National Sports Center for the Disabled, Inc.

Financial Statements

October 31, 2024 and 2023

(With Independent Auditor's Report Thereon)

Kundinger, Corder & Montoya, P.C.

Certified Public Accountants

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Independent Auditor's Report

Board of Directors
National Sports Center for the Disabled, Inc.

Opinion
We have audited the accompanying financial statements of National Sports Center for the Disabled, Inc., which comprise the statements of financial position as of October 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of National Sports Center for the Disabled, Inc. as of October 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

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

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about National Sports Center For the Disabled 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 GAAS 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.

Board of Directors
National Sports Center for the Disabled, Inc.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of National Sports Center for the Disabled 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 National Sports Center for the Disabled 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.

Kundinger, Corder & Montoya, P.C.

January 21, 2025

National Sports Center for the Disabled, Inc.
Statements of Financial Position
October 31, 2024 and 2023

		2024	2023
Assets			
Cash and cash equivalents	$	280,051	184,387
Accounts receivable		12,559	20,436
Contributions and grants receivable		30,335	34,236
Investments (note 3)		2,457,800	1,506,842
Investments restricted for endowments (note 3)		313,696	313,153
Prepaid expenses		9,135	18,427
Property and equipment, net (note 4)		322,676	189,182
Operating lease right-of-use asset (note 5)		61,217	80,805
Total assets	$	3,487,469	2,347,468
Liabilities and net assets			
Accounts payable	$	46,954	41,955
Accrued payroll liabilities		525	100,119
Deferred revenue (note 1(j))		217,609	136,327
Refundable advance (note 1(j))		122,000	–
Operating lease liability (note 5)		68,941	89,683
Economic Injury Disaster Loan (note 6)		141,693	145,567
Total liabilities		597,722	513,651
Net assets			
Without donor restrictions		1,865,965	1,130,341
With donor restrictions (notes 7 and 8)		1,023,782	703,476
Total net assets		2,889,747	1,833,817
Commitments (notes 5 and 10)			
Total liabilities and net assets	$	3,487,469	2,347,468

See the accompanying notes to the financial statements.

National Sports Center for the Disabled, Inc.
Statement of Activities
Year Ended October 31, 2024

	Without donor restrictions	With donor restrictions	Total
Revenue and support			
Contributions and grants	$ 1,611,671	1,000,000	2,611,671
In-kind contributions (note 9)	961,283	–	961,283
Special events revenue	913,029	–	913,029
Less cost of direct benefits to donors	(309,557)	–	(309,557)
Program revenue	693,947	–	693,947
Investment return	265,691	10,618	276,309
Other revenue	22,757	–	22,757
Net assets released from restrictions (note 7)	690,312	(690,312)	–
Total revenue and support	4,849,133	320,306	5,169,439
Expenses			
Program services			
Recreational programs	2,666,207	–	2,666,207
Competition programs	530,091	–	530,091
Total program services	3,196,298	–	3,196,298
Supporting services			
Management and general	486,448	–	486,448
Fund raising	430,763	–	430,763
Total supporting services	917,211	–	917,211
Total expenses	4,113,509	–	4,113,509
Change in net assets	735,624	320,306	1,055,930
Net assets at beginning of year	1,130,341	703,476	1,833,817
Net assets at end of year	$ 1,865,965	1,023,782	2,889,747

See the accompanying notes to the financial statements.

National Sports Center for the Disabled, Inc.
Statement of Activities
Year Ended October 31, 2023

	Without donor restrictions	With donor restrictions	Total
Revenue and support			
Contributions and grants	$ 1,403,612	1,000,000	2,403,612
In-kind contributions (note 9)	742,543	–	742,543
Special events revenue	799,018	–	799,018
Less cost of direct benefits to donors	(273,987)	–	(273,987)
Program revenue	650,747	–	650,747
Investment return	33,146	8,485	41,631
Other revenue	23,328	–	23,328
Net assets released from restrictions (note 7)	627,133	(627,133)	–
Total revenue and support	4,005,540	381,352	4,386,892
Expenses			
Program services			
Recreational programs	2,279,714	–	2,279,714
Competition programs	456,342	–	456,342
Total program services	2,736,056	–	2,736,056
Supporting services			
Management and general	477,170	–	477,170
Fund raising	421,933	–	421,933
Total supporting services	899,103	–	899,103
Total expenses	3,635,159	–	3,635,159
Change in net assets	370,381	381,352	751,733
Net assets at beginning of year	759,960	322,124	1,082,084
			–
Net assets at end of year	$ 1,130,341	703,476	1,833,817

See the accompanying notes to the financial statements.

National Sports Center for the Disabled, Inc.
Statement of Functional Expenses
Year Ended October 31, 2024

	Program services			Supporting services			
	Recreational programs	Competition programs	Total program services	Management and general	Fund raising	Total supporting services	Total
Salaries, payroll taxes and employee benefits	$ 1,382,631	228,081	1,610,712	340,795	273,647	614,442	2,225,154
Donated goods and services	757,130	141,750	898,880	47,494	214,930	262,424	1,161,304
Office and general	175,994	39,154	215,148	119,144	105,866	225,010	440,158
Program expenses	87,663	99,281	186,944	–	–	–	186,944
Staff and intern expenses	92,735	18,165	110,900	6,744	19,564	26,308	137,208
Marketing and fundraising	3,520	1,576	5,096	–	122,126	122,126	127,222
Depreciation	61,109	–	61,109	–	–	–	61,109
Facilities and vehicle expenses	102,029	2,084	104,113	377	2,760	3,137	107,250
Miscellaneous	3,396	–	3,396	–	1,427	1,427	4,823
Total expenses	2,666,207	530,091	3,196,298	514,554	740,320	1,254,874	4,451,172
Expenses netted with revenue in the statement of activities							
Investment fees	–	–	–	(28,106)	–	(28,106)	(28,106)
Special events direct benefits to donors	–	–	–	–	(309,557)	(309,557)	(309,557)
Total expenses reported in statement of activities	$ 2,666,207	530,091	3,196,298	486,448	430,763	917,211	4,113,509

See the accompanying notes to the financial statements.

National Sports Center for the Disabled, Inc.
Statement of Functional Expenses
Year Ended October 31, 2023

	Program services			Supporting services			
	Recreational programs	Competition programs	Total program services	Manage-ment and general	Fund raising	Total supporting services	Total
Salaries, payroll taxes and employee benefits	$ 1,298,415	211,303	1,509,718	343,827	264,926	608,753	2,118,471
Donated goods and services	561,444	123,817	685,261	24,762	199,753	224,515	909,776
Office and general	117,027	20,064	137,091	108,421	95,910	204,331	341,422
Program expenses	149,356	85,951	235,307	–	–	–	235,307
Staff and intern expenses	47,032	11,890	58,922	14,378	20,000	34,378	93,300
Marketing and fundraising	39	–	39	–	114,578	114,578	114,617
Depreciation	44,481	–	44,481	–	–	–	44,481
Facilities and vehicle expenses	58,813	3,317	62,130	302	605	907	63,037
Miscellaneous	3,107	–	3,107	–	148	148	3,255
Total expenses	2,279,714	456,342	2,736,056	491,690	695,920	1,187,610	3,923,666
Expenses netted with revenue in the statement of activities							
Investment fees	–	–	–	(14,520)	–	(14,520)	(14,520)
Special events direct benefits to donors	–	–	–	–	(273,987)	(273,987)	(273,987)
Total expenses reported in statement of activities	$ 2,279,714	456,342	2,736,056	477,170	421,933	899,103	3,635,159

See the accompanying notes to the financial statements.

National Sports Center for the Disabled, Inc.
Statements of Cash Flows
Years Ended October 31, 2024 and 2023

	2024	2023
Cash flows from operating activities		
Change in net assets	$ 1,055,930	751,733
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	61,109	44,481
Gain on disposal of property and equipment	(6,950)	(17,831)
Realized and unrealized gain on investments	(233,481)	(21,208)
Investment return on endowment assets	(10,618)	(8,485)
Operating lease right-of-use asset and liability noncash expense	(1,154)	8,878
Change in operating assets and liabilities		
Accounts receivable	7,877	(10,939)
Contributions and grants receivable	3,901	(34,236)
Prepaid expenses	9,292	3,676
Accounts payable	4,999	(23,282)
Accrued payroll liabilities	(99,594)	69,530
Deferred revenue	81,282	29,707
Refundable advance	122,000	(88,000)
Net cash provided by operating activities	994,593	704,024
Cash flows from investing activities		
Net purchases of investments	(718,020)	(923,272)
Purchases of property and equipment	(187,653)	(116,695)
Net cash used in investing activities	(905,673)	(1,039,967)
Cash flows from financing activities		
Principal payments on Economic Injury Disaster Loan	(3,874)	(3,943)
Investment return on endowment assets	10,618	8,485
Net cash provided by financing activities	6,744	4,542
Net increase (decrease) in cash and cash equivalents	95,664	(331,401)
Cash and cash equivalents at beginning of year	184,387	515,788
Cash and cash equivalents at end of year	$ 280,051	184,387
Supplemental cash flow information		
Cash paid during the year for interest	$ 3,483	3,749

See the accompanying notes to the financial statements.

(1) Summary of Significant Accounting Policies

(a) Organization

The National Sports Center for the Disabled, Inc. ("the Organization"), a nonprofit corporation, was incorporated in the state of Colorado on July 5, 1977 and is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The organization provides adaptive recreational and competitive sports for people with disabilities. This year, the Organization served more than 2,000 children and adults with disabilities who participated in more than 17 recreational and competitive sports activities.

The NSCD was founded on the belief that every individual is able and that anything is possible. With this philosophy, we provide year-round adaptive outdoor recreation opportunities across a wide range of activities, catering to all skill levels, from first-time participants to Paralympic athletes. The NSCD hosts three main programs:

The NSCD's Adaptive Outdoor Recreation Programs provide year-round experiences in Winter Park and Metro Denver. Programs include adaptive ski school (alpine and cross-country skiing, ski biking, and snowboarding), paddle sports (canoeing, kayaking, and paddle boarding), river rafting, therapeutic horseback riding, rock climbing, multi-day camps, shooting sports, and mountain biking. Additionally, the NSCD has expanded its school programs to include Jefferson County Public Schools, complementing its existing partnership with Denver and Aurora Public Schools. This program offers adaptive recreation opportunities to students who have traditionally been underserved due to financial, language, or technological barriers.

The Competition Center at Winter Park is a world-renowned competitive winter sports (alpine and Nordic) program for athletes living with physical disabilities. The Competition Center works with developing athletes just starting out in racing up through elite Paralympic athletes. In 2022, we had nine athletes named to the US Paralympic Alpine Team and twelve others named to their respective countries' teams that went to the Beijing Paralympics.

Military Programs provide accessible, specialized programs for Veterans and active military living with disabilities. Our military programs are provided at no charge to Veterans and active military with any type of disability in both Denver and Winter Park. These programs' size and scale are dependent on grants and private donations to underwrite them.

(b) Basis of Accounting

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables, and other liabilities.

(1) Summary of Significant Accounting Policies, Continued

(c) Financial Statement Presentation

The Organization is required to present information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

(d) Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity of three months or less, and not held as part of the investment portfolio, to be cash equivalents.

(e) Concentrations of Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents, investments, and receivables. The Organization places its cash and cash equivalents with creditworthy, high-quality financial institutions. At times, a portion of these cash balances may not be insured by the Federal Deposit Insurance Corporation or related entity.

The Organization has significant investments in exchange-traded funds and fixed income funds and is, therefore, subject to concentrations of credit risk. Investments are made and monitored by the management of the Organization pursuant to an investment policy established by the board of directors. Though the market values of investments are subject to fluctuation on a year-to-year basis, management believes that the investment policy is prudent to the long-term welfare of the Organization.

Credit risk with respect to receivables is limited due to the credit worthiness of the entities and individuals that comprise the contributor and customer base.

(f) Investments

Investments are recorded at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the statements of financial position. Fair value is more fully discussed below. Management is responsible for the fair value measurement of investments reported in the financial statements and believes that the reported values are reasonable.

Investment return consists of the Organization's distributive share of any interest, dividends, and capital gains and losses generated from its investments. Gains and losses attributable to the investments are reported upon a sale or disposition of the investment. Unrealized gains and losses are included in the change in net assets in the statements of activities.

(1) Summary of Significant Accounting Policies, Continued

(g) Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Generally accepted accounting principles (GAAP) establish a fair value hierarchy that prioritizes investments based on the assumptions market participants would use when pricing an asset. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs).

(g) Fair Value Measurements, Continued

Assets are grouped at fair value in three levels based on the markets in which the assets and liabilities are traded, and the reliability of the assumptions used to determine fair value. These levels are:

Level 1	Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.
Level 2	Inputs other than quoted market prices that are observable for the asset/liability, either directly or indirectly.
Level 3	Unobservable inputs that cannot be corroborated by observable market data.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. These classifications (Level 1, 2 and 3) are intended to reflect the observability of inputs used in the valuation of investments and are not an indication of risk or liquidity.

(h) Property and Equipment

Property and equipment are recorded at cost, if purchased, or at fair value at the date of donation, if donated. The Organization capitalizes all property and equipment with a cost or fair value at the date of donation in excess of $5,000 with a useful life of more than one year. Depreciation on property and equipment is calculated on the straight-line method over estimated useful lives of the assets, ranging from three to twenty years.

(i) Leases

The Organization has adopted the provisions of Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. In accordance with the standard, the Organization has elected not to record in the statements of financial position a lease whose term is twelve months or less and does not include a purchase option that the Organization is reasonably certain to exercise. The Organization has elected to use the risk-free rate of return as of the lease commencement date to determine the present value of the lease payments for the purpose of calculating the right-of-use asset and lease liability. In addition, the Organization has elected the practical expedient not to separate lease and non-lease components.

(1) Summary of Significant Accounting Policies, Continued

(j) Revenue Recognition

Contributions and grants

Contributions and grants are recognized when cash, securities, or other assets, unconditional promises to give, or notification of beneficial interests are received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend are substantially met. Should the Organization substantially meet the conditions in the same period that the contribution was received, and barring any further donor-imposed restrictions, the Organization has elected to recognize the revenue in net assets without donor restrictions. Payments received in advance of conditions being met are recorded as refundable advances as liabilities in the statements of financial position. The Organization has received contributions that are conditional on future events being held and future services being provided. At October 31, 2024 and 2023, the conditional portion of the contributions totals $1,122,000 and $2,110,000, respectively, for which advance payments totaling $122,000 and $0, respectively, have been received.

Contributions and grants, continued

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restrictions. When a donor restriction expires, (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributions and grants receivable are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. The allowance for uncollectible receivables is based on past experience and management's analysis of the collectability of each receivable. Management expects all receivables to be collected within one year; therefore, there was no allowance for uncollectible accounts at October 31, 2024 and 2023.

Government grants are treated as contributions that are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. At October 31, 2024 conditional contributions related to these grants totaled $153,074.

In-kind contributions

In-kind contributions are recorded as contributions and corresponding expenses at their estimated values on the date of donation. 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 Organization. Many individuals volunteer their time and perform a variety of tasks that assist the Organization in its programs and general operations; however, the value of this contributed time is not reflected in the accompanying financial statements as it does not meet the criteria for recognition. See also note 9.

(1) Summary of Significant Accounting Policies, Continued

(j) Revenue Recognition, Continued

Special events revenue
Special events revenue consists of contributions, ticket sales, and sponsorships for various events and is recognized as revenue when the event takes place. Ticket sales and sponsorships received in advance of the event taking place are recorded as deferred revenue. Deferred revenue related to special events totaled $70,000 and $15,000 at October 31, 2024 and 2023, respectively.

Program revenue
Program revenue mainly consists of fees for recreational programs, trainings, and races, and is deemed to be earned when the program or event occurs. The Organization offers three payment options for these services: full payment at the time the reservation is made through the online reservation system; 50% payment due at the time the reservation is made and the remainder 50% due thirty days prior to the activity through the online reservation system; or, for large groups, payment by check. Cash received in advance of the event date is recorded as deferred revenue and totals $147,609 and $121,327 at October 31, 2024 and 2023, respectively. Accounts receivable represents amounts due resulting from program revenue. At October 31, 2024 and 2023, management believes all accounts receivable to by fully collectible and, therefore, no allowance for doubtful accounts has been recognized.

(k) Functional Expense Allocation

The costs of providing program and supporting services have been summarized on a functional basis in the accompanying statements of functional expenses. The Organization incurs expenses that directly relate to, and can be assigned to, a specific program or supporting activity. The Organization also conducts a number of activities that benefit both its program objectives as well as supporting services (i.e., fund raising and management and general activities). These costs, which are not specifically attributable to a specific program or supporting activity, are allocated by management on a consistent basis among program and supporting services benefited, based on either financial or nonfinancial data, such as headcount, square footage, or estimates of time and effort incurred by personnel.

(l) Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(1) Summary of Significant Accounting Policies, Continued

(m) Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and qualifies for the charitable contribution deduction. However, income from activities not directly related to its tax-exempt purpose is subject to taxation as unrelated business taxable income. There was no unrelated business taxable income during the years ended October 31, 2024 and 2023.

Management is required to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if it has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. The Organization has analyzed the tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements and determined there are none. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The three previous tax years remain subject to examination.

(n) Subsequent Events

The Organization has evaluated subsequent events through January 21, 2025, the date the financial statements were available to be issued.

(o) Reclassifications

Certain prior-year amounts have been reclassified to conform to the current-year presentation. These reclassifications had no effect on the reported results of operations.

(2) Liquidity and Availability of Financial Assets

The following represents the Organization's financial assets as of October 31:

	2024	2023
Financial assets at year-end		
Cash and cash equivalents	$ 280,051	184,387
Accounts receivable	12,559	20,436
Contributions and grants receivable	30,335	34,236
Investments	2,457,800	1,506,842
Total financial assets	2,780,745	1,745,901
Less net assets with donor restrictions, not expected to be met in one year	(500,000)	(250,000)
Financial assets available to meet expenditures within one year	$ 2,280,745	1,495,901

The Organization considers net assets with donor restrictions that will be met within one year to be available for general expenditure; therefore, only the donor-restricted endowments held in perpetuity are excluded from amounts available for general use. As part of the Organization's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

(3) Investments

Investments include both general investments and endowment-related investments that are restricted for long-term future use. The balance of each group of investments as of October 31 is as follows:

	2024	2023
General investments	$ 2,457,800	1,506,842
Endowment investments	313,696	313,153
Total investments	$ 2,771,496	1,819,995

Investments are composed of the following as of October 31:

	2024	2023
Cash and cash equivalents	$ 304,475	417,152
Fixed income	205,922	502,023
Exchange-traded funds (ETFs)		
Fixed income	1,086,917	442,387
Equities	1,174,182	458,433
Total investments	$ 2,771,496	1,819,995

The following table summarizes the fair value hierarchy levels used by the Organization for its investments as of October 31, 2024:

	Fair value	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 304,475	304,475	–	–
Fixed income	205,922	–	205,922	–
Exchange-traded funds	2,261,099	2,261,099	–	–
Total	2,771,496	2,565,574	205,922	–

The following table summarizes the fair value hierarchy levels used by the Organization for its investments as of October 31, 2023:

	Fair value	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 417,152	417,152	–	–
Fixed income	502,023	–	502,023	–
Exchange-traded funds	900,820	900,820	–	–
Total	1,819,995	1,317,972	502,023	–

(4) Property and Equipment

Property and equipment consist of the following as of October 31:

	2024	2023
Equipment	$ 382,253	389,488
Vehicles	465,079	354,759
Leasehold improvements	39,090	319,344
	886,422	1,063,591
Less accumulated depreciation	(563,746)	(874,409)
Net property and equipment	$ 322,676	189,182

(5) Operating Lease Right-of-Use Asset and Operating Lease Liability

The Organization leases property for operations of its programs in Winter Park, Colorado, under a long-term non-cancelable operating lease. The annual lease payments increase 3% per year through September 30, 2027. The Organization includes in the determination of the right-of-use asset and lease liability any renewal options when the options are reasonably certain to be exercised. The lease provides for no renewal option to extend the lease term. The total operating lease expense for 2024 and 2023 was $36,085 and $36,305, respectively, and is included with facilities and vehicle expenses in the statement of functional expenses.

The weighted-average term and discount rates for the operating lease outstanding as of October 31, 2024 are as follows:

Weighted-average term (months)	36 months
Weighted-average discount rate	3.0%

Future payments due under the operating lease are as follows for the years ending October 31:

Undiscounted cash flows due in:	
2025	$ 23,893
2026	24,610
2027	25,348
Total undiscounted cash flows	73,851
Impact of present value discount	(4,910)
Lease liability	$ 68,941

The Organization also rented office space in Denver, Colorado under an agreement that concluded in December 2023. The lease agreement only required an annual payment of $1 and, therefore, the Organization has recognized the value of the donated space as an in-kind contribution. For the years ending October 31, 2024 and 2023, the value of the donated space recognized as an in-kind contribution totaled $31,738 and $75,420, respectively.

(6) Economic Injury Disaster Loan

In June 2020, the Organization obtained an Economic Injury Disaster Loan (EIDL) from the U.S. Small Business Administration (SBA) for $150,000. The loan bears interest at a fixed rate of 2.75% and is payable in monthly principal and interest payments of $641 and due in full July 1, 2052. The note is collateralized by all tangible and intangible property. Repayment was required beginning July 1, 2022. Each payment will be first applied to interest accrued, and the remaining balance of the payment, if any, will then be applied to principal.

Future payments on the loan are as follows for the years ending October 31:

	Principal	Interest	Total
2025	$ 3,831	3,861	7,692
2026	3,937	3,755	7,692
2027	4,047	3,645	7,692
2028	4,150	3,542	7,692
2029	4,275	3,417	7,692
Thereafter	121,453	38,416	159,869
Totals	$ 141,693	56,636	198,329

(7) Net Assets with Donor Restrictions

The Organization's net assets with donor restrictions consist of the following at October 31:

	2024	2023
Donor-restricted for specific programs or activities	$ 710,086	390,323
Donor-restricted endowments (note 8)	310,010	310,010
Unspent donor-restricted endowment earnings (note 8)	3,686	3,143
Total net assets with donor restrictions	$ 1,023,782	703,476

During the years ended October 31, 2024 and 2023, net assets totaling $690,312 and $627,133, respectively, were released from restrictions due to expenditure of the funds on their specified programs or activities as specified by the donor.

(8) Endowments

The State of Colorado adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Organization's board of directors 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 Organization classifies as nets assets with donor restrictions: (a) the original value of the gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the donor gift instrument. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purpose of the Organization and the donor-restricted endowment fund
(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 Organization
(7) The investment policies of the Organization

The Organization's endowment funds consist of the following at October 31:

	2024	2023
Cox Family Endowment	$ 111,332	111,332
Gale Van Ort Endowment	121,679	121,679
Glaser Endowment	80,685	80,142
Total endowment funds	$ 313,696	313,153

Cox Family Endowment
The Cox Family Endowment was established to provide annual general operating support to the Organization. Contributions to the fund, up to $100,000, are required to be held in perpetuity, and investment return generated on the fund can be expended annually on operations.

Gale Van Ort Endowment
The Gale Van Ort Endowment was established to provide scholarships to participants of the Organization's programs that have a financial need. Contributions to the fund are required to be held in perpetuity, and investment return generated on the fund can be expended annually on scholarships.

(8) Endowments, Continued

Glaser Endowment
The Glaser Endowment was established to provide scholarships to participants of the Organization's programs at the following levels: development (40%), training (35%), and elite (25%). Contributions to the fund are required to be held in perpetuity. Annual investment return generated on the fund may be distributed at 80% until the fund's balance reaches $100,000, at which time the annual income may be fully distributed according to the specified purpose defined above.

It is intended that any contributions to the endowment funds be held in perpetuity and, thus, contributions to the endowment funds are recorded as increases in net assets with donor restrictions. Investment return that is generated on the endowments and spent in the same reporting period is reported as an increase in net assets without donor restrictions. Meanwhile, investment return that is not expended in the same reporting period that the return is generated is recorded as an increase in net assets with donor restrictions. The Organization has interpreted investment return for purposes of distributions from the endowments to include interest, dividends, realized and unrealized gains and losses, and investment fees.

Following are the changes in endowment net assets for the years ended October 31:

Endowment net assets at October 31, 2022	$ 312,720
Contributions	–
Investment return	8,485
Appropriated for expenditure	(8,052)
Endowment net assets at October 31, 2023	313,153
Contributions	–
Investment return	10,618
Appropriated for expenditure	(10,075)
Endowment net assets at October 31, 2024	$ 313,696

Funds with Deficiencies
From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the amount of the original gift. There were no deficiencies of this nature as of October 31, 2024 and 2023.

Return Objectives and Strategies for Achieving Objectives
The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, endowment assets are invested in a manner that is intended to produce long-term growth in the corpus while managing the risk of substantial long-term loss through appropriate diversification.

Endowment assets are invested according to a board-approved investment policy with a modeled return of 3% annually. The target allocation of the investments is as follows: 5% in money markets, 40% in fixed income, and 55% in equities.

Spending Policy
The board approves the annual budget, which includes distributions from endowment funds. Distributions from the donor-restricted endowment funds are controlled by the board in concert with the donors' intent, as defined above.

(9) In-Kind Contributions

In-kind contributions received for the years ended October 31 are as follows:

	2024	2023
Professional services	$ 983,571	897,633
Supplies and materials	145,995	97,866
Building space (note 5)	31,738	75,420
Total in-kind contributions	1,161,304	909,776
Less amounts included in special events revenue	(200,021)	(167,233)
Total in-kind revenue	$ 961,283	742,543

In-kind expenses are recorded under various categories in the statements of functional expenses according to their classification.

Donated professional services mainly consist of ski passes and other services provided by Winter Park Ski Resort. The donated professional services would typically be purchased if not provided as an in-kind contribution. These services, which require specialized skills, are recognized as in-kind contributions at fair value when the pledge is made and are expensed when the services are rendered. The estimated fair value of these professional services is provided by the service provider, who estimates the fair value based on the date, time, and market in which each service is rendered.

Donated supplies and materials are valued at the price the Organization would have paid if it had purchased a similar quantity of the same product from a local vendor. The Organization receives the use of donated building space in Denver, Colorado (see note 5). The value of this space is estimated using the average price per square foot of similar rental space in the service area.

There were no donor-imposed restrictions associated with the in-kind contributions. The Organization does not sell in-kind contributions and only uses the contributions for its own program.

(10) Retirement Plan

The Organization has established a 403(b) plan in which all employees who work for at least 1000 hours a year are eligible to participate. Employer contributions to the plan are fully vested immediately. The Organization can make discretionary matching contributions to the plan but has elected not to make any contributions for the years ended October 31, 2024 and 2023.