



OHIO AUDITOR OF STATE  
**KEITH FABER**





**THE CONVENTION AND VISITORS BUREAU OF GREATER CLEVELAND, INC.  
dba DESTINATION CLEVELAND AND SUBSIDIARIES  
CUYAHOGA COUNTY**

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# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

The Convention and Visitors Bureau of Greater Cleveland, Inc.  
dba Destination Cleveland and Subsidiaries  
Cuyahoga County  
334 Euclid Avenue  
Cleveland, Ohio 44114

To the Board of Directors:

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of The Convention and Visitors Bureau of Greater Cleveland, Inc., dba Destination Cleveland and Subsidiaries, Cuyahoga County, Ohio (the Organization), (a not-for-profit corporation), which comprise the consolidated statement of financial position as of December 31, 2024 and December 31, 2023, 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 present fairly, in all material respects, the financial position of the Organization, as of December 31, 2024 and December 31, 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with the 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 the Organization, and to meet our other ethical responsibilities, in accordance with the relevant 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 the 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 the Organization's ability to continue as a going concern for one year after the date that the financial statements are issued (or within one year after the date that the financial statements are available to be issued, when applicable).

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

In performing an audit in accordance with GAAS and *Government 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 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.

### ***Supplementary information***

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2025, on our consideration of the Organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

KEITH FABER  
Ohio Auditor of State



Tiffany L. Ridenbaugh, CPA, CFE, CGFM  
Chief Deputy Auditor

November 3, 2025

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**THE CONVENTION AND VISITORS BUREAU OF GREATER CLEVELAND, INC.**  
**DBA DESTINATION CLEVELAND AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>		<u>2024</u>	<u>2023</u>
ASSETS			LIABILITIES AND NET ASSETS		
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
Cash and cash equivalents	\$ 24,543,979	\$ 25,900,389	Accounts payable and accrued expenses	\$ 881,162	\$ 896,402
Amounts due from Cuyahoga County	3,130,524	3,084,166	Salaries and payroll taxes payable	721,325	583,917
Accounts receivable	396,772	275,412	Current portion of operating lease liabilities	451,333	445,195
Grants receivable	170,834	370,000	Deferred revenue	<u>192,371</u>	<u>189,866</u>
Prepaid expenses and other assets	498,974	328,859		2,246,191	2,115,380
Employee Retention Tax Credit receivable	<u>222,342</u>	<u>222,342</u>			
	<u>28,963,425</u>	<u>30,181,168</u>	<b>LONG-TERM LIABILITIES</b>		
			Lease liabilities		451,333
<b>PROPERTY AND EQUIPMENT - AT COST</b>	11,880,066	8,678,562	<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Less: Accumulated depreciation and amortization	<u>6,812,734</u>	<u>5,949,509</u>	Undesignated	20,453,047	16,890,818
	<u>5,067,332</u>	<u>2,729,053</u>	Board designated	<u>9,197,628</u>	<u>8,363,303</u>
				<u>29,650,675</u>	<u>25,254,121</u>
<b>OTHER ASSETS</b>			<b>NET ASSETS WITH DONOR RESTRICTIONS</b>		
Investments	5,154,385	2,626,118	Capital improvement funds - General reserve	2,086,920	3,825,694
Operating lease right-of-use assets	363,298	720,458	Capital improvement funds - Special projects	3,970,928	4,034,273
Other assets	<u>200,000</u>	<u>175,000</u>	City of Cleveland Major Events Fund	1,608,892	
	<u>5,717,683</u>	<u>3,521,576</u>	Destination Cleveland - Towpath Research	14,000	
			Destination Cleveland - Illuminate CLE		280,996
<b>TOTAL ASSETS</b>	<u>\$ 39,748,440</u>	<u>\$ 36,431,797</u>	Spirit of Cleveland - Illuminate CLE	<u>170,834</u>	<u>470,000</u>
				<u>7,851,574</u>	<u>8,610,963</u>
				<u>37,502,249</u>	<u>33,865,084</u>
			<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 39,748,440</u>	<u>\$ 36,431,797</u>

*The accompanying notes are an integral part of these consolidated statements.*

**THE CONVENTION AND VISITORS BUREAU OF GREATER CLEVELAND, INC.**  
**DBA DESTINATION CLEVELAND AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES</b>			
Transient occupancy tax	\$ 19,324,570		\$ 19,324,570
Capital improvement transient occupancy tax		\$ 5,993,390	5,993,390
Less: Rocket Mortgage FieldHouse renovation	(2,750,000)		(2,750,000)
Net assets released from restriction	<u>7,795,509</u>	<u>(7,795,509)</u>	<u>-</u>
Net transient occupancy tax	24,370,079	(1,802,119)	22,567,960
Partnership dues	326,807		326,807
Ad and publication	406,790		406,790
Grants		2,583,475	2,583,475
Interest and investment income (loss)	1,168,970	47,511	1,216,481
Sponsorships and contributions	305,215	249,403	554,618
Miscellaneous	145,336		145,336
In-kind contributions	698,884		698,884
Net assets released from restriction	<u>1,837,659</u>	<u>(1,837,659)</u>	<u>-</u>
	<u>29,259,740</u>	<u>(759,389)</u>	<u>28,500,351</u>
<b>EXPENSES</b>			
Program services			
Marketing	8,012,846		8,012,846
Sales - Convention	8,001,658		8,001,658
Partnerships	2,126,124		2,126,124
Destination development	2,840,437		2,840,437
Services - Convention	975,275		975,275
Spirit of Cleveland	460		460
DC Illumination, LLC	<u>390,786</u>		<u>390,786</u>
	22,347,586		22,347,586
Supporting services			
Management and general	<u>2,515,600</u>		<u>2,515,600</u>
	<u>24,863,186</u>		<u>24,863,186</u>
CHANGE IN NET ASSETS	4,396,554	(759,389)	3,637,165
NET ASSETS - BEGINNING OF THE YEAR	<u>25,254,121</u>	<u>8,610,963</u>	<u>33,865,084</u>
NET ASSETS - END OF THE YEAR	<u>\$ 29,650,675</u>	<u>\$ 7,851,574</u>	<u>\$ 37,502,249</u>

*The accompanying notes are an integral part of these consolidated statements.*

**THE CONVENTION AND VISITORS BUREAU OF GREATER CLEVELAND, INC.  
DBA DESTINATION CLEVELAND AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES</b>			
Transient occupancy tax	\$ 15,117,636		\$ 15,117,636
Capital improvement transient occupancy tax		\$ 7,974,098	7,974,098
Less: Rocket Arena renovation		(2,000,000)	(2,000,000)
Net assets released from restriction	<u>6,920,562</u>	<u>(6,920,562)</u>	
Net transient occupancy tax	22,038,198	(946,464)	21,091,734
Partnership dues	328,051		328,051
Ad and publication	340,707		340,707
Grants	566,941	995,000	1,561,941
Interest and investment income (loss)	697,324		697,324
Sponsorships and contributions	105,963		105,963
Miscellaneous	107,384		107,384
In-kind contributions	20,463		20,463
Net assets released from restriction	<u>244,004</u>	<u>(244,004)</u>	
	<u>24,449,035</u>	<u>(195,468)</u>	<u>24,253,567</u>
<b>EXPENSES</b>			
Program services			
Marketing	7,434,582		7,434,582
Sales - Convention	3,622,823		3,622,823
Partnerships	1,934,220		1,934,220
Destination development	1,732,062		1,732,062
Services - Convention	709,839		709,839
Spirit of Cleveland	435,855		435,855
DC Illumination, LLC	<u>20</u>		<u>20</u>
	15,869,401		15,869,401
Supporting services			
Management and general	<u>2,299,993</u>		<u>2,299,993</u>
	<u>18,169,394</u>		<u>18,169,394</u>
CHANGE IN NET ASSETS	6,279,641	(195,468)	6,084,173
NET ASSETS - BEGINNING OF THE YEAR	<u>18,959,583</u>	<u>8,821,328</u>	<u>27,780,911</u>
NET ASSETS - END OF THE YEAR	<u>\$ 25,239,224</u>	<u>\$ 8,625,860</u>	<u>\$ 33,865,084</u>

*The accompanying notes are an integral part of these consolidated statements.*

THE CONVENTION AND VISITORS BUREAU OF GREATER CLEVELAND, INC.  
DBA DESTINATION CLEVELAND AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2024

	PROGRAM							SUPPORTING		Total Expenses
	Destination Development	Marketing	Partnerships	Sales - Convention	Services - Convention	Spirit of Cleveland	DC Illumination, LLC	Total Program Services	Management and General	
Salaries and wages	\$ 831,704	\$ 2,056,150	\$ 663,737	\$ 1,504,940	\$ 396,774			\$ 5,453,305	\$ 1,386,514	\$ 6,839,819
Payroll taxes and fringe benefits	259,724	404,734	50,776	368,692	30,353			1,114,279	248,895	1,363,174
	<u>1,091,428</u>	<u>2,460,884</u>	<u>714,513</u>	<u>1,873,632</u>	<u>427,127</u>			<u>6,567,584</u>	<u>1,635,409</u>	<u>8,202,993</u>
Marketing, Advertising, and Promotions	11,148	3,308,799	17,348	14,049	80,257			3,431,601	17	3,431,618
Professional Services	131,555	1,205,649	308,765	175,867	104,336			1,926,172	99,789	2,025,961
Events, Trade Shows, and Meetings	946	27	76,576	1,239,421	126,189			1,443,159	32	1,443,191
Information Technology	91,325	437,244	39,992	207,950	59,446			835,957	206,881	1,042,838
Destination Development	2,908,364					\$ 549,166		3,457,530		3,457,530
Community Support and Initiatives	742,508		789,255					1,531,763	360	1,532,123
Travel and Client Development	4,828	75,567	1,423	405,850	60,984			548,652	202,011	750,663
Occupancy & Insurance	97,302	178,540	80,114	103,915	57,226			517,097	80,186	597,283
Convention Subsidies				3,827,666				3,827,666		3,827,666
Office Expenses	31,173	75,305	36,038	43,727	22,116	960	\$ 1,406	210,725	36,104	246,829
Research		145,840		20,495				166,335	60,670	227,005
Training, Memberships, and Subscriptions	4,977	17,619	6,968	16,710	9,220			55,494	107,840	163,334
Miscellaneous	7,927	19,528	18,059	15,450	2,057			63,021	44,192	107,213
	<u>4,032,053</u>	<u>5,464,118</u>	<u>1,374,538</u>	<u>6,071,100</u>	<u>521,831</u>	<u>550,126</u>	<u>1,406</u>	<u>18,015,172</u>	<u>838,082</u>	<u>18,853,254</u>
Depreciation and amortization	401,667	87,844	37,073	56,926	26,317		389,380	999,207	42,109	1,041,316
Total expenses	<u>\$ 5,525,148</u>	<u>\$ 8,012,846</u>	<u>\$ 2,126,124</u>	<u>\$ 8,001,658</u>	<u>\$ 975,275</u>	<u>\$ 550,126</u>	<u>\$ 390,786</u>	<u>\$ 25,581,963</u>	<u>\$ 2,515,600</u>	<u>\$ 28,097,563</u>

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

THE CONVENTION AND VISITORS BUREAU OF GREATER CLEVELAND, INC.  
DBA DESTINATION CLEVELAND AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2023

	PROGRAM							SUPPORTING		
	Destination Development	Marketing	Partnerships	Sales - Convention	Services - Convention	Spirit of Cleveland	DC Illumination, LLC	Total Program Services	Management and General	Total Expenses
Salaries and wages	\$ 706,943	\$ 1,731,388	\$ 600,705	\$ 1,361,832	\$ 309,388			\$ 4,710,256	\$ 1,410,028	\$ 6,120,284
Payroll taxes and fringe benefits	145,072	347,715	123,270	252,534	57,372			925,963	241,942	1,167,905
	<u>852,015</u>	<u>2,079,103</u>	<u>723,975</u>	<u>1,614,366</u>	<u>366,760</u>			<u>5,636,219</u>	<u>1,651,970</u>	<u>7,288,189</u>
Marketing, Advertising, and Promotions	15,926	3,283,011	1,293	3,408	33,188	-		3,336,826	-	3,336,826
Professional Services	25,860	1,364,206	234,041	229,988	15,085	\$ 950		1,870,130	75,158	1,945,288
Events, Trade Shows, and Meetings	6,146	4,607	77,884	670,367	145,526	400,000		1,304,530		1,304,530
Information Technology	90,525	382,997	83,107	213,009	16,387			786,025	181,860	967,885
Destination Development	806,987							806,987		806,987
Community Support and Initiatives	176,766	-	498,774	1,000	-	34,905		711,445	-	711,445
Travel and Client Development	17,545	42,484	71	379,142	67,862			507,104	110,158	617,262
Occupancy & Insurance	73,276	69,086	158,231	102,180	31,202			433,975	98,063	532,038
Convention Subsidies				244,499	1,500			245,999		245,999
Office Expenses	19,367	28,542	51,492	33,951	10,357		\$ 20	143,729	32,289	176,018
Research		119,500		37,240				156,740		156,740
Training, Memberships, and Subscriptions	4,425	9,023	13,090	25,730	7,861			60,129	76,262	136,391
Miscellaneous	4,502	11,828	24,754	15,564	849			57,497	32,553	90,050
	<u>1,241,325</u>	<u>5,315,284</u>	<u>1,142,737</u>	<u>1,956,078</u>	<u>329,817</u>	<u>435,855</u>	<u>20</u>	<u>10,421,116</u>	<u>606,343</u>	<u>11,027,459</u>
Depreciation and amortization	391,034	40,195	67,508	52,379	13,262			564,378	41,680	606,058
Total expenses	<u>\$ 2,484,374</u>	<u>\$ 7,434,582</u>	<u>\$ 1,934,220</u>	<u>\$ 3,622,823</u>	<u>\$ 709,839</u>	<u>\$ 435,855</u>	<u>\$ 20</u>	<u>\$ 16,621,713</u>	<u>\$ 2,299,993</u>	<u>\$ 18,921,706</u>

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

**THE CONVENTION AND VISITORS BUREAU OF GREATER CLEVELAND, INC.**  
**DBA DESTINATION CLEVELAND AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
<b>CASH FLOW PROVIDED FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 3,637,165	\$ 6,084,173
Noncash items included in activities:		
Depreciation and amortization of property and equipment	1,041,316	606,058
Operating lease expense	357,160	351,106
Realized gain	(61,614)	(72,024)
Unrealized losses/(gains) on investments	50,459	(272,014)
(Decrease) increase in cash and cash equivalents caused by changes in current items:		
Amounts due from Cuyahoga County	(46,358)	(36,770)
Accounts receivable	(121,360)	(271,995)
Grants receivable	199,166	(370,000)
Prepaid expenses and other assets	(170,115)	26,369
Employee Retention Tax Credit receivable	-	295,239
Other assets	(25,000)	(25,000)
Accounts payable and accrued expenses	(15,240)	62,311
Salaries and payroll taxes payable	137,408	169,854
Deferred revenue	2,505	44,838
Operating lease liabilities	(445,195)	(439,141)
Net cash flow provided from operations	<u>4,540,297</u>	<u>6,153,004</u>
<b>CASH FLOW (USED IN) PROVIDED FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(3,379,595)	(1,793,727)
Purchase of investments	(3,767,112)	-
Proceeds from sale of investments	<u>1,250,000</u>	<u>2,000,000</u>
Net cash flow (used in) provided by investing activities	<u>(5,896,707)</u>	<u>206,273</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,356,410)</b>	<b>6,359,277</b>
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>25,900,389</u>	<u>19,541,112</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 24,543,979</u>	<u>\$ 25,900,389</u>
<b>SUPPLEMENTAL FINANCIAL INFORMATION</b>		
Operating cash flows from operating leases	<u>\$ 366,136</u>	<u>\$ 366,136</u>

*The accompanying notes are an integral part of these consolidated statements.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose

The accompanying consolidated financial statements of The Convention and Visitors Bureau of Greater Cleveland, Inc. dba Destination Cleveland (Destination Cleveland) include the accounts of its wholly-owned subsidiaries, DC CCC Investment LLC (DC CCC), DC Illumination, LLC and Spirit of Cleveland, Inc. (Spirit) (collectively, the Organization).

The purpose of Destination Cleveland, a non-profit organization exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code (IRC), is to drive economic impact and stimulate community vitality for Cleveland through memorable leisure, convention, and business travel experiences.

DC CCC, a limited liability company, began operations in 2018, for the purpose of investing in a local concert company.

DC Illumination, LLC is a special purpose entity formed in 2023 to support the Illuminate CLE project. Equipment has been purchased under the entity's name to protect Destination Cleveland from liability.

The purpose of Spirit, a non-profit organization exempt from federal income tax under Section 501(c)(3) of the IRC, is to provide training programs to enhance the Cleveland visitor experience and destination development projects to strengthen Cleveland as a visitor destination.

Revenue Recognition

The Organization's revenue from contracts with customers consists primarily of sponsorships and partnership dues. Sponsorship obligations are satisfied at the conclusion of conferences or events hosted by the Organization. Partnership dues, which are nonrefundable, are comprised of an exchange element based benefits provided to the partners over one year. Obligations to these partners are satisfied and recognized ratably over time as partners are simultaneously receiving and consuming the benefit of the partnership with the Organization over one year. Included in deferred revenue are partnership dues received by the Organization in advance of completing the over time performance obligation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (continued)

Total revenue recognized from contracts with customers for the years ended December 31, 2024 and 2023, amounted to approximately \$327,000 and \$328,000, respectively.

Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. All donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

A substantial portion of Destination Cleveland's revenue comes from the Transient Occupancy Tax, which is accounted for on an accrual basis based on reports from the Cuyahoga County (the County).

A portion of the Transient Occupancy Tax is required to be used for direct and indirect costs of capital improvements (Capital Improvement Funds), as outlined in the agreement with the City of Cleveland and the County and subject to Destination Cleveland's capital improvement policy, and further clarified by Ohio Senate Bill 310 effective on January 1, 2021. As such, Capital Improvement Funds are recorded as net assets with donor restrictions. When Capital Improvement Funds are spent, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

A portion of the Organization's revenue is derived from cost-reimbursable federal contracts and grants, which are conditioned upon the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. A receivable is recorded to the extent grants earned exceed cash advances. Conversely, deferred revenue is recorded when grant or contract cash advances exceed support earned. There were no such advances received for the year ended December 31, 2024. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The grantors may, at their discretion, request reimbursement for unallowed expenses as a result of noncompliance by the Organization with the terms of the grant. On certain grants, if advances exceed eligible costs, the funds must be returned to the grantor. No funds were required to be returned during the current year.

Employee Retention Tax Credits are refundable tax credits against certain employment taxes equal to a percentage of qualified wages an eligible employer pays to employees, as defined in the CARES Act and CAA Act. The Organization received \$283,824 in 2022 relating to ERTCs earned in 2021. The consolidated statement of financial position reflects a receivable of \$222,342 and at December 31, 2024 and 2023. The Organization believes the amounts remaining in receivables at December 31, 2024 are collectible as payment was received in 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Accounting Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period.

Functional Allocation of Expenses

The consolidated statements of activities and functional expenses report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, payroll taxes and fringe benefits, lease, depreciation, and overhead, which are allocated on the basis of estimates of time and effort.

Contributed Goods and Services

The Organization has recorded contributed in-kind goods and services for travel, visitor meals and entertainment and other expenses totaling \$698,884 and \$20,463 during 2024 and 2023, respectively. These in-kind goods and services have been recorded at fair value on the date of contribution and have been included in revenues and expenses in the accompanying consolidated statement of activities.

Cash and Cash Equivalents

The Organization considers all short-term securities purchased and highly liquid debt instruments with an original maturity of three months or less to be cash equivalents, except for certificates of deposits included in the Organization's investment accounts. In addition, the Organization maintains cash at major financial institutions which may, at times, exceed federally insured amounts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables and Credit Policies

Accounts receivable primarily includes receivables due from exchange transactions. These amounts are due under various payment terms.

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of the amounts that will not be collected based on historical experience. Management individually reviews all receivable balances that exceed 90 days from invoice date and estimates the portion, if any, of the balance that will not be collected. Additionally, management estimates an allowance for the aggregate remaining receivables based on historical collectability. When receivables are determined to be uncollectible, they are written off against the allowance for doubtful accounts.

As of December 31, 2024 and 2023, management believed that all receivables were collectible and therefore no valuation allowance was necessary.

Property and Equipment

Property and equipment is stated at cost at the date of acquisition. Minor items of property and equipment are charged to expense as incurred. Depreciation and amortization are computed by the straight-line method over the following estimated useful lives of the assets:

Leasehold improvements	Term of lease
Furniture and fixtures	3-10 years
Office equipment	3-5 years
Software	3-5 years
Destination development projects	5 years

Investments

Investments are carried at fair value and consist of United States (U.S.) government bonds, U.S. Treasury securities and certificates of deposit. Investments in securities with readily determinable fair values are reported at quoted market values. Realized and unrealized gains or losses are reflected in the accompanying consolidated statement of activities.

Advertising

Advertising costs are expensed as incurred and amounted to \$1,998,870 and \$1,712,564 for 2024 and 2023, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Organization accounts for uncertain tax positions in accordance with GAAP, which requires recognition of and disclosure related to uncertain tax positions. As of and during the years ended December 31, 2024 and 2023, the Organization did not have a liability for unrecognized tax benefits.

Split Dollar Loan Agreement

The Organization has a split dollar loan agreement with a key executive in which the Organization pays the premiums on the insurance policy in the name of the executive. The Organization accounts for split-dollar life insurance premiums that have been paid by the Organization as other assets. The balance represents the aggregate of accumulated premiums paid and are classified as such because there is an assignment, in favor of the Organization, of all proceeds of the policy to the extent of the accumulated premiums paid by the Organization. All proceeds in excess of accumulated premiums will be paid to a third-party beneficiary, and repayment will occur upon a trigger event, as defined in the agreement. The accumulated premiums as of December 31, 2024 and 2023, amounted to \$200,000 and \$175,000, respectively.

Leases

The Organization determines if an arrangement is, or contains, a lease at the inception date. In evaluating contracts to determine if they qualify as a lease, the Company considers factors such as if the Company has obtained substantially all of the rights to the underlying asset through exclusivity, if the Company can direct the use of the asset by making decisions about how and for what purpose the asset will be used, and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and lease liabilities are recognized at the commencement date based primarily on the present value of lease payments over the lease term. In determining the discount rate used to measure the ROU assets and lease liabilities, the Organization uses rates implicit in the lease, when available. If the rate implicit in the lease is not readily available, the Organization has elected to use a risk-free rate for all classes of assets. The risk-free rate used is the 5-year risk-free rate in effect at the commencement of the lease for a similar term. The operating lease ROU assets also include any lease payments made at commencement and exclude lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense is recognized on a straight-line basis over the lease term.

The Organization elected to apply the short-term lease exemption. Under this exemption, ROU assets and lease liabilities are not recognized for leases with an initial term of 12 months or less.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through November 3, 2025, the date the consolidated financial statements were available to be issued.

2. LIQUIDITY AND AVAILABILITY OF RESOURCES

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the Organization had investments without donor restrictions of \$5,154,385 and \$2,626,118 at December 31, 2024 and 2023, respectively, which can be drawn upon if necessary.

The Organization's financial assets available to meet cash needs for general expenditures within one year were as follows at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 24,543,979	\$ 25,900,389
Amounts due from Cuyahoga County	3,130,524	3,084,166
Accounts receivable	567,606	644,912
Investments	5,154,385	2,626,118
Employee Retention Tax Credit receivable	<u>222,342</u>	<u>222,342</u>
Total financial assets, at year end	<u>33,618,836</u>	<u>32,477,927</u>
Less: Amounts unavailable for general expenditures within one year, due to:		
Donor imposed restrictions:		
Capital Improvement Funds	6,057,848	7,859,967
City of Cleveland Major Events Fund	1,608,892	
Illuminate CLE		280,996
Towpath	14,000	
Spirit of Cleveland initiatives	<u>170,834</u>	<u>470,000</u>
	<u>7,837,574</u>	<u>8,610,963</u>
Board designations:		
Special Initiatives	7,083,937	4,293,511
Convention Subsidy	<u>2,113,691</u>	<u>4,069,792</u>
	<u>9,197,628</u>	<u>8,363,303</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 16,583,634</u>	<u>\$ 15,503,661</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. PROPERTY AND EQUIPMENT

At December 31, 2024 and 2023, the cost of property and equipment consisted of the following:

	<u>2024</u>	<u>2023</u>
Leasehold improvements	\$ 2,856,243	\$ 2,986,960
Furniture and fixtures	724,195	722,461
Office equipment	715,085	614,133
Software	500,570	500,570
Destination development projects	6,888,067	2,431,943
Construction in progress	<u>195,906</u>	<u>1,422,765</u>
	<u>\$ 11,880,066</u>	<u>\$ 8,678,562</u>

4. FAIR VALUE OF FINANCIAL INSTRUMENTS

The various inputs that may be used to determine the fair value of the Organization's assets are summarized in three broad levels:

- Level 1 Quoted prices in active markets for identical securities
- Level 2 Other significant observable inputs (including quoted prices for similar securities, interest rates, credit risk, etc.)
- Level 3 Significant unobservable inputs (including the Organization's own assumptions used to determine value)

Fair values of certificates of deposit approximate cost, as they are generally short-term in nature and bear market rates of interest. U.S. government bonds are valued at the closing price reported on the active market on which the individual securities are traded.

Assets measured at fair value are comprised of the following at December 31, 2024:

<u>Description</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of deposit	\$	\$ 478,431	\$	\$ 478,431
U.S. Treasury securities	3,955,152			3,955,152
U.S. government bonds	<u>720,802</u>			<u>720,802</u>
	<u>\$ 4,675,954</u>	<u>\$ 478,431</u>	<u>\$</u>	<u>\$ 5,154,385</u>

Assets measured at fair value are comprised of the following at December 31, 2023:

<u>Description</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of deposit	\$	\$ 949,275	\$	\$ 949,275
U.S. government bonds	<u>1,676,843</u>			<u>1,676,843</u>
	<u>\$ 1,676,843</u>	<u>\$ 949,275</u>	<u>\$</u>	<u>\$ 2,626,188</u>

The Organization did not hold any Level 3 assets during 2024 or 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5. AMOUNTS DUE FROM CUYAHOGA COUNTY

The amounts due from the County at December 31 of each year include Destination Cleveland's unremitted share of that year's Transient Occupancy Taxes. The taxes are levied under state legislation enabling the County to impose the tax and enter into an agreement to remit a portion of the amounts collected to Destination Cleveland.

Destination Cleveland is also party to an agreement with the County and the Mayor of the City of Cleveland (the Mayor) in which the County and the Mayor agreed to allocate a portion of the revenue they receive from the Capital Improvement portion of the Transient Occupancy Tax to Destination Cleveland to be used for the direct and indirect costs of capital improvements, as defined in the agreement. There are no amounts due from the County at December 31, 2024 and 2023, related to Destination Cleveland's unremitted share of the Capital Improvement Funds.

6. RETIREMENT PLAN

Destination Cleveland has a defined contribution pension plan, with a 401(k) provision, which covers all employees who meet certain criteria as to age and years of service. Effective as of February 1, 2021, Destination Cleveland provided matching contributions of 50% of employee deferrals up to 6% of compensation. Destination Cleveland may also make discretionary contributions to the plan. Destination Cleveland's policy is to fund the plan annually. The provisions for pension costs are included in benefits and amounted to approximately \$152,000 and \$127,000 (including matching contributions) for 2024 and 2023, respectively.

7. COMMITMENTS AND CONTINGENCIES

Leases Under ASC 842

The Organization maintains a lease for its office space and visitors center expiring through 2025. There are two options to renew the lease. As of November 3, 2025, the Organization has exercised the first renewal option with the lease extended to now expire December 31, 2030.

For the year ended December 31, 2024, the Organization's expenses relating to leases consist of the following:

Operating lease expense	\$ 366,136
Sublease income	\$ 94,973

At December 31, 2024, future minimum lease payments under non-cancellable leases are as follows:

	<u>Leases</u>
2025	\$ 454,172
Total undiscounted cash flows	454,172
Less: Present value discount	<u>(2,839)</u>
Total lease liabilities	<u>\$ 451,333</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. COMMITMENTS AND CONTINGENCIES

Employee Leasing Agreement

Destination Cleveland has an employee leasing agreement with GCSC that expires on December 31, 2030. GCSC's CEO and President provides executive services as required by Destination Cleveland consistent with the terms provided in the agreement. Either party may terminate the leasing agreement with 30 days written notice, with or without cause.

Future Sponsorship and Convention Subsidy Commitments

The Organization has made commitments of approximately \$1,843,000 to sponsor and subsidize conventions scheduled to occur in 2025 – 2032. Based on the nature and conditions surrounding these commitments, no amounts have been accrued in the consolidated statement of financial position at December 31, 2024 and 2023.

The Rock and Roll Hall of Fame

Effective January 1, 2020, the Organization entered into a Restated Agreement (Agreement) with The Rock and Roll Hall of Fame and Museum, Inc. (Museum) whereby the Organization agrees to sponsor the Museum's biennial induction ceremonies in the County and shall pay to the Museum \$500,000 in even-numbered years beginning January 2020. The agreement states the induction must be held at least once every other year. The agreement may be terminated by mutual written consent of the Organization and the Museum at any time. In addition, if the Organization's bed tax funding is significantly reduced by any change in law or legislative action, the Museum has agreed to renegotiate the agreement with the Organization to account for the reduction.

No such amounts were due to the Museum as of December 31, 2023 as there were no induction ceremonies held in the County. In 2024, these sponsorships and allocations amounted to \$500,000 and were recorded as a reduction to net Transient Occupancy Tax revenue.

Laws and Regulations

The Ohio Revised Code (the Code) relating to the Transient Occupancy Tax is subject to interpretation. Potential noncompliance with the Code can be subject to future government review and interpretation as well as regulatory action. During 2016, the County withheld Transient Occupancy Tax generated from the Hilton Cleveland Downtown Hotel, which opened in 2016, from Destination Cleveland. Management therefore believes additional Transient Occupancy Tax could be owed to Destination Cleveland. However, no amounts have been recorded in these consolidated financial statements related to the County's potential noncompliance with state legislation.

Laws and regulations over federal funds received by the Organization as a result of the CARES Act and the CAA Act are complex and subject to interpretation. Potential noncompliance with these laws and regulations can be subject to future government review and interpretation as well as regulatory action. The Organization believes it is in compliance with all applicable laws and regulations and believes there are no material contingencies related to laws and regulations governing the Organization's use of federal funds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. COMMITMENTS AND CONTINGENCIES (Continued)

Rocket Arena Renovation

The Organization has an agreement with the County to financially support a portion of the costs to renovate the Rocket Arena, a multi-purpose arena located in downtown Cleveland. Under the agreement, the Organization will allocate a portion of the gross Capital Improvement Transient Occupancy Tax receipts generated in any calendar year to renovate Rocket Arena, according to a schedule of annual payments through December 31, 2034. The sum of all annual payments during the term of the agreement amounts to \$44,000,000.

The annual payments to be made each year, as defined, are as follows:

2025	\$	2,750,000
2026		2,750,000
2027		2,750,000
2028		3,000,000
2029		3,000,000
Thereafter		<u>15,500,000</u>
	\$	<u>29,750,000</u>

During 2024, \$2,750,000 of the gross Capital Improvement Transient Occupancy Tax receipts were applied to the annual 2024 payment requirements.

During 2023, \$2,000,000 of the gross Capital Improvement Transient Occupancy Tax receipts were applied to the annual 2023 payment requirements.

9. NET ASSETS

Board Designated Net Assets

At December 31, 2024 and 2023, the Board of Directors designated assets of \$2,113,691 and \$4,069,792 for convention subsidies.

At December 31, 2024 and 2023, the Board of Directors designated assets of \$7,083,937 and \$4,293,511, respectively, for special initiatives.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9. NET ASSETS (Continued)

Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods as follows at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Subject to expenditure for specified purpose:		
Capital improvements for the Organization's share of the Capital improvement Funds	\$ 6,057,848	\$ 7,859,967
City of Cleveland Major Events Fund	1,608,892	
Illuminate CLE		280,996
Towpath Research	14,000	
Spirit of Cleveland initiatives	<u>170,834</u>	<u>470,000</u>
	<u>\$ 7,851,574</u>	<u>\$ 8,610,963</u>

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CONSOLIDATING STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2024

	Destination Cleveland	Spirit of Cleveland, Inc.	DC Illumination, LLC	Eliminations	Total		Destination Cleveland	Spirit of Cleveland, Inc.	DC Illumination, LLC	Eliminations	Total
<b>ASSETS</b>						<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT ASSETS</b>						<b>CURRENT LIABILITIES</b>					
Cash and cash equivalents	\$ 24,487,072	\$ 6,907	\$ 50,000		\$ 24,543,979	Accounts payable and accrued expenses	\$ 881,162	\$ 600		\$ (600)	\$ 881,162
Amounts due from Cuyahoga County	3,130,524				3,130,524	Salaries and payroll taxes payable	721,325				721,325
Accounts receivable	397,372			\$ (600)	396,772	Current portion of operating lease liability	451,333				451,333
Grants receivable		170,834			170,834	Deferred revenue	<u>192,371</u>				<u>192,371</u>
Prepaid expenses and other assets	498,974				498,974		2,246,191	600	-	(600)	2,246,191
Employee Retention Tax Credit receivable	<u>222,342</u>				<u>222,342</u>	Lease Liabilities					
	<u>28,736,284</u>	<u>177,741</u>	<u>50,000</u>	<u>(600)</u>	<u>28,963,425</u>		<u>2,246,191</u>	<u>600</u>		<u>(600)</u>	<u>2,246,191</u>
<b>PROPERTY AND EQUIPMENT - AT COST</b>	7,953,245		3,926,821		11,880,066	<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>					
Less: Accumulated depreciation and amortization	<u>6,423,354</u>		<u>389,380</u>		<u>6,812,734</u>	Undesignated	16,865,606	6,307	\$ 3,587,441	(6,307)	20,453,047
	<u>1,529,891</u>	<u>-</u>	<u>3,537,441</u>	<u>-</u>	<u>5,067,332</u>	Board designated	<u>9,197,628</u>				<u>9,197,628</u>
<b>OTHER ASSETS</b>						<b>NET ASSETS WITH DONOR RESTRICTIONS</b>					
Investments	5,154,385				5,154,385	Capital improvement funds - Special projects	3,970,928				3,970,928
Investment in subsidiaries	177,141			(177,141)		Capital improvement funds - General reserve	2,086,920				2,086,920
Right of use asset	363,298				363,298	City of Cleveland Major Events Fund	1,608,892				1,608,892
Other	<u>200,000</u>				<u>200,000</u>	Destination Cleveland - Towpath Research	14,000				14,000
	<u>5,894,824</u>			<u>(177,141)</u>	<u>5,717,683</u>	Spirit of Cleveland - Illuminate CLE	<u>170,834</u>	<u>170,834</u>		<u>(170,834)</u>	<u>170,834</u>
<b>TOTAL ASSETS</b>	<u>\$ 36,160,999</u>	<u>\$ 177,741</u>	<u>\$ 3,587,441</u>	<u>\$ (177,741)</u>	<u>\$ 39,748,440</u>		<u>7,851,574</u>	<u>170,834</u>		<u>(170,834)</u>	<u>7,851,574</u>
							<u>33,914,808</u>	<u>177,141</u>	<u>3,587,441</u>	<u>(177,141)</u>	<u>37,502,249</u>
						<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 36,160,999</u>	<u>\$ 177,741</u>	<u>\$ 3,587,441</u>	<u>\$ (177,741)</u>	<u>\$ 39,748,440</u>

CONSOLIDATING STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2024

	Destination Cleveland			Spirit of Cleveland, Inc.			DC Illumination, LLC			Eliminations		Consolidated		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES														
Transient occupancy tax	\$ 19,324,570		\$ 19,324,570									\$ 19,324,570		\$ 19,324,570
Capital improvement transient occupancy tax		\$ 5,993,390	5,993,390									\$ 5,993,390		5,993,390
Less: Rocket Arena renovation	(2,750,000)		(2,750,000)									(2,750,000)		(2,750,000)
Net assets released from restriction	7,795,509	(7,795,509)										7,795,509	(7,795,509)	
Net transient occupancy tax	24,370,079	(1,802,119)	22,567,960	-	-							24,370,079	(1,802,119)	22,567,960
Partnership dues	326,807		326,807									326,807		326,807
Ad and publication	406,790		406,790									406,790		406,790
Grants	0	2,533,475	2,533,475		\$ 50,000	\$ 50,000					0	2,583,475	2,583,475	
Interest and investment income - Net	1,167,630	47,511	1,215,141	\$ 860		860	\$ 480		\$ 480		1,168,970	47,511	1,216,481	
Sponsorships and contributions	305,715	49,403	355,118		200,000	200,000	3,233,877		3,233,877	\$ (3,234,377)	305,215	249,403	554,618	
Miscellaneous	145,336		145,336								145,336		145,336	
In-kind contributions	698,884		698,884								698,884		698,884	
Income from subsidiaries	(100)	(299,166)	(299,266)							100	\$ 299,166			
Net assets released from restriction	1,288,493	(1,288,493)		549,166	(549,166)						1,837,659	(1,837,659)		
	28,709,634	(759,389)	27,950,245	550,026	(299,166)	250,860	3,234,357		3,234,357	(3,234,277)	299,166	29,259,740	(759,389)	28,500,351
EXPENSES														
Program services														
Marketing	8,012,846		8,012,846									8,012,846		8,012,846
Sales - Convention	8,001,658		8,001,658									8,001,658		8,001,658
Destination development	5,525,148		5,525,148							(2,684,711)		2,840,437		2,840,437
Partnerships	2,126,124		2,126,124									2,126,124		2,126,124
Services - Convention	975,275		975,275									975,275		975,275
Spirit of Cleveland				550,126		550,126				(549,666)		460		460
DC Illumination, LLC							390,786		390,786			390,786		390,786
	24,641,051		24,641,051	550,126		550,126	390,786		390,786	(3,234,377)		22,347,586		22,347,586
Supporting services														
Management and general	2,515,600		2,515,600									2,515,600		2,515,600
	27,156,651		27,156,651	550,126		550,126	390,786		390,786	(3,234,377)		24,863,186		24,863,186
CHANGE IN NET ASSETS	1,552,983	(759,389)	793,594	(100)	(299,166)	(299,266)	2,843,571		2,843,571	100	299,166	4,396,554	(759,389)	3,637,165
NET ASSETS - BEGINNING OF THE YEAR	24,510,251	8,610,963	33,121,214	6,407	470,000	476,407	743,870	-	743,870	(6,407)	(470,000)	25,254,121	8,610,963	33,865,084
NET ASSETS - END OF THE YEAR	\$ 26,063,234	\$ 7,851,574	\$ 33,914,808	\$ 6,307	\$ 170,834	\$ 177,141	\$ 3,587,441	\$	\$ 3,587,441	\$ (6,307)	\$ (170,834)	\$ 29,650,675	\$ 7,851,574	\$ 37,502,249



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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

The Convention and Visitors Bureau of Greater Cleveland, Inc.  
dba Destination Cleveland and Subsidiaries  
Cuyahoga County  
334 Euclid Avenue  
Cleveland, Ohio 44114

To the Board of Directors:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the consolidated financial statements of The Convention and Visitors Bureau of Greater Cleveland, Inc., dba Destination Cleveland and Subsidiaries, Cuyahoga County, Ohio (the Organization) as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Organization's consolidated financial statements and have issued our report thereon dated November 3, 2025.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEITH FABER  
Ohio Auditor of State



Tiffany L. Ridenbaugh, CPA, CFE, CGFM  
Chief Deputy Auditor

November 3, 2025

# OHIO AUDITOR OF STATE KEITH FABER



**CONVENTION AND VISITORS BUREAU OF GREATER CLEVELAND**

**CUYAHOGA COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 11/25/2025**

65 East State Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)