USA BOBSLED/SKELETON, INC.

Financial Statements

For the Year Ended June 30, 2026

WAUGH & GOODWIN, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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WAUGH & GOODWIN, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
USA Bobsled/Skeleton, Inc.
Colorado Springs, Colorado

Opinion

We have audited the accompanying financial statements of USA Bobsled/Skeleton, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2026, 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 USA Bobsled/Skeleton, Inc. as of June 30, 2026, and the changes in 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 USA Bobsled/Skeleton, 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 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 USA Bobsled/Skeleton, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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 USA Bobsled/Skeleton, 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 USA Bobsled/Skeleton, 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 USA Bobsled/Skeleton, Inc.'s 2025 consolidated financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 15, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2025, is consistent, in all material respects, with the consolidated audited financial statements from which it has been derived.

Waugh & Goodwin, LLP

Colorado Springs, Colorado
November 4, 2026

USA BOBSLED/SKELETON, INC.

Statement of Financial Position

June 30, 2026

(With Comparative Amounts for 2025)

ASSETS

	2026	2025
CURRENT ASSETS:		
Cash and cash equivalents	$ 2,987,564	$ 2,239,685
Accounts receivable, net	495,377	27,329
Grants receivable		109,757
Prepaid expenses	105,899	103,985
Total current assets	3,588,840	2,480,756
PROPERTY AND EQUIPMENT:		
Property and equipment	3,627,807	3,390,873
Less accumulated depreciation	(2,277,390)	(1,992,447)
Property and equipment, net	1,350,417	1,398,426
LONG-TERM INVESTMENTS	1,008,624	860,050
OTHER ASSETS:		
Beneficial interest in Trust	1,731,731	1,528,249
TOTAL ASSETS	$ 7,679,612	$ 6,267,481

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	$ 324,069	$ 310,363
Deferred revenue	68,870	129,545
Refundable advance	145,916	194,802
Total current liabiities	538,855	634,710
NET ASSETS:		
Without donor restrictions	4,497,739	3,938,282
With donor restrictions	2,643,018	1,694,489
Total net assets	7,140,757	5,632,771
TOTAL LIABILITIES AND NET ASSETS	$ 7,679,612	$ 6,267,481

See Notes to Financial Statements

USA BOBSLED/SKELETON, INC.

Statement of Activities and Changes in Net Assets

For the Year Ended June 30, 2026

(With Comparative Amounts for 2025)

	Without Donor Restrictions	With Donor Restrictions	2026 Totals	2025 Totals
REVENUE AND SUPPORT:				
USOPC grants	$	$ 2,600,227	$ 2,600,227	$ 2,122,909
Corporate sponsorship	1,567,643		1,567,643	605,500
Contributions	32,814	748,563	781,377	348,096
Grants	127,500	300,000	427,500	412,500
Investment income, net	265,943		265,943	158,538
Miscellaneous income	235,971		235,971	186,999
Contributions - VIK	260,229		260,229	269,856
Change in beneficial interest in Trust		203,483	203,483	86,855
IBSF distributions	127,637		127,637	100,589
Trust distributions	82,738		82,738	75,576
USOPC media agreement	41,551		41,551	26,933
Member dues	24,140		24,140	22,475
Royalty revenue	22		22	
Satisfied program restrictions	2,903,744	(2,903,744)		
Total revenue and support	5,669,932	948,529	6,618,461	4,416,826
EXPENSES:				
Program services:				
Athlete expense	930,212		930,212	649,133
Women's bobsled	919,537		919,537	615,547
Men's bobsled	781,010		781,010	535,531
Skeleton	558,682		558,682	432,051
Development	491,722		491,722	452,573
Para program	257,089		257,089	240,484
Membership expense	99,497		99,497	96,663
Recruiting	13,063		13,063	15,889
Total program services	4,050,812		4,050,812	3,037,871
Supporting services:				
General & administrative	986,759		986,759	736,070
Marketing & public relations	72,904		72,904	61,433
Total supporting services	1,059,663		1,059,663	797,503
Total expenses	5,110,475		5,110,475	3,835,374
CHANGE IN NET ASSETS	559,457	948,529	1,507,986	581,452
NET ASSETS, beginning of year	3,938,282	1,694,489	5,632,771	5,051,319
NET ASSETS, end of year	$ 4,497,739	$ 2,643,018	$ 7,140,757	$ 5,632,771

See Notes to Financial Statements

USA BOBSLED/SKELETON, INC.

Schedule of Functional Expenses

For the Year Ended June 30, 2026

(With Comparative Amounts for 2025)

	Athlete Expense	Women's Bobsled	Men's Bobsled	Skeleton	Development	Para Program	Membership Expense	Recruiting	Total Programs
Athlete funding	$	$	$	$ 63,342	$ 214,408	$	$	$	$ 277,750
Athlete incentives	278,317			353					278,670
Bad debt loss					50,000				50,000
Bank charges & merchant fees									
Contract labor	984	18,520	18,520	7,500	13,819	52,820			112,163
Depreciation	46,756	38,383	138,857	40,472	1,516	17,159			283,143
Dues & subscriptions									
Employee benefits	11,750	10,125	10,125	8,375	16,410				56,785
Entry fees		8,414	8,282	11,850	(309)	49,244			77,481
Equipment	199,277	25,590	21,815	93,198	20,223	11,756		10,839	382,698
Goodwill gestures									
Insurance							97,945		97,945
Interest expense									
Legal & accounting	9,266	131,750	6,983	28,770					176,769
Marketing									
Meals/lodging	8,567	297,209	267,083	103,818	20,500	88,349		964	786,490
Meetings									
Membership expense							1,552		1,552
Office supplies									
Other	26,012	21,013	8,071	5,163		275			60,534
Payroll taxes	11,934	14,663	12,384	9,820	9,336				58,137
Postage									
Professional services									
Public relations									
Recruiting	154,336								154,336
Rent-building									
Salaries	157,363	192,420	162,629	128,364	122,042				762,818
Simple IRA expense		1,425	1,425	1,991					4,841
Sled shipping	947	49,437	29,174	1,423					80,981
State unemployment insurance									
Telephone									
Travel	24,703	110,588	95,662	44,243	23,777	37,486		1,260	337,719
Value in kind - services				10,000					10,000
	$ 930,212	$ 919,537	$ 781,010	$ 558,682	$ 491,722	$ 257,089	$ 99,497	$ 13,063	$ 4,050,812

	General & Administrative	Marketing & Public Relations	2026 Totals	2025 Totals
Athlete funding	$	$	$ 277,750	$ 209,383
Athlete incentives			278,670	103,094
Bad debt loss	7,271		57,271	19
Bank charges & merchant fees	13,381		13,381	8,438
Contract labor			112,163	98,492
Depreciation	1,800		284,943	246,729
Dues & subscriptions	14,195		14,195	10,730
Employee benefits	24,313		81,098	66,964
Entry fees			77,481	49,520
Equipment	709		383,407	237,817
Goodwill gestures	361		361	609
Insurance	38,773		136,718	145,271
Interest expense	140		140	125
Legal & accounting	21,090		197,859	31,320
Marketing	1,190	65,321	66,511	47,651
Meals/lodging	4,037	(18)	790,509	485,399
Meetings	1,288		1,288	2,958
Membership expense			1,552	(990)
Office supplies	731		731	805
Other	12,680	4,260	77,474	124,174
Payroll taxes	48,802		106,939	86,586
Postage	1,264		1,264	832
Professional services	11,000		11,000	10,985
Public relations	21,415	3,340	24,755	4,290
Recruiting			154,336	129,262
Rent-building	2,400		2,400	2,400
Salaries	722,889		1,485,707	1,204,383
Simple IRA expense	17,358		22,199	18,738
Sled shipping			80,981	132,076
State unemployment insurance	11,223		11,223	4,148
Telephone	7,340		7,340	4,898
Travel	1,109	1	338,829	355,552
Value in kind - services			10,000	
	$ 986,759	$ 72,904	$ 5,110,475	$ 3,835,374

See Notes to Financial Statements

USA BOBSLED/SKELETON, INC.

Statement of Cash Flows

For the Year Ended June 30, 2026

(With Comparative Amounts for 2025)

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 1,507,986	$ 581,452
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	284,943	246,729
Unrealized gain on investments	(121,193)	(50,658)
Changes in assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable, net	(468,048)	5,688
Due from United States Olympic & Paralympic Committee		62,914
Grants receivable	109,757	368,890
Prepaid insurance	(32,170)	(20,935)
Prepaid expenses	30,256	(30,256)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	13,706	196,250
Refundable advances	(48,886)	(246,759)
Deferred revenue	(60,675)	3,525
Net cash provided by operating activities	1,215,676	1,116,840
CASH FLOWS FROM INVESTING ACTIVITIES:		
Short-term investments		257,616
Long-term investments	(27,381)	(506,126)
Acquisition of property and equipment	(236,934)	(428,680)
Net cash used by investing activities	(264,315)	(677,190)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Beneficial interest in Trust	(203,482)	(86,855)
Net cash used by financing activities	(203,482)	(86,855)
NET INCREASE IN CASH	747,879	352,795
CASH AND CASH EQUIVALENTS, beginning of year	2,239,685	1,886,890
CASH AND CASH EQUIVALENTS, end of year	$ 2,987,564	$ 2,239,685

See Notes to Financial Statements

USA BOBSLED/SKELETON, INC.

Notes to Financial Statements

For the Year Ended June 30, 2026

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

United States Bobsled and Skeleton Federation, Inc. (the Corporation) was organized in the State of New York on November 18, 1977, to promote and improve amateur bobsledding, and develop interest and participation in amateur bobsledding throughout the United States. During the year ended June 30, 2015, the Corporation legally changed their name from United States Bobsled and Skeleton Federation, Inc. to USA Bobsled/Skeleton, Inc.

Prior-Year Comparisons

The financial statements include certain prior-year summarized comparative information in total but not by net asset or functional expense class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Corporation's financial statements for the year ended June 30, 2025, from which the summarized information was derived.

Cash and Cash Equivalents

Cash and cash equivalents consist of the Corporation's checking and savings accounts. The Corporation maintains its cash and cash equivalents at commercial banks. In the unlikely event of a bank failure the Corporation might only be able to recover the amounts insured.

Supplemental Cash Flow Disclosures

During the years ended June 30, 2026 and 2025, the Corporation paid interest costs of $140 and $125, respectively. The Corporation paid no income taxes either year.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Accounts Receivable

The Corporation has implemented Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit losses (Topic 326): Measurement of Credit Losses on Financial Instruments* (ASU 2016-13). The Corporation 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. Accounts receivable are presented net of an allowance for credit losses, when applicable, which is an estimate of amounts that may not be collectible. When uncollectible accounts are identified, management provides for probable uncollectible amounts through an allowance so that the net amount reflects the amount that management expects to collect. In developing that allowance, management determines statistics for the probability of loss.

The statistics used are based on the Corporation's historical collection experience, adjusted for management's expectations about current and future economic conditions. Based on management's assessment of the outstanding balances, it has concluded that an allowance for doubtful accounts of $60,000 and $0 was necessary at June 30, 2026 and 2025, respectively.

Accounts receivable recorded by the Corporation include amounts from contracts with customers. Receivables from contracts with customers at the beginning and end of the period were $5,250 and $553, respectively.

The Corporation receives grants from the Department of Veterans Affairs and the United States Olympic Paralympic Committee (USOPC) that are for special purposes with specific expenditure requirements.

Property and Equipment

Property and equipment are recorded at cost as of the date of acquisition or fair value as of the date of receipt in the case of donations. Depreciation is recorded using the straight-line method over estimated useful lives of three to 10 years.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Deferred Revenue

Deferred revenue, a contract liability, recognized by the Corporation represents amounts from contracts with customers. This revenue is deferred as of year-end because the performance obligations relating to this revenue have not yet been completed by the entity. Deferred revenue from contracts with customers at the beginning and end of the period were $129,545 and $68,870, respectively.

Refundable Advances

In accordance with FASB ASU 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASU 2018-08), the Corporation classified conditional promises to give subject to donor-imposed conditions received in prior years as refundable advances at June 30, 2026. As the Corporation satisfies the barriers and conditions set forth in the grant contract, revenue will be recognized accordingly. Refundable advances are $145,916 and $194,802 at June 30, 2026 and 2025, respectively.

Contributions

Contributions are recorded when received as without donor restrictions, with donor restrictions - temporary in nature, or with donor restrictions - perpetual in nature, depending on the existence or nature of any donor restrictions. When a donor restriction is met, net assets with donor restrictions - temporary in nature are reclassified to net assets without donor restrictions and reported in the statement of activities as satisfaction of program restrictions. Contributions whose restrictions are met in the same reporting period are recorded as unrestricted support. USOPC grants, International Bobsleigh & Skeleton Federation (IBSF) distributions, and other grants are considered contributions.

However, if the Corporation is only entitled to the gift if it has overcome a barrier (such as raising matching funds or achieving a particular outcome), contribution revenue is recognized when that barrier is overcome as an increase in net assets without restrictions, because the restriction on the gift is satisfied as the barrier is overcome; thus, there essentially is no separate restriction that needs to be tracked for those gifts.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Contributions - continued

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.

In-kind Contributions

The Corporation has adopted Accounting Standards Update (ASU) 2020-07, Not-For-Profit Entities (Topic 958): *Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets.*

The Corporation may record various types of in-kind contributions when received. Contributed services are recognized if the services received create or enhance long-lived assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received.

The Corporation received the following gifts-in-kind during the years ended June 30, 2026 and 2025:

	2026	2025
Apparel	$ 125,000	$ 75,000
Equipment and supplies	56,994	44,990
Stock donation	56,527	
Housing	11,708	149,866
Services	10,000	
	$ 260,229	$ 269,856

The Corporation's policy related to gifts-in-kind is to utilize the assets given to carry out the mission of the Corporation.

If an asset is provided that does not allow the Corporation 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.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Revenue from Contracts with Customers

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

Corporate Sponsorship - The Corporation recognizes revenue from contracts with both sponsors and suppliers of the Corporation. Performance obligations in such contracts are satisfied as services are rendered, and therefore, the Corporation will recognize revenue over time. The Corporation 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, sponsorship revenue from contracts with customers will be recognized on a straight-line basis over the term of the agreement.

Royalties - The Corporation receives royalties from sponsors. The revenue is variable based on the terms of the agreement and related sales. The revenue is recognized upon receipt of the royalty.

USOPC Digital Media - The Corporation also recognizes revenue from contracts with the USOPC. As previously mentioned, USOPC grants are considered contributions by the Corporation. The USOPC media agreement is considered revenue from contracts with customers. See Note J for more information regarding this revenue stream.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Tax Exempt Status

The Corporation is generally exempt from the payment of federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Corporation is, however, liable for income tax on unrelated trade or business income, which includes advertising income or any other business income that is not substantially related to its exempt purpose.

The Corporation'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 it was filed. Management of the Corporation believes that it does not have any uncertain tax positions that are material to the financial statements.

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.

Date of Management's Review

In preparing the financial statements, the Corporation has evaluated events and transactions for potential recognition or disclosure through November 4, 2026, the date that the financial statements were available to be issued.

B. AVAILABLE RESOURCES AND LIQUIDITY

The Corporation has grant funding commitments to meet most expenses. The Corporation seeks sponsorships, donations, and other contributions to cover other general expenditures.

The Corporation regularly monitors liquidity necessary to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

B. AVAILABLE RESOURCES AND LIQUIDITY - Continued

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

	2026	2025
Cash and cash equivalents	$ 2,987,564	$ 2,239,685
Short-term investments		
Grants receivable		109,757
Accounts receivable, net	495,377	27,329
	3,482,941	2,376,771
Less assets with donor restrictions:		
Donor restrictions - temporary	901,108	156,061
Financial assets available within one year	$ 2,581,833	$ 2,220,710

As described in Note G to the financial statements, the Corporation has two lines of credit available to be used for general expenditures. As part of the Corporation'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. The primary investment objectives of the Corporation are to preserve and protect the Corporation's assets and to provide liquidity for operations.

C. FAIR VALUE MEASUREMENTS

The Corporation 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:

C. FAIR VALUE MEASUREMENTS - Continued

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Corporation 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. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

- Level 3 inputs are unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

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.

The following is a description of valuation methodologies used for assets measured at fair value:

U.S. Olympic & Paralympic Endowment (USOPE) portfolio: The Foundation has an undivided interest in a pool of assets. Fair values for assets in Level 2 are calculated using the statements provided by the United States Olympic and Paralympic Endowment (USOPE) for the Foundation's portion of the pooled portfolio managed by the USOPE. The Foundation may terminate its investment agreement with the USOPE effective at the end of any calendar month upon the giving of at least 90 days written notice or upon shorter notice acceptable to the USOPE if the USOPE determines that adequate liquidity exists in the portfolio to permit early termination.

C. FAIR VALUE MEASUREMENTS - Continued

The following tables present assets that are measured at fair value on a recurring basis at June 30, 2026 and 2025:

Assets at Fair Value as of June 30, 2026

	Level 1	Level 2	Level 3	Total
Beneficial interest in trust	$ 1,731,731	$	$	$ 1,731,731
USOPE pooled fund		601,189		601,189
Foundation for the Carolinas pooled funds		392,168		392,168
Adirondack Foundation pooled funds		15,267		15,267
	$ 1,731,731	$ 1,008,624	$	$ 2,740,355

Assets at Fair Value as of June 30, 2025

	Level 1	Level 2	Level 3	Total
Beneficial interest in trust	$ 1,528,249	$	$	$ 1,528,249
USOPE pooled fund		517,012		517,012
Foundation for the Carolinas pooled funds		329,713		329,713
Adirondack Foundation pooled funds		13,325		13,325
	$ 1,528,249	$ 860,050	$	$ 2,388,299

The USOPE investment consists of units in a pooled portfolio managed by the USOPE. At June 30, 2026, the USOPE portfolio consisted of the following types of securities:

Alternative investments	33.77%
Domestic equities	35.85%
International equities	21.35%
Domestic bonds	6.94%
Cash & cash equivalents	2.09%
	100.00%

	2026	2025
Unrealized gains on securities	$ 121,193	$ 50,658
Realized gains on securities	25,740	4,194
Interest and dividends	123,551	105,284
Investment expenses	(4,541)	(1,598)
	$ 265,943	$ 158,538

C. FAIR VALUE MEASUREMENTS - Continued

Some investments are exposed to various risks that may cause their reported fair values to fluctuate from period to period and could materially affect the recorded amounts of investments in the Corporation's financial statements.

Investments in equity securities fluctuate in value in response to many factors, such as the activities and financial condition of individual companies, general business and industry market conditions and the state or perceived direction of the economy. The values of debt securities fluctuate in response to changing interest rates, credit worthiness of issuers, and overall economic policies that impact market conditions. The values of certain investments, such as hedge funds, can fluctuate in response to direct market conditions and other factors that may or may not have a high correlation to overall market direction. Though the market values of investments are subject to fluctuation, management believes that the investment policy is prudent for the long-term welfare of the Corporation.

D. PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost, if purchased, or at market value at the date received as a gift. Property and equipment consists of the following at June 30, 2026 and 2025:

	2026	2025
Sleds	$ 2,624,035	$ 2,478,391
Furniture and equipment	449,120	419,718
Runners	361,122	313,859
Leasehold improvements	168,530	153,905
Restricted assets	25,000	25,000
Less accumulated depreciation	(2,277,390)	(1,992,447)
Property and equipment, net	$ 1,350,417	$ 1,398,426

Depreciation expense amounted to $284,943 and $246,729 for the years ended June 30, 2026 and 2025, respectively.

E. BENEFICIAL INTEREST IN TRUST

The United States Bobsled and Skeleton Corporation Trust (the Trust) was established by the Corporation to administer unrestricted funds distributed by the USOPC, from the profits of the 1984 Olympic Summer Games in Los Angeles, to the National Governing Body of these Olympic Sports.

In accordance with FASB ASC 958, Not-for-Profit Entities, the Corporation has recorded a beneficial interest in the net assets of the Trust.

Changes in the net assets of the Trust are recorded in the accompanying statement of activities. As of June 30, 2026 and 2025, the Trust had total assets of $1,731,731 and $1,528,249, respectively. This amount is included in net assets with donor restrictions - perpetual in nature.

The Trust is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. It has also been determined not to be a private foundation.

At June 30, 2026 and 2025, the Trust's net assets consisted of the following:

	2026	2025
Exchange-traded and closed end funds	$ 1,288,292	$ 1,133,434
Mutual funds	433,333	378,173
Cash and cash equivalents	10,106	16,642
	$ 1,731,731	$ 1,528,249

F. ENDOWMENT FUNDS

In accordance with generally accepted accounting principles, net assets associated with endowment funds are classified between net assets with donor restriction - perpetual and temporary in nature and reported based on the existence of donor-imposed restrictions.

Interpretation of Relevant Law

The Corporation is subject to the Prudent Management of Institutional Funds Act (UPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net

F. ENDOWMENT FUNDS - Continued

assets with donor restrictions because those net assets are time restricted until the board of directors appropriates such amounts for expenditures. The net assets are also subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The board of directors of the Corporation has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

As a result of this interpretation, the Corporation classifies as net assets with donor restrictions (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Additionally, in accordance with UPMIFA, the Corporation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Corporation, and (7) the Corporation's investment policies.

	With Donor Restrictions		
	Temporary	Perpetual	Total
Endowment net assets, July 1, 2024	$	$ 10,179	$ 10,179
Investment income			
Expenditures			
Endowment net assets, June 30, 2025		10,179	10,179
Investment income			
Expenditures			
Endowment net assets, June 30, 2026	$	$ 10,179	$ 10,179

F. ENDOWMENT FUNDS - Continued

These funds are held and invested in a pooled fund at the Adirondack Foundation, an unrelated not-for-profit organization. Any deficits in the fund will be made up with general assets of the Corporation to maintain the donor contribution balance of the endowment fund.

G. LINE OF CREDIT AGREEMENTS

At June 30, 2025, the Corporation had a $75,000 line of credit agreement and a $50,000 line of credit agreement with two commercial banks. The $75,000 line of credit bears interest at a rate of .75% over Wall Street Journal prime. The $50,000 line of credit expired during the year ended June 30, 2026 and was not renewed. There were no outstanding borrowings under either line of credit agreement at either year end.

H. NET ASSETS WITH DONOR RESTRICTION - TEMPORARY IN NATURE

Net assets with donor restrictions - temporary in nature at June 30, 2026 and 2025, consist of the following:

	2026	2025
Time restrictions	$ 300,000	$
Simulator Project	445,827	
Athlete support	108,281	108,281
Parasport support	39,675	39,629
Holcomb memorial fund for athletes	7,325	7,325
Medical support		500
USOPC grants		326
	$ 901,108	$ 156,061

Net assets are released from donor restrictions by incurring expenses that satisfy the restricted purpose. During the years ended June 30, 2026 and 2025, net assets were released from restrictions as follows:

	2026	2025
USOPC grants	$ 2,648,154	$ 2,122,583
Parasport support	255,090	272,955
Medical support	500	
Time restrictions		241,719
	$ 2,903,744	$ 2,637,257

I. LEASES

The Corporation has operating leases for office and garage storage spaces used throughout the year. The determination of whether an arrangement is a lease is made at the lease's inception.

The Corporation has adopted Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. Under ASU 2016-02, the Corporation 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 right-of-use assets or lease liabilities. The Corporation has elected to expense the cost of the short-term leases on the straight-line basis in the accompanying statement of activities.

The Corporation is on a month-to-month lease with the USOPC in the amount of $200 per month for office space in Lake Placid.

Total rent expense amounted to $2,400 for each of the years ended June 30, 2026 and 2025.

J. RELATED PARTY TRANSACTIONS

IBSF, the international bobsled and skeleton organization, distributed $127,637 and $100,589 to the Corporation during the years ended June 30, 2026 and 2025, respectively. Of these amounts, $87,604 and $57,449, respectively, was for athlete incentives, prizes, and bonuses.

The USOPC provides grants to the Corporation for sports development, international competition, and team preparation.

Grants provided by the USOPC during the years ended June 30, 2026 and 2025, consisted of the following project categories:

	2026	2025
NGB Funding	$ 2,096,281	$ 1,690,000
Special grants	503,946	432,909
Value in-kind		143,329
	$ 2,600,227	$ 2,266,238

J. RELATED PARTY TRANSACTIONS - Continued

During the year ended June 30, 2026, the Corporation entered into a Digital Engagement Platform Agreement with the USOPC. This contract became effective January 1, 2026. This agreement grants the USOPC the exclusive right and license to host and manage the Corporation's website, as well as various other exclusive media rights. The media fee granted by this contract is $25,000 annually.

As discussed in Note I, the USOPC provides the Corporation with office facilities in Lake Placid for $200 a month.

Rental expense under these leases for each of the years ended June 30, 2026 and 2025 amounted to $2,400.

The Corporation is economically dependent on grants from the USOPC in order to sustain its operations at current levels.

K. RETIREMENT PLAN

The Corporation has established a Simple IRA retirement program. Employees are eligible to participate after working for the Corporation for two years. During the years ended June 30, 2026 and 2025, the Corporation made matching contributions for eligible employees of $18,738 and $17,253, respectively.

L. COMMITMENT AND CONTINGENCIES

Occasionally, in the normal conduct of business, the Corporation may be named defendant in a lawsuit or other form of legal action. In the opinion of management, any pending or threatened claims against the Corporation, as of June 30, 2026, are either without merit or will not exceed insurance limits.

M. EMPLOYEE RETENTION CREDITS

The 2021 Coronavirus Aid, Relief, and Economic Security (CARES) act included a provision that created the employee retention credit, a refundable tax credit against certain employment taxes of up to $7,000 per employee for eligible employers and certain calendar quarters in 2020 and 2021.

M. EMPLOYEE RETENTION CREDITS - Continued

During the year ended June 30, 2023, the Corporation determined it was eligible for the Employee Retention Credit and submitted amended payroll tax returns to claim these credits. The Corporation had determined that as of June 30, 2023, the criteria for recognition of this conditional grant had been met. Due to this determination, the Corporation had recorded $478,647 in relation to the employee retention credit in the consolidated statement of activities and changes in net assets during the year ended June 30, 2023.

A portion of these claims were outstanding at June 30, 2025, and were reported as grants receivable in the accompanying statement of financial position. All of these funds were received prior to June 30, 2026.

N. UNCERTAINTIES

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