

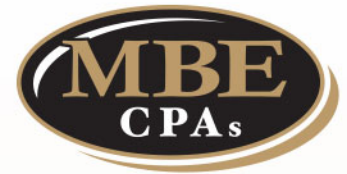
**Wausau Central Wisconsin Convention and Visitors Bureau and  
Wausau Central Wisconsin Sports Authority  
Consolidated Financial Statements  
Years Ended December 31, 2022 and 2021**

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

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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, 2022 and 2021, 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, 2022 and 2021, 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, 2023

**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, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 1,130,552	\$ 939,494
<b>Total Current Assets</b>	1,130,552	939,494
<b>Property and Equipment</b>		
Signage	11,653	11,653
Furniture and equipment	119,908	118,739
Land and Building	426,866	426,866
Technology assets	14,000	14,000
Less: accumulated depreciation	<u>(92,135)</u>	<u>(125,047)</u>
<b>Total Property and Equipment (net)</b>	480,292	446,211
<b>Other Assets</b>		
Beneficial interest in assets held by Community Foundation	<u>41,138</u>	<u>48,355</u>
<b>Total Other Assets</b>	<u>41,138</u>	<u>48,355</u>
<b>Total Assets</b>	<u>\$ 1,651,982</u>	<u>\$ 1,434,060</u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Sales tax liability	\$ 115	\$ 36
Accrued interest	9,456	9,131
Accrued payroll liabilities	1,156	1,159
Current portion of debt	<u>12,085</u>	<u>21,560</u>
<b>Total Current Liabilities</b>	22,812	31,886
<b>Long-Term Liabilities</b>		
Long term debt (net of current portion)	<u>499,691</u>	<u>579,899</u>
<b>Total Long-Term Liabilities</b>	<u>499,691</u>	<u>579,899</u>
<b>Total Liabilities</b>	522,503	611,785
<b>Net Assets</b>		
Net assets with donor restrictions	193,368	157,621
Net assets without donor restrictions	<u>936,111</u>	<u>664,654</u>
<b>Total Net Assets</b>	<u>1,129,479</u>	<u>822,275</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 1,651,982</u>	<u>\$ 1,434,060</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, 2022 and 2021**

	2022			2021		
	Net assets without donor restrictions	Net assets with donor restrictions	Total	Net assets without donor restrictions	Net assets with donor restrictions	Total
<b>Revenue</b>						
Room tax	\$ 895,816	\$ 35,747	\$ 931,563	\$ 689,497	\$ 34,557	\$ 724,054
Promotions and events program income	234,653	-	234,653	144,069	-	144,069
Grant income	400,502	-	400,502	45,922	-	45,922
Sponsorship income	73,937	-	73,937	18,600	-	18,600
Merchandise sales	14,648	-	14,648	14,689	-	14,689
Release from restriction	-	-	-	57,359	(57,359)	-
<b>Total Revenue</b>	<u>1,619,556</u>	<u>35,747</u>	<u>1,655,303</u>	<u>970,136</u>	<u>(22,802)</u>	<u>947,334</u>
<b>Operating Expenses</b>						
Program services - tourism	1,118,226	-	1,118,226	499,895	-	499,895
Support services	221,380	-	221,380	231,764	-	231,764
<b>Total Operating Expenses</b>	<u>1,339,606</u>	<u>-</u>	<u>1,339,606</u>	<u>731,659</u>	<u>-</u>	<u>731,659</u>
<b>Net Operating Income</b>	279,950	35,747	315,697	238,477	(22,802)	215,675
<b>Other Income (Expenses)</b>						
Gain (loss) on beneficial interest in assets held by Community Foundation (net)	(7,217)	-	(7,217)	3,460	-	3,460
Interest income	3,826	-	3,826	638	-	638
Interest expense	(15,702)	-	(15,702)	(13,532)	-	(13,532)
Gain (loss) on disposal of equipment	600	-	600	175	-	175
Gain (loss) on debt forgiveness	10,000	-	10,000	-	-	-
<b>Total Other Income (Expenses)</b>	<u>(8,493)</u>	<u>-</u>	<u>(8,493)</u>	<u>(9,259)</u>	<u>-</u>	<u>(9,259)</u>
<b>Total Change in Net Assets</b>	271,457	35,747	307,204	229,218	(22,802)	206,416
<b>Net Assets - Beginning of Year</b>	<u>664,654</u>	<u>157,621</u>	<u>822,275</u>	<u>435,436</u>	<u>180,423</u>	<u>615,859</u>
<b>Net Assets - End of Year</b>	<u>\$ 936,111</u>	<u>\$ 193,368</u>	<u>\$ 1,129,479</u>	<u>\$ 664,654</u>	<u>\$ 157,621</u>	<u>\$ 822,275</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 Functional Expenses - Modified Cash Basis  
For the Years Ended December 31, 2022 and 2021**

<b>2022</b>			
	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>

<b>2021</b>			
	Program Services- Tourism	Support Services	Total
Advertising	\$ 73,300	\$ -	\$ 73,300
Commissions	625	-	625
Computer and software	5,167	-	5,167
Depreciation	-	8,079	8,079
Dues and subscriptions	-	8,265	8,265
Employee benefits	11,987	7,991	19,978
Events and conferences	139,618	-	139,618
Grant expense	92,003	-	92,003
Insurance	8,752	3,882	12,634
Meals and entertainment	2,945	-	2,945
Office expense	-	9,637	9,637
Postage	1,047	-	1,047
Processing fees	-	1,254	1,254
Professional services	-	45,745	45,745
Rent & storage fees	38,320	5,225	43,545
Repairs and maintenance	-	2,848	2,848
Salaries, wages, and payroll taxes	118,702	130,906	249,608
Telephone	-	5,526	5,526
Utilities	1,758	240	1,998
Vehicle expense	2,166	2,166	4,332
Website	3,505	-	3,505
Total Functional Expenses	<u>\$ 499,895</u>	<u>\$ 231,764</u>	<u>\$ 731,659</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, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Cash Flow from Operating Activities</b>		
Change in net assets	\$ 307,204	\$ 206,416
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	13,248	8,079
(Gain) loss on beneficial interest in assets held by Community Foundation	7,217	(3,460)
(Gain) loss on disposal of equipment	(600)	-
(Gain) on debt forgiveness	(10,000)	(11,097)
Increase (decrease) in liabilities:		
Increase (decrease) in sales tax liability	79	(537)
Increase (decrease) in accrued interest liability	325	9,131
Increase (decrease) in accrued payroll liabilities	(3)	(3,307)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>317,470</u>	<u>205,225</u>
<b>Cash Flow from Investing Activities</b>		
Purchases of property and equipment	(47,329)	(100,866)
Proceeds from sale of equipment	600	-
<b>Net Cash Provided by (Used in) Investing Activities</b>	<u>(46,729)</u>	<u>(100,866)</u>
<b>Cash Flow from Financing Activities</b>		
Payments on notes payable	(79,683)	(3,883)
Proceeds from notes payable	-	89,439
<b>Net Cash Provided by (Used in) Financing Activities</b>	<u>(79,683)</u>	<u>85,556</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	191,058	189,915
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>939,494</u>	<u>749,579</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 1,130,552</u>	<u>\$ 939,494</u>
<b>Supplemental Cash Flow Information:</b>		
Interest paid	<u>\$ 15,377</u>	<u>\$ 4,401</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, 2022 and 2021**

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**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, 2022 and 2021**

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**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 \$629 and \$732 for the years ended December 31, 2022 and 2021, 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, 2022 and 2021.

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, 2023, 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, 2022 and 2021**

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**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, 2022 and 2021. 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, 2022 and 2021 of \$5,638 and \$6,280, respectively.

**Note H – Operating Leases**

The Organization leased office space in Wausau under a long term rental contract. The lease had rate changes built into the lease terms. The contract originally expired on June 30, 2021 and had four 5 year options to extend. In July 2021, the organization did not extend according to the options in the original contract. The organization came to an agreement with the leaseholder until the purchase of the new space was finalized. The organization paid the month-to-month rate from July to October 2021. Lease expenses for the office space totaled \$0 and \$41,025 for the years ended December 31, 2022 and 2021, respectively.

**Wausau Central Wisconsin Convention and Visitors Bureau and  
Wausau Central Wisconsin Sports Authority  
Notes to the Consolidated Financial Statements  
December 31, 2022 and 2021**

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**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>2022</u>	<u>2021</u>
Financial Assets at year end:		
Cash and Cash equivalents	\$ 1,130,552	\$ 939,494
Beneficial Interest held by Foundation	<u>41,138</u>	<u>48,355</u>
Total financial assets	1,171,690	987,849
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	20,888	16,718
Village of Weston	110,395	78,820
Town of Rib Mountain	57,085	57,085
Board designations:		
Municipal hold account Reserves		
City of Schofield	170,888	133,353
Village of Weston	120,706	218,448
Beneficial Interest held in a Community Foundation	<u>41,138</u>	<u>48,355</u>
Total Financial assets not available to be used within one year	<u>526,100</u>	<u>557,779</u>
Financial assets available to meet general expenditures within one year:	<u>\$ 645,590</u>	<u>\$ 430,070</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 2022 and 2021 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, 2022 and 2021**

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**Note L – 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, 2022 the Convention and Visitors Bureau held \$509,247 of uninsured cash and the Sports Authority held \$189,168 of uninsured cash. At December 31, 2021, the Convention and Visitors Bureau held \$ 386,949 of uninsured cash and the Sports Authority held \$79,663 of uninsured cash.

**Note M – 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, 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, 2022 and 2021**

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**Note M – Fair Value (continued)**

Fair values of assets measured on a recurring basis are as follows at December 31, 2021:

	(Level 1)	(Level 2)	(Level 3)
Beneficial Interest	\$ -	\$ -	\$ 48,355

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

1/1/21 Opening Balance	\$ 44,895
Fees	(732)
Interest and dividends	889
Net realized and unrealized gain (loss)	<u>3,303</u>
12/31/21 Closing Balance	<u>\$ 48,355</u>

**Note N – 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 \$3,366 and \$4,348 in payments for accounting and consulting services during the years ended December 31, 2022 and 2021, 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 O – Long Term Debt**

The Organization had total notes payable of \$511,776 and \$601,459 for the years ended December 31, 2022 and 2021, respectively. Of these balances, \$12,085 and \$21,560 were considered current as of December 31, 2022 and 2021, respectively. These notes consist of fixed interest rates varying between 1% and 4%. Maturity dates of the notes vary, ending in 2026 through 2051. One of the notes is a mortgage secured by the land and building assets.

Future maturities of long-term debt are as follows:

<b>Year</b>	<b>Amount</b>
2023	\$ 12,085
2024	12,577
2025	13,414
2026	290,402
2027	4,649
Thereafter	<u>178,649</u>
<b>Total</b>	<b><u>\$ 511,776</u></b>

**Wausau Central Wisconsin Convention and Visitors Bureau and  
Wausau Central Wisconsin Sports Authority  
Notes to the Consolidated Financial Statements  
December 31, 2022 and 2021**

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**Note P – 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. As of December 31, 2021, the Organization has recognized \$11,097 of income on forgiveness of the loan. 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.

**Note Q – Noncash Financing Transactions**

For the year ended December 31, 2021, the Organization purchased land and building assets with partial noncash financing in the amount of \$340,000. No noncash financing occurred in 2022.

**Note R – Reclassification**

Certain activity in the prior-year balance sheet and statements of activities and cash flows have been reclassified for comparative purposes to conform to the presentation of the current-year financial statements.

## Supplementary Information



**Wausau Central Wisconsin Convention and Visitors Bureau**  
**Statements of Financial Position - Modified Cash Basis**  
**As of December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 691,633	\$ 611,558
Due from Sports Authority	342,309	275,048
<b>Total Current Assets</b>	1,033,942	886,606
<b>Property and Equipment</b>		
Signage	11,653	11,653
Furniture and Equipment	119,908	118,739
Land and Building	426,866	426,866
Technology assets	14,000	14,000
Less: accumulated depreciation	<u>(92,135)</u>	<u>(125,047)</u>
<b>Total Property and Equipment</b>	480,292	446,211
<b>Total Assets</b>	<u>\$ 1,514,234</u>	<u>\$ 1,332,817</u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Sales tax liability	\$ 115	\$ 36
Accrued interest	7,756	9,131
Accrued payroll liabilities	1,156	1,159
Current portion of debt	<u>12,085</u>	<u>21,560</u>
<b>Total Current Liabilities</b>	21,112	31,886
<b>Long-Term Liabilities</b>		
Long term debt (net of current portion)	<u>462,691</u>	<u>542,899</u>
<b>Total Long-Term Liabilities</b>	462,691	542,899
<b>Total Liabilities</b>	483,803	574,785
<b>Net Assets</b>		
Net Assets without Donor Restrictions	<u>1,030,431</u>	<u>758,032</u>
<b>Total Net Assets</b>	1,030,431	758,032
<b>Total Liabilities and Net Assets</b>	<u>\$ 1,514,234</u>	<u>\$ 1,332,817</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, 2022 and 2021**

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues and Other Support</b>						
Room tax	\$ 931,563	\$ -	\$ 931,563	\$ 724,054	\$ -	\$ 724,054
Promotion programs income	46,651	-	46,651	7,014	-	7,014
Grant income	400,502	-	400,502	27,840	-	27,840
Sponsorship income	840	-	840	-	-	-
Merchandise sales	-	-	-	6,287	-	6,287
<b>Total Revenues and Other Support</b>	<u>1,379,556</u>	<u>-</u>	<u>1,379,556</u>	<u>765,195</u>	<u>-</u>	<u>765,195</u>
<b>Operating Expenses</b>						
Advertising and marketing	423,242	-	423,242	55,822	-	55,822
Computer and software	5,528	-	5,528	5,167	-	5,167
Depreciation	13,248	-	13,248	8,079	-	8,079
Dues and subscriptions	6,869	-	6,869	7,401	-	7,401
Employee benefits	41,848	-	41,848	19,978	-	19,978
Events and conferences	6,187	-	6,187	1,368	-	1,368
Grant expense	221,167	-	221,167	79,503	-	79,503
Insurance	16,305	-	16,305	12,634	-	12,634
Meals and entertainment	5,028	-	5,028	1,689	-	1,689
Office expense	4,624	-	4,624	9,201	-	9,201
Postage	1,349	-	1,349	168	-	168
Processing fees	483	-	483	1,107	-	1,107
Professional services	18,563	-	18,563	32,208	-	32,208
Property tax	6,349	-	6,349	-	-	-
Rent & storage fees	1,803	-	1,803	43,545	-	43,545
Repairs and maintenance	1,805	-	1,805	2,848	-	2,848
Room tax - pass through to sports authority	158,315	-	158,315	120,417	-	120,417
Salaries, wages, and payroll taxes	155,097	-	155,097	178,802	-	178,802
Telephone	3,158	-	3,158	5,526	-	5,526
Utilities	8,337	-	8,337	1,998	-	1,998
Vehicle expense	2,560	-	2,560	1,445	-	1,445
Website	5,590	-	5,590	3,361	-	3,361
<b>Total Operating Expenses</b>	<u>1,107,455</u>	<u>-</u>	<u>1,107,455</u>	<u>592,267</u>	<u>-</u>	<u>592,267</u>
<b>Net Operating Income</b>	272,101	-	272,101	172,928	-	172,928
<b>Other Income (Expenses)</b>						
Interest income	3,500	-	3,500	589	-	589
Interest expense	(13,802)	-	(13,802)	(13,532)	-	(13,532)
Gain (loss) on disposal of equipment	600	-	600	175	-	175
Gain (loss) on debt forgiveness	10,000	-	10,000	-	-	-
<b>Total Other Income (Expenses)</b>	<u>298</u>	<u>-</u>	<u>298</u>	<u>(12,768)</u>	<u>-</u>	<u>(12,768)</u>
<b>Total Change in Net Assets</b>	272,399	-	272,399	160,160	-	160,160
<b>Net Assets - Beginning of Year</b>	<u>758,032</u>	<u>-</u>	<u>758,032</u>	<u>597,872</u>	<u>-</u>	<u>597,872</u>
<b>Net Assets - End of Year</b>	<u>\$ 1,030,431</u>	<u>\$ -</u>	<u>\$ 1,030,431</u>	<u>\$ 758,032</u>	<u>\$ -</u>	<u>\$ 758,032</u>

See independent auditor's report.

**Wausau Central Wisconsin Sports Authority**  
**Statements of Financial Position - Modified Cash Basis**  
**As of December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 438,919	\$ 327,936
<b>Total Current Assets</b>	438,919	327,936
<b>Other Assets</b>		
Beneficial interest in assets held by Community Foundation	41,138	48,355
<b>Total Other Assets</b>	41,138	48,355
<b>Total Assets</b>	<u>\$ 480,057</u>	<u>\$ 376,291</u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Due to Convention and Visitors Bureau	\$ 342,309	\$ 275,048
Accrued interest	1,700	-
<b>Total Current Liabilities</b>	344,009	275,048
<b>Long-Term Liabilities</b>		
Long term debt	\$ 37,000	\$ 37,000
<b>Total Long-Term Liabilities</b>	37,000	37,000
<b>Total Liabilities</b>	381,009	312,048
<b>Net Assets</b>		
Net Assets with Donor Restrictions	193,368	157,621
Net Assets without Donor Restrictions	(94,320)	(93,378)
<b>Total Net Assets</b>	99,048	64,243
<b>Total Liabilities and Net Assets</b>	<u>\$ 480,057</u>	<u>\$ 376,291</u>

See independent auditor's report.

**Wausau Central Wisconsin Sports Authority**  
**Statements of Activities - Modified Cash Basis**  
**For the Years Ended December 31, 2022 and 2021**

	<b>2022</b>			<b>2021</b>		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues and Other Support</b>						
Room tax - pass through from convention and visitor's bureau	\$ 122,568	\$ 35,747	\$ 158,315	\$ 85,860	\$ 34,557	\$ 120,417
Events program income	188,002	-	188,002	137,055	-	137,055
Grant income	-	-	-	18,082	-	18,082
Sponsorship income	73,097	-	73,097	18,600	-	18,600
Merchandise sales	14,648	-	14,648	8,402	-	8,402
Release from restriction	-	-	-	57,359	(57,359)	-
<b>Total Revenues and Other Support</b>	<u>398,315</u>	<u>35,747</u>	<u>434,062</u>	<u>325,358</u>	<u>(22,802)</u>	<u>302,556</u>
<b>Operating Expenses</b>						
Advertising	15,051	-	15,051	17,478	-	17,478
Commissions	-	-	-	625	-	625
Dues and subscriptions	1,134	-	1,134	864	-	864
Events and conferences	243,866	-	243,866	138,250	-	138,250
Grant expenses	39,000	-	39,000	12,500	-	12,500
Meals and entertainment	1,359	-	1,359	1,256	-	1,256
Office expense	650	-	650	436	-	436
Postage	1,360	-	1,360	879	-	879
Processing fees	3,860	-	3,860	147	-	147
Professional services	11,724	-	11,724	13,537	-	13,537
Rent & storage fees	1,080	-	1,080	-	-	-
Salaries, wages, and payroll taxes	67,261	-	67,261	70,806	-	70,806
Vehicle expense	3,781	-	3,781	2,887	-	2,887
Website	340	-	340	144	-	144
<b>Total Operating Expenses</b>	<u>390,466</u>	<u>-</u>	<u>390,466</u>	<u>259,809</u>	<u>-</u>	<u>259,809</u>
<b>Net Operating Income</b>	7,849	35,747	43,596	65,549	(22,802)	42,747
<b>Other Income (Expenses)</b>						
Interest income	326	-	326	49	-	49
Interest expense	(1,900)	-	(1,900)	-	-	-
Gain (loss) on beneficial interest in assets held by Community Foundation (net)	(7,217)	-	(7,217)	3,460	-	3,460
<b>Total Other Income and Expenses</b>	<u>(8,791)</u>	<u>-</u>	<u>(8,791)</u>	<u>3,509</u>	<u>-</u>	<u>3,509</u>
<b>Total Change in Net Assets</b>	(942)	35,747	34,805	69,058	(22,802)	46,256
<b>Net Assets - Beginning of Year</b>	<u>(93,378)</u>	<u>157,621</u>	<u>64,243</u>	<u>(162,436)</u>	<u>180,423</u>	<u>17,987</u>
<b>Net Assets - End of Year</b>	<u>\$ (94,320)</u>	<u>\$ 193,368</u>	<u>\$ 99,048</u>	<u>\$ (93,378)</u>	<u>\$ 157,621</u>	<u>\$ 64,243</u>

See independent auditor's report.