

**UNITED STATES ASSOCIATION OF
BLIND ATHLETES, INC.**

Financial Statements

For the Year Ended December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
United States Association of
Blind Athletes, Inc.
Colorado Springs, Colorado

Opinion

We have audited the accompanying financial statements of United States Association of Blind Athletes, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024, and the related statements of activities and changes in net assets, 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 United States Association of Blind Athletes, Inc. as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United States Association of Blind Athletes, Inc. 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 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 United States Association of Blind Athlete, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United States Association of Blind Athlete, 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 United States Association of Blind Athlete, 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 United States Association of Blind Athlete, Inc.'s 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 26, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Waugh & Goodwin, LLP

Colorado Springs, Colorado
September 29, 2025

UNITED STATES ASSOCIATION OF BLIND ATHLETES, INC.

Statement of Financial Position

December 31, 2024

(With Comparative Amounts for 2023)

	<u>ASSETS</u>	
	<u>2024</u>	<u>2023</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 26,713	\$ 75,126
Accounts receivable	75,010	72,982
Pledges receivable	111,900	25,000
Prepaid expenses	28,448	10,810
Deposits	500	500
Total current assets	242,571	184,418
LONG-TERM INVESTMENTS	229,520	426,885
LONG-TERM PLEDGES RECEIVABLE, NET	384,352	212,500
PROPERTY AND EQUIPMENT:		
Athlete housing	502,225	502,225
Furniture and equipment	19,176	19,176
Athletic equipment	130,812	53,812
Teraflex floor	33,288	33,288
Less accumulated depreciation	(226,633)	(200,108)
Property and equipment - net	458,868	408,393
TOTAL ASSETS	<u>\$ 1,315,311</u>	<u>\$ 1,232,196</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts payable	\$ 104,170	\$ 112,600
Accrued liabilities	76,675	75,293
Current portion of note payable	8,768	1,565
Refundable advances	5,000	5,000
Total current liabilities	194,613	194,458
LONG-TERM NOTE PAYABLE	339,667	348,435
Total liabilities	534,280	542,893
NET ASSETS:		
Without donor restrictions	187,088	305,767
With donor restrictions	593,943	383,536
Total net assets	781,031	689,303
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,315,311</u>	<u>\$ 1,232,196</u>

See Notes to Financial Statements

UNITED STATES ASSOCIATION OF BLIND ATHLETES, INC.
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2024
(With Comparative Amounts for 2023)

	Without Donor Restrictions	With Donor Restrictions	2024 Totals	2023 Totals
REVENUE:				
USOPC grants, including				
paralympic support	\$ 491,080	\$	\$ 491,080	\$ 606,000
Contributions & bequests	178,875	212,500	391,375	354,873
Grants	88,792	275,650	364,442	279,102
Corporate sponsorships	181,808		181,808	94,750
In-kind contributions	92,783		92,783	43,880
Realized & unrealized gains				
on investments	38,373		38,373	40,101
Event registrations	8,955		8,955	20,323
Membership dues	12,272		12,272	14,930
Interest & dividends	4,293		4,293	8,563
Other income	4,022		4,022	2,377
Merchandise sales, net	8,740		8,740	(3,033)
Satisfied program restrictions	<u>277,743</u>	<u>(277,743)</u>		
Total revenue	1,387,736	210,407	1,598,143	1,461,866
EXPENSES:				
Program services:				
HP Goalball	389,853		389,853	345,710
Grants	277,287		277,287	140,483
Development	132,510		132,510	302,647
Athlete events	122,042		122,042	222,220
Marketing	108,147		108,147	115,419
HP Blind Soccer	<u>73,968</u>		<u>73,968</u>	
Total program services	1,103,807		1,103,807	1,126,479
Supporting services:				
General & administrative	348,085		348,085	391,398
Fundraising	<u>54,523</u>		<u>54,523</u>	<u>57,601</u>
Total supporting services	<u>402,608</u>		<u>402,608</u>	<u>448,999</u>
Total expenses	<u>1,506,415</u>		<u>1,506,415</u>	<u>1,575,478</u>
CHANGE IN NET ASSETS	(118,679)	210,407	91,728	(113,612)
NET ASSETS, beginning of year	<u>305,767</u>	<u>383,536</u>	<u>689,303</u>	<u>802,915</u>
NET ASSETS, end of year	<u>\$ 187,088</u>	<u>\$ 593,943</u>	<u>\$ 781,031</u>	<u>\$ 689,303</u>

See Notes to Financial Statements

UNITED STATES ASSOCIATION OF BLIND ATHLETES, INC.
Statement of Functional Expenses
For the Year Ended December 31, 2024
(With Comparative Amounts for 2023)

	Program Services						Supporting Services				2024	2023
	HP Goalball	Grants	Development	Athlete Events	Marketing	HP Blind Soccer	Total Program Services	General & Administrative	Fundraising	Expenses	Total Expenses	Total Expenses
Accounting	\$	\$ 25,740	\$	\$	\$	\$	\$ 25,740	\$ 6,686	\$	\$ 32,426	\$	\$ 32,504
Awards	2,850			593		372	3,815			3,815		2,555
Bank charges								1,310		1,310		2,450
Consultants/volunteers								122,045		122,045		112,918
Contract labor	53,331	57,911	7,120	42,925			161,287			161,287		188,990
Database management			9,167	100	2,000		11,267	23,942		35,209		54,899
Depreciation								26,525		26,525		17,954
Dues	1,300						1,300	13,561		14,861		14,419
Employee benefits	608	1,990	2,294	2,486	3,037		10,415	1,518	3,317	15,250		18,132
Insurance								24,346		24,346		21,930
Interest								14,844		14,844		13,943
Management fees												1,350
Merchandise												11,577
Miscellaneous	23,698		974			1,830	26,502	6,516		33,018		27,028
Payroll taxes	2,998	4,577	5,431	4,089	7,104		24,199	3,204	3,528	30,931		33,438
Postage	4,706	929		366			6,001	3,805		9,806		9,432
Printing & copying		194					194	291		485		5,503
Professional fees			24,000				24,000			24,000		24,000
Rent		7,348		11,286		1,914	20,548	26,818		47,366		44,847
Repairs & maintenance	9,792						9,792	1,200		10,992		25,404
Salaries	40,517	61,852	73,396	55,249	96,006		327,020	43,300	47,678	417,998		472,473
Stipends		18,920					18,920			18,920		12,000
Supplies & equipment	22,006	17,940	18	551		5,507	46,022	4,360		50,382		26,052
Telephone								391		391		1,224
Travel	211,946	79,886	10,110	4,397		63,025	369,364	23,166		392,530		393,354
Uniforms	7,388					1,320	8,708			8,708		7,293
Utilities	8,713						8,713	257		8,970		11,386
Total expenses by natural classification	389,853	277,287	132,510	122,042	108,147	73,968	1,103,807	348,085	54,523	1,506,415		1,587,055
Less: cost of goods sold amount included with revenues in the statement of activities												(11,577)
Total expenses reported in the statement of activities	<u>\$ 389,853</u>	<u>\$ 277,287</u>	<u>\$ 132,510</u>	<u>\$ 122,042</u>	<u>\$ 108,147</u>	<u>\$ 73,968</u>	<u>\$ 1,103,807</u>	<u>\$ 348,085</u>	<u>\$ 54,523</u>	<u>\$ 1,506,415</u>		<u>\$ 1,575,478</u>

See Notes to Financial Statements

UNITED STATES ASSOCIATION OF BLIND ATHLETES, INC.

Statement of Cash Flows

December 31, 2024

(With Comparative Amounts for 2023)

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 91,728	\$ (113,612)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	26,525	17,954
Net realized and unrealized (gains) losses on investments	(38,373)	(40,101)
Decrease (increase) in assets:		
Accounts receivable	(2,028)	(9,759)
Contributions receivable	(258,752)	(237,500)
Prepaid expenses	(17,638)	15,668
Deposits		
Increase (decrease) in liabilities:		
Accounts payable	(8,430)	1,935
Payable to athletes		(350)
Accrued liabilities	1,382	12,787
Deferred revenue		(20,000)
Net cash used by operating activities	(205,586)	(372,978)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Change in long-term investments, net	235,738	(4,608)
Acquisition of property & equipment	(77,000)	
Net cash provided (used) by investing activities	158,738	(4,608)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Long-term note payable	(1,565)	
Net cash used by financing activities	(1,565)	
NET DECREASE IN CASH	(48,413)	(377,586)
CASH AND CASH EQUIVALENTS, beginning of year	75,126	452,712
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 26,713</u>	<u>\$ 75,126</u>

See Notes to Financial Statements

UNITED STATES ASSOCIATION OF BLIND ATHLETES, INC.

Notes to Financial Statements

For the Year Ended December 31, 2024

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The United States Association of Blind Athletes, Inc. (the Association) was the high-performance management organization for blind athletes. Effective December 30, 2021, the Association became the National Governing Body for blind athletes and the two paralympic team sports of goalball and blind soccer. The Association is responsible for the promotion and development of athletic competitions in the United States.

Use of Estimates in Preparation of Financial Statements

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

Income Tax

The Association qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not subject to federal income tax. Accordingly, no income tax provision has been recorded.

The Association's form 990, Return of Organization Exempt from Income Tax, is subject to examination by various taxing authorities, generally for three years after the date filed. Management of the Association believes that it does not have any uncertain tax positions that are material to the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents consist of the Association's checking and savings accounts. In the unlikely event of a bank failure, the Association could suffer a loss to the extent its deposits exceed the respective bank insurance limits.

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Supplemental Cash Flow Disclosures

The Association paid interest of \$14,844 and \$0 during the years ended December 31, 2024 and 2023, respectively. No income taxes were paid during either of the years ended December 31, 2024 and 2023.

Donated Assets, Property, and Equipment, and Services

The Association's policy related to donated assets is to utilize the assets given to carry out the mission of the Association. If an asset is provided that does not allow the Association to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset. The Association did not sell any donated assets received during the years ending December 31, 2024 and 2023.

Donated services are recognized as contributions if the services: (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Association.

The Association also receives donated services from other contributors and volunteers that are not measurable, and therefore, are excluded from the financial statements.

Depreciation

Assets are recorded at cost and depreciated using the straight-line method over estimated useful lives of five to 10 years for furniture and equipment, and 30 years for buildings. Depreciation expense amounted to \$26,525 and \$17,954 for the years ended December 31, 2024 and 2023, respectively.

Accounts Receivable

During the year ended December 31, 2023, the Association implemented Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit losses (Topic 326): Measurement of Credit Losses on Financial Instruments*.

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

On January 1, 2023, the Association adopted the new accounting standard and all of the related amendments.

There was no impact of adoption of ASU 2016-13 on the accompanying financial statements. The Association does not expect ASU 2016-13 to have a significant impact on its financial condition or results of operations on an ongoing basis.

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end and include amounts from contracts with customers, and other miscellaneous amounts. When necessary, accounts and grants receivable are presented net of an allowance for credit losses, which is an estimate of amounts that may not be collectible.

The Association considers its accounts receivable to be fully collectible; accordingly, based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, it has concluded that an allowance for credit losses is not necessary at December 31, 2024 and 2023.

Receivables from contracts with customers at the beginning and end of 2024 were \$72,550 and \$75,010, respectively.

Pledges Receivable

Pledges receivable are unconditional promises to give. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Pledges receivable are written-off when deemed uncollectible. Based on management's assessment of the credit history with donors having outstanding balances and current relationships with them, consideration is given to whether or not an allowance for doubtful accounts is necessary. No allowance for doubtful accounts was considered necessary at December 31, 2024 and 2023.

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Contributions

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of donated assets. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as satisfied program restrictions. Contributions and grants with donor restrictions are reported as support and revenue without donor restrictions if the restriction is met in the same year that the gift is received.

Contributions include United States Olympic & Paralympic Committee (USOPC) grants.

Revenue from Contracts with Customers

Athlete registrations - The Association receives revenue from sales related to various Association sanctioned events and challenges held for members. The revenue is recognized at the time of the event, which recognizes the completion of the Association's performance obligations.

Corporate sponsorships - The Association recognizes revenue from contracts with both sponsors and suppliers of the Association. Performance obligations in such contracts are satisfied as services are rendered, and therefore, the Association will recognize revenue over time. The Association has concluded that the performance obligations within these contracts are substantially the same in each year and are satisfied ratably over the term of the agreement. Therefore, corporate sponsorship revenue from contracts with customers will be recognized on a straight-line basis over the term of the agreement.

Membership dues - Revenue from contracts with members for annual dues is reported at the amount that reflects the consideration to which the Association expects to be entitled in exchange for providing membership services to its members. Revenue is recognized as performance obligations are satisfied, which is ratably over the membership term. Membership dues are nonrefundable.

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to one or more program or supporting services of the Association. Therefore, expenses require allocation on a reasonable basis that is consistently applied.

Leases

The Association assesses whether an arrangement qualifies as a lease at inception and reassesses its determination only if the terms and conditions of the arrangement are changed.

Under ASU 2016-02, the Association has made an accounting policy election to apply the short-term lease recognition exemption for all applicable classes of underlying assets. Leases with a term of 12 months or less that do not include an option to purchase the underlying asset, are not recorded on the balance sheet as ROU assets or lease liabilities. The Association has elected to expense the cost of the short-term leases on the straight-line basis in the accompanying Statements of Activities.

The Association adopted ASU 2016-02 effective January 1, 2022. Upon adoption the Association had only short-term leases with no effect on the statement of financial position.

Date of Management's Review

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through September 29, 2025, the date that the financial statements were available to be issued.

B. AVAILABLE RESOURCES AND LIQUIDITY

The Association's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

Notes to Financial Statements

B. AVAILABLE RESOURCES AND LIQUIDITY - Continued

Financial assets at year-end:

Cash and cash equivalents	\$ 26,713
Accounts receivable	75,010
Contributions receivable	496,252
Long-term investments	229,520
Less amounts with donor restrictions	<u>(465,683)</u>
Total financial assets available within one year	<u>\$ 361,812</u>

The Association strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. Financial assets in excess of daily cash requirements, if any, are invested in certificates of deposit, money market funds, and other short-term investments.

C. FAIR VALUE MEASUREMENTS

The Association applies Generally Accepted Accounting Principles (GAAP) for fair value measurements of financial assets that are recognized or disclosed at fair value in the financial statements on a recurring basis. GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Association has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Notes to Financial Statements

C. FAIR VALUE MEASUREMENTS - Continued

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Assets at Fair Value as of December 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Equity securities:				
Mutual funds	\$ 1,498	\$	\$	\$ 1,498
USOPE pooled investments		<u>228,022</u>		<u>228,022</u>
Total	<u>\$ 1,498</u>	<u>\$ 228,022</u>	<u>\$</u>	<u>\$ 229,520</u>

Assets at Fair Value as of December 31, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Equity securities:				
Mutual funds	\$ 1,049	\$	\$	\$ 1,049
USOPE pooled investments		<u>425,836</u>		<u>425,836</u>
	<u>\$ 1,049</u>	<u>\$ 425,836</u>	<u>\$</u>	<u>\$ 426,885</u>

The Association has placed some of its investments in a pooled investment fund sponsored and managed by the United States Olympic and Paralympic Endowment (USOPE). The USOPE invests on behalf of the USOPC and various national sports organizations recognized by the USOPC.

The manager allocation of the pooled investments held by the USOPE is as follows:

Alternative investments	39.2 %
Domestic equities	35.6
International equities	17.2
Domestic bonds	6.9
Cash and equivalents	<u>1.1</u>
	<u>100.00 %</u>

Notes to Financial Statements

D. PLEDGES RECEIVABLE

Total pledges receivable at December 31, 2024 and 2023 were as follows:

Amounts due in:	<u>2024</u>	<u>2023</u>
Less than one year	\$ 111,900	\$ 25,000
One to five years	456,700	212,500
More than five years		
Total	<u>568,600</u>	<u>237,500</u>
Unamortized discount	<u>(72,348)</u>	
Net pledges receivable	<u>\$ 496,252</u>	<u>\$ 237,500</u>

The pledges will be received by the Association in future years and have been discounted using the risk-free interest rate for the year in which they were received. The interest rates used range from 3.67% to 3.71%.

E. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at December 31:

	<u>2024</u>	<u>2023</u>
Time restrictions	\$ 512,612	\$ 376,940
US Soccer program	81,331	6,244
Copeland scholarship fund		352
	<u>\$ 593,943</u>	<u>\$ 383,536</u>

Net assets are released from donor restrictions by incurring expenses that satisfy the restricted purpose. During the years ended December 31, 2024 and 2023 the following amounts were released from net assets with donor restrictions:

	<u>2024</u>	<u>2023</u>
US Soccer program	\$ 100,563	\$ 35,939
Time restrictions	176,828	32,413
Other programs	<u>352</u>	
	<u>\$ 277,743</u>	<u>\$ 68,352</u>

Notes to Financial Statements

F. RELATED PARTY TRANSACTIONS

The USOPC provided grants to the Association as follows:

	<u>2024</u>	<u>2023</u>
High Performance grants	\$ 394,950	\$ 315,000
NGB Services grant	96,130	88,000
Development grant	<u> </u>	<u>203,000</u>
	<u>\$ 491,080</u>	<u>\$ 606,000</u>

The Association is economically dependent on the funding it receives from the USOPC to maintain its goalball high performance program at the current level.

The USOPC provides the Association with certain office facilities pursuant to a lease discussed in Note G.

G. IN-KIND GOODS AND SERVICES

The fair value of donated goods and services included as contributions in the financial statements and the corresponding expense categories for the years ended December 31, 2024 and 2023, are as follows:

	<u>2024</u>	<u>2023</u>
Facilities and services:		
Use of facilities - travel	\$ 72,523	\$ 23,620
Occupancy and related services	<u>20,260</u>	<u>20,260</u>
Total in-kind goods and services	<u>\$ 92,783</u>	<u>\$ 43,880</u>

The Association occupies office space in the USOPC Sport Building at a discounted rental rate. Services and common area maintenance are provided in-kind by the USOPC.

Occupancy-related services include utilities, garbage, janitorial services, and plumbing services.

USOPC has an arrangement with AirBnB that provides 90% of the charge for the facilities in-kind. The Association is responsible to pay 10% of the charge.

Notes to Financial Statements

H. LEASES

Beginning September 1, 2016, the Association entered into a lease arrangement with the USOPC for 1,000 square feet of office space and 768 square feet of common space. The term of the lease is one year with annual renewals available.

The base rent is \$547 per month and other services are provided in-kind as described in Note G. The base rent expense for the years ending December 31, 2024 and 2023, was \$6,558 for each year.

The Association also agrees to pay the following operating expenses:

- IT services - \$96 per employee per month
- Copier - by usage at \$0.02 per black and white copy, \$0.09 per color copy
- Other incremental services to be billed at cost

Effective February 6, 2017, the Association entered into a memorandum of understanding with Turnstone Center for Children and Adults with Disabilities, Inc. (Turnstone) and Turnstone Fieldhouse, LLC for priority access to the gymnasium, designated training space, and adjacent storage area. The initial period is five years with an annual payment of \$1.00. The agreement includes an option of renewal for two additional terms of five years.

In this memorandum of understanding, the Association also entered into a land lease with Turnstone Properties, LLC (an Indiana limited liability company and wholly owned subsidiary of Turnstone). The term of the initial lease is five years for an annual rental amount of \$1.00.

The land lease provides for two additional five-year terms to be exercised by providing Turnstone with written notice at least 180 days prior to the expiration of the initial land lease term.

The leases with Turnstone are at below-market rates and therefore are excluded from the lease standard reporting.

Notes to Financial Statements

I. REFUNDABLE ADVANCE

The Association receives, from time to time, advance payments on grants from other funding sources for programs to be held in future years. At December 31, 2024 and 2023, the Association had \$5,000 in other refundable advances each years.

J. NOTES PAYABLE

The Association has obtained a loan through the Small Business Association Economic Business Injury Disaster program in the amount of \$150,000. The loan has a maturity of 30 years and an interest rate of 2.75%.

On March 28, 2022, the U.S. Small Business Administration authorized an additional loan of \$200,000. The original note was amended to include this amount. All other terms remain the same and monthly payments of \$1,520 began in 2023. The payments will be applied first to the outstanding interest. The final balloon payment is due September 21, 2050.

Future minimum payments under this note payable are as follows for years ending December 31:

2025	\$ 8,768
2026	9,013
2027	9,263
2028	9,497
2029	9,786
Thereafter	302,108

K. UNCERTAINTIES

With the rising cost of inflation and potential recession, it is uncertain what effect these factors may have on the operations of the Association in the coming year.