

U.S. SPEEDSKATING

Financial Statements

For the Year Ended May 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
U.S. Speedskating
Kearns, Utah

Opinion

We have audited the accompanying financial statements of U.S. Speedskating (non-profit organization), which comprise the statement of financial position as of May 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 U.S. Speedskating as of May 31, 2024, 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 U.S. Speedskating 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 U.S. Speedskating'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 U.S. Speedskating'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 U.S. Speedskating'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

Other auditors previously audited U.S. Speedskating's 2023 financial statements, and they expressed an unmodified audit opinion on those audited financial statements in their report dated December 20, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended May 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
March 7, 2025

U.S. SPEEDSKATING
Statement of Financial Position
May 31, 2024
(With Comparative Amounts for May 31, 2023)

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 67,819	\$ 130,233
Donor Restricted Cash	11,662	11,662
Accounts and contributions receivable	407,066	150,375
Prepaid expenses	<u>24,100</u>	<u>80,904</u>
Total current assets	510,647	373,173
PROPERTY AND EQUIPMENT:		
Furniture and equipment	977,771	866,005
Less accumulated depreciation	(761,445)	(714,831)
Capitalized finance lease	2,166,051	2,094,203
Accumulated Amortization	<u>(224,524)</u>	<u>(178,776)</u>
Property and equipment, net	<u>2,157,853</u>	<u>2,066,602</u>
 TOTAL ASSETS	 <u><u>\$ 2,668,500</u></u>	 <u><u>\$ 2,439,775</u></u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 29,970	\$ 76,560
Accrued Liabilities	275,374	172,258
Deferred revenue		126,815
Current portion of lease liabilities	<u>17,747</u>	<u>17,426</u>
Total current liabilities	323,091	393,060
LONG-TERM LIABILITIES:		
Lease liabilities - long-term	<u>1,566,727</u>	<u>1,517,174</u>
TOTAL LIABILITIES	1,889,818	1,910,234
NET ASSETS:		
Without donor restrictions	767,020	517,879
With donor restrictions	<u>11,662</u>	<u>11,662</u>
Total net assets	<u>778,682</u>	<u>529,541</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,668,500</u></u>	<u><u>\$ 2,439,775</u></u>

See Notes to Financial Statements

U.S. SPEEDSKATING
Statement of Activities and Changes in Net Assets
For the Year Ended May 31, 2024
(With Comparative Totals for the year Ended May 31, 2023)

	Without Donor Restrictions	With Donor Restrictions	2024 Totals	2023 Totals
SUPPORT AND REVENUE:				
USOPC grants and revenue	\$ 2,465,123	\$	\$ 2,465,123	\$ 2,342,420
Value-in-kind donations	782,815		782,815	768,287
Grants and contributions	710,403		710,403	555,128
Fundraising	408,163		408,163	238,816
Events and educational programs	392,753		392,753	412,419
Corporate sponsorship	371,987		371,987	452,334
Membership dues and registrations	174,926		174,926	117,731
Other	87,769		87,769	114,243
Investment income (loss), net	4,629		4,629	1,914
Satisfied program restrictions				
Total support and revenue	5,398,568		5,398,568	5,003,292
EXPENSES:				
Program services:				
Athlete Program Services	3,496,962		3,496,962	4,239,602
Promotions and sport development	504,230		504,230	191,582
Total program services	4,001,192		4,001,192	4,431,184
Supporting services:				
Marketing and fundraising	655,570		655,570	475,456
General and administrative	492,665		492,665	58,803
Total supporting services	1,148,235		1,148,235	534,259
Total expenses	5,149,427		5,149,427	4,965,443
CHANGE IN NET ASSETS	249,141		249,141	37,849
NET ASSETS, beginning of year	517,879	11,662	529,541	491,692
NET ASSETS, end of year	\$ 767,020	\$ 11,662	\$ 778,682	\$ 529,541

See Notes to Financial Statements

	Program Services				Supporting Services			
	Athlete		Sport		Marketing and		Total	
	Program Service	Development	Total Programs	Fundraising	National Office	Supporting Services		
Apparel	\$ 75,000		\$ 75,000			\$	\$	
Bank charges & fees		590	590	750	10,493	11,243	\$ 75,000	
Benefits	82,479	8,147	90,626	834	26,915	27,749	11,833	
Depreciation & amortization	88,245		88,245		4,117	4,117	118,375	
Dues & subscriptions	3,985	189	4,174	6,578	8,873	15,451	92,362	
Event expenses		94,332	94,332	424,417	18,566	442,983	19,625	
Gifts & awards		350	350		1,987	1,987	537,315	
Insurance	34,897	4,739	39,636	5,576	97,151	102,727	2,337	
Interest	58,188		58,188		5,755	5,755	142,363	
Legal & accounting fees	218		218		41,481	41,481	63,943	
Office expenses	224	43	267	2,382	66	2,448	41,699	
Other expenses	37,254	51,982	89,236	82,066	7,562	89,628	2,715	
Outside services	491,928	28,857	520,785	14,518	880	15,398	2,715	
Payroll Taxes	97,655	8,889	106,544	7,962	17,210	25,172	178,864	
Postage & shipping	5,683	4,128	9,811	567		1,416	536,183	
& training	499,464	47,361	546,825	312	310	622	131,716	
Salaries	1,096,124	119,721	1,215,845	106,761	231,790	338,551	11,227	
Stipend	393,844	7,450	401,294				547,447	
Travel & lodging	531,774	127,452	659,226	2,847			1,554,396	
	\$ 3,496,962	\$ 504,230	\$ 4,001,192	\$ 655,570	\$ 492,665	\$ 1,148,235	401,294	
					18,660	21,507	680,733	
							\$ 5,149,427	
							\$ 4,965,443	

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U.S. SPEEDSKATING
Statement of Cash Flows
For the Year Ended May 31, 2024
(With Comparative Amounts for the year Ended May 31, 2023)

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 292,518	\$ 37,849
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	92,362	85,775
Decrease (increase) in assets:		
Accounts receivable, net	(256,691)	124,673
Prepaid expenses	56,804	(46,803)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	13,148	(154,321)
Deferred revenue	<u>(126,815)</u>	<u>(202,121)</u>
Net cash provided (used) by operating activities	71,326	(154,949)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property and equipment	<u>(111,765)</u>	<u>(25,031)</u>
Net cash used by investing activities	(111,765)	(25,031)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Finance lease payments	(21,974)	(16,897)
Net cash used by financing activities	<u>(21,974)</u>	<u>(16,897)</u>
NET DECREASE IN CASH	(62,414)	(196,877)
CASH AND CASH EQUIVALENTS, beginning of year	<u>141,895</u>	<u>338,772</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 79,481</u>	<u>\$ 141,895</u>

See Notes to Financial Statements

U.S. SPEEDSKATING
Notes to Financial Statements
For the Year Ended May 31, 2024

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

U.S. Speedskating (the Organization) is the national governing body for the sport of speedskating on ice in the United States, making it responsible for the promotion and development of its members in the United States.

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP). The Organization has reported information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, which represent the expendable resources that are available for operations at management's discretion and net assets with donor restrictions, which represent resources restricted by donors as to purpose or by the passage of time and resources for which use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

Cash and Cash Equivalents

Cash and cash equivalents consist of the Organizations' cash in their checking and sweep accounts and certificates of deposit with initial maturities of three months or less. They maintain their cash and cash equivalents at commercial banks. In the unlikely event of a bank failure, they might only be able to recover the amounts insured.

Receivables

During the year ended May 31, 2024, the Organizations implemented Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit losses (Topic 326): Measurement of Credit Losses on Financial Instruments* (ASU 2016-13). This ASU was issued in June 2016 by the Financial

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Accounts Receivable - continued

Accounting Standards Board (FASB) and revises the accounting requirements related to the measurement of credit losses and requires organizations to measure all expected credit losses for financial assets based on historical experience, current conditions, and reasonable and supportable forecasts about collectability. On June 1, 2023, the Organizations adopted the new accounting standard and all of the related amendments.

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

Accounts receivable from contracts with customers 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, which is an estimate of amounts that may not be collectible. 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. These statistics are based on the Organization's historical collection experience, adjusted for management's expectations about current and future economic conditions.

Based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, it has concluded that no allowance for credit losses was necessary at May 31, 2024 and 2023. Receivables from contracts with customers at May 31, 2024 and 2023 were \$0 and \$100,000, respectively.

Contributions receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of prior history with donors and grantors having outstanding balances and current relationships with them, it has concluded that losses on balances at year-end will not be material. Therefore, no allowance for doubtful accounts is considered necessary.

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Depreciation and Amortization

Property and equipment are recorded at cost as of the date of completion or acquisition. Depreciation is recorded on the leasehold improvements using the straight-line method over an estimated useful life of 20 - 48 years and on the equipment using the straight-line method over an estimated useful life of three to 10 years.

Depreciation expense for the years ended May 31, 2024 and 2023, amounted to \$46,614 and \$41,143, respectively.

Amortization is recorded on the capitalized finance lease assets, using the straight-line method over the remainder of the lease term which ranges from 43 to 47 years at the time of acquisition. Amortization expense for the years ended May 31, 2024 and 2023, amounted to \$45,748 and \$44,632, respectively.

Deferred Revenue

Deferred revenue, a contract liability, 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. Deferred revenue from contracts with customers at the beginning and end of the period were \$126,815 and \$0, respectively.

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 also include government programs that qualify as grants.

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Revenue from Contracts with Customers

Membership dues - Revenue from contracts with members for annual dues is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing membership to its members. Performance obligations are recognized ratably over the membership year.

Corporate sponsorship - The Organization recognizes revenue from contracts with sponsors and suppliers. Performance obligations in such contracts are satisfied as services are rendered, and therefore, the Organization will recognize revenue over the time of the contract. The Organization 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.

Event and education program revenue - The Organization receives revenue from sales related to various events and education programs held for members. The revenue is recognized at the time of the event or program, which signifies the completion of the Organization's performance obligations.

Functional Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Some of the expenses which are allocated include utilities and depreciation, which are allocated on a square footage basis, as well as salaries, which are allocated on the basis of time and effort.

Net Investment Return

Net investment income consists of dividends, interest and other investment income, less direct investment expenses.

Prior-Year Comparisons

The financial statements include certain prior year summarized comparative information in total but not by net asset or functional expense class.

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Prior-Year Comparisons - continued

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 Organization's financial statements for the year ended May 31, 2023, from which the summarized information was derived.

Certain reclassifications have been made to conform to the current year's presentation. These reclassifications had no effect on the change in net assets.

Supplemental Cash Flow Disclosures

Cash flows from operating activities reflect interest paid of \$53,177 and \$47,703 for the years ended May 31, 2024 and 2023, respectively. No income taxes were paid during either year. See Note E for noncash transactions related to leases.

Income Taxes

The Organization 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 Organization is not a private Organization.

The Organization'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 Organization believes that it does not have any uncertain tax positions that are material to the financial statements.

Use of Estimates

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.

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Date of Management's Review

In preparing the consolidating financial statements, management has evaluated events and transactions for potential recognition or disclosure through March 7, 2025, the date that the financial statements were available to be issued.

B. AVAILABLE RESOURCES AND LIQUIDITY

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

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 67,819	\$ 141,895
Donor restricted cash	11,662	11,662
Accounts and contributions receivable	<u>407,066</u>	<u>150,375</u>
	486,547	303,932
Less assets with donor restrictions or other designations:		
Donor program restricted	<u>11,662</u>	<u>11,662</u>
Financial assets available within one year	<u>\$ 474,885</u>	<u>\$ 292,270</u>

The Organization works to secure funding from contributions and grants and other sources throughout the year. The Board meets regularly to monitor its liquidity needs.

C. IN-KIND DONATIONS

The Organizations 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.

Contributed services are used in the athlete program. The facilities and related services are provided by the Utah Athletic Foundation (UAF) and the value is determined under

Notes to Financial Statements

C. IN-KIND DONATIONS - Continued

a three-way agreement between the United States Olympic & Paralympic Committee (USOPC), UAF and the Organization.

The Organization received the following gifts-in-kind during the years ended May 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Services		
Facilities and related services	\$ 310,000	\$ 310,000
Professional services	321,665	290,000
Tuition	20,000	15,000
Vehicle use	13,500	14,000
Air travel		14,787
Total services	665,165	643,787
Tangible goods		
Uniforms	75,000	75,000
Training equipment and supplies	42,650	49,500
Total tangible goods	117,650	124,500
Total in-kind received	<u>\$ 782,815</u>	<u>\$ 768,287</u>

D. RELATED PARTY TRANSACTIONS

The USOPC provides grants to the Organization for sports development, international competition, and team preparation. Grants provided during the years ended May 31, 2024 and 2023, consisted of the following project categories:

	<u>2024</u>	<u>2023</u>
NGB funding	\$ 1,988,200	\$ 1,836,870
Direct athlete funding	298,305	260,550
Special grants	141,118	195,000
Media revenue	37,500	50,000
	<u>\$ 2,465,123</u>	<u>\$ 2,342,420</u>

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

Notes to Financial Statements

E. LEASES

The Organization assesses whether an arrangement qualifies as a lease at inception and only reassess its determination if the terms and conditions of the arrangement are changed. As the Organization's leases do not provide an implicit rate the Organization has elected to use the risk-free discount rate based on the five-year Treasury bond rate as of the later of the initial date of the lease term in determination of the respective right-of-use (ROU) assets and liabilities.

The Organization has made an accounting policy election to apply the short-term lease recognition exemption for all applicable classes of underlying assets.

Under the exemption, 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 statement of financial position as ROU assets or lease liabilities. The Organization has selected to expense the cost of the short-term leases on the straight-line basis in the accompanying Statement of Activities.

The Organization did not have any short-term leases during the years ended May 31, 2024 and 2023.

The Organization entered into a lease agreement for office space in the Utah Olympic Oval, and athletic training space, sports nutrition and commercial kitchen space in the Kearns Athlete Training and Event Center (KATEC). The initial lease was through April 30, 2030. The lease has three renewal options for 12 years each unless the Organization elects not to exercise at least 60 days prior to the expiration of the current term. The initial monthly payment was \$4,583 with rent adjustments beginning May 1, 2022, with written consent by both the Organization and the landlord.

The Organization elected early adoption of ASC Topic 842, Leases. The Organization intends to exercise all lease renewals. The lease qualifies as a financing lease. The initial lease used a 3.3% interest rate to calculate the ROU and lease liability.

Effective June 1, 2022, the lease was modified to increase the monthly payment to \$5,383. A new ROU and lease liability of \$276,854 was calculated utilizing an interest rate of 3.09%.

Notes to Financial Statements

E. LEASES - Continued

Effective June 1, 2023, the lease was modified to increase the monthly payment to \$5,814. A new ROU and lease liability of \$71,848 was calculated utilizing an interest rate of 3.3%.

Maturities of finance lease liabilities as of May 31:

	<u>2024</u>	<u>2023</u>
2024	\$	\$ 64,596
2025	69,768	64,596
2026	69,768	64,596
2027	69,768	64,596
2028	69,768	64,596
2029	69,768	64,596
Thereafter	<u>2,511,648</u>	<u>2,390,052</u>
Total lease payments	2,860,488	2,777,628
Less: interest	<u>(1,276,014)</u>	<u>(1,243,028)</u>
Present value of lease liabilities	<u>\$ 1,584,474</u>	<u>\$ 1,534,600</u>

The following summarizes lease term and discount rate for finance leases as of May 31:

	<u>2024</u>	<u>2023</u>
Finance Leases:		
Weighted Average Remaining Lease Term	41.92 years	42.92 years
Weighted Average Discount Rate	3.30%	3.09%

The following table represents lease expense for the years ended May 31:

	<u>2024</u>	<u>2023</u>
Finance lease costs:		
Amortization of lease assets included in:		
Program service expenses	\$ 41,173	\$ 40,615
Supporting services expenses	4,575	4,017
Interest on lease liabilities included in:		
Program service expenses	58,188	43,410
Supporting services expenses	<u>5,755</u>	<u>4,293</u>
Total lease cost	<u>\$ 109,691</u>	<u>\$ 92,335</u>

Notes to Financial Statements

E. LEASES - Continued

Supplemental cash flow information for the years ended May 31:

	<u>2024</u>	<u>2023</u>
Operating cash flows:		
Cash paid for amounts included in measurement of lease liabilities for operating leases	\$ <u>69,768</u>	\$ <u>64,596</u>
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ <u>71,848</u>	\$ <u>276,854</u>

F. EMPLOYEE RETENTION CREDIT

The 2021 Coronavirus Aid, Relief, and Economic Security (CARES) act included a provision that created the employee retention credit, a refundable tax credit of up to \$5,000 for qualified wages in 2020, and up to \$7,000 for qualified wages in 2021, per employee for eligible employers. The credits cover employment tax quarters in calendar years 2020 and 2021.

During the year ending May 31, 2024, the Organization determined it was eligible for the Employee Retention Credit. Amended payroll tax returns were prepared reflecting a credit of approximately \$396,000 which is included in the statement of activities as grants and contributions.

G. NET ASSETS WITH DONOR RESTRICTIONS - TEMPORARY IN NATURE

Net assets with donor restrictions - temporary in nature at May 31, 2024 and 2023, consist of pledges and amounts received that are restricted for the following programs:

	<u>2024</u>	<u>2023</u>
George Howie Award fund and athlete fund	\$ 9,121	\$ 9,121
Gold Council fund	<u>2,541</u>	<u>2,541</u>
	<u>\$ 11,662</u>	<u>\$ 11,662</u>

No net assets were released from donor restrictions during the years ending May 31, 2024 and 2023.

Notes to Financial Statements

H. RETIREMENT PLAN

The Organization sponsors a SIMPLE IRA plan. All employees who received at least \$5,000 in compensation in any two preceding calendar years and who are reasonably expected to receive at least \$5,000 in compensation during the calendar year, are eligible to participate. The Organization makes matching contributions of up to 3% of the salary of each employee who elects to defer wages. Total pension expense for the years ended May 31, 2024 and 2023, was \$28,484 and \$31,735, respectively.

I. COMMITMENTS AND CONTINGENCIES

The Organization has committed \$25,000 to partially fund a museum that will be installed in the Speed Factory building and estimates the total cost of the project to be \$40,000 to \$80,000. The Organization expects to use fundraising to pay for the balance of the project. The \$25,000 commitment is included in accrued expenses at May 31, 2024 and 2023.

J. UNCERTAINTIES

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