MILWAUKEE REPERTORY THEATER, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

(With Summarized Totals for the Year Ended June 30, 2024)

RitzHolman
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MILWAUKEE REPERTORY THEATER, INC.

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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, 2025, 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, 2025, 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, 2024, financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 22, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, 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 19, 2025

MILWAUKEE REPERTORY THEATER, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025
(With Summarized Totals for June 30, 2024)

ASSETS

	Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
CURRENT ASSETS				
Cash and Cash Equivalents (NOTES A-3 and C)	$ 4,098,415	$ 8,711,130	$ 12,809,545	$ 15,062,109
Investments (NOTES A-7 and E-G)	15,039,019	5,636,915	20,675,934	36,301,467
Pledges Receivable (NOTES A-4 and H)	167,396	8,786,683	8,954,079	9,106,798
Loan Receivable (NOTE A-5 and I)	100,000	---	100,000	---
Interest Receivable	37,837	---	37,837	171,412
Other Receivables (NOTE A-5 and J)	9,001	---	9,001	63,013
Inventory (NOTES A-7 and K)	91,766	---	91,766	60,999
Prepaid Expenses	498,271	---	498,271	697,891
Total Current Assets	$ 20,041,705	$ 23,134,728	$ 43,176,433	$ 61,463,689
INVESTMENTS (NOTES A-6 and E-H)	$ ---	$ 11,720,813	$ 11,720,813	$ 11,723,799
PLEDGES RECEIVABLE (NOTES A-4 and H)	$ 167,396	$ 27,216,150	$ 27,383,546	$ 30,414,215
Less: Current Portion of Pledges Receivable	(167,396)	(8,786,683)	(8,954,079)	(9,106,798)
Long-Term Pledges Receivable	$ ---	$ 18,429,467	$ 18,429,467	$ 21,307,417
FIXED ASSETS (NOTES A-6 and L)				
Total Fixed Assets	$ 27,433,462	$ 44,297,357	$ 71,730,819	$ 30,160,625
Less: Accumulated Depreciation	(20,487,919)	---	(20,487,919)	(19,680,970)
Net Fixed Assets	$ 6,945,543	$ 44,297,357	$ 51,242,900	$ 10,479,655
LEASES (NOTES A-11 and N)				
Right-of-Use Asset - Operating	$ 2,151,698	$ ---	$ 2,151,698	$ 2,233,550
Due To/From Funds	$ 2,892,805	$ (2,892,805)	$ ---	$ ---
TOTAL ASSETS	$ 32,031,751	$ 94,689,560	$ 126,721,311	$ 107,208,110

LIABILITIES AND NET ASSETS

	Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
CURRENT LIABILITIES				
Accounts Payable	$ 92,741	$ 7,925,690	$ 8,018,431	$ 560,284
Payroll Liabilities	579,074	---	579,074	432,025
Deferred Revenue (NOTE M)	4,223,610	---	4,223,610	3,417,147
Operating Lease Liability - Current Portion	52,526	---	52,526	47,210
Total Current Liabilities	$ 4,947,951	$ 7,925,690	$ 12,873,641	$ 4,456,666
NON-CURRENT LIABILITIES (NOTE A-11 and N)				
Operating Lease Liability - Non-Current Portion	$ 2,163,058	$ ---	$ 2,163,058	$ 2,215,584
Total Non-Current Liabilities	$ 2,163,058	$ ---	$ 2,163,058	$ 2,215,584
Total Liabilities	$ 7,111,009	$ 7,925,690	$ 15,036,699	$ 6,672,250
NET ASSETS (NOTE A-9 and A-10)				
Without Donor Restrictions				
Operating	$ 9,744,827	$ ---	$ 9,744,827	$ 10,503,667
Board Designated (NOTE A-9)	15,175,915	---	15,175,915	14,583,741
Total Net Assets Without Donor Restrictions	$ 24,920,742	$ ---	$ 24,920,742	$ 25,087,408
With Donor Restrictions	$ ---	$ 86,763,870	$ 86,763,870	$ 75,448,452
Total Net Assets	$ 24,920,742	$ 86,763,870	$ 111,684,612	$ 100,535,860
TOTAL LIABILITIES AND NET ASSETS	$ 32,031,751	$ 94,689,560	$ 126,721,311	$ 107,208,110

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

MILWAUKEE REPERTORY THEATER, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025
(With Summarized Totals for the Year Ended June 30, 2024)

	Without Donor Restrictions			With Donor Restrictions							
	Operating	Board Designated	Total	Operating	Special Projects	Capital Campaign	Endowment Income	Permanently Restricted	Total	2025 Total	2024 Total
INCOME											
Public Support											
State of Wisconsin	$ 25,000	$ ---	$ 25,000	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---	$ 25,000	$ 25,000
Milwaukee County	9,269	---	9,269	---	---	---	---	---	---	9,269	19,865
NEA Grant	20,000	---	20,000	---	---	---	---	---	---	20,000	25,000
City of Milwaukee	6,626	---	6,626	---	---	---	---	---	---	6,626	299
UPAF Grant	1,346,833	---	1,346,833	---	---	---	---	---	---	1,346,833	1,494,200
Foundations	293,955	---	293,955	698,336	---	---	---	---	698,336	992,291	797,443
Corporate Grants	132,005	---	132,005	259,500	50,745	1,246,046	---	---	1,556,291	1,688,296	758,127
Contributions	1,603,094	---	1,603,094	2,319,896	987,000	6,461,577	---	---	9,768,473	11,371,567	22,396,692
In-Kind Income	---	---	---	---	---	140,947	---	---	140,947	140,947	5,331
Fundraising Events											
Income	611,008	---	611,008	220,205	---	---	---	---	220,205	831,213	648,231
Expense	(304,197)	---	(304,197)	---	---	---	---	---	---	(304,197)	(338,287)
Net Assets Released from Restrictions	4,501,276	(966,169)	3,535,107	(1,677,280)	(586,269)	(511,558)	(760,000)	---	(3,535,107)	---	---
Total Public Support	$ 8,244,869	$ (966,169)	$ 7,278,700	$ 1,820,657	$ 451,476	$ 7,337,012	$ (760,000)	$ ---	$ 8,849,145	$ 16,127,845	$ 25,831,901
Earned Income											
Box Office Income	$ 6,416,245	$ ---	$ 6,416,245	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---	$ 6,416,245	$ 6,534,225
Coproduction Income	---	---	---	---	---	---	---	---	---	---	41,436
Concessions Sales - Net of Cost	563,615	---	563,615	---	---	---	---	---	---	563,615	639,026
Education Programs	111,989	---	111,989	---	---	---	---	---	---	111,989	168,932
Ticket Handling	93,813	---	93,813	---	---	---	---	---	---	93,813	102,858
Building Restoration Fee	---	258,788	258,788	---	---	---	---	---	---	258,788	242,827
Other Earned Income	82,558	---	82,558	---	---	---	---	---	---	82,558	91,285
Investment Income (NOTE F)	325,078	1,133,320	1,458,398	---	---	866,753	1,599,520	---	2,466,273	3,924,671	3,486,835
Total Earned Income	$ 7,593,298	$ 1,392,108	$ 8,985,406	$ ---	$ ---	$ 866,753	$ 1,599,520	$ ---	$ 2,466,273	$ 11,451,679	$ 11,307,424
Total Income	$ 15,838,167	$ 425,939	$ 16,264,106	$ 1,820,657	$ 451,476	$ 8,203,765	$ 839,520	$ ---	$ 11,315,418	$ 27,579,524	$ 37,139,325
EXPENSES											
Program Services											
Artistic	$ 3,645,559	$ ---	$ 3,645,559	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---	$ 3,645,559	$ 3,234,277
Education Programs	795,191	---	795,191	---	---	---	---	---	---	795,191	861,353
Production	4,299,035	23,521	4,322,556	---	---	---	---	---	---	4,322,556	3,939,026
Marketing	2,361,860	---	2,361,860	---	---	---	---	---	---	2,361,860	2,421,911
Concessions	480,373	---	480,373	---	---	---	---	---	---	480,373	536,144
Facilities	626,766	---	626,766	---	---	---	---	---	---	626,766	719,694
Administrative and General	2,210,740	81,020	2,291,760	---	---	---	---	---	---	2,291,760	1,839,142
Development	1,099,758	---	1,099,758	---	---	---	---	---	---	1,099,758	1,351,894
Total Expenses Without Depreciation	$ 15,519,282	$ 104,541	$ 15,623,823	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---	$ 15,623,823	$ 14,903,441
CHANGE IN NET ASSETS BEFORE DEPRECIATION	$ 318,885	$ 321,398	$ 640,283	$ 1,820,657	$ 451,476	$ 8,203,765	$ 839,520	$ ---	$ 11,315,418	$ 11,955,701	$ 22,235,884
Depreciation Expense	(806,949)	---	(806,949)	---	---	---	---	---	---	(806,949)	(856,194)
CHANGE IN NET ASSETS AFTER DEPRECIATION	$ (488,064)	$ 321,398	$ (166,666)	$ 1,820,657	$ 451,476	$ 8,203,765	$ 839,520	$ ---	$ 11,315,418	$ 11,148,752	$ 21,379,690
Net Assets, Beginning 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
Transfers	(270,776)	270,776	---	---	---	---	---	---	---	---	---
NET ASSETS, END OF YEAR	$ 9,744,827	$ 15,175,915	$ 24,920,742	$ 4,797,045	$ 2,457,073	$ 62,453,741	$ 5,184,636	$ 11,871,375	$ 86,763,870	$ 111,684,612	$ 100,535,860

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, 2025
(With Summarized Totals for the Year Ended June 30, 2024)

	Program Services						Administrative		2025	2024
	Artistic	Education	Production	Marketing	Concessions	Facilities	and General	Development	Total	Total
EXPENSES										
PERSONNEL										
Salaries and Fees	$ 2,006,979	$ 384,092	$ 2,401,123	$ 870,238	$ 321,958	$ 218,814	$ 988,438	$ 775,825	$ 7,967,467	$ 7,845,741
Payroll Taxes	170,167	35,333	244,691	92,324	54,873	19,714	69,894	65,831	752,827	696,764
Pension and Welfare	313,293	39,362	405,111	70,338	33,053	37,846	81,415	81,993	1,062,411	1,131,750
Travel, Housing and Per Diem	333,331	68,600	19,886	1,500	---	---	5,757	35,885	464,959	376,777
Other Personnel	15,935	132,669	2,735	2,399	1,859	560	7,733	522	164,412	186,397
Total Personnel	$ 2,839,705	$ 660,056	$ 3,073,546	$ 1,036,799	$ 411,743	$ 276,934	$ 1,153,237	$ 960,056	$ 10,412,076	$ 10,237,429
OTHER EXPENSES										
Travel and Conferences	$ 55,378	$ 29,750	$ 18,012	$ 4,737	$ 18	$ 41	$ 13,541	$ 14,400	$ 135,877	$ 129,009
Equipment	326	2,666	178,464	2,905	13,926	102,383	127,569	---	428,239	461,088
IT Equipment and Service	40	---	332	151,778	5,600	---	267,020	479	425,249	370,873
Hospitality and Programs	7,429	19,638	4,305	17,160	2,775	111	198,946	---	250,364	293,915
Insurance		1,655					131,977		133,632	234,288
Materials and Supplies	15,630	11,764	236,164	2,760	16,836	10,405	1,738	464	295,761	348,105
Office and Miscellaneous	81,132	5,306	11,870	3,986	8,335	2,106	30,699	20,670	164,104	98,800
Postage and Mailing Services	202	24	32,063	152,177	20	---	6,753	16,972	208,211	216,198
Printing and Signage	---	895	1,967	196,614	1,247	---	222	42,148	243,093	274,034
Professional Services	231,341	63,038	9,426	324,299	---	55,024	103,620	23,984	810,732	576,048
Telephone, Fax and Internet	1,809	---	---	5,740	---	2,246	24,898	---	34,693	34,007
Advertising (NOTE A-14)	---	---	---	325,321	---	---	---	2,950	328,271	298,857
Bank and Credit Card Fees	---	399	---	134,584	19,873	---	11,245	17,635	183,736	203,722
Coproduction Expense	67,591	---	47,490	---	---	---	---	---	115,081	136,850
Royalties	338,931	---	---	---	---	---	---	---	338,931	463,917
Repairs and Maintenance	---	---	---	---	---	10,244	32,714	---	42,958	43,847
Rent	6,045	---	708,917	3,000	---	---	168,475	---	886,437	319,379
Utilities	---	---	---	---	---	167,272	19,106	---	186,378	163,075
Depreciation	---	---	---	---	---	806,949	---	---	806,949	856,194
Total Other Expenses	$ 805,854	$ 135,135	$ 1,249,010	$ 1,325,061	$ 68,630	$ 1,156,781	$ 1,138,523	$ 139,702	$ 6,018,696	$ 5,522,206
Subtotal	$ 3,645,559	$ 795,191	$ 4,322,556	$ 2,361,860	$ 480,373	$ 1,433,715	$ 2,291,760	$ 1,099,758	$ 16,430,772	$ 15,759,635
Special Event Expenses										
Rent and Facility	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---	$ 102,943	$ 102,943	$ 70,294
Food and Beverages	---	---	---	---	---	---	---	123,863	123,863	121,470
Entertainment	---	---	---	---	---	---	---	27,909	27,909	58,296
Supplies	---	---	---	---	---	---	---	1,406	1,406	4,543
Travel	---	---	---	---	---	---	---	32,921	32,921	39,093
Campaign Consultants and Labor	---	---	---	---	---	---	---	12,470	12,470	5,178
Other Expenses	---	---	---	---	---	---	---	2,685	2,685	39,413
Total Expenses	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---	$ 304,197	$ 304,197	$ 338,287
Total	$ 3,645,559	$ 795,191	$ 4,322,556	$ 2,361,860	$ 480,373	$ 1,433,715	$ 2,291,760	$ 1,403,955	$ 16,734,969	$ 16,097,922

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, 2025
(With Summarized Totals for the Year Ended June 30, 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 11,148,752	$ 21,379,690
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation and Amortization	841,591	885,438
Realized/Unrealized (Gain) Loss on Investments (NOTE F)	(1,643,791)	(1,304,198)
(Increase) Decrease in Interest Receivable	133,575	(24,737)
(Increase) Decrease in Pledges Receivable	3,030,669	(5,159,855)
(Increase) Decrease in Loan Receivable	(100,000)	---
(Increase) Decrease in Other Receivables	54,012	468,598
(Increase) Decrease in Inventory	(30,767)	18,025
(Increase) Decrease in Prepaid Expenses	199,620	(255,696)
Increase (Decrease) in Accounts Payable	7,458,147	(199,392)
Increase (Decrease) in Payroll Liabilities	147,049	(9,039)
Increase (Decrease) in Deferred Revenue	806,463	(10,782)
Net Cash Provided by Operating Activities	$ 22,045,320	$ 15,788,052
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	$ (41,570,194)	$ (3,178,546)
Proceeds from Sale of Investments	95,646,824	49,357,347
Purchase of Investments	(78,374,514)	(53,275,962)
Net Cash Used by Investing Activities	$ (24,297,884)	$ (7,097,161)
Net (Decrease) Increase in Cash and Cash Equivalents	$ (2,252,564)	$ 8,690,891
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	15,062,109	6,371,218
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 12,809,545	$ 15,062,109
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, 2025

(With Summarized Totals for the Year Ended June 30, 2024)

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 when purchased.

A-4 Pledges Receivable

Pledges receivable are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of discounts is included in contribution revenue in the statement of activities. The Organization determines the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectible. Total allowance for uncollectible pledges receivable was $78,356 and $45,201 in the years ended June 30, 2025 and 2024, respectively.

A-5 Accounts Receivable and Credit Losses

The Organization recognizes an allowance for expected credit losses on trade, loan, and other receivables. The expected credit losses are updated by management at each reporting date to reflect changes in credit risk since the financial instrument was initially recognized. The expected credit losses on trade or other receivables are estimated based on historical credit loss experience, aging analysis, and management’s assessment of current conditions and reasonable and supportable expectations of future conditions. The Organization assesses collectability by pooling receivables where similar characteristics exist and evaluates receivables individually when specific customer balances no longer share those risk characteristics and are considered at risk or uncollectible. Accounts receivable balances are charged off against the allowance for credit losses after recovery efforts have ceased. The expense associated with the allowance for expected credit losses is recognized in bad debts expense. Accounts and other receivables are expected to be collected in full; therefore, no allowance for credit losses has been recorded, as of June 30, 2025.

NOTE A - Summary of Significant Accounting Policies (continued)

A-6 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-7 Investments

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

A-8 Inventory

Inventory is valued at cost.

A-9 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:

	2025	2024
Cash Reserve Fund	$14,632,227	$13,297,746
Building Reserve Fund	543,688	1,285,995
Total Board Designated Net Assets	$15,175,915	$14,583,741

A-10 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:

	2025	2024
Operating	$ 4,677,536	$ 2,827,134
Rose Pickering Fund	9,083	9,083
Larry Shue Fund	110,426	140,171
Special Projects	2,457,073	2,005,597
Capital Campaign	62,453,741	54,249,976
Endowment	11,871,375	11,871,375
Endowment Income	5,184,636	4,345,116
Total Net Assets With Donor Restrictions	$86,763,870	$75,448,452

NOTE A - Summary of Significant Accounting Policies (continued)

A-11 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 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.

A-12 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.

NOTE A - Summary of Significant Accounting Policies (continued)

A-13 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-14 Advertising Costs

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

A-15 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-16 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 2024 in the accompanying financial statements is included to provide a basis for comparison with 2025 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, 2024, from which the summarized information was derived.

NOTE C - Liquidity

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

Cash and Cash Equivalents	$ 4,098,415
Investments	15,039,019
Pledges Receivable, Current	167,396
Loan Receivable	100,000
Interest Receivable	37,837
Other Receivables	9,001
Total Financial Assets	$19,451,668

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	$ 8,711,130
Investments	5,636,915
Pledges Receivable, Current	8,786,683
Total Financial Assets	$23,134,728

The Organization monitors its liquidity by regularly tracking cash flow and manages liquidity by maintaining reserves in readily available interest bearing cash and cash equivalent accounts. The Organization also has a line of credit available for liquidity needs, detailed in Note Q.

NOTE D - Concentration of Risk

The Organization maintains its cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $250,000. As of June 30, 2025, the Organization’s uninsured cash balances total $25,986.

NOTE E - Investments

Investments as of June 30, 2025, consist of the following:

Professionally Advised by Marquette Associates, Inc.:	
Equities	$14,469,630
Real Estate Fund	995,277
Senior Secured Loan Fund	699,146
Fixed Income Securities	15,867,606
Greater Milwaukee Foundation (GMF) Agency Fund	115,626
Certificates of Deposit less than one year:	
Actors Federal Credit Union	249,462
Total	$32,396,747
Investments - Current	$20,675,934
Investments - Long-Term	11,720,813
Total Investments	$32,396,747

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

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, 2025 and 2024, are summarized as follows:

	Aggregate Cost	Aggregate Fair Market Value	Gross Unrealized (Loss) Gain
2025	$29,404,260	$32,396,747	$2,992,487
2024	$46,144,126	$48,025,266	$1,811,140

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

	2025	2024
Interest and Dividends	$1,966,181	$2,018,588
Capital Gains Distributions	314,699	167,535
Realized Gain (Loss)	533,656	(1,082,456)
Unrealized Gain (Loss)	1,110,135	2,383,168
Total	$3,924,671	$3,486,835
Less: Non-Operating Investment Income (Loss)	3,599,594	3,177,935
Operating Investment Income	$ 325,077	$ 308,900

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, 2025:

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 & Mutual Funds	$14,469,630	$14,469,630	$ ---	$ ---
Fixed Income Securities	15,867,606	15,867,606	---	---
CDs	249,462	---	249,462	---
Real Estate Fund	995,277	---	---	995,277
State Street Fund	699,146			699,146
GMF Agency Fund	115,626	---	---	115,626
Total	$32,396,747	$30,337,236	$249,462	$1,180,049

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):

	2025	2024
Beginning Net Asset Value as of July 1	$1,069,809	$1,307,878
Purchases (Sales)	(98,945)	(93,890)
Income – Reinvested, Net of Fees	26,051	24,931
Unrealized Gain (Loss)	(1,638)	(169,110)
Ending Net Asset Value as of June 30	$ 995,277	$1,069,809

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):

	2025	2024
Beginning Net Asset Value as of July 1	$ 915,685	$1,479,354
Purchases (Sales)	(270,000)	(678,249)
Income – Reinvested	75,060	111,917
Unrealized (Loss) Gain	(21,599)	2,663
Ending Net Asset Value as of June 30	$ 699,146	$ 915,685

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):

	2025	2024
Beginning Net Asset Value as of July 1	$109,489	$101,969
Purchase (Sales)	---	---
Investment (Loss) Income Net of Fees	11,114	11,900
Grants Received	(4,977)	(4,380)
Ending Net Asset Value as of June 30	$115,626	$109,489

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

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. Investment policy strategy is focused on equity securities of large capitalization, with a specific emphasis on large-cap growth companies.

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, 2025, is as follows:

	Total
Endowment Funds with Donor Restrictions	$17,056,011
Total Endowment Funds	$17,056,011

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

NOTE G - Investments Policy Management and Disbursements (continued)

Changes in endowment net assets as of June 30, 2025 and 2024, are as follows:

	2025	2024
Endowment Net Assets, Beginning of Year	$16,216,491	$15,595,561
Contributions	---	21,763
Investment Income (Loss)	1,599,520	1,359,167
Amounts Appropriated for Expenditure	(760,000)	(760,000)
Endowment Net Assets, End of Year	$17,056,011	$16,216,491

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, 2025, as follows:

Pledges Receivable	$32,612,524
Less: PV discount on Pledges Receivable	(5,150,622)
Less: Allowance for Doubtful Accounts	(78,356)
Net Pledges Receivable	$27,383,546
Pledges Receivable - Current	$ 8,954,079
Pledges Receivable - Long-Term	23,658,445
Gross Pledges Receivable	$32,612,524

Future expected receipts are as follows:

Year	Amount
2026	$ 8,954,079
2027	5,841,052
2028	5,008,852
2029	2,048,541
2030	1,774,000
Thereafter	8,986,000
Total Future Expected Receipts	$32,612,524

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, 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

Present Value Discount was calculated at the federal funds discount rate of 4.50% on June 30, 2025.

NOTE I - Loans Receivable

Loans receivable consist of a loan of $100,000 made to an arts organization. The loan has an interest rate of 3.5%, a maturity date of October 31, 2025, and is secured by the recipient's United Performing Arts Fund distributions. Accrued interest included in revenue on the Statement of Activities relating to loans receivable was $1,097 and $0 for the years ended June 30, 2025 and 2024, respectively. Loans receivable was $100,000 and $0 as of June 30, 2025 and 2024, respectively. Total loan receivable is expected to be collected in the year ended June 30, 2026.

NOTE J - Other Receivables

Other receivables as of June 30, 2025 and 2024, consist of the following:

Source	2025	2024
Co-productions	$ ---	$ 7,027
Educational Programs	7,155	45,081
Miscellaneous	1,846	10,905
Total	$9,001	$63,013

NOTE K - Inventory

Inventory as of June 30, 2025 and 2024, consists of the following:

Inventory Item	2025	2024
Food and Beverage	$56,429	$30,967
Merchandise	12,766	16,688
Supplies	22,571	13,344
Total	$91,766	$60,999

NOTE L - Fixed Assets

Fixed assets as of June 30, 2025 and 2024, consist of the following:

At Cost:	2025	2024
Building and Improvements	$ 18,221,452	$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	1,797,407
Furniture and Equipment	2,866,113	2,866,113
Vehicles	108,444	108,444
Construction in Process	46,552,866	4,982,673
Other Fixed Assets	34,700	34,700
Total Fixed Assets	$ 71,730,819	$30,160,625
Less: Accumulated Depreciation	(20,487,919)	(19,680,970)
Net Fixed Assets	$ 51,242,900	$10,479,655

NOTE M - Deferred Revenue

Deferred revenue as of June 30, 2025 and 2024, consists of the following:

	2025	2024
(1) Ticket Sales	$3,795,383	$3,051,041
(2) Gift Certificates	108,555	148,532
(3) Other Funds	319,672	217,574
Totals	$4,223,610	$3,417,147

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 N - 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 N - 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, 2025:

Operating Lease Cost - Cost Resulting from Lease Payments	$169,322

The following summarizes cash flow information related to leases for the year ended June 30, 2025:

Operating Lease - Operating Cash Flows Fixed Payments	$134,680
Operating Lease - Operating Cash Flows Liability Reduction	$ 47,210

The following summarizes lease terms and discount rate averages as of June 30, 2025:

Weighted Average Lease Term - Operating Leases	18.52 Years
Weighted Average Discount Rate - Operating Leases	3.92%

The maturities of lease liabilities as of June 30, 2025, were as follows:

	Obligation Reduction	Discount Amortization	Total Payments
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
2030	76,880	75,440	152,320
Thereafter	1,893,893	576,968	2,470,861
	$ 2,215,584	$ 980,757	$ 3,196,341

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, 2025 and 2024, was $234,818 and $216,341, respectively. As of June 30, 2025, total minimum payments required under the lease in 2026 is $216,276.

NOTE O - 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, 2025 and 2024, was $6,416,245 and $6,534,225, 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, 2025

Beginning Deferred Revenue	$ 3,417,147
Revenue Recognized from Prior Year Deferred	(3,417,147)
New Box Office Tickets Sold	7,222,708
Revenue Recognized on Box Office Income	(2,999,098)
Ending Deferred	$ 4,223,610

For the Year Ended June 30, 2024

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

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, 2025 and 2024, there were no assets or obligations related to revenue from contracts with customers for fundraising or raffle income. For the years ended June 30, 2025 and 2024, fundraising and raffle income was $831,213 and $648,231, respectively. Total exchange revenue related to fundraising and raffle income was $222,190 for the year ended June 30, 2025.

NOTE O - Revenue From Contracts with Customers (continued)

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, 2025 and 2024, was $774,655 and $906,374, 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, 2025 and 2024, Historic Restoration Building Fee income was $258,788 and $242,827, respectively.

Education Programs

Education programs revenue is recognized at the point in time that the services are performed. For the years ended June 30, 2025 and 2024, education programs revenue was $111,989 and $168,932, respectively.

Coproduction Income

Coproduction income is recognized at the point in time that the services are performed. For the years ended June 30, 2025 and 2024, coproduction income was $-0- and $41,436, respectively.

NOTE P - In-Kind Revenue

The Organization signed a temporary lease for office space, which was donated as in-kind. The lease commenced February 1, 2025 and expires September 30, 2025. The lease has been formally extended through December 31, 2025. The lease is recognized as in-kind revenue over the term of the lease. The office lease is valued at $28,189 per month, which is the fair market value of leasing this office space. The total in-kind revenue included in revenue on the Statement of Activities relating to the donated office space was $140,946 as of June 30, 2025.

NOTE Q - Line of Credit

As of May 28, 2024, the Organization has a $20,000,000 line of credit that matures on May 28, 2028 to help manage liquidity during the rebuilding of the theater. The interest rate at June 30, 2025 was 5.813%.The line of credit is secured by pledges for the capital campaign. No funds were drawn on the line during the years ended June 30, 2025 and 2024.

NOTE R - Pension Plans

Employees are covered by several different plans. These plans include five multi-employer defined benefit pension plans, a multi-employer 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, 2025, 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, 2025, were $343,339.

NOTE R - 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, 2025, 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 R - 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	$74,829	No	4/30/25	Dec
Equity	13-6696817-001	Green	None	86,385	No	5/30/25	May
SDC	13-6634482-001	Red	Yes	6,492	Yes	12/31/24	Aug
USA	13-1982707-001	Green	None	15,131	No	4/30/25	Dec
Engineers	36-6052390-001	Green	None	13,851	No	5/30/25	Jan

NOTE S - 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, 2025, 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 T - 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, 2025 and 2024, were $2,457,073 and $2,005,597, respectively.

Net assets with donor restrictions of the special projects fund as of June 30, 2025 and 2024, consists of the following:

Source	2025	2024
New Play Development Program	$1,735,407	$1,068,407
Engagement Projects	382,886	433,971
Stackner Renovation	5,362	5,362
Classics Initiative	168,323	318,323
“A Christmas Carol” Rebuild	165,095	179,534
Total	$2,457,073	$2,005,597

NOTE U - Related Party Transactions

The Organization paid approximately $149,774 and $145,883 in utility bills to the employer of one of the board of directors for the year ended June 30, 2025 and 2024, respectively.

The Organization paid Erudite Productions, which is an LLC owned by the Artistic Director. The Theater contracted the LLC to provide directing services for a production for the Theater. Total payments to the LLC totaled $8,450, for the year ended June 30, 2025.

The Organization rents an apartment owned by the Artistic Director to provide temporary accommodations for traveling performers. Total housing paid to the Artistic Director under this arrangement was $13,000, in the year ended June 30, 2025.

The Organization contracted the Artistic Director’s spouse for professional services, including directing and acting in performances in the year ending June 30, 2025. Total compensation for these services amounted to $16,750, in the year ended June 30, 2025.

NOTE V - Subsequent Events

The Organization has evaluated events and transactions occurring after June 30, 2025, the date of the most recent statement of financial position, through the date financial statements are available to be issued, November 19, 2025, for possible adjustment to the financial statements or disclosure and determined that no subsequent events need to be disclosed.

On August 10th, the Organization suffered significant flood damage to its production facility after the heavy rainfall that hit the City of Wauwatosa. Preliminary estimates indicate a total loss of $7.5 million, which includes damage to the production equipment and supplies used by the Organization. The Organization maintains an insurance policy that will reimburse $5 million of the damages, the excess costs will be covered by the Organization.

MILWAUKEE REPERTORY THEATER, INC.
SCHEDULE OF WITHOUT DONOR RESTRICTED ACTIVITIES RECONCILED TO OPERATING BUDGET
FOR THE YEAR ENDED JUNE 30, 2025

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	$	(488,064)
Depreciation Expense		806,949
NET OPERATING SURPLUS	$	318,885