

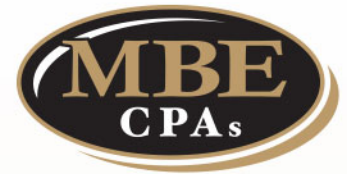


**Wausau Central Wisconsin Convention and Visitors Bureau and
Wausau Central Wisconsin Sports Authority
Consolidated Financial Statements
Years Ended December 31, 2023 and 2022**

**Wausau Central Wisconsin Convention and Visitors Bureau and Wausau Central
Wisconsin Sports Authority**

Table of Contents

	Page
Independent Auditor's Report.....	1
Consolidated Financial Statements	
Consolidated Statements of Financial Position – Modified Cash Basis	3
Consolidated Statements of Activities – Modified Cash Basis	4
Consolidated Statements of Functional Expenses – Modified Cash Basis.....	5
Consolidated Statements of Cash Flows – Modified Cash Basis	6
Notes to the Consolidated Financial Statements	7
Supplementary Information	
Wausau Central Wisconsin Convention and Visitors Bureau Statements of Financial Position – Modified Cash Basis	13
Wausau Central Wisconsin Convention and Visitors Bureau Statements of Activities – Modified Cash Basis	14
Wausau Central Wisconsin Sports Authority Statements of Financial Position – Modified Cash Basis.....	15
Wausau Central Wisconsin Sports Authority Statements of Activities – Modified Cash Basis.....	16



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Independent Auditor's Report

To the Board of Directors of:
Wausau Central Wisconsin Convention and Visitors Bureau (not-for-profit organization) and
Wausau Central Wisconsin Sports Authority (not-for-profit organization)
Wausau, WI 54403

Opinion

We have audited the accompanying consolidated financial statements of the Wausau Central Wisconsin Convention and Visitors Bureau and the Wausau Central Wisconsin Sports Authority, which comprise the consolidated statements of financial position – modified cash basis as of December 31, 2023 and 2022, and the related consolidated statements of activities – modified cash basis, functional expenses – modified cash basis and cash flows – modified cash basis for the years then ended, and the related notes to the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Wausau Central Wisconsin Convention and Visitors Bureau and Wausau Central Wisconsin Sports Authority as of December 31, 2023 and 2022, and the changes in their net assets and their cash flows for the years then ended in accordance with the modified cash basis of accounting as described in Note A.

Basis for Opinion

We conducted our audits 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 Wausau Central Wisconsin Convention and Visitors Bureau and the Wausau Central Wisconsin Sports Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 A of the consolidated financial statements, which describes the basis of accounting. The consolidated 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 this matter.

Responsibilities of Management 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 described in Note A; 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 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 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 Wausau Central Wisconsin Convention and Visitors Bureau and the Wausau Central Wisconsin Sports Authority'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 Wausau Central Wisconsin Convention and Visitors Bureau and the Wausau Central Wisconsin Sports Authority'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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary schedules are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

MBE CPAs, LLP

Wausau, WI

July 6, 2024

**Wausau Central Wisconsin Convention and Visitors Bureau and
Wausau Central Wisconsin Sports Authority
Consolidated Statements of Financial Position - Modified Cash Basis
As of December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,399,528	\$ 1,130,552
Total Current Assets	1,399,528	1,130,552
Property and Equipment		
Signage	11,653	11,653
Furniture and equipment	125,727	119,908
Land and Building	-	426,866
Technology assets	14,000	14,000
Less: accumulated depreciation	<u>(95,496)</u>	<u>(92,135)</u>
Total Property and Equipment (net)	55,884	480,292
Other Assets		
Note Receivable for Wausau Marathon	7,500	-
Beneficial interest in assets held by Community Foundation	<u>45,465</u>	<u>41,138</u>
Total Other Assets	<u>52,965</u>	<u>41,138</u>
Total Assets	<u>\$ 1,508,377</u>	<u>\$ 1,651,982</u>
Liabilities and Net Assets		
Current Liabilities		
Sales tax liability	\$ -	\$ 115
Accrued interest	4,252	9,456
Accrued payroll liabilities	1,221	1,156
Other current liabilities	7,806	-
Current portion of long-term debt	<u>-</u>	<u>12,085</u>
Total Current Liabilities	13,279	22,812
Long-Term Liabilities		
Long-term debt (net of current portion)	<u>187,000</u>	<u>499,691</u>
Total Long-Term Liabilities	<u>187,000</u>	<u>499,691</u>
Total Liabilities	200,279	522,503
Net Assets		
Net assets with donor restrictions	232,970	193,368
Net assets without donor restrictions	<u>1,075,128</u>	<u>936,111</u>
Total Net Assets	<u>1,308,098</u>	<u>1,129,479</u>
Total Liabilities and Net Assets	<u>\$ 1,508,377</u>	<u>\$ 1,651,982</u>

The notes to the consolidated financial statements are an integral part of this statement.

**Wausau Central Wisconsin Convention and Visitors Bureau and
Wausau Central Wisconsin Sports Authority
Consolidated Statements of Activities - Modified Cash Basis
For the Years Ended December 31, 2023 and 2022**

	2023			2022		
	Net assets without donor restrictions	Net assets with donor restrictions	Total	Net assets without donor restrictions	Net assets with donor restrictions	Total
Revenue						
Room tax	\$ 1,045,910	\$ 39,602	\$ 1,085,512	\$ 895,816	\$ 35,747	\$ 931,563
Promotions and events program income	229,547	-	229,547	234,653	-	234,653
Grant income	41,500	-	41,500	400,502	-	400,502
Sponsorship income	60,550	-	60,550	73,937	-	73,937
Merchandise sales	11,769	-	11,769	14,648	-	14,648
Total Revenue	1,389,276	39,602	1,428,878	1,619,556	35,747	1,655,303
Operating Expenses						
Program services - tourism	1,018,438	-	1,018,438	1,118,226	-	1,118,226
Support services	248,934	-	248,934	221,380	-	221,380
Total Operating Expenses	1,267,372	-	1,267,372	1,339,606	-	1,339,606
Net Operating Income	121,904	39,602	161,506	279,950	35,747	315,697
Other Income (Expenses)						
Gain (loss) on beneficial interest in assets held by Community Foundation (net)	4,327	-	4,327	(7,217)	-	(7,217)
Interest income	6,580	-	6,580	3,826	-	3,826
Interest expense	(18,796)	-	(18,796)	(15,702)	-	(15,702)
Gain (loss) on disposal of equipment	25,002	-	25,002	600	-	600
Gain (loss) on debt forgiveness	-	-	-	10,000	-	10,000
Total Other Income (Expenses)	17,113	-	17,113	(8,493)	-	(8,493)
Total Change in Net Assets	139,017	39,602	178,619	271,457	35,747	307,204
Net Assets - Beginning of Year	936,111	193,368	1,129,479	664,654	157,621	822,275
Net Assets - End of Year	\$ 1,075,128	\$ 232,970	\$ 1,308,098	\$ 936,111	\$ 193,368	\$ 1,129,479

The notes to the consolidated financial statements are an integral part of this statement.

**Wausau Central Wisconsin Convention and Visitors Bureau and
Wausau Central Wisconsin Sports Authority
Consolidated Statements of Functional Expenses - Modified Cash Basis
For the Years Ended December 31, 2023 and 2022**

	2023		
	Program Services- Tourism	Support Services	Total
Advertising and marketing	\$ 205,345	\$ -	\$ 205,345
Computer and software	6,745	-	6,745
Depreciation	-	18,581	18,581
Dues and subscriptions	-	16,609	16,609
Employee benefits	16,976	22,463	39,439
Events and conferences	199,915	-	199,915
Grant expense	298,412	-	298,412
Insurance	12,099	2,880	14,979
Meals and entertainment	6,177	-	6,177
Office expense	-	6,264	6,264
Postage	2,906	-	2,906
Processing fees	-	4,393	4,393
Professional services	-	28,733	28,733
Property tax	2,804	762	3,566
Rent & storage fees	6,520	889	7,409
Repairs and maintenance	-	1,336	1,336
Salaries, wages, and payroll taxes	185,972	140,542	326,514
Telephone	-	2,925	2,925
Utilities	4,850	661	5,511
Vehicle expense	1,895	1,896	3,791
Website	67,822	-	67,822
Total Functional Expenses	<u>\$ 1,018,438</u>	<u>\$ 248,934</u>	<u>\$ 1,267,372</u>
	2022		
	Program Services- Tourism	Support Services	Total
Advertising and marketing	\$ 438,293	\$ -	\$ 438,293
Computer and software	5,528	-	5,528
Depreciation	-	13,248	13,248
Dues and subscriptions	-	8,003	8,003
Employee benefits	24,075	17,773	41,848
Events and conferences	250,053	-	250,053
Grant expense	260,167	-	260,167
Insurance	12,015	4,290	16,305
Meals and entertainment	6,387	-	6,387
Office expense	-	5,274	5,274
Postage	2,709	-	2,709
Processing fees	-	4,343	4,343
Professional services	-	30,287	30,287
Property tax	5,587	762	6,349
Rent & storage fees	2,537	346	2,883
Repairs and maintenance	-	1,805	1,805
Salaries, wages, and payroll taxes	94,437	127,920	222,357
Telephone	-	3,158	3,158
Utilities	7,337	1,000	8,337
Vehicle expense	3,171	3,171	6,342
Website	5,930	-	5,930
Total Functional Expenses	<u>\$ 1,118,226</u>	<u>\$ 221,380</u>	<u>\$ 1,339,606</u>

The notes to the consolidated financial statements are an integral part of this statement.

**Wausau Central Wisconsin Convention and Visitors Bureau and
Wausau Central Wisconsin Sports Authority
Consolidated Statements of Cash Flows - Modified Cash Basis
For the Years Ended December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
Cash Flow from Operating Activities		
Change in net assets	\$ 178,619	\$ 307,204
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	18,581	13,248
(Gain) loss on beneficial interest in assets held by Community Foundation	(4,327)	7,217
(Gain) loss on sale of assets	(13,354)	(600)
(Gain) on debt forgiveness	-	(10,000)
Increase (decrease) in liabilities:		
Increase (decrease) in sales tax liability	(115)	79
Increase (decrease) in accrued interest liability	(5,204)	325
Increase (decrease) in accrued payroll liabilities	65	(3)
Increase (decrease) in other current liabilities	7,806	-
Net Cash Provided by (Used in) Operating Activities	<u>182,071</u>	<u>317,470</u>
Cash Flow from Investing Activities		
Purchases of property and equipment	(5,819)	(47,329)
Payments on note receivable	(7,500)	-
Proceeds from sale of building	425,000	600
Net Cash Provided by (Used in) Investing Activities	<u>411,681</u>	<u>(46,729)</u>
Cash Flow from Financing Activities		
Payments on notes payable	(324,776)	(79,683)
Net Cash Provided by (Used in) Financing Activities	<u>(324,776)</u>	<u>(79,683)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	268,976	191,058
Cash and Cash Equivalents - Beginning of Year	<u>1,130,552</u>	<u>939,494</u>
Cash and Cash Equivalents - End of Year	<u>\$ 1,399,528</u>	<u>\$ 1,130,552</u>
Supplemental Cash Flow Information:		
Interest paid	<u>\$ 24,000</u>	<u>\$ 15,377</u>

The notes to the consolidated financial statements are an integral part of this statement.

**Wausau Central Wisconsin Convention and Visitors Bureau and
Wausau Central Wisconsin Sports Authority
Notes to the Consolidated Financial Statements
December 31, 2023 and 2022**

Note A – Summary of Significant Accounting Policies

Consolidated Financial Statements

The Wausau Central Wisconsin Convention and Visitors Bureau and Wausau Central Wisconsin Sports Authority are separate legal entities that share a board of directors. Both Organizations operate for the same general purpose of increasing tourism and sporting events in the central Wisconsin region. The financial statements for these entities are presented consolidated and inter-entity activity is eliminated.

Nature of Activities - The Wausau Central Wisconsin Convention and Visitors Bureau and Wausau Central Wisconsin Sports Authority (the Organization), located in Wausau, Wisconsin, provide tourism information and advertising in Central Wisconsin as an independent tourism entity. The Convention and Visitors Bureau was created in the summer of 1997, and the Sports Authority was created as a separate legal entity in the spring of 2016. Both the Convention and Visitors Bureau and the Sports Authority are governed by the same board of directors. The Sports Authority's purpose is to coordinate and advertise specific events in the region while the Convention and Visitors Bureau is more broadly focused on general marketing to increase tourism in the region. The Organization's primary sources of revenue include room taxes, event registration fees, and advertising.

Basis of Accounting - The financial statements of the Organization are prepared on the modified cash basis of accounting, in accordance with a special reporting framework. Revenue and expenses are recognized when cash is received and disbursed except for modifications for accruing payroll liabilities, recording debt, and capitalizing and depreciating purchases of property and equipment.

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets.

- Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.
- Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor imposed restrictions or by law. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on 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 restrictions on net assets (i.e., the stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Cash and Cash Equivalents – The Organization considers cash and cash equivalents to include cash on hand, demand deposits, nonnegotiable certificates of deposit and short term investments with a maturity of three months or less from the date of acquisition.

**Wausau Central Wisconsin Convention and Visitors Bureau and
Wausau Central Wisconsin Sports Authority
Notes to the Consolidated Financial Statements
December 31, 2023 and 2022**

Note A – Summary of Significant Accounting Policies (continued)

Investments

Investments consist of beneficial interest in assets held by a community foundation and are valued at fair value, determined at the statement of financial position date. Realized and unrealized gains and losses on investments are recorded in the accompanying statements of activities. Investment income is reported net of investment fees. Investment fees were \$535 and \$629 for the years ended December 31, 2023 and 2022, respectively.

Estimates - The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Compensated Absences - Employees of the Organization are entitled to paid vacation and sick time off. Management does not accrue a liability for outstanding vacation and sick time under the modified cash basis of accounting, therefore, no liability has been recorded for the years ended December 31, 2023 and 2022.

Property and Equipment – Property, land, and equipment is stated at cost, or fair value if donated to the Organization, less accumulated depreciation. The costs of assets sold, retired, or otherwise disposed of, and the related accumulated depreciation are eliminated from the accounts in the year of asset disposal. Any resulting gain or loss on disposal is recognized in that same year.

Expenditures for maintenance and repairs are charged against operations. Depreciation of property and equipment is provided using the straight-line method for financial reporting purposes based on the following estimated useful lives:

Asset Category:	Years:
Building	39
Signage	15
Furniture, Equipment, Technology	3 – 15

Impairment of Long-Lived Assets

The Organization reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. To date, there have been no such losses.

Income Taxes - The Organizations are not-for-profit independent tourism entities that are exempt from income taxes. The Convention and Visitors Bureau is exempt under Section 501(c)(6) and the Sports Authority under Section 501(c)(3) of the Internal Revenue Code.

Date of Management's Review - Management has evaluated subsequent events through July 6, 2024, the date on which the financials were available to be issued.

Note B – Beneficial Interest in Assets Held by Community Foundation

The Organization has a beneficial interest in assets held by the Community Foundation of North Central Wisconsin. The Board of Directors of the Community Foundation has sole discretion as to the investment and reinvestment of these funds and has variance power over the funds, which allows the Board of Directors of the foundation to modify any restriction or condition of the distribution of the funds.

**Wausau Central Wisconsin Convention and Visitors Bureau and
Wausau Central Wisconsin Sports Authority
Notes to the Consolidated Financial Statements
December 31, 2023 and 2022**

Note C – Risk Management

The Organization is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets and errors and omissions. The Organization purchases commercial insurance to provide coverage for losses from torts, theft of, damage to, or destruction of assets and errors and omissions. Settled claims have not exceeded the commercial coverage in the past 2 years.

Note D – Accounting for Uncertainty in Income Taxes

The Organization has evaluated for uncertain tax positions. Management has determined there are no uncertain tax positions as of December 31, 2023 and 2022. Both federal and state tax returns remain open for examination by tax jurisdictions through their respective statutes of limitations.

Note E – Functional Expenses

The costs of providing the various programs and other activities have been summarized in the statements of functional expenses. The following expenses are included in the accompanying financial statements:

Program Services- Tourism – Includes advertising and marketing, production of visitors magazine, attendance at conferences and expos, event fees, vehicle costs, insurance for events, and payroll for staff time allocated to programs. Program Services also includes a proportionate share of the costs of operating the building.

Support Services – Includes professional fees, insurance, and payroll for staff time allocated to general operations. Support Services also includes a proportionate share of the costs of operating the building as well as office administration expenses.

Note F – Concentrations

The Organization has a concentration in revenue from room taxes contracted to the Organization by local municipalities based on present State of Wisconsin legislation governing room taxes. Changes to room tax legislation could have a severe impact on the Organization's ability to continue operations.

Note G – Retirement Plan

The Organization sponsors a retirement plan that covers all employees with two years of service with the Organization. Under the plan, the Organization makes matching contributions of up to 3% of the employees' gross wages. The Organization made matching contributions for the years ended December 31, 2023 and 2022 of \$8,246 and \$5,638, respectively.

Note H – Uninsured Cash

The Federal Deposit Insurance Corporation insures accounts at each institution up to \$250,000. The Organization may, from time to time during the year, have balances in excess of the FDIC insured limits. Each entity is insured for this amount individually. As of December 31, 2023 the Convention and Visitors Bureau held \$617,716 of uninsured cash and the Sports Authority held \$362,024 of uninsured cash. At December 31, 2022, the Convention and Visitors Bureau held \$509,247 of uninsured cash and the Sports Authority held \$189,168 of uninsured cash.

**Wausau Central Wisconsin Convention and Visitors Bureau and
Wausau Central Wisconsin Sports Authority
Notes to the Consolidated Financial Statements
December 31, 2023 and 2022**

Note I – Liquidity and Availability of Resources

The following reflects the Organization’s financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. Amounts not available due to donor restrictions for specific event use. Amounts not available due to board designation include amounts set aside for individual municipality grant opportunities as well as funds invested in a community foundation held endowment account. The board designated amounts could be made available if necessary.

	<u>2023</u>	<u>2022</u>
Financial Assets at year end:		
Cash and Cash equivalents	\$ 1,399,528	\$ 1,130,552
Beneficial Interest held by Foundation	<u>45,465</u>	<u>41,138</u>
Total financial assets	1,444,993	1,171,690
Less those unavailable for general expenditures within one year:		
Net assets with donor-imposed restrictions:		
Restricted for Meetings Mean Business activities		
City of Wausau	5,000	5,000
City of Schofield	24,913	20,888
Village of Weston	145,972	110,395
Town of Rib Mountain	57,085	57,085
Board designations:		
Municipal hold account Reserves		
City of Schofield	152,078	170,888
Village of Weston	104,513	120,706
Beneficial Interest held in a Community Foundation	<u>45,465</u>	<u>41,138</u>
Total Financial assets not available to be used within one year	<u>535,026</u>	<u>526,100</u>
Financial assets available to meet general expenditures within one year:	<u>\$ 909,967</u>	<u>\$ 645,590</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. In the case of unanticipated liquidity needs, the Organization would look to borrow funds from an outside source. The Organization does not hold a liquidity reserve.

Note J – Net Assets with Donor Restrictions

The Organization holds contracts with municipalities which declare restrictions on a partial amount of the funds received to be used for the Meetings Mean Business related activities. These restricted funds are tracked for each municipality. See Note I for detailed balances.

For the years ended December, 31 2023 and 2022, the Organization also received purpose restricted contributions for Badger State Games activities for which the restriction was met in the same period. Donor-restricted assets whose restrictions are met in the same reporting period are reported as assets without donor restrictions in the statements of activities.

Note K – Net Assets with Board Designations

The Organization holds contracts with municipalities from which the board has designated a partial amount to be used for grants for activities within the specific municipality from which it was received. These designated funds are tracked for each municipality. See Note I for detailed balances.

**Wausau Central Wisconsin Convention and Visitors Bureau and
Wausau Central Wisconsin Sports Authority
Notes to the Consolidated Financial Statements
December 31, 2023 and 2022**

Note L – Fair Value

Financial Accounting Standards Board Codification of Accounting Pronouncements, Fair Value Measurements, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Organization has the ability to access as of the measurement date.
- Level 2 Significant other observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 Significant unobservable inputs that are not corroborated by market data.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Level 3 inputs utilized by the Organization are beneficial interest values provided directly by the Community Foundation of North Central Wisconsin (the Foundation). This information from the Foundation includes interest and dividends, as well as realized and unrealized gains and losses.

Fair values of assets measured on a recurring basis are as follows at December 31, 2023:

	(Level 1)	(Level 2)	(Level 3)
Beneficial Interest	\$ -	\$ -	\$ 45,465

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

1/1/23 Opening Balance	\$ 41,138
Fees	(535)
Interest and dividends	0
Net realized and unrealized gain (loss)	4,862
12/31/23 Closing Balance	<u>\$ 45,465</u>

Fair values of assets measured on a recurring basis are as follows at December 31, 2022:

	(Level 1)	(Level 2)	(Level 3)
Beneficial Interest	\$ -	\$ -	\$ 41,138

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

1/1/22 Opening Balance	\$ 48,355
Fees	(629)
Interest and dividends	751
Net realized and unrealized gain (loss)	(7,339)
12/31/22 Closing Balance	<u>\$ 41,138</u>

**Wausau Central Wisconsin Convention and Visitors Bureau and
Wausau Central Wisconsin Sports Authority
Notes to the Consolidated Financial Statements
December 31, 2023 and 2022**

Note M – Related Parties

The Organization has contracted with Gassner Company, S.C to provide accounting related consulting and payroll processing services. A partner at Gassner Company, S.C. also serves as treasurer on the Organization’s board of directors. Gassner Company, S.C. received \$4,155 and \$3,366 in payments for accounting and consulting services during the years ended December 31, 2023 and 2022, respectively.

The Wausau Central Wisconsin Convention and Visitors Bureau and the Wausau Central Wisconsin Sports Authority are controlled by the same Board of Directors. The existence of this common control could result in changes in financial position between the two entities that could be significantly different from what would occur if the Organizations were autonomous.

Note N – Long Term Debt

The Organization had total notes payable of \$187,000 and \$511,776 for the years ended December 31, 2023 and 2022, respectively. Of these balances, \$0 and \$12,085 were considered current as of December 31, 2023 and 2022, respectively. These notes consist of fixed interest rates varying between 1% and 4%. The maturity dates of the notes end in 2051.

Future maturities of long-term debt are as follows:

Year	Amount
2024	\$ -
2025	324
2026	4,523
2027	4,649
2028	4,779
Thereafter	<u>172,725</u>
Total	<u>\$ 187,000</u>

Note O – Small Business Administration Paycheck Protection Program

In response to the coronavirus (COVID-19) outbreak in 2020, the U.S. Federal Government enacted the Coronavirus Aid, Relief, and Economic Security Act that, among other economic stimulus measures, established the Paycheck Protection Program (PPP) to provide small business loans.

In March 2021, the Organization obtained a PPP loan for both the Sports Authority and the Convention and Visitor’s Bureau for \$11,097 and \$78,342, respectively. The balance of the Sports Authority’s note has since been forgiven in full. The second round of PPP for the Visitors Bureau entity was not forgiven in full. The loan has since been repaid in full as of December 31, 2022.

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Supplementary Information

Wausau Central Wisconsin Convention and Visitors Bureau
Statements of Financial Position - Modified Cash Basis
As of December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 803,441	\$ 691,633
Due from Sports Authority	400,293	342,309
Total Current Assets	1,203,734	1,033,942
Property and Equipment		
Signage	11,653	11,653
Furniture and Equipment	125,727	119,908
Land and Building	-	426,866
Technology assets	14,000	14,000
Less: accumulated depreciation	<u>(95,496)</u>	<u>(92,135)</u>
Total Property and Equipment	55,884	480,292
Total Assets	<u>\$ 1,259,618</u>	<u>\$ 1,514,234</u>
Liabilities and Net Assets		
Current Liabilities		
Sales tax liability	\$ -	\$ 115
Accrued interest	3,456	7,756
Accrued payroll liabilities	1,221	1,156
Other current liabilities	7,806	-
Current portion of long-term debt	<u>-</u>	<u>12,085</u>
Total Current Liabilities	12,483	21,112
Long-Term Liabilities		
Long-term debt (net of current portion)	<u>150,000</u>	<u>462,691</u>
Total Long-Term Liabilities	150,000	462,691
Total Liabilities	162,483	483,803
Net Assets		
Net Assets without Donor Restrictions	<u>1,097,135</u>	<u>1,030,431</u>
Total Net Assets	1,097,135	1,030,431
Total Liabilities and Net Assets	<u>\$ 1,259,618</u>	<u>\$ 1,514,234</u>

See independent auditor's report.

**Wausau Central Wisconsin Convention and Visitors Bureau
Statements of Activities - Modified Cash Basis
For the Years Ended December 31, 2023 and 2022**

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Other Support						
Room tax	\$ 1,085,512	\$ -	\$ 1,085,512	\$ 931,563	\$ -	\$ 931,563
Promotion programs income	63,159	-	63,159	46,651	-	46,651
Grant income	33,500	-	33,500	400,502	-	400,502
Sponsorship income	-	-	-	840	-	840
Merchandise sales	1,020	-	1,020	-	-	-
Total Revenues and Other Support	<u>1,183,191</u>	<u>-</u>	<u>1,183,191</u>	<u>1,379,556</u>	<u>-</u>	<u>1,379,556</u>
Operating Expenses						
Advertising and marketing	193,971	-	193,971	423,242	-	423,242
Computer and software	6,745	-	6,745	5,528	-	5,528
Depreciation	18,581	-	18,581	13,248	-	13,248
Dues and subscriptions	14,585	-	14,585	6,869	-	6,869
Employee benefits	39,439	-	39,439	41,848	-	41,848
Events and conferences	11,350	-	11,350	6,187	-	6,187
Grant expense	243,212	-	243,212	221,167	-	221,167
Insurance	14,979	-	14,979	16,305	-	16,305
Meals and entertainment	4,867	-	4,867	5,028	-	5,028
Office expense	5,697	-	5,697	4,624	-	4,624
Postage	2,593	-	2,593	1,349	-	1,349
Processing fees	508	-	508	483	-	483
Professional services	13,893	-	13,893	18,563	-	18,563
Property tax	3,566	-	3,566	6,349	-	6,349
Rent & storage fees	7,409	-	7,409	1,803	-	1,803
Repairs and maintenance	1,336	-	1,336	1,805	-	1,805
Room tax - pass through to sports authority	182,979	-	182,979	158,315	-	158,315
Salaries, wages, and payroll taxes	269,530	-	269,530	155,097	-	155,097
Telephone	2,925	-	2,925	3,158	-	3,158
Utilities	5,511	-	5,511	8,337	-	8,337
Vehicle expense	3,008	-	3,008	2,560	-	2,560
Website	67,724	-	67,724	5,590	-	5,590
Total Operating Expenses	<u>1,114,408</u>	<u>-</u>	<u>1,114,408</u>	<u>1,107,455</u>	<u>-</u>	<u>1,107,455</u>
Net Operating Income	68,783	-	68,783	272,101	-	272,101
Other Income (Expenses)						
Interest income	5,711	-	5,711	3,500	-	3,500
Interest expense	(17,792)	-	(17,792)	(13,802)	-	(13,802)
Gain (loss) on disposal of equipment	10,002	-	10,002	600	-	600
Gain (loss) on debt forgiveness	-	-	-	10,000	-	10,000
Total Other Income (Expenses)	<u>(2,079)</u>	<u>-</u>	<u>(2,079)</u>	<u>298</u>	<u>-</u>	<u>298</u>
Total Change in Net Assets	66,704	-	66,704	272,399	-	272,399
Net Assets - Beginning of Year	<u>1,030,431</u>	<u>-</u>	<u>1,030,431</u>	<u>758,032</u>	<u>-</u>	<u>758,032</u>
Net Assets - End of Year	<u>\$ 1,097,135</u>	<u>\$ -</u>	<u>\$ 1,097,135</u>	<u>\$ 1,030,431</u>	<u>\$ -</u>	<u>\$ 1,030,431</u>

See independent auditor's report.

Wausau Central Wisconsin Sports Authority
Statements of Financial Position - Modified Cash Basis
As of December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 596,087	\$ 438,919
Total Current Assets	596,087	438,919
Other Assets		
Note receivable Wausau Marathon	7,500	-
Beneficial interest in assets held by Community Foundation	45,465	41,138
Total Other Assets	52,965	41,138
Total Assets	<u>\$ 649,052</u>	<u>\$ 480,057</u>
Liabilities and Net Assets		
Current Liabilities		
Due to Convention and Visitors Bureau	\$ 400,293	\$ 342,309
Accrued interest	796	1,700.00
Total Current Liabilities	401,089	344,009
Long-Term Liabilities		
Long-term debt	37,000	37,000
Total Long-Term Liabilities	37,000	37,000
Total Liabilities	438,089	381,009
Net Assets		
Net Assets with Donor Restrictions	232,970	193,368
Net Assets without Donor Restrictions	(22,007)	(94,320)
Total Net Assets	210,963	99,048
Total Liabilities and Net Assets	<u>\$ 649,052</u>	<u>\$ 480,057</u>

See independent auditor's report.

Wausau Central Wisconsin Sports Authority
Statements of Activities - Modified Cash Basis
For the Years Ended December 31, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Other Support						
Room tax - pass through from convention and visitor's bureau	\$ 143,377	\$ 39,602	\$ 182,979	\$ 122,568	\$ 35,747	\$ 158,315
Events program income	166,388	-	166,388	188,002	-	188,002
Grant income	8,000	-	8,000	-	-	-
Sponsorship income	60,550	-	60,550	73,097	-	73,097
Merchandise sales	10,749	-	10,749	14,648	-	14,648
Release from restriction	-	-	-	-	-	-
Total Revenues and Other Support	389,064	39,602	428,666	398,315	35,747	434,062
Operating Expenses						
Advertising	11,374	-	11,374	15,051	-	15,051
Commissions	-	-	-	-	-	-
Dues and subscriptions	2,024	-	2,024	1,134	-	1,134
Events and conferences	188,565	-	188,565	243,866	-	243,866
Grant expenses	55,200	-	55,200	39,000	-	39,000
Meals and entertainment	1,310	-	1,310	1,359	-	1,359
Office expense	567	-	567	650	-	650
Postage	313	-	313	1,360	-	1,360
Processing fees	3,885	-	3,885	3,860	-	3,860
Professional services	14,840	-	14,840	11,724	-	11,724
Rent & storage fees	-	-	-	1,080	-	1,080
Salaries, wages, and payroll taxes	56,984	-	56,984	67,261	-	67,261
Vehicle expense	783	-	783	3,781	-	3,781
Website	98	-	98	340	-	340
Total Operating Expenses	335,943	-	335,943	390,466	-	390,466
Net Operating Income	53,121	39,602	92,723	7,849	35,747	43,596
Other Income (Expenses)						
Interest income	869	-	869	326	-	326
Gain (loss) on disposal of assets	15,000	-	-	-	-	-
Interest expense	(1,004)	-	(1,004)	(1,900)	-	(1,900)
Gain (loss) on beneficial interest in assets held by Community Foundation (net)	4,327	-	4,327	(7,217)	-	(7,217)
Total Other Income and Expenses	19,192	-	19,192	(8,791)	-	(8,791)
Total Change in Net Assets	72,313	39,602	111,915	(942)	35,747	34,805
Net Assets - Beginning of Year	(94,320)	193,368	99,048	(93,378)	157,621	64,243
Net Assets - End of Year	\$ (22,007)	\$ 232,970	\$ 210,963	\$ (94,320)	\$ 193,368	\$ 99,048

See independent auditor's report.