

**BRECKENRIDGE CHAMBER OF COMMERCE-
CITY HOTEL MOTEL TAX FUNDS**

AGREED-UPON PROCEDURES REPORT

FOR THE YEAR ENDED DECEMBER 31, 2020



GMS

CERTIFIED PUBLIC
ACCOUNTANTS

GEORGE | MORGAN | SNEED

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Breckenridge Chamber of Commerce

We have performed the procedures enumerated below on the city hotel motel funds of the Breckenridge Chamber of Commerce for the year ended December 31, 2020. The Breckenridge Chamber of Commerce's management is responsible for compliance with the contract with the City of Breckenridge. The City of Breckenridge, Texas and the Breckenridge Chamber of Commerce have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining compliance with the contract for use of City hotel motel tax funds between the Chamber of Commerce and the City of Breckenridge. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures are appropriate for their purposes.

The procedures and associated findings are as follows:

1. Procedure:

We determined whether the hotel motel occupancy tax funds were deposited in a bank account separate from all other Chamber revenues.

Findings:

All hotel motel occupancy tax funds were deposited in a bank account separate from all other Chamber revenues.

2. Procedure:

We compared the year-end cash balance in the general ledger to the bank reconciliation to determine that the balances match.

Findings:

At December 31, 2020, the balance on the bank reconciliation of \$51,679.69 matched the bank reconciliation performed on January 28, 2021 for December 31, 2020.

3. Procedure:

We matched reported hotel-motel taxes with the City of Breckenridge's payments to the Chamber.

Findings:

\$30,928.32 of the \$38,479.36 received by the Chamber from the City of Breckenridge was correctly reported as city hotel motel tax revenue and classed to City Hotel/Motel in QuickBooks. \$7,551.04 received by the Chamber from the City of Breckenridge on May 7, 2020 was reported as hotel motel tax revenue classed to General Funds in QuickBooks.

4. Procedures:

Under the contract the Breckenridge Chamber of Commerce will submit quarterly reports to the City of Breckenridge. We inspected two of the reports made to the City of Breckenridge to determine that the amounts in the report agree with the amounts reported in the general ledger.

Findings:

We inspected the June and December quarterly reports which matched the amounts reported in the general ledger.

5. Procedures:

We tested 25 of the disbursements from the hotel motel tax funds account to determine that the expenditures were for a community advertising and promotion program in accordance with state statutes. According to the contract the funds may not be expended for the following: salaries, social security taxes, workers compensation, auto allowances, hospital and medical insurance, rent, insurance on new contents, new equipment purchases and payments on previous equipment purchases.

Findings:

Each of the disbursements tested was in compliance with state statutes and the contract between the Chamber of Commerce and the City of Breckenridge and all except one matched supporting documentation. There was not any supporting documentation from the vendor for check 2804 to the Breckenridge Country Club in the amount of \$430.00 for green fees, ice, and carts for the golf tournament. A calculation of the fees charged was written on the check stub by the executive director.

6. Procedures:

We compared the Breckenridge Chamber of Commerce – City Hotel Motel Tax Funds approved budget and actual expenses for the year to determine that there were not expenditures over appropriations.

Findings:

Actual expenditures of \$16,450.99 were \$27,049.01 less than the budgeted amount of \$43,500.00.

We were engaged by the City of Breckenridge, Texas and the Breckenridge Chamber of Commerce to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying agreed-upon procedures. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City of Breckenridge and the Breckenridge Chamber of Commerce and to meet other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.