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**VISIT BUFFALO NIAGARA
AND AFFILIATES**

**CONSOLIDATED FINANCIAL STATEMENTS
WITH ADDITIONAL INFORMATION**

DECEMBER 31, 2022

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Visit Buffalo Niagara and Affiliates

Opinion

We have audited the consolidated balance sheets of Buffalo Niagara Convention & Visitors Bureau, Inc. (d/b/a Visit Buffalo Niagara) and Affiliates (the Organization) as of December 31, 2022 and 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Adoption of Accounting Standards Update (ASU) No. 2016-02

As discussed in Note 6 to the financial statements, the Organization changed its method of accounting for leases of longer than one year, and adopted ASU No. 2016-02, *Leases* (Topic 842), effective January 1, 2022. Our opinion is not modified with respect to this matter.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, 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 the Organization's ability to continue as a going concern for one year after the date that the financial statements are issued.

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Auditors' 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 auditors' 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 the Organization'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 the Organization'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.

Additional Information

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

April 28, 2023

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VISIT BUFFALO NIAGARA AND AFFILIATES

Consolidated Balance Sheets

December 31,	2022	2021
Assets		
Current assets:		
Cash	\$ 2,141,243	\$ 3,076,470
Accounts receivable, net of allowance for doubtful accounts of \$15,000 in 2022 and 2021	135,014	149,988
Prepaid expenses and other	211,044	166,149
	<u>2,487,301</u>	<u>3,392,607</u>
Property and equipment, net (Note 2)	83,544	81,848
Right of use assets - leases (Note 5)	174,375	-
	<u>\$ 2,745,220</u>	<u>\$ 3,474,455</u>
Liabilities and Net Assets		
Current liabilities:		
Current portion of long-term debt (Note 4)	\$ 3,649	\$ 3,551
Current portion of lease liabilities (Note 6)	93,035	-
Accounts payable and accrued expenses	159,380	557,958
Refundable advances	44,499	114,622
Deferred revenue	160,600	116,425
	<u>461,163</u>	<u>792,556</u>
Long-term debt (Note 4)	140,592	144,356
Lease liabilities (Note 5)	81,340	-
Net assets:		
Without donor restrictions	2,017,910	2,489,540
With donor restrictions	44,215	48,003
	<u>2,062,125</u>	<u>2,537,543</u>
	<u>\$ 2,745,220</u>	<u>\$ 3,474,455</u>

See accompanying notes.

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VISIT BUFFALO NIAGARA AND AFFILIATES

Consolidated Statements of Activities

For the years ended December 31,	2022	2021
Net assets without donor restrictions:		
Revenues and support:		
Contributions:		
Governmental support (Note 6)	\$ 3,908,838	\$ 6,070,224
Private sector participation	98,090	115,671
Advertising	118,311	7,228
Interest and other	5,401	17,753
Net assets released from restrictions	7,000	-
Total revenues and support	4,137,640	6,210,876
Expenses:		
Program services:		
Convention	1,800,699	1,455,145
Marketing	1,915,147	3,613,101
Industry relations	297,361	303,990
	4,013,207	5,372,236
Management and general	596,063	627,805
Total expenses	4,609,270	6,000,041
Change in net assets without donor restrictions	(471,630)	210,835
Net assets with donor restrictions:		
Contributions	3,212	48,003
Net assets released from restrictions	(7,000)	-
Change in net assets with donor restrictions	(3,788)	48,003
Change in net assets	(475,418)	258,838
Net assets - beginning	2,537,543	2,278,705
Net assets - ending	\$ 2,062,125	\$ 2,537,543

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VISIT BUFFALO NIAGARA AND AFFILIATES

Consolidated Statements of Functional Expenses

For the years ended December 31,

	Program Services					Total
	Convention	Marketing	Industry Relations	Management and General		
2022						
Salaries and related benefits	\$ 903,477	\$ 513,123	\$ 209,964	\$ 350,294	\$ 1,976,858	
Advertising, marketing and promotion	391,275	1,086,229	1,275	1,860	1,480,639	
Visitors' Guide	-	97,996	-	-	97,996	
Occupancy	33,876	29,406	10,688	67,537	141,507	
Convention services and commitments	147,571	-	-	-	147,571	
Trade shows	182,759	9,242	1,216	2,616	195,833	
Market research	49,651	142,307	-	-	191,958	
Postage, printing, and supplies	5,931	12,448	34,441	4,998	57,818	
Depreciation	5,231	3,632	429	14,777	24,069	
Other	80,928	20,764	39,348	153,981	295,021	
Total	\$ 1,800,699	\$ 1,915,147	\$ 297,361	\$ 596,063	\$ 4,609,270	
2021						
Salaries and related benefits	\$ 809,039	\$ 401,497	\$ 175,422	\$ 265,339	\$ 1,651,297	
Advertising, marketing and promotion	359,987	3,060,197	2,229	663	3,423,076	
Occupancy	41,576	22,625	10,848	50,851	125,900	
Convention services and commitments	49,892	-	-	-	49,892	
Trade shows	61,847	181	-	11,439	73,467	
Market research	53,915	99,893	-	7,800	161,608	
Postage, printing, and supplies	5,514	9,694	31,770	8,518	55,496	
Depreciation	3,769	5,629	419	4,879	14,696	
Other	69,606	13,385	83,302	278,316	444,609	
Total	\$ 1,455,145	\$ 3,613,101	\$ 303,990	\$ 627,805	\$ 6,000,041	

See accompanying notes.

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VISIT BUFFALO NIAGARA AND AFFILIATES

Consolidated Statements of Cash Flows

For the years ended December 31,	2022	2021
Operating activities:		
Change in net assets	\$ (475,418)	\$ 258,838
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	24,069	14,696
Changes in other current assets and current liabilities:		
Accounts receivable	14,974	3,500
Prepaid expenses and other	(44,895)	(83,732)
Accounts payable and accrued expenses	(398,578)	(99,911)
Refundable advances	(70,123)	78,232
Deferred revenue	44,175	105,411
Net operating activities	(905,796)	277,034
Investing activities:		
Property and equipment expenditures	(25,765)	(64,017)
Financing activities:		
Principal payments on long-term debt	(3,666)	(2,093)
Net change in cash	(935,227)	210,924
Cash - beginning	3,076,470	2,865,546
Cash - ending	\$ 2,141,243	\$ 3,076,470

See accompanying notes.

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VISIT BUFFALO NIAGARA AND AFFILIATES

Notes to Consolidated Financial Statements

1. Summary of Significant Accounting Policies:

Organization:

The consolidated financial statements of Buffalo Niagara Convention & Visitors Bureau, Inc. (d/b/a Visit Buffalo Niagara (VBN)) and Affiliates (the Organization) include the accounts of VBN and its controlled affiliated entities, Buffalo Niagara Convention & Visitors Bureau Foundation (the Foundation) and Buffalo Niagara Sports Development Company, Inc. (the Sports Commission).

VBN is a business league, nonprofit corporation organized to promote conventions and tourism in the Buffalo-Niagara region.

The Foundation was formed to solicit charitable contributions for the benefit of educating the public on the cultural activities and resources in the Buffalo-Niagara region. In addition, the Foundation can receive, administer and disburse funds for its approved charitable purposes pursuant to Section 501(c)(3) of the Internal Revenue Code.

The Sports Commission is a nonprofit corporation formed to promote sports competition in the Western New York region to strengthen the local economy and enhance the community.

All significant intercompany accounts and transactions have been eliminated in the accompanying financial statements.

Buffalo Niagara Convention Center Management Corporation (the Convention Center) is related to the Organization through common governance.

Governmental Support:

Under the terms of annual public benefit services contract (service contract) with the County of Erie, New York (the County), the Organization received subsidies for operations and other purposes in 2022 and 2021 totaling \$3,739,861 and \$3,630,933, which represents approximately 90% and 58% of total revenue and support for each respective year. The service contract also require the Organization to repay the County any surplus funds at the end of the contract year, calculated as the excess of net assets over the 6 month average of operating expenses, based on actual expenses for the 36 months immediately preceding the current year. The Organization had no calculated surplus funds for 2022 or 2021.

Funding by the County for the year ending December 31, 2023 will continue in the form of a subsidy to VBN totaling \$3,852,057 under terms of an agreement executed on March 2, 2023. Funding beyond December 31, 2022 is contingent upon actions to be taken by the County. The Board and management of VBN believe the funding arrangements will be made timely so uninterrupted operations will continue beyond that time.

Use of Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Subsequent Events:

Management has evaluated events and transactions for potential recognition or disclosure through April 28, 2023, the date the financial statements were available to be issued.

Cash:

At various times, cash in financial institutions may exceed federally insured limits and subject the Organization to concentrations of credit risk.

Accounts Receivable:

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Management provides for probable uncollectible amounts through a charge to bad debts expense and a credit to allowance for doubtful accounts based on its assessment of the current status of individual accounts and historical trends. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to allowance for doubtful accounts and a credit to accounts receivable.

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Property and Equipment:

Property and equipment is stated at cost or fair market value at the date of donation, net of accumulated depreciation. Depreciation is computed using the straight-line method over estimated service lives. Maintenance and repairs are charged to operations as incurred; significant improvements are capitalized.

Net Assets:

The Organization's financial position and activities are reported according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are those whose use has been limited by donors for a specific time period, purpose, or to be maintained by the Organization in perpetuity. Net assets with donor restrictions at December 31, 2022 and 2021 are restricted to provide scholarships for students pursuing a hospitality or tourism degree.

Revenue Recognition:

The Organization generates advertising revenue from local entities purchasing ad space in the annual Visitors' Guide published at the beginning of each year. Customer payment is due within thirty days of entering into the contract for ad space. Deferred revenue consists primarily of contracts for ad space relating to the next year's Visitors' Guide.

Contributions:

Contributions (primarily governmental support and private sector participation) are recorded at fair value at the date the contribution is made. Contributions are recorded as restricted support if they are received with donor stipulations that limit their use. When a donor restriction 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. Contributions received with donor-imposed restrictions that are met in the same reporting period are shown as revenue without donor restrictions.

Advertising Expense:

Advertising costs are generally expensed as incurred and amounted to \$787,797 and \$2,956,158 for the years ended December 31, 2022 and 2021.

Functional Expense Allocation:

The Organization's costs of providing its services have been summarized on a functional basis in the statements of activities and the statements of functional expenses. Accordingly, certain costs have been allocated among programs and supporting services benefited. These costs include salaries and related benefits and occupancy which are allocated on the basis of time and effort and estimated square footage, respectively.

Tax Status:

VBN is a 501(c)(6) organization exempt from taxation under Section 501(a) of the Internal Revenue Code. The Foundation and Sports Commission are 501(c)(3) organizations exempt from taxation under Section 501(a) of the Internal Revenue Code.

Reclassifications:

The 2021 financial statements have been reclassified to conform to the presentation adopted for 2022.

2. Property and Equipment:

	2022	2021
Office furniture and equipment	\$ 684,791	\$ 669,713
Leasehold improvements	21,843	27,815
Vehicles	44,338	41,438
	<u>750,972</u>	<u>738,966</u>
Less accumulated depreciation	667,428	657,118
	<u>\$ 83,544</u>	<u>\$ 81,848</u>

3. Short-Term Borrowings:

VBN has available a \$500,000 bank demand line of credit with interest payable at prime plus 2%. The line is secured by essentially all VBN assets and an assignment of VBN's rights under its service contract with the County, and is subject to annual review and renewal. There were no amounts outstanding under the line at December 31, 2022 and 2021.

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4. Long-Term Debt:

	2022	2021
U.S. Small Business Administration (SBA) Economic Injury Disaster Loan (EIDL), secured by essentially all of VBN's assets, monthly payments of \$641 including interest at 2.75% beginning May 2021, \$3,360 balloon payment due May 2050.	\$ 144,241	\$ 147,907
Less current portion	3,649	3,551
	<u>\$ 140,592</u>	<u>\$ 144,356</u>

Aggregate annual maturities on long-term debt subsequent to December 31, 2022 are:

2023	\$ 3,649
2024	3,751
2025	3,856
2026	3,963
2027	4,073
Thereafter	124,949
	<u>\$ 144,241</u>

5. Lease Liabilities:

The Organization leases office space under the terms of a noncancellable operating lease.

Effective January 1, 2022, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-02, *Leases*, that requires for leases longer than one year, a lessee to recognize on the balance sheets a right of use asset (ROU), representing the right to use the underlying asset for the lease term, and a lease liability, representing the present value of future lease payments. This ASU was adopted using the cumulative effect method. As of December 31, 2022, ROU assets and lease liabilities of \$174,375 were recognized and prior year financial statements were not recast. Implementation of this standard did not impact the Organization's statements of activities.

At inception of arrangements with vendors, the Organization determines whether the contract is or contains a lease based on each party's rights and obligations under the arrangement. At inception, any new additional operating lease liabilities and corresponding ROU assets are based on the present value of the remaining minimum rental payments. If the lease arrangement also contains non-lease components, the Organization elected the practical expedient not to separate any combined lease and non-lease components for all lease contracts. For office leases, the remaining fixed minimum rental payments used in the calculation of the new lease liability include fixed payments and variable payments (if the variable payments are based on an index) over the remaining lease term.

The present value of the Organization's lease liability at transition was calculated using an estimated incremental borrowing rate of 5.25%. In determining the incremental borrowing rate, the Organization considered estimated borrowing data for similar arrangements as of the transition date. As of December 31, 2022, the Organization recognized an operating ROU asset and lease liabilities of \$174,375 (the amounts as of January 1, 2022 were \$253,483).

When applicable and as permitted by guidance, leases with expected durations of less than 12 months from inception (i.e. short-term leases) were excluded from the Organization's calculation of its lease liability and ROU asset. Furthermore, as permitted by guidance, the Organization elected to apply the package of practical expedients, which allows entities not to reassess: (a) whether its expired or existing contracts are or contain leases, (b) the lease classification for any expired or existing leases, and (c) initial direct costs for any existing leases.

The following is a summary of the Organization's total lease costs, which approximates cash paid:

	2022	2021
Operating lease costs	<u>\$ 97,372</u>	<u>\$ 105,000</u>

The following is a summary of the Organization's maturity of the operating lease liability:

2023	\$ 99,972
2024	<u>83,310</u>
Total lease payments	183,282
Less interest	<u>8,907</u>
Total lease liability	<u>\$ 174,375</u>

6. Governmental Support:

	2022	2021
County of Erie Subsidy	\$ 3,739,861	\$ 3,630,933
County of Erie – Theatre Program	59,808	-
County of Erie – CARES Act (Note 10)	-	1,969,685
SBA Paycheck Protection Program (Note 10)	-	363,190
New York State – FLW Market New York	-	75,000
New York State – Tourism Matching Funds Program	48,897	29,052
New York State – Upstate Eats Program	60,000	-
ECIDA Personal Protective Equipment	272	2,364
	<u>\$ 3,908,838</u>	<u>\$ 6,070,224</u>

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7. Commitments:

In the normal course of business, VBN enters into agreements with organizations to bring conventions to the Buffalo Niagara region. Future minimum cash commitments, which are often reduced by various revenue sources at the time of the convention, are:

2023	\$	146,190
2024		159,250
2025		55,250
	\$	<u>360,690</u>

8. Retirement Plan:

VBN maintains a 401(k) profit sharing plan covering substantially all VBN employees. The plan requires certain minimum VBN contributions based on salaries and employee deferrals. VBN funds all required contributions currently. Total expense pertaining to the plan was \$21,000 for each of the years ended December 31, 2022 and 2021.

9. Financial Resources Available for Operations:

The Organization obtains financial assets generally through governmental support, private sector participation, and advertising revenues. The financial assets are acquired throughout the year to help meet the Organization's cash needs for general expenditures. If necessary, VBN also has access to a \$500,000 bank demand line of credit (Note 3).

The Organization's financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consist of the following at December 31:

	2022	2021
Cash without donor restrictions	\$ 2,097,028	\$ 3,028,467
Accounts receivable	135,014	149,988
	<u>\$ 2,232,042</u>	<u>\$ 3,178,455</u>

10. Risks and Uncertainties Due to COVID-19:

On January 31, 2020, the United States Secretary of Health and Human Services (HHS) declared a public health emergency related to the global spread of coronavirus COVID-19, and a pandemic was declared by the World Health Organization in February 2020. Efforts to fight the widespread disease included limiting or closing many businesses and resulted in a severe disruption of operations for most organizations.

In March 2021, VBN received a \$363,190 loan from the Small Business Administration (SBA) under the Paycheck Protection Program (PPP) of the Coronavirus Aid, Relief, and Economic Security (CARES) Act in response to the pandemic. The loan was forgiven by the SBA in December 2021 and has been recognized as governmental support in the accompanying 2021 statement of activities.

The Organization also received \$1,969,685 in CARES Act funding (Note 6) during the year ended December 31, 2021. This funding was used to fund a local advertising campaign pursuant to grant requirements. The Organization also applied for and received a \$150,000 EIDL (Note 4).

In March 2023, the Organization determined it was eligible for Employee Retention Credits (ERCs) of approximately \$390,000 and filed amended payroll tax returns for applicable periods. These refundable credits will be recognized in the 2023 financial statements.

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VISIT BUFFALO NIAGARA AND AFFILIATES

Additional Information Consolidating Balance Sheets Schedules

December 31,	2022					2021				
	VBN	Foundation	Sports Commission	Eliminations	Consolidated Totals	VBN	Foundation	Sports Commission	Eliminations	Consolidated Totals
Assets										
Current assets:										
Cash	\$ 2,002,914	\$ 69,421	\$ 68,908	\$ -	\$ 2,141,243	\$ 2,915,473	\$ 79,898	\$ 81,099	\$ -	\$ 3,076,470
Accounts receivable, net	252,598	109,270	-	(226,854)	135,014	271,649	109,195	-	(230,856)	149,988
Prepaid expenses and other	211,798	-	-	(754)	211,044	166,903	-	-	(754)	166,149
	<u>2,467,310</u>	<u>178,691</u>	<u>68,908</u>	<u>(227,608)</u>	<u>2,487,301</u>	<u>3,354,025</u>	<u>189,093</u>	<u>81,099</u>	<u>(231,610)</u>	<u>3,392,607</u>
Property and equipment, net	47,639	35,905	-	-	83,544	40,410	41,438	-	-	81,848
Right of use assets - leases	174,375	-	-	-	174,375	253,483	-	-	-	253,483
	<u>\$ 2,689,324</u>	<u>\$ 214,596</u>	<u>\$ 68,908</u>	<u>\$ (227,608)</u>	<u>\$ 2,745,220</u>	<u>\$ 3,647,918</u>	<u>\$ 230,531</u>	<u>\$ 81,099</u>	<u>\$ (231,610)</u>	<u>\$ 3,474,455</u>
Liabilities and Net Assets										
Current liabilities:										
Current portion of long-term debt	\$ 3,649	\$ -	\$ -	\$ -	\$ 3,649	\$ 3,551	\$ -	\$ -	\$ -	\$ 3,551
Current portion of lease liabilities	93,035	-	-	-	93,035	-	-	-	-	-
Accounts payable and accrued expenses	293,547	93,441	-	(227,608)	159,380	692,413	97,155	-	(231,610)	557,958
Refundable advances	40,192	4,307	-	-	44,499	110,315	4,307	-	-	114,622
Deferred revenue	160,600	-	-	-	160,600	116,425	-	-	-	116,425
	<u>591,023</u>	<u>97,748</u>	<u>-</u>	<u>(227,608)</u>	<u>461,163</u>	<u>922,704</u>	<u>101,462</u>	<u>-</u>	<u>(231,610)</u>	<u>792,556</u>
Long-term debt	140,592	-	-	-	140,592	144,356	-	-	-	144,356
Lease liabilities	81,340	-	-	-	81,340	-	-	-	-	-
Net Assets										
Without donor restrictions	1,876,369	72,633	68,908	-	2,017,910	2,327,375	81,066	81,099	-	2,489,540
With donor restrictions	-	44,215	-	-	44,215	-	48,003	-	-	48,003
	<u>1,876,369</u>	<u>116,848</u>	<u>68,908</u>	<u>-</u>	<u>2,062,125</u>	<u>2,327,375</u>	<u>129,069</u>	<u>81,099</u>	<u>-</u>	<u>2,537,543</u>
	<u>\$ 2,689,324</u>	<u>\$ 214,596</u>	<u>\$ 68,908</u>	<u>\$ (227,608)</u>	<u>\$ 2,745,220</u>	<u>\$ 3,394,435</u>	<u>\$ 230,531</u>	<u>\$ 81,099</u>	<u>\$ (231,610)</u>	<u>\$ 3,474,455</u>

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VISIT BUFFALO NIAGARA AND AFFILIATES

Additional Information Consolidating Statements of Activities Schedules

For the years ended December 31,

	2022					2021				
	VBN	Foundation	Sports Commission	Eliminations	Consolidated Totals	VBN	Foundation	Sports Commission	Eliminations	Consolidated Totals
Net assets without donor restrictions:										
Revenues and support:										
Governmental support	\$ 3,908,838	\$ 75	\$ -	\$ (75)	\$ 3,908,838	\$ 6,070,224	\$ 22,884	\$ -	\$ (22,884)	\$ 6,070,224
Private sector participation	98,090	-	-	-	98,090	83,939	20,719	11,013	-	115,671
Advertising	118,311	-	-	-	118,311	7,228	-	-	-	7,228
Interest and other	5,401	-	-	-	5,401	17,753	765	-	(765)	17,753
Net assets released from restrictions	-	7,000	-	-	7,000	-	-	-	-	-
Total revenues and support	4,130,640	7,075	-	(75)	4,137,640	6,179,144	44,368	11,013	(23,649)	6,210,876
Expenses:										
Salaries and related benefits	1,976,858	-	-	-	1,976,858	1,651,297	-	-	-	1,651,297
Advertising, marketing and promotion	1,480,639	-	-	-	1,480,639	3,443,795	-	-	(20,719)	3,423,076
Visitors' Guide	97,996	-	-	-	97,996	-	-	-	-	-
Occupancy	141,507	-	-	-	141,507	124,255	2,906	-	(1,261)	125,900
Convention services and commitments	135,430	-	12,141	-	147,571	49,892	-	-	-	49,892
Trade shows	195,833	-	-	-	195,833	75,111	-	-	(1,644)	73,467
Market research	191,958	-	-	-	191,958	161,608	-	-	-	161,608
Postage, printing, and supplies	57,818	-	-	-	57,818	55,496	-	-	-	55,496
Depreciation	15,636	8,433	-	-	24,069	14,696	-	-	-	14,696
Other	287,971	7,075	50	(75)	295,021	444,559	25	50	(25)	444,609
Total expenses	4,581,646	15,508	12,191	(75)	4,609,270	6,020,709	2,931	50	(23,649)	6,000,041
Change in net assets without donor restrictions	(451,006)	(8,433)	(12,191)	-	(471,630)	158,435	41,437	10,963	-	210,835
Net assets with donor restrictions:										
Contributions	-	3,212	-	-	3,212	-	48,003	-	-	48,003
Net assets released from restrictions	-	(7,000)	-	-	(7,000)	-	-	-	-	-
Change in net assets with donor restrictions	-	(3,788)	-	-	(3,788)	-	48,003	-	-	48,003
Change in net assets	(451,006)	(12,221)	(12,191)	-	(475,418)	158,435	89,440	10,963	-	258,838
Net assets - beginning	2,327,375	129,069	81,099	-	2,537,543	2,168,940	39,629	70,136	-	2,278,705
Net assets - ending	\$ 1,876,369	\$ 116,848	\$ 68,908	\$ -	\$ 2,062,125	\$ 2,327,375	\$ 129,069	\$ 81,099	\$ -	\$ 2,537,543

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VISIT BUFFALO NIAGARA AND AFFILIATES

Additional Information
Schedule of Contracted Surplus

For the year ended December 31, 2022

Net assets	\$ 1,876,369
Working capital, as defined in agreement with County of Erie dated March 4, 2022	<u>2,632,092</u>
Contractual surplus (deficit)	<u>\$ (755,723)</u>