MILWAUKEE REPERTORY THEATER, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

(With Summarized Totals for the Year Ended June 30, 2023)

RitzHolman
CPAs

MILWAUKEE REPERTORY THEATER, INC.

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RitzHolman CPAs

Independent Auditor's Report

Board of Directors
Milwaukee Repertory Theater, Inc.

Opinion

We have audited the accompanying financial statements of Milwaukee Repertory Theater, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows 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 financial position of Milwaukee Repertory Theater, Inc.as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 Milwaukee Repertory Theater, Inc. and to meet other ethical responsibilities in accordance with the 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Milwaukee Repertory Theater, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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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, including omissions, 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 Milwaukee Repertory Theater, 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 Milwaukee Repertory Theater, Inc.'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 Summarized Comparative Information

We have previously audited Milwaukee Repertory Theater, Inc.'s June 30, 2023, financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 17, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Board of Directors
Milwaukee Repertory Theater, Inc.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of without donor restricted activities reconciled to operating budget is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 basic financial statements as a whole.

Ritz Holman LLP

RITZ HOLMAN LLP
Certified Public Accountants

Milwaukee, Wisconsin
November 22, 2024

MILWAUKEE REPERTORY THEATER, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024
(With Summarized Totals for June 30, 2023)

ASSETS

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
CURRENT ASSETS				
Cash and Cash Equivalents (NOTES A-3 and D)	$ 3,686,776	$ 11,375,333	$ 15,062,109	$ 6,371,218
Investments (NOTES A-6 and E-G)	14,385,245	21,916,222	36,301,467	31,151,422
Interest Receivable	171,412	---	171,412	146,675
Pledges Receivable (NOTES A-4 and H)	213,627	8,893,171	9,106,798	6,940,554
Other Receivables (NOTE I)	63,013	---	63,013	531,611
Inventory (NOTES A-7 and J)	60,999	---	60,999	79,024
Prepaid Expenses	697,891	---	697,891	442,195
Total Current Assets	$ 19,278,963	$ 42,184,726	$ 61,463,689	$ 45,662,699
INVESTMENTS (NOTES A-6 and E-H)	$ ---	$ 11,723,799	$ 11,723,799	$ 11,651,031
PLEDGES RECEIVABLE (NOTES A-4 and H)	$ 213,627	$ 30,200,588	$ 30,414,215	$ 25,096,209
Less: Current Portion of Pledges Receivable	(213,627)	(8,893,171)	(9,106,798)	(6,782,403)
Long-Term Pledges Receivable	$ ---	$ 21,307,417	$ 21,307,417	$ 18,313,806
FIXED ASSETS (NOTES A-5 and K)				
Total Fixed Assets	$ 30,160,625	$ ---	$ 30,160,625	$ 27,006,123
Less: Accumulated Depreciation	(19,680,970)	---	(19,680,970)	(18,848,820)
Net Fixed Assets	$ 10,479,655	$ ---	$ 10,479,655	$ 8,157,303
LEASES (NOTES A-10 and M)				
Right-of-Use Asset - Operating	$ 2,233,550	$ ---	$ 2,233,550	$ ---
Due To/From Funds (NOTE D)	$ (232,510)	$ 232,510	$ ---	$ ---
TOTAL ASSETS	$ 31,759,658	$ 75,448,452	$ 107,208,110	$ 83,784,839

LIABILITIES AND NET ASSETS

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
CURRENT LIABILITIES				
Accounts Payable	$ 560,284	$ ---	$ 560,284	$ 759,676
Payroll Liabilities	432,025	---	432,025	441,064
Deferred Revenue (NOTE L)	3,417,147	---	3,417,147	3,427,929
Operating Lease Liability - Current Portion	47,210	---	47,210	---
Total Current Liabilities	$ 4,456,666	$ ---	$ 4,456,666	$ 4,628,669
NON-CURRENT LIABILITIES				
Operating Lease Liability - Non-Current Portion	$ 2,215,584	$ ---	$ 2,215,584	$ ---
Total Non-Current Liabilities	$ 2,215,584	$ ---	$ 2,215,584	$ ---
Total Liabilities	$ 6,672,250	$ ---	$ 6,672,250	$ 4,628,669
NET ASSETS (NOTE A-9)				
Without Donor Restrictions				
Operating	$ 10,503,667	$ ---	$ 10,503,667	$ 8,181,310
Board Designated (NOTE A-8)	14,583,741	---	14,583,741	13,171,460
Total Net Assets Without Donor Restrictions	$ 25,087,408	$ ---	$ 25,087,408	$ 21,352,770
With Donor Restrictions	$ ---	$ 75,448,452	$ 75,448,452	$ 57,803,400
Total Net Assets	$ 25,087,408	$ 75,448,452	$ 100,535,860	$ 79,156,170
TOTAL LIABILITIES AND NET ASSETS	$ 31,759,658	$ 75,448,452	$ 107,208,110	$ 83,784,839

The accompanying notes are an integral part of these financial statements.

MILWAUKEE REPERTORY THEATER, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024
(With Summarized Totals for the Year Ended June 30, 2023)

	Without Donor Restrictions			With Donor Restrictions							
	Operating	Board Designated	Total	Operating	Special Projects	Capital Campaign	Endowment Income	Permanently Restricted	Total	2024 Total	2023 Total
INCOME											
Public Support											
State of Wisconsin	$ 25,000	$ ---	$ 25,000	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---	$ 25,000	$ 46,520
Milwaukee County	19,865	---	19,865	---	---	---	---	---	---	19,865	30,099
NEA Grant	25,000	---	25,000	---	---	---	---	---	---	25,000	20,000
City of Milwaukee	---	---	---	299	---	---	---	---	299	299	6,530
UPAF Grant	1,481,730	---	1,481,730	---	---	12,470	---	---	12,470	1,494,200	1,594,701
Foundations	317,790	---	317,790	306,464	---	173,189	---	---	479,653	797,443	2,710,977
Corporate Grants	177,538	---	177,538	64,760	---	515,829	---	---	580,589	758,127	8,343,012
Contributions	1,637,192	---	1,637,192	1,503,613	261,323	18,972,801	---	21,763	20,759,500	22,396,692	17,582,897
In-Kind Income	5,331	---	5,331	---	---	---	---	---	---	5,331	8,739
Fundraising Events											
Income	623,004	---	623,004	25,227	---	---	---	---	25,227	648,231	517,803
Expense	(337,779)	---	(337,779)	---	---	(508)	---	---	(508)	(338,287)	(306,029)
Net Assets Released from Restrictions	6,015,297	(75,813)	5,939,484	(1,371,351)	(705,401)	(3,102,732)	(760,000)	---	(5,939,484)	---	---
Total Public Support	$ 9,989,968	$ (75,813)	$ 9,914,155	$ 529,012	$ (444,078)	$ 16,571,049	$ (760,000)	$ 21,763	$ 15,917,746	$ 25,831,901	$ 30,555,249
Earned Income											
Box Office Income	$ 6,534,225	$ ---	$ 6,534,225	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---	$ 6,534,225	$ 6,076,993
Coproduction Income	41,436	---	41,436	---	---	---	---	---	---	41,436	52,718
Concessions Sales - Net of Cost	639,026	---	639,026	---	---	---	---	---	---	639,026	596,785
Education Programs	168,932	---	168,932	---	---	---	---	---	---	168,932	135,992
Ticket Handling	102,858	---	102,858	---	---	---	---	---	---	102,858	97,764
Building Restoration Fee	---	242,827	242,827	---	---	---	---	---	---	242,827	227,792
Other Earned Income	58,439	---	58,439	---	---	32,846	---	---	32,846	91,285	56,418
Investment Income (Loss) (NOTE F)	308,900	770,607	1,079,507	---	---	1,048,161	1,359,167	---	2,407,328	3,486,835	2,886,989
Total Earned Income	$ 7,853,816	$ 1,013,434	$ 8,867,250	$ ---	$ ---	$ 1,081,007	$ 1,359,167	$ ---	$ 2,440,174	$ 11,307,424	$ 10,131,451
Total Income Without COVID Grants	$ 17,843,784	$ 937,621	$ 18,781,405	$ 529,012	$ (444,078)	$ 17,652,056	$ 599,167	$ 21,763	$ 18,357,920	$ 37,139,325	$ 40,686,700
EXPENSES											
Program Services											
Artistic	$ 3,184,277	$ ---	$ 3,184,277	$ ---	$ ---	$ 50,000	$ ---	$ ---	$ 50,000	$ 3,234,277	$ 3,639,130
Education Programs	861,353	---	861,353	---	---	---	---	---	---	861,353	798,688
Production	3,822,651	---	3,822,651	---	---	116,375	---	---	116,375	3,939,026	3,617,902
Marketing	2,413,191	7,500	2,420,691	---	---	1,220	---	---	1,220	2,421,911	2,270,705
Concessions	536,144	---	536,144	---	---	---	---	---	---	536,144	492,789
Facilities	719,694	---	719,694	---	---	---	---	---	---	719,694	722,815
Administrative and General	1,495,416	19,186	1,514,602	---	73,250	251,290	---	---	324,540	1,839,142	1,161,382
Development	1,131,161	---	1,131,161	---	---	220,733	---	---	220,733	1,351,894	1,628,308
Total Expenses Without Depreciation	$ 14,163,887	$ 26,686	$ 14,190,573	$ ---	$ 73,250	$ 639,618	$ ---	$ ---	$ 712,868	$ 14,903,441	$ 14,331,719
CHANGE IN NET ASSETS BEFORE COVID GRANTS AND DEPRECIATION	$ 3,679,897	$ 910,935	$ 4,590,832	$ 529,012	$ (517,328)	$ 17,012,438	$ 599,167	$ 21,763	$ 17,645,052	$ 22,235,884	$ 26,354,981
Federal COVID Grants Revenue (NOTE N)	---	---	---	---	---	---	---	---	---	---	108,515
Depreciation Expense	(856,194)	---	(856,194)	---	---	---	---	---	---	(856,194)	(852,582)
CHANGE IN NET ASSETS AFTER COVID GRANTS AND DEPRECIATION	$ 2,823,703	$ 910,935	$ 3,734,638	$ 529,012	$ (517,328)	$ 17,012,438	$ 599,167	$ 21,763	$ 17,645,052	$ 21,379,690	$ 25,610,914
Net Assets, Beginning of Year	8,181,310	13,171,460	21,352,770	2,447,376	2,522,925	37,237,538	3,745,949	11,849,612	57,803,400	79,156,170	53,545,256
Transfers	(501,346)	501,346	---	---	---	---	---	---	---	---	---
NET ASSETS, END OF YEAR	$ 10,503,667	$ 14,583,741	$ 25,087,408	$ 2,976,388	$ 2,005,597	$ 54,249,976	$ 4,345,116	$ 11,871,375	$ 75,448,452	$ 100,535,860	$ 79,156,170

The accompanying notes are an integral part of these financial statements.

MILWAUKEE REPERTORY THEATER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024
(With Summarized Totals for the Year Ended June 30, 2023)

	Program Services						Administrative		2024	2023
	Artistic	Education	Production	Marketing	Concessions	Facilities	and General	Development	Total	Total
EXPENSES										
PERSONNEL										
Salaries and Fees	$ 1,850,125	$ 469,226	$ 2,289,075	$ 891,589	$ 370,159	$ 212,595	$ 934,247	$ 828,725	$ 7,845,741	$ 7,783,315
Payroll Taxes	132,348	40,185	222,535	85,492	56,582	19,476	77,463	62,683	696,764	608,540
Pension and Welfare	328,668	38,654	400,130	89,140	42,082	37,131	94,874	101,071	1,131,750	1,130,602
Travel, Housing and Per Diem	287,746	62,546	23,149	1,708	---	---	530	1,098	376,777	478,798
Other Personnel	9,413	125,997	4,137	4,049	3,063	1,088	35,853	2,797	186,397	146,413
Total Personnel	$ 2,608,300	$ 736,608	$ 2,939,026	$ 1,071,978	$ 471,886	$ 270,290	$ 1,142,967	$ 996,374	$ 10,237,429	$ 10,147,668
OTHER EXPENSES										
Travel and Conferences	$ 28,381	$ 37,189	$ 7,455	$ 9,510	$ 81	$ ---	$ 17,042	$ 29,351	$ 129,009	$ 94,770
Equipment	588	2,712	278,454	13,680	13,910	99,297	52,447	---	461,088	346,537
IT Equipment and Service	130	1,942	513	192,972	4,411	---	170,304	601	370,873	292,105
Hospitality and Programs	4,464	34,312	5,810	36,745	---	---	29,878	182,706	293,915	229,815
Insurance	---	1,213	---	---	---	---	233,075	---	234,288	140,929
Materials and Supplies	3,065	4,704	265,226	19,941	16,166	29,994	1,133	7,876	348,105	448,412
Office and Miscellaneous	19,628	5,818	15,120	10,704	5,413	2,067	26,092	13,958	98,800	61,970
Postage and Mailing Services	93	15	46,853	132,574	73	(1,556)	3,759	34,387	216,198	165,677
Printing and Signage	---	513	4,259	226,459	1,700	13	892	40,198	274,034	194,424
Professional Services	33,188	35,725	5,462	236,782	---	104,124	129,028	31,739	576,048	664,729
Telephone, Fax and Internet	1,286	---	---	7,509	---	1,524	23,688	---	34,007	38,750
Advertising (NOTE A-12)	---	---	---	298,857	---	---	---	---	298,857	364,009
Bank and Credit Card Fees	---	---	---	164,200	22,504	---	2,314	14,704	203,722	233,391
Coproduction Expense	69,221	---	67,629	---	---	---	---	---	136,850	---
Royalties	463,917	---	---	---	---	---	---	---	463,917	448,022
Repairs and Maintenance	---	---	---	---	---	43,847	---	---	43,847	37,622
Rent	2,016	602	303,219	---	---	7,019	6,523	---	319,379	245,085
Utilities	---	---	---	---	---	163,075	---	---	163,075	177,804
Depreciation	---	---	---	---	---	856,194	---	---	856,194	852,582
Total Other Expenses	$ 625,977	$ 124,745	$ 1,000,000	$ 1,349,933	$ 64,258	$ 1,305,598	$ 696,175	$ 355,520	$ 5,522,206	$ 5,036,633
Subtotal	$ 3,234,277	$ 861,353	$ 3,939,026	$ 2,421,911	$ 536,144	$ 1,575,888	$ 1,839,142	$ 1,351,894	$ 15,759,635	$ 15,184,301
Special Event Expenses										
Rent and Facility	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---	$ 70,294	$ 70,294	$ 21,346
Food and Beverages	---	---	---	---	---	---	---	121,470	121,470	61,554
Entertainment	---	---	---	---	---	---	---	58,296	58,296	86,910
Supplies	---	---	---	---	---	---	---	4,543	4,543	9,906
Travel	---	---	---	---	---	---	---	39,093	39,093	46,282
Campaign Consultants & Labor	---	---	---	---	---	---	---	5,178	5,178	43,278
Other Expenses	---	---	---	---	---	---	---	39,413	39,413	36,753
Total Expenses	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---	$ 338,287	$ 338,287	$ 306,029
Total	$ 3,234,277	$ 861,353	$ 3,939,026	$ 2,421,911	$ 536,144	$ 1,575,888	$ 1,839,142	$ 1,690,181	$ 16,097,922	$ 15,490,330

The accompanying notes are an integral part of these financial statements.

MILWAUKEE REPERTORY THEATER, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024
(With Summarized Totals for the Year Ended June 30, 2023)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 21,379,690	$ 25,610,914
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation and Amortization	885,438	852,582
Realized/Unrealized (Gain) Loss on Investments (NOTE F)	(1,304,198)	(1,824,705)
(Increase) Decrease in Interest Receivable	(24,737)	(144,473)
(Increase) Decrease in Pledges Receivable	(5,159,855)	(11,726,815)
(Increase) Decrease in Other Receivables	468,598	680,726
(Increase) Decrease in Inventory	18,025	2,308
(Increase) Decrease in Prepaid Expenses	(255,696)	(115,008)
Increase (Decrease) in Accounts Payable	(199,392)	95,464
Increase (Decrease) in Payroll Liabilities	(9,039)	(108,937)
Increase (Decrease) in Deferred Revenue	(10,782)	229,399
Net Cash Provided by Operating Activities	$ 15,788,052	$ 13,551,455
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	$ (3,178,546)	$ (2,022,451)
Proceeds from Sale of Investments	49,357,347	22,746,298
Purchase of Investments	(53,275,962)	(38,867,771)
Net Cash Used by Investing Activities	$ (7,097,161)	$ (18,143,924)
Net Increase (Decrease) in Cash and Cash Equivalents	$ 8,690,891	$ (4,592,469)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	6,371,218	10,963,687
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 15,062,109	$ 6,371,218
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Rental Space Obtained Under Operating Lease	$ 2,274,178	$ ---

The accompanying notes are an integral part of these financial statements.

MILWAUKEE REPERTORY THEATER, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2024

(With Summarized Totals for the Year Ended June 30, 2023)

NOTE A - Summary of Significant Accounting Policies

A-1 Organization

The Milwaukee Repertory Theater, Inc. ("The Rep or Organization") is an organization which presents theatrical performances to the public. The mission is to ignite positive change in the cultural, social, and economic vitality of its community by creating world-class theater experiences that entertain, provoke, and inspire meaningful dialogue among an audience representative of Milwaukee's rich diversity.

A-2 Accounting Method

The accompanying financial statements of the Milwaukee Repertory Theater, Inc. have been prepared on the accrual basis of accounting.

A-3 Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid debt instruments with original maturities of three months or less.

A-4 Pledges Receivable

Pledges receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of customers to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible receivables when management determines the receivable will not be collected.

A-5 Fixed Assets

Fixed assets are recorded at cost. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. Fixed asset additions in excess of $10,000 are capitalized.

A-6 Investments

Investments consist of marketable debt and equity securities, real estate partnership, and certificates of deposit which are carried at fair market value.

A-7 Inventory

Inventory is valued at cost.

A-8 Board Designated Net Assets

The Board of Directors has designated certain resources as available for use for purposes at the discretion of the Board of the Theater. The board designated net assets consist of the following as of June 30:

	2024	2023
Cash Reserve Fund	$13,297,746	$12,090,862
Building Reserve Fund	1,285,995	1,080,598
Total Board Designated Net Assets	$14,583,741	$13,171,460

NOTE A - Summary of Significant Accounting Policies (continued)

A-9 Basis of Presentation

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 restrictions.

The net assets with donor restrictions consist of the following as of June 30:

	2024	2023
Operating	$ 2,827,134	$ 2,263,939
Rose Pickering Fund	9,083	9,083
Larry Shue Fund	140,171	174,364
Special Projects	2,005,597	2,522,925
Capital Campaign	54,249,976	37,237,536
Endowment	11,871,375	11,849,611
Endowment Income	4,345,116	3,745,942
Total Net Assets With Donor Restrictions	$75,448,452	$57,803,400

A-10 Leases

The Organization recognizes operating and finance leases in accordance with the *FASB Accounting Standards Codification* (ASC) 842. A lease exists when an organization has the right to control the use of property, plant or equipment over a lease term. The lessee classifies a lease as either a finance or operating lease. The accounting of a finance lease is similar to when an asset is purchased. An operating lease is when the right-of-use of an asset exists over the lease-term, but that the lease doesn't meet the definition of a finance lease. The Organization has elected to establish a threshold to exclude lease assets and obligations that are immaterial to the financial statements. The Organization recognizes individual lease assets and liabilities when they are greater than $3,500. The Organization has elected not to apply the recognition requirements in ASC 842 to short-term leases (those with a term of 12 or less months) and no expected purchase at the end of the term. The Organization has elected to use the risk free interest rate as a practical expedient on building and equipment under operating leases.

NOTE A - Summary of Significant Accounting Policies (continued)

A-11 Contributions

Contributions received and unconditional promises to give are measured at fair value and are reported as increases in net assets. Contributions are considered available for the Organization's general operations and included in net assets without donor restrictions unless specifically restricted by a donor. A restricted contribution is reported in revenue and net assets without donor restrictions when the restriction is met within the same reporting period as the contribution is received. Contributions received restricted for a purpose not yet met or to support a future period are included in net assets with donor restrictions. When a donor restriction from a prior year expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Conditional contributions are not recognized as revenue until they become unconditional. A conditional contribution is one that has both a barrier that must be overcome and an agreement requiring advance payment to be returned or future payment not to be obligated if the barrier is not overcome.

Net assets restricted for acquisition of building or equipment are reported as net assets with donor restrictions until the specified asset is placed in service when the net assets are released to net assets without donor restrictions.

When a donor requires the investment of a contribution and restricts the use of investment income, the investment income is reported as net assets with donor restrictions until appropriated for the designated time or use when the net assets are released to net assets without donor restrictions.

Contributions of assets other than cash are recorded at their estimated fair value at the date of the gift. Donated services are recognized as contributions if the services create or enhance nonfinancial assets or the services require specialized skills are performed by people with those skills, and would otherwise be purchased by the Organization. Accordingly, the value of contributed time that does not meet these requirements has not been determined and is not reflected in the accompanying financial statements.

A-12 Government Grants and Contract Revenue

Government grants and contract revenue are recognized when earned. Revenue is earned when eligible expenditures, as defined in each grant, contract or other allowable cost manual, are made. Any cash received for revenue not yet earned is considered to be deferred revenue. Revenue earned but not yet paid to the Organization is included in grants receivable. Expenditures under government contracts are subject to review by the granting authority. To the extent, if any, that such review reduces expenditures allowable under these grants or contracts, the Organization records the disallowance at the time the final assessment is made. Management believes that disallowances, if any, would not have a significant effect on the financial statements.

A-13 Advertising Costs

The Organization uses advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred.

NOTE A - Summary of Significant Accounting Policies (continued)

A-14 Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

A-15 Functional Expenses

Management's estimate of the expense allocation to program, management and fundraising on the statement of activities is based on management's estimate of costs attributable to the relative nature of the expenses. We evaluated the key factors and assumptions used to develop the allocation to programs, management, and fundraising in determining that the estimate is reasonable in relation to the financial statements taken as a whole.

NOTE B - Comparative Financial Information

The financial information shown for 2023 in the accompanying financial statements is included to provide a basis for comparison with 2024 and presents summarized totals only. The comparative information is summarized by total only, not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity to generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

NOTE C - Accounting Change

Accounting Standards Update 2016-13, Financial Instruments - Credit Losses (Topic 326) is effective for fiscal years beginning after December 15, 2022. The main objective of this update is to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. To achieve this objective, the amendments in this update replace the incurred loss impairment methodology in current GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates, including exploring more forward-looking alternatives. The implementation of this standard did not materially affect the financial statements.

NOTE D - Liquidity

The Organization has financial assets available to meet cash needs for general expenditure consisting of the following:

Cash and Cash Equivalents	$ 3,686,776
Investments	14,385,245
Interest Receivable	171,412
Pledges Receivable	213,627
Other Receivables	63,013
Less: Net Assets Restricted for Other Use	(232,510)
Total Financial Assets	$18,287,563

The Organization also has financial assets not included in the table above with donor restrictions that make them unavailable for general expenditures. Those financial assets consist of the following:

Cash and Cash Equivalents	$11,375,333
Investments	21,916,222
Pledges Receivable	30,200,588
Plus: Net Assets Restricted for Other Use	232,510
Total Financial Assets	$63,724,653

The Organization expects liquidity to increase over the next year with a $78,000,000 capital campaign to build a new theater complex at the current location of the Organization.

NOTE E - Investments

Investments as of June 30, 2024, consist of the following:

Professionally Advised by Marquette Associates, Inc.:	
Mutual Funds	$25,122,583
Equities	2,402,672
Real Estate Fund	1,069,809
Senior Secured Loan Fund	915,685
Fixed Income Securities	1,264,089
Greater Milwaukee Foundation (GMF) Agency Fund	109,489
US Treasury Notes less than one year	12,522,726
Certificates of Deposit less than one year:	
Actors Federal Credit Union	248,593
Charles Schwab, various banks	4,369,620
Total	$48,025,266
Investments - Current	$36,301,467
Investments - Long-Term	11,723,799
Total Investments	$48,025,266

Investments as of June 30, 2023, consist of the following:

Professionally Advised by Marquette Associates, Inc.:	
Mutual Funds	$22,618,440
Equities	3,241,713
Real Estate Fund	1,307,878
Senior Secured Loan Fund	1,479,354
Fixed Income Securities	508,654
Greater Milwaukee Foundation (GMF) Agency Fund	101,969
Certificates of Deposit less than one year:	
Actors Federal Credit Union	247,932
Charles Schwab, various banks	13,296,513
Total	$42,802,453
Investments - Current	$31,151,422
Investments - Long-Term	11,651,031
Total Investments	$42,802,453

NOTE E - Investments (continued)

Investments are stated at fair market value. Aggregate cost, aggregate fair market value, and gross unrealized (loss) gain as of June 30, 2024 and 2023, are summarized as follows:

	Aggregate Cost	Aggregate Fair Market Value	Gross Unrealized (Loss) Gain
2024	$46,144,126	$48,025,266	$1,811,140
2023	$43,300,450	$42,802,453	$ (497,997)

Investment (loss) income for the year ended June 30, is as follows:

	2024	2023
Interest and Dividends	$2,018,588	$ 402,173
Capital Gains Distributions	167,535	660,007
Realized Gain	(1,082,456)	540,306
Unrealized Gain(Loss)	2,383,168	1,284,403
Total	$3,486,835	$2,886,989
Less: Non-Operating Investment Income (Loss)	3,177,935	2,741,172
Operating Investment Income	$ 308,900	$ 135,817

Investment income from the Cash Reserve is board designated for special projects. Investment income from the Building Replacement and Theater Funds is restricted to capital purchases and building maintenance. Investment income from the Larry Shue Fund is restricted to supporting intern programs. Investment income from the Endowment funds is released to operations based on the Board's disbursement policy.

NOTE F - Fair Value Measurements

The Organization has adopted the Financial Accounting Standards Board guidance on fair value measurements. A three-tier hierarchy is used to maximize the use of observable market data inputs and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Financial assets valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets valued using Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets. Financial assets valued using Level 3 inputs are based primarily on valuation models with significant unobservable pricing inputs and which result in the use of management estimates.

NOTE F - Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2024:

Investment Category	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equities	$ 2,402,672	$ 2,402,672	$ ---	$ ---
Mutual Funds	25,122,583	25,122,583	---	---
US Treasury Notes	12,522,726	12,522,726	---	---
Fixed Income Securities	1,264,089	1,264,089	---	---
CDs	4,618,213	---	4,618,213	---
Real Estate Fund	1,069,809	---	---	1,069,809
GMF Agency Fund	109,489	---	---	109,489
Senior Secured Loan	915,685	---	---	915,685
Total	$48,025,266	$41,312,070	$4,618,213	$2,094,983

The Organization's real estate fund is managed by American Core Realty Fund, LP. The fair values of the real estate fund is measured based on the statement provided by American Core Realty Fund, LP. The table below presents information about recurring fair value measurement for the real estate fund (Level 3 measurements):

	2024	2023
Beginning Net Asset Value as of July 1	$1,307,878	$1,556,173
Purchases (Sales)	(93,890)	(93,840)
Income - Reinvested	24,931	22,685
Unrealized Gain (Loss)	(169,110)	(177,140)
Ending Net Asset Value as of June 30	$1,069,809	$1,037,878

NOTE F - Fair Value Measurements (continued)

The Organization's senior secured loan fund is managed by State Street Fund Service Toronto, Inc. The fair values of the senior secured loan fund is measured based on the statement provided by State Street Fund Service Toronto, Inc. The table below presents information about recurring fair value measurement for the senior secured loan fund (Level 3 measurements):

	2024	2023
Beginning Net Asset Value as of July 1	$1,479,354	$1,249,248
Purchases (Sales)	(678,249)	110,000
Income - Reinvested	111,917	113,801
Unrealized (Loss) Gain	2,663	6,305
Ending Net Asset Value as of June 30	$ 915,685	$1,479,354

The Organization's Greater Milwaukee Foundation Agency fund is managed by the Greater Milwaukee Foundation (GMF). The fair values of the GMF Agency fund is measured based on the statement provided by the Greater Milwaukee Foundation. The table below presents information about recurring fair value measurement for the GMF fund (Level 3 measurements):

	2024	2023
Beginning Net Asset Value as of July 1	$ 101,969	$ 97,455
Purchase (Sales)	---	---
Investment (Loss) Income Net of Fees	11,900	8,246
Grants Received	(4,380)	(3,732)
Ending Net Asset Value as of June 30	$109,489	$101,969

NOTE F - Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2023:

Investment Category	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equities	$ 3,241,713	$ 3,241,713	$ ---	$ ---
Mutual Funds	22,618,440	22,618,440	---	---
Fixed Income Securities	508,654	508,654	---	---
CDs	13,544,445	---	13,544,445	---
Real Estate Fund	1,307,878	---	---	1,307,878
GMF Agency Fund	101,969	---	---	101,969
Senior Secured Loan	1,479,354	---	---	1,479,354
Total	$42,802,453	$26,368,807	$13,544,445	$2,889,201

NOTE G - Investments Policy Management and Disbursements

Interpretation of Relevant Law
The Organization is subject to the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Endowment Committee appropriates such amounts for expenditure.

Endowment Investment and Spending Policies
The Organization has adopted the following investment, acceptable investment, and risk and spending policies. These policies were updated during August 2021. Below is a summary of these policies:

Summarized Investment Policy
The Investment Advisors will make recommendations to the Investment Committee on investment matters, including selection of investment alternatives and investment managers. The Investment Committee will establish the allocation of assets of the funds according to the detailed parameters and considerations described in the current investment policy adopted by the Board of Directors. The Investment Committee will review the allocations at least quarterly. The portfolio will be rebalanced as market movements or cash payments into or out of the funds transpire, taking into consideration liquidity limitations.

NOTE G - Investments Policy Management and Disbursements (continued)

Summarized Investment Policy (continued)

The Investment Committee and the Investment Advisors should not engage in short-term market timing.

A. Cash Reserve Fund
Since the Cash Reserve Fund is available for operating shortfalls, the Cash Reserve Fund will be managed separately and an amount equal to the next two years potential shortfalls kept liquid in a combination of money market and short to intermediate fixed income investments.

B. Building Reserve Fund and Theater Fund
These funds are intended to serve as the funding vehicle for building and theater maintenance and capital improvements. An amount equal to the next two years estimated net expenditures will be kept liquid in a combination of money market and short to intermediate fixed income investments. The remaining funds will be invested in a balanced portfolio of fixed income and equity funds designed to maximize income consistent with preserving capital.

C. Enhancement Fund
The overall investment objective is to maximize total return on assets at a risk level consistent with prudent management, taking into consideration safety and preservation of real principal, potential for market appreciation and income.

Disbursement Policy

The Rep will attempt to notify the Investment Advisor(s) or managers 30 days prior to any disbursement being required.

A. Cash Reserve Fund
The Cash Reserve Fund will be available as needed for The Rep operations at the discretion of the Finance Committee.

B. Building Reserve Fund and Theater Fund
The Building Reserve Fund and Theater Fund will be disbursed as follows:

1. Disbursements are to be made for the periodic upkeep and renewal of the physical structure. The expected types of disbursements would include, but are not limited to: painting, sound insulation, replacement of roof, carpeting, furniture, fixtures, equipment, floors and windows; and maintenance of floors, windows, historic restoration, and exterior walls.

2. Disbursements from the Theater Fund will be made against a five-year rolling schedule.

3. There is no intention or requirement to maintain the principal contributions in whole. Both principal and earnings will be available for distribution.

NOTE G - Investments Policy Management and Disbursements (continued)

Disbursement Policy (continued)

C. Enhancement Fund
The Enhancement Fund will be disbursed as follows:

1. Annual disbursement will be an amount representing between 3% and 5% of the adjusted rolling five year average fund balance as of June 30th, with a targeted annual disbursement of 4%. However, in no case may any amounts be disbursed from the contributed principal of the Enhancement Fund. The adjusted rolling average is intended to give immediate effect to principal payments, while averaging out income variations. It is defined as the cumulative principal payments plus the 5-year rolling average of cumulative unexpended income (investment income - disbursements).

2. Management shall present to the Finance Committee of The Rep the specific amount requested for a year. The Finance Committee will then review and present the request to the Board for approval.

3. Actual disbursements against the approved amount will be made at least quarterly.

4. There will be no advances, in a current year, of funds not available until a future year.

5. Management may request, with the approval of the Board, that amounts available for disbursement in one year be carried forward to future years to fund a specific project or program.

The Organization's endowment by net asset class at the end of the period, in total and by type of endowment fund, shows donor-restricted endowment funds separately from board-designated endowment funds.

Endowment net asset composition by type of fund as of June 30, 2024, is as follows:

	Total
Endowment Funds with Donor Restrictions	$16,216,491
Total Endowment Funds	$16,216,491

Endowment net asset composition by type of fund as of June 30, 2023, is as follows:

	Total
Endowment Funds with Donor Restrictions	$15,595,561
Total Endowment Funds	$15,595,561

NOTE G - Investments Policy Management and Disbursements (continued)

Changes in endowment net assets as of June 30, 2024 and 2023, are as follows:

	2024	2023
Endowment Net Assets, Beginning of Year	$15,595,561	$15,165,786
Contributions	21,763	12,817
Investment Income (Loss)	1,359,167	1,358,958
Amounts Appropriated for Expenditure	(760,000)	(942,000)
Endowment Net Assets, End of Year	$16,216,491	$15,595,561

NOTE H - Pledges Receivable

Pledges receivable are shown net of an allowance for doubtful accounts based on analysis of pledges for the year ended June 30, 2024, as follows:

Pledges Receivable	$37,703,928
Less: PV discount on Pledges Receivable	(7,244,512)
Less: Allowance for Doubtful Accounts	(45,201)
Net Pledges Receivable	$30,414,215
Pledges Receivable - Current	$ 9,106,798
Pledges Receivable - Long-Term	21,307,417
Gross Pledges Receivable	$30,414,215

Future expected receipts are as follows:

Year	Amount
2025	$ 9,106,798
2026	6,191,299
2027	4,138,327
2028	3,099,881
2029	1,394,266
Thereafter	6,483,644
Total Future Expected Receipts	$30,414,215

NOTE H - Pledges Receivable (continued)

Pledges receivable are shown net of an allowance for doubtful accounts based on analysis of pledges for the year ended June 30, 2023, as follows:

Pledges Receivable	$31,213,040
Less: PV discount on Pledges Receivable	(5,920,128)
Less: Allowance for Doubtful Accounts	(38,552)
Net Pledges Receivable	$25,254,360

Present Value Discount was calculated at the federal funds discount rate of 5.50% on June 30, 2024.

NOTE I - Other Receivables

Other receivables as of June 30, 2024 and 2023, consist of the following:

Source	2024	2023
Employee Retention Credit	$ ---	$483,300
Employee Tips	---	133
Co-productions	7,027	17,718
Educational Programs	45,081	27,716
Miscellaneous	10,905	2,744
Total	$ 63,013	$531,611

NOTE J - Inventory

Inventory as of June 30, 2024 and 2023, consists of the following:

Inventory Item	2024	2023
Food and Beverage	$30,967	$31,778
Merchandise	16,688	21,427
Supplies	13,344	25,819
Total	$60,999	$79,024

NOTE K - Fixed Assets

Fixed assets as of June 30, 2024 and 2023, consist of the following:

At Cost:	2024	2023
Building and Improvements	$ 18,221,451	$ 18,221,451
River Walk	413,349	413,349
Theater Fixtures	1,022,850	1,022,850
Scenic Elements	713,638	713,638
Computer Equipment	1,797,407	1,768,243
Furniture and Equipment	2,866,113	2,766,472
Vehicles	108,444	45,588
Construction in Process	4,982,673	2,019,832
Other Fixed Assets	34,700	34,700
Total Fixed Assets	$ 30,160,625	$ 27,006,123
Less: Accumulated Depreciation	(19,680,970)	(18,848,820)
Net Fixed Assets	$ 10,497,655	$ 8,157,303

NOTE L - Deferred Revenue

Deferred revenue as of June 30, 2024 and 2023, consists of the following:

	2024	2023
(1) Ticket Sales	$3,051,041	$3,125,152
(2) Gift Certificates	148,532	154,885
(3) Other Funds	217,574	147,892
Totals	$3,417,147	$3,427,929

Ticket Sales

The Milwaukee Repertory Theater, Inc. defers recognition of advance season ticket sales until the conclusion of each performance during the subsequent season, at which time the sales are credited to revenue.

Other Funds

These amounts represent funds received in the current year that are to be recognized in the subsequent period.

NOTE M - Leasing Activities

The Organization entered into a 10-year lease agreement to rent out theater and office space at 1300 North Glenview Place, Wauwatosa, Wisconsin. The lease term started January 2024 and ends December 2033, in which they have two options to renew for five additional consecutive years each. The leases additional renewal terms end December 2043. The Organization is reasonably certain to exercise both renewal options and, therefore, the renewal terms are included in the lease term and right-of-use asset.

NOTE M - Leasing Activities (continued)

Lease Cost and Cash Flow Information

The following summarizes the line items in the statements of activities which include the components of lease expense for the year ended June 30, 2024:

Operating Lease Cost - Cost Resulting from Lease Payments	$55,517

The following summarizes cash flow information related to leases for the year ended June 30, 2024:

Operating Lease - Operating Cash Flows Fixed Payments	$55,517
Operating Lease - Operating Cash Flows Liability Reduction	$18,711

The following summarizes lease terms and discount rate averages as of June 30, 2024:

Weighted Average Lease Term - Operating Leases	19.52 Years
Weighted Average Discount Rate - Operating Leases	3.92%

The maturities of lease liabilities as of June 30, 2024, were as follows:

	Obligation Reduction	Discount Amortization	Total Payments
2025	$ 47,210	$ 87,470	$ 134,680
2026	52,526	85,514	138,040
2027	58,196	83,344	141,540
2028	63,871	81,169	145,040
2029	70,218	78,322	148,540
Thereafter	1,970,772	652,408	2,623,180
Total	$ 2,262,794	$ 1,068,226	$ 3,331,020

Other Leasing Activities

The Organization entered into a five-year agreement to rent out theater space under an operating lease that expires in December 2026. The annual rental fee is the greater of $144,200 or 16% of gross admission revenue. In addition, the Organization is required to pay an annual historic preservation fee. Rental expense for the year ended June 30, 2024 and 2023, was $216,341 and $209,597, respectively.

The following is a schedule by years of the future minimum payments required under the lease as of June 30, 2024:

For the Year Ending June 30,	Amount
2025	$210,353
2026	215,276
Total	$425,629

NOTE N - Revenue From Contracts with Customers

Box Office Income

The Organization sells tickets to various shows throughout the year. Tickets can be purchased in person at the box office or over the phone. Revenue is recognized at the point in time the Organization's performance obligation to perform the show is complete. Total box office income for the years ended June 30, 2024 and 2023, was $6,534,225 and $6,076,993, respectively. Deferred revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing tickets to future shows. These revenues are recognized at a point of time in the future when the show is held.

For the Year Ended June 30, 2024

Beginning Deferred Revenue	$ 3,427,929
Revenue Recognized from Prior Year Deferred	(3,427,929)
New Deferred Tickets Sold	6,523,443
Revenue Recognized on Box Office Income	(3,106,296)
Ending Deferred	$ 3,417,147

For the Year Ended June 30, 2023

Beginning Deferred Revenue	$ 3,198,530
Revenue Recognized from Prior Year Deferred	(3,198,530)
New Deferred Tickets Sold	6,306,392
Revenue Recognized on Box Office Income	(2,878,463)
Ending Deferred	$ 3,427,929

NOTE N - Revenue From Contracts with Customers (continued)

Fundraising
Registration fees for the gala are billed to participants at the time of registration. The event revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing the registrants access to the events and event activities. Revenue from these events are recognized at the point in time the event is held and the Organization's performance obligation to hold the event is complete. The Organization also provides the opportunity to sponsor events. Registration and sponsorships for the Organization's events opens months before the events are scheduled to be held. Receipts and sponsorships collected in advance of the special events are deferred as contract liabilities until earned when the event is held at which point the revenue is recognized. At June 30, 2024 and 2023, there were no assets or obligations related to revenue from contracts with customers for fundraising or raffle income. For the years ended June 30, 2024 and 2023, fundraising and raffle income was $648,231 and $517,803, respectively.

Food and Beverage Income
The Organization sells food and beverages during the performances. Food and beverage sales revenue is billed at the point of sale. Revenue is recognized as the performance obligations are satisfied. Performance obligations are considered to be satisfied at the time the services are performed. Food and beverage income for the years ended June 30, 2024 and 2023, was $906,374 and $865,967, respectively.

Historic Restoration Building Fee Income
The Organization adds a $2 historic restoration building fee with each ticket sold for shows. Fees go to help maintain performance spaces, administrative offices, and shops. Historic Restoration Building Fee revenue is recognized at the point in time that the ticket is sold. For the years ended June 30, 2024 and 2023, Historic Restoration Building Fee income was $242,827 and $227,792, respectively.

Education Programs
Education programs revenue is recognized at the point in time that the services are performed. For the years ended June 30, 2024 and 2023, education programs revenue was $168,932 and $135,992, respectively.

Coproduction Income
Coproduction income is recognized at the point in time that the services are performed. For the years ended June 30, 2024 and 2023, coproduction income was $41,436 and $52,718, respectively.

NOTE O - Line of Credit

The Organization has a $750,000 line of credit with an interest rate of SOFR plus 2.75% and collateralized by all business assets. The note does not have a maturity date, however, the lender may demand payment upon 90 days' notice to borrower at any time prior to payment in full and for any reason or no reason. No funds were drawn on the line during the years ended June 30, 2024 and 2023. This line of credit was closed on May 28, 2024.

As of May 28, 2024, The Organization has a $20,000,000 line of credit that matures on May 28, 2028. This will help manage the liquidity during the rebuilding of the theater. The interest rate at June 30, 2024 was 6.825%. No funds were drawn on the line during the years ended June 30, 2024 and 2023

NOTE P - Pension Plans

Employees are covered by several different plans. These plans include five multiemployer defined benefit pension plans, a multiemployer defined contribution pension plan, and a tax sheltered annuity plan.

Equity actors and stage managers belonging to Actors Equity Association are covered by a union pension plan administered by the Equity League Pension and Welfare Trust. The theater pays 8% of the actor's salary for pension benefits. The theater also contributed a percentage, ranging from 0.5% to 1.25%, of minimum weekly salaries to the defined contribution Equity-League 401(k) Trust Fund for the Equity members.

The defined benefit pension plan, Stage Employees Local No. 18 Retirement Plan, for the stagehands is administered by the Milwaukee Theatrical Stage Employees. The theater pays 10% of the stagehands' salary for pension coverage.

The pension plan for the directors is the SDC - League Pension Fund. The theater pays 8% of the director's salary for pension coverage.

The pension plan for the designers is the United Scenic Artists Local 829 Pension Fund. The theater pays 10.25% of the designer's salary for pension coverage.

Operating engineers are covered by the Central Pension Fund of the International Union of Operating Engineers and Participating Employers. The theater pays 7% of regular hourly pay.

Full-time, full-season, and year-round employees not covered under a union sponsored pension plan are eligible to participate in the Milwaukee Repertory Theater, Inc.'s tax-sheltered annuity plan. Under this plan, beginning in their third consecutive year of full-time employment, Milwaukee Repertory Theater, Inc. contributes a percentage of regular earnings, as approved by the Board of Directors, to a tax-deferred annuity account for the employee. During the year ended June 30, 2024, Milwaukee Repertory Theater, Inc. made contributions of 5% of gross salary to the annuity fund.

Total pension plan contributions for the fiscal year ended June 30, 2024, were $336,277.

NOTE P - Pension Plans (continued)

As noted above, the Organization contributes to a number of multiemployer defined benefit pension plans under the terms of collective-bargaining agreements that cover its union-represented employees. The risks of participating in these multiemployer plans are different from single-employer plans in the following aspects:

a. Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.

b. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.

c. If the Organization chooses to stop participating in some of its multiemployer plans, the Organization may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Organization's participation in these plans for the annual period ended June 30, 2024, is outlined in the table below. The "EIN/Pension Plan #" column provides the Employer Identification Number (EIN) and the three-digit plan number, if applicable. The most recent Pension Protection Act (PPA) zone status available is for the plan's fiscal year-end noted below. The zone status is based on information that the Organization received from the plan and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65% funded, plans in the yellow zone are less than 80% funded, and plans in the green zone are at least 80% funded. The "FIP/RP Status Pending/Implemented" column indicates plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented. The second to last column lists the expiration date(s) of the collective-bargaining agreement(s) to which the plans are subject. None of the union contracts require minimum contributions to a plan. Employer contributions are not greater than 5% of any total plan contributions per the plan's most recently available annual report.

Multiemployer defined benefit pension plans are abbreviated as follows:

Plan	Abbreviation
Stage Employees Local No. 18 Retirement Plan	Stage
The Equity - League Pension Plan	Equity
SDC - League Pension Fund	SDC
United Scenic Artists Local 829 Pension Fund	USA
Central Pension Fund of the International Union of Operating Engineers and Participating Employers	Engineers

NOTE P - Pension Plans (continued)

Pension Fund	EIN/Pension Plan #	PPA Zone Status 2014	FIP/RP Status Pending/ Implemented	Contributions in Current Year	Surcharge Imposed	Expiration Date	Fiscal Year End
Stage	39-6224262-001	Green	None	$74,220	No	6/30/24	Dec
Equity	13-6696817-001	Green	None	73,304	No	6/30/25	May
SDC	13-6634482-001	Yellow	Yes	7,658	Yes	4/14/23	Aug
USA	13-1982707-001	Green	None	17,528	No	6/30/23	Dec
Engineers	36-6052390-001	Green	None	13,525	No	6/30/22	Jan

NOTE Q - Income Taxes

The Organization is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and is classified as other than a private foundation. Management has reviewed all tax positions recognized in previously filed tax returns and those expected to be taken in future tax returns. As of June 30, 2024, the Organization had no amounts related to unrecognized income tax benefits and no amounts related to accrued interest and penalties. The Organization does not anticipate any significant changes to unrecognized income tax benefits over the next year.

NOTE R - Special Projects

The Theater expanded its fundraising efforts to raise additional funds, in fiscal year 2016, for its permanently restricted endowment fund and for a new temporarily restricted Special Projects Fund for the creation of a new production of “A Christmas Carol” to debut in December 2016, a New Play Development Program, a complete renovation of the Stackner Cabaret and the Theater’s Community Engagement Programs. Donor restricted net assets of the Special Projects Fund as of June 30, 2024 and 2023, were $2,005,597 and $2,522,925, respectively.

Net assets with donor restrictions of the special projects fund as of June 30, 2024 and 2023, consists of the following:

Source	2024	2023
New Play Development Program	$1,068,407	$1,326,900
Engagement Projects	433,971	480,878
Stackner Renovation	5,362	5,362
Classics Initiative	318,323	457,000
“A Christmas Carol” Rebuild	179,534	252,785
Total	$2,005,597	$2,522,925

NOTE S - Related Parties

The Organization held $109,489 and $101,969 as of June 30, 2024 and 2023, respectively in an endowment fund managed by the employer of one of the members of the board of directors. In December 2022, the employer also pledged $400,000 towards the campaign with $200,000 still receivable as of June 30, 2024.

NOTE S - Related Parties (continued)

The Organization paid approximately $145,883 and $162,000 in utility bills to the employer of one of the board of directors for the years ended June 30, 2024 and 2023, respectively.

The Organization paid approximately $118,968 and $-0- for construction on the production facility to the employer of one of the board of directors for the years ended June 30, 2024 and 2023, respectively.

The Organization paid approximately $44,333 and $-0- in legal and professional fees to the employer of one of the board of directors for the years ended June 30, 2024 and 2023, respectively.

NOTE T - Subsequent Events

The Organization has evaluated events and transactions occurring after June 30, 2024, the date of the most recent statement of financial position, through the date financial statements are available to be issued, November 22, 2024, for possible adjustment to the financial statements or disclosure and determined that no subsequent events need to be disclosed.

MILWAUKEE REPERTORY THEATER, INC.
SCHEDULE OF WITHOUT DONOR RESTRICTED ACTIVITIES RECONCILED TO OPERATING BUDGET
FOR THE YEAR ENDED JUNE 30, 2024

Milwaukee Repertory Theater, Inc. budgets its operations on a traditional fund accounting basis. The Board of Directors makes certain resources available to the management for day-to-day operations and designates other resources for longer term purposes. A reconciliation of unrestricted functional operating revenue and expenses to operating results as budgeted follows:

Change in Without Donor Restricted Operating Net Assets	$ 2,823,703
Depreciation Expense	856,194
Theater Fund Resources Expended on Fixed Assets	(75,813)
Capital Campaign Resources Expended on Fixed Assets	(3,102,732)
NET OPERATING SURPLUS	$ 501,352