County in a wise, responsible, sustainable and respectful manner.”

Organizational Development

As our organization continues to develop, we adopted revised bylaws in February 2023, which specify the composition of our board of directors as follows: a representative of the Webster County Commission; a representative of the Town Councils of Camden on Gauley, Cowen and Addison (Webster Springs); a representative of the Webster County Economic Development Authority; a representative of Holly River State Park; a representative of the Webster County Woodchopping Festival and a representative of Camp Caesar. Additionally, our board of directors will appoint six (6) total members representing the tourism and hospitality industry in our county as follows: two (2) members from the Northern magisterial district, two (2) members from the Central magisterial district, and two (2) members from the Southern magisterial district. Our board meets monthly at 6 p.m. on the first Monday of the month at the former Go-Mart building in Addison (Webster Springs). The board may determine another time or location, at their discretion.

The Board

The board is responsible for supervising and assisting with the responsibilities of the Executive Director. This includes participating in mandatory onboarding and board training(s), as well as representing the CVB at various tourism activities and events in Webster County and other areas of the State of West Virginia. The current board is serving in a transitional interim capacity.

The first formal meeting of the Webster County CVB Board of Directors occurred in February

2021, at the request of Webster County Economic Development Authority Executive Director Chris Graham. The initial board members, appointed by the towns of Cowen and Addison and the Webster County Commission appointed the existing members of the Webster County EDA board to serve as the transitional board for the Webster County CVB, with shared officers.

In August 2022, with an Executive Director hired for the CVB, the board began the process of accreditation and developing a separate board. This board elected separate officers for the CVB, while continuing to share board members. As a further separation from the EDA and with the goal of establishing both an independent board of directors and a 501(c)3 charitable organization, the CVB board adopted amendments to revise their bylaws substantially in February 2023.

In June 2023, the board voted to hold their board elections via Google poll. A Google poll to determine the new board membership in accordance with the revised bylaws was conducted in July 2023. The board is comprised of two (2) elected members representing the tourism and hospitality industries from each of the three (3) county magisterial districts. Additionally, a member is appointed to represent Holly River State Park, the Webster County Commission, Webster County Woodchopping Festival, Camp Caesar, Town of Addison, and Town of Cowen. Letters were sent to Holly River State Park, the Webster County Commission, Webster County Woodchopping Festival, Camp Caesar, and the Town of Addison requesting their membership appointments or renewals by August 1, 2023. The new CVB Board held its first meeting and election of officers in August 2023. In July 2024, board members were appointed or renewed to the first full three-year terms of the board.

Accreditation Efforts

The Webster County CVB began accreditation efforts to comply with WV Code 7-18-14 In July 2022, with the hiring of a full-time executive director. The efforts resulted in several policy adoptions and guidelines for the board members. These efforts culminated in filing an application for accreditation through the West Virginia Association of Convention and Visitors' Bureaus in October 2022.

Unfortunately, the Webster County CVB did not qualify for accreditation consideration at that time. The WVACVB's has since noted actions necessary and potential mentors to help the Webster County CVB meet the criteria for accreditation consideration. The application fee is currently being retained until such time as the Webster County CVB is able to meet the required accreditation criteria. This effort continues to be a primary focus of both the executive director and board of directors.

With the guidance and mentorship from the Top of WV CVB, Rachel Keeney, Webster County Convention and Visitors Bureau received accreditation for the first time in the county's history on December 14, 2024. This accreditation is valid for three (3) years.

Marketing Activities

Co-op Advertising with the WV Department of Tourism

The Webster County CVB bought its first two advertising placements with the West Virginia Department of Tourism's co-op program in the Fall of 2024 and Winter 2024-2025. The total success for the ad buys were 306,408 impressions during the October Social Video Ad and 387,785 impressions for the December Social Static Ad with CTR between 1.25-1.75%.

With the cooperation with the DNR and the Town of Cowen, the CVB purchased an 'Almost Heaven' Swing and installed it at Big Ditch Lake Wildlife Management Area in June 2025.

The Webster County CVB purchased their second ad buy with the WV Department of Tourism for the summer season of 2026. This was a \$10,000 purchase for the CVB, making it the largest advertising purchase to date.

Mon Forest Towns Partnership

The Mon Forest Towns Partnership was formed in March 2020 and consists of representatives from 12 towns that serve as gateway communities to the Monongahela National Forest. Cowen is one of the founding towns of the partnership and the only one in Webster County. As such, the Webster County CVB is represented on the Marketing Committee of the Mon Forest Towns Partnership by the executive director or president.

The Mon Forest Towns Partnership used grant funds to conduct marketing campaigns for the organization and 10 of the towns in the fall of 2022 and spring of 2023. While the results were generally impressive and led to a considerable social media presence and engagement for the participating towns, there were some frustrations, as well. The marketing funds were pooled with West Virginia Department of Tourism Co-operative advertising funds to maximize the market reach and effectiveness of the effort.

Unfortunately, the consensus of the MFTP Marketing Committee and participating CVB's was that the brand identity of the MFTP was largely lost and/or surrendered to the WV Department of Tourism branding in this effort. Therefore, going forward, MFTP marketing efforts will likely avoid cooperative advertising through WV Department of Tourism and focus on promoting the MFTP branding and identity. The MFTP also hosts a website which features a map of area amenities throughout the participating counties, in addition to the member towns. This brings additional free marketing and awareness to Webster County attractions. Additionally, Cowen's participation in the Mon Forest Towns Partnership has resulted in the expansion of Woodlands Development Corporation's lending services and free business/entrepreneurial coaching/advising to all interested Webster County residents. The Webster County CVB continues to partner with and look for ways to enhance our relationship with the Mon Forest Towns Partnership.

In September 2024, Kurt Schachner of Wildhare Media spent a couple of days in and around Cowen taking photographs and drone video footage that could be used by both MFT and the Webster County CVB. Content gathering included downtown scenes, Big Ditch Lake and sections of the Monongahela National Forest along the Williams River. Alex has used these

photos on the Webster County website, social media platforms, and in presentations and formal documents for the WV Accelerate program.

Appalachian Forest National Heritage Area

The Appalachian Forest National Heritage Area (AFNHA), a Congressionally-recognized entity of the National Park Service, covers 16 counties in West Virginia, including Webster County, and two (2) counties in western Maryland. The National Heritage Area is headquartered in Elkins, West Virginia, and shares the story of the Appalachian Forests and their role in national development, as well as their historic and continued impacts on people and communities within the national heritage area. Webster County currently has two (2) residents serving as board members on the AFNHA Board of Directors.

The Webster County CVB partnered with the AFNHA to sponsor an AmeriCorps member through their Cultural Development program for the 2025-26 calendar year. The AmeriCorps member provided development support to the Woodchopping and Timber Heritage Museum, as well as the operations of the Webster County CVB. This member began serving with the CVB in September 2024 and will continue to serve through the 2025-2026 year.

The Woodchopping and Timber Heritage Museum continued partnerships with the AFNHA during the 2025 Mountain State Forest Festival where the CVB lent their two 'Lumberjill' panels to be displayed at the Darden Mill.

And most recently, the AFNHA designated the Woodchopping and a Timber Heritage Museum as a Discovery Site through the National Park Service in July 2026.

Marketing Plan Development

Webster County created their first ever Marketing Development plan in the fall of 2022. This was presented to the Webster County Commission and submitted in the first accreditation application. This plan included goals for every aspect of tourism, from leisure and pass through travel to brochure development and culinary/agritourism.

One of the priorities of the CVB Board of Directors for the 2024-25 Fiscal Year was updating and enhancing the Marketing Plan. While a large amount of this year consisted of research for an enhanced marketing plan and future rebrand of the county, this will be an ongoing project for the coming 2025-2026 fiscal year. Efforts plan to be formalized through a formal service acquisition process, and funds sought to develop an improved baseline product from which specific, targeted marketing can be derived.

Social Media Engagement

Prior to Alex assuming the role as executive director of the CVB, LMC Marketing had overseen the social media platforms for the organization. This included maintaining the website, Facebook, and Instagram. Alex took over control of all platforms with the addition of the County YouTube page and conception of a TikTok, Pinterest and LinkedIn account. Within the past three years, Webster County has received a tremendous increase in social media attention. Instagram engagement has gone from 120 views per Reel to anywhere between 6,000-72,000 views per

Reel. Another highlight included the success of social media posts during the woodchopping festival and a 3-year overview of social media analytics with an organic reach of 1.1 million which was an 100% increase and a total of 449,000 3-second views with an 905.6%.

Collaborated in social media posts with Backroads of Appalachia, Appalachian Forest National Heritage Area, The WV Hub, Mon Forest Towns and local creators.

USA Today

The CVB purchased an ad with USA Today for their 2025 Northeast Go Escape print publication. Hundreds of thousands of copies of the publication were distributed throughout the Northeast region at prominent retail locations. The digital version of the publication was promoted on their social pages and sent in email blasts to their 10,000,000 subscribers.

Director

The Webster County CVB hired its first executive director in July 2022. Ms. Alexandria Fliegel has been in the position for just over four years. Her primary focus has been maintaining the accreditation of the organization and the establishment of an independent and recreation industry-oriented board of directors. The executive director position is partially funded by the Webster County Economic Development Authority and the West Virginia Centers for Rural Health Development. The West Virginia Centers for Rural Health Development funding expired in June 2023.

Much of the board of director's work in early 2024 focused on developing a funding formula and new contract offer to be presented to Ms. Fliegel. This culminated in an offer and acceptance of employment by Ms. Fliegel in June 2024. Specific changes to employment include transfer of Ms. Fliegel to a full-time W-2 employee of the Webster County CVB and a new contract for management of payroll services by a local firm in Hacker Valley.

In August of 2025, Alex went before the City Council of Addison to request their participation in contributing to the Hotel Occupancy Tax. The City Council denied their participation and revoked their occupancy tax within municipal limits. She then went before the Webster County Commission requesting an increase in percentage of collected occupancy tax funds remitted to the CVB. She was met with great success when the Webster County Commission agreed to remit 100% of the collected Hotel Occupancy Tax to the CVB.

Alex represented Webster County at the Annual Governor's Conference on Tourism in 2025 and the Hospitality University Conference in 2026. She also tabled at Tourism Day at the Capitol Building and was introduced before the House Session by Local Delegate Thomas Clark. Alex was the guest speaker at the Annual Park Foundation Meeting at Holly River State Park and spent a day at the Webster County High School talking to all of the Hospitality and Tourism Students. She then partnered with the students on a sticker competition. 100 students in the hospitality and Tourism CTE program at Webster County High School participated. There were five chosen winners that then got their design printed and are being sold in real time at the

museum and visitors center. Alex also made multiple radio appearances to promote events happening in the county.

Alex sits on the board of the Northern Webster County Improvement Council as their Secretary, and has monthly zoom calls with the Pioneer Action Network of USDA Rural Development's Rural Partners Network, Highlands Creative Economy, Mon Forest Towns Partnership and Appalachian Forest National Heritage Area (AFNHA).

She has welcomed collaboration with statewide organizations including the WV Hive and WV Accelerate partnerships to promote investment in county projects. In the spring of 2023, Alex submitted a county wide application for the WV Accelerate program and was chosen as one of 7 communities throughout the state. Alex, along with other community leaders completed their Webster County branch of the WV Accelerate program in June 2025. They are currently working on a Strategic Economic Development Strategy for the entire county with Down Stream Strategies.

Professional Development

In the Fall of 2024 Alex began to expand her tourism education through Blue Ridge Community College and West Virginia Department of Tourism's 'Tourism Works' online certification courses. Alex got certified in Regional Ambassador, Empathy Driven Service, Customer Service and Greeting Guests. Alex also attends the WV Rural Health Conference and the Appalachian Health Leadership forum continue to expand her knowledge on the impact tourism has on the health of rural communities.

Other Activities

The Webster County CVB office/ Visitors center and the home of the Woodchopping and Timber Heritage Museum hired an AmeriCorps worker through the CVB's partnership with the AFNHA. Through the AmeriCorps curriculum, the major project that was completed was a new 'Lumberjill' exhibit for the museum and visitors center.

Through the research process, Alex and her employee connected with Breanna Wing, Producer out of Los Angeles that is putting together a documentary on Lumberjills. Breanna and her co-producer and videographer, Indiana Underhill visited Webster County in May for the Woodchopping Festival and filmed the museum, the competition and interviewed Alex, her AmeriCorps worker and other locals involved in the festival/timber industry. This is a partnership Alex has continued to volunteer her creative talent with by supplying photographs and redesigning the films website.

As the AmeriCorps' 'major project', the museum is now home to a handcrafted outdoor bench and sitting area in honor of Webster County's own Sarah Beckstrom, Nation Guard service woman who tragically lost her life Thanksgiving Day 2025 in Washington D.C. while serving her country.

The museum and visitor center also became a host site for a senior employee through the National Council on Aging(NCOA) and Senior Citizen Service Employment Program(SCSEP). This person helped in maintaining the museum, planning upcoming events and decorating for different seasons.

The CVB and museum continued to host book readings throughout the year with in person authors and virtual readings many local classrooms participated in. The Museum also became an official distribution site for Highlands Outdoor Magazine. Some other public events the museum hosted were fundraisers for several community projects including a hotdog sale for the Sarah Beckstrom Memorial Fund and the Blue Star Mothers, a backpack program for local kids, and collecting dry goods for service men and women.

The museum and visitors center continued beautification efforts through paving the parking lot and installing a memorial garden. The outdoor amenities continued with the installation of an electric vehicle charging station through a grant the Webster County EDA received from Virginia Technical College and a Smokey Bear Fire Sign from the Webster County Commission and the Department of Natural Resources. Through an LEDA grant from former Delegate Thomas Clark, the Museum and Visitor's Center purchased three picnic tables and umbrellas for continued expansion of the outdoor area. Through funds donated by West Virginia Rural Health, painted and sealed a designated outdoor area on the asphalt and climbing area for kids. The Webster County CVB in conjunction with the Webster County Commission received funds from the West Virginia Department of Tourism to commission an America 250 mural as another addition to the museum's outdoor space.

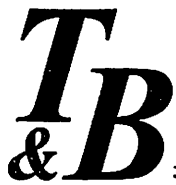
**WEBSTER COUNTY CONVENTION AND
VISITORS BUREAU, INC.**

**Independent Auditor's Report and
Related Financial Statements**

June 30, 2026

INDEX

	Page
Independent Auditor's Report	1-3
Statement of Assets, Liabilities and Net Assets – Cash Basis	4
Statement of Support, Revenue and Expenses – Cash Basis	5
Notes to Financial Statement	6-9



Tetrick & Bartlett, PLLC

**Certified Public Accountants
Consultants**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Management
Webster County Convention and Visitors Bureau, Inc.
P.O. Box 11
Webster Springs, West Virginia

Opinion

We have audited the accompanying financial statements of Webster County Convention and Visitors Bureau, Inc. (a nonprofit organization), which comprise the statement of assets, liabilities and net assets – cash basis as of June 30, 2026, and the related statement of support, revenue, and expenses – cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Webster County Convention and Visitors Bureau, Inc. as of June 30, 2026, and its support, revenue, and expenses for the year then ended in accordance with the cash basis of accounting as described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Webster County Convention and Visitors Bureau, Inc. 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.

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 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 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 the cash basis of accounting described in Note 1, and for determining that the 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 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 with generally accepted 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 generally accepted 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 Webster County Convention and Visitors Bureau, Inc.'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 Webster County Convention and Visitors Bureau, Inc.'s ability to continue as a going concern for a reasonable period of time.

Board of Directors and Management
Webster County Convention and Visitors Bureau, Inc.

Page 3

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.

Talene A. Burtch, CPA

Clarksburg, West Virginia
September 8, 2026

WEBSTER COUNTY CONVENTION AND VISITORS BUREAU, INC.
STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS - CASH BASIS
JUNE 30, 2026

Assets	
Cash	\$ <u>38,865</u>
TOTAL ASSETS	\$ <u>38,865</u>
Net Assets	
Net assets without donor restrictions	\$ 38,865
Net assets with donor restrictions	<u>-0-</u>
TOTAL NET ASSETS	\$ <u>38,865</u>

See accompanying notes and independent auditor's report.

WEBSTER COUNTY CONVENTION AND VISITORS BUREAU, INC.
STATEMENT OF SUPPORT, REVENUES AND EXPENSES - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2026

Change in Net Assets Without Donor Restrictions

Support and Revenue

Hotel/Motel tax	\$ 60,754	
Donations	33,478	
Grants	5,000	
Museum income	159	
Miscellaneous	<u>66</u>	
Total support and revenue		\$ 99,457

Expenses

Salaries	21,455	
Payroll taxes	1,574	
Marketing	8,795	
Landscaping	8,858	
Furniture	1,819	
Utilities	6,940	
Supplies	1,388	
Americorp	6,375	
Professional fees	400	
Travel	808	
Dues and subscriptions	450	
Miscellaneous	<u>1,895</u>	
Total expenses		<u>60,757</u>

Change in net assets without donor restrictions

38,700

Net Assets Beginning of Year

Without donor restrictions	165	
With donor restrictions	<u>-0-</u>	
Total net assets beginning of year		<u>165</u>

Net Assets End of Year

Without donor restrictions	38,865	
With donor restrictions	<u>-0-</u>	
Total net assets end of year		\$ <u>38,865</u>

See accompanying notes and independent auditor's report.

WEBSTER COUNTY CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Nature of Business

Webster County Convention and Visitors Bureau, Inc. ("The Organization") is a nonprofit 501(c)(3) tax exempt organization, incorporated under the laws of West Virginia. The Organization's mission is to advance, stimulate and assist in the promotion of tourism and visitors in the Webster County area.

Basis of Accounting

Webster County Convention and Visitors Bureau, Inc. uses the cash basis of accounting. Accordingly, revenues are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred. Therefore, accounts receivable, accrued expenses, and accounts payable are not reflected.

Financial Statement Presentation

The financial statements are prepared in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*. During 2018, the Organization adopted the provisions for Accounting Standards Updated ("ASU") 2016-14, *Not-for-Profit Entities (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities*, which improves the current net asset classification and the related information presented in the financial statements and notes about the Organization's liquidity, financial performance, and cash flows.

Furthermore, the financial statements of the Organization have been prepared in accordance with the cash basis of accounting. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restriction.

Net Assets Without Donor Restriction – Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net Assets With Donor Restriction – Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

See independent auditor's report.

WEBSTER COUNTY CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

Cash and Cash Equivalents

The Organization defines cash as cash on hand and amounts held at financial institutions with original maturities of three months or less.

Support and Revenues

The majority of Webster County Convention and Visitors Bureau, Inc.'s support and revenues comes from hotel/motel occupancy tax and donations. A loss or decrease in this support could adversely affect the operations of the Organization.

Revenue Recognition – Revenue from Exchange Transactions

Webster County Convention and Visitors Bureau, Inc. recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. Webster County Convention and Visitors Bureau, Inc. recorded the following exchange transactions revenue in its statement of activities:

Contributions and Grants – The Organization receives contributions and grants from various sources to assist in its operations. This revenue is recognized by the Organization when received.

Program Income – The Organization receives revenue from the Museum. This revenue is recognized by the Organization when received.

Hotel/Motel Tax – The Organization receives hotel/motel tax. This revenue is recognized by the Organization when received.

See independent auditor's report.

WEBSTER COUNTY CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS (CONTD)

Donated Services

Donated services are recognized as contributions in accordance with FASB Codification (ASC) 958-605, *Revenue Recognition*, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. No services received by the Organization met those requirements.

Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code.

Advertising and Promotion Costs

Webster County Convention and Visitors Bureau, Inc. expenses advertising and promotion costs as they are incurred.

Concentration of Credit Risk

The Organization's cash and cash equivalents are exposed to credit risk. Such assets are placed with high quality financial institutions. The Federal Deposit Insurance Corporation secures interest bearing accounts at such institutions up to \$250,000 per depositor.

2. Risks and Uncertainties

The majority of Webster County Convention and Visitors Bureau, Inc.'s revenue comes from Hotel/Motel Occupancy tax and donations. A loss or decrease in this support could adversely affect the operation of the Organization.

3. Recently Issued Accounting Standards

In August 2016, the FASB issued ASU 2016-14, *Not-For-Profit Entities (Topic 958): Presentation of Financial Statements for Not-For-Profit Entities*, which changes the current guidance for assets classification, governing board designations, investment return, underwater endowment funds, expenses, liquidity and presentation of operating cash flows. ASU 2016-14 reduces the required number of classes of net assets from three to two: net assets with donor restrictions and net assets without donor restrictions. ASU 2016-14 also requires not-for-profit entities to provide enhanced disclosures about the amounts and purposes of governing board designations and appropriations. ASU 2016-14 requires not-for-profits to report investment return net of external and direct internal investment expenses. The requirement to disclose those netted expenses is eliminated. In addition to the current required disclosure of the aggregate amount by which endowment fund are

See independent auditor's report.

WEBSTER COUNTY CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

underwater, ASU 2016-14 requires not-for-profit entities to disclose the aggregate fair value of such funds as well as the aggregate original gift amounts to be maintained. ASU 2016-14 also requires an NFP to disclose its interpretation of the ability to spend from underwater endowment funds including its policy, and any actions taken during the period, concerning appropriation from underwater endowment funds. All underwater endowment funds will be classified as part of net assets with donor restrictions rather than as a charge to unrestricted net assets as per the current rules. In the absence of explicit donor restrictions, ASU 2016-14 requires not-for-profit entities to use the placed-in-service approach to account for capital gifts. The current option to use the over-time approach has been eliminated. ASU 2016-14 requires expenses to be reported by nature in addition to function and include an analysis of expenses by both nature and function. The methods used by not-for profit entities to allocate costs among program and support functions will also need to be disclosed. ASU 2016-14 requires not-for-profit entities to provide both qualitative and quantitative information on management of liquid available resources and the ability to cover short-term cash needs within one year of the balance sheet date. Finally, current standards allow not-for-profit entities to decide whether to present operating cash flows using either the direct method or the indirect method. ASU 2016-14 eliminates the requirement to present or disclose the indirect method of reconciliation if the entity decides to use the direct method. ASU 2016-14 is effective for annual reporting periods beginning after December 15, 2017.

4. Liquidity and Availability of Funds

The Organization's financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of assets, liabilities and net assets – cash basis date, are as follows:

Cash – operating	\$ <u>38,865</u>
Total financial assets as of year end	38,865
Appropriation for general expenditure in subsequent year	<u>-0-</u>
Total financial assets available to meet general expenditures within the next 12 months	\$ <u>38,865</u>

As part of the Organization'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.

5. Subsequent Events

The Webster County Convention and Visitors Bureau, Inc. has considered all subsequent events through September 8, 2026, the date the financial statements were made available.

See independent auditor's report.