



Combined/Consolidated Financial Statements
April 30, 2021 and 2020

United States Ski and Snowboard and Affiliated Entities

United States Ski and Snowboard and Affiliated Entities

Table of Contents
April 30, 2021 and 2020

| | |
|---|----|
| Independent Auditor's Report | 1 |
| Combined/Consolidated Financial Statements | |
| Combined/Consolidated Statements of Financial Position | 3 |
| Combined/Consolidated Statements of Activities | 5 |
| Combined/Consolidated Statements of Cash Flows | 7 |
| Notes to Combined/Consolidated Financial Statements..... | 9 |
| Supplementary Information | |
| Combining/Consolidating Statement of Financial Position | 34 |
| Combining/Consolidating Statement of Activities | 36 |



Independent Auditor's Report

The Boards of Directors and Trustees
United States Ski and Snowboard
United States Ski Team Foundation
Park City, Utah

Report on the Combined/Consolidated Financial Statements

We have audited the accompanying combined/consolidated financial statements of United States Ski and Snowboard and affiliated entities (the Companies), which comprise the combined/consolidated statements of financial position as of April 30, 2021 and 2020, and the related combined/consolidated statements of activities and cash flows for the years then ended, and the related notes to the combined/consolidated financial statements.

Management's Responsibility for the Combined/Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these combined/consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined/consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined/consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined/consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined/consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined/consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined/consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined/consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined/consolidated financial statements referred to above present fairly, in all material respects, the combined/consolidated financial position of the Companies as of April 30, 2021 and 2020, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined/consolidated financial statements as a whole. The supplementary information on pages 34 through 38 is presented for the purposes of additional analysis and is not a required part of the combined/consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined/consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined/consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined/consolidated financial statements or to the combined/consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined/consolidated financial statements as a whole.



Ogden, Utah
July 29, 2021

United States Ski and Snowboard and Affiliated Entities
 Combined/Consolidated Statements of Financial Position
 April 30, 2021 and 2020

| | 2021 | 2020 |
|--|---------------|---------------|
| Assets | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 13,854,842 | \$ 3,399,821 |
| Accounts receivable, net | 1,619,875 | 3,828,144 |
| Contributions receivable, net | 712,000 | 1,534,667 |
| Inventories | 147,604 | 194,417 |
| Prepaid expenses | 667,299 | 1,004,659 |
| Total current assets | 17,001,620 | 9,961,708 |
| Endowment Investments | 59,741,744 | 45,891,364 |
| Quasi Endowment and Purpose-Restricted Investments | 2,470,317 | 1,981,530 |
| Contributions Receivable, Net | - | 1,048,000 |
| Property and Equipment, Net | 17,104,946 | 18,081,885 |
| Other Assets | 1,528,251 | 1,775,323 |
| | \$ 97,846,878 | \$ 78,739,810 |

United States Ski and Snowboard and Affiliated Entities
 Combined/Consolidated Statements of Financial Position
 April 30, 2021 and 2020

| | 2021 | 2020 |
|---|----------------------|----------------------|
| Liabilities and Net Assets | | |
| Current Liabilities | | |
| Checks issued in excess of bank balance | \$ 14,403 | \$ 47,756 |
| Accounts payable | 1,807,722 | 1,019,126 |
| Accrued liabilities | 772,960 | 895,272 |
| Current maturities of contributions payable | - | 100,000 |
| Current maturities of Paycheck Protection Program (PPP) Loan | - | 826,185 |
| Current maturities of long-term debt | 370,984 | 617,691 |
| Deferred revenue | 6,448,760 | 1,989,327 |
| | 9,414,829 | 5,495,357 |
| Line of Credit | - | 1,190,232 |
| Paycheck Protection Program (PPP) Loan, Less Current Maturities | 2,005,151 | 1,690,215 |
| Long-Term Debt, Less Current Maturities | 15,027,725 | 15,393,392 |
| Deferred Revenue | 1,241,449 | 1,491,449 |
| Interest-Rate Swap | 21,336 | 12,361 |
| | 27,710,490 | 25,273,006 |
| Net Assets | | |
| Without donor restrictions | | |
| Undesignated | 7,929,427 | 5,578,694 |
| Designated by the Board as quasi endowment | 2,016,798 | 1,627,673 |
| | 9,946,225 | 7,206,367 |
| With donor restrictions | | |
| Purpose restrictions | 453,519 | 369,073 |
| Purpose restrictions - endowment earnings | 3,586,048 | - |
| Perpetual in nature - endowments | 56,150,596 | 45,891,364 |
| | 60,190,163 | 46,260,437 |
| Total net assets with donor restrictions | 60,190,163 | 46,260,437 |
| Total net assets | 70,136,388 | 53,466,804 |
| | \$ 97,846,878 | \$ 78,739,810 |

United States Ski and Snowboard and Affiliated Entities
 Combined/Consolidated Statements of Activities
 Years Ended April 30, 2021 and 2020

| | 2021 | 2020 |
|--|---------------|---------------|
| Changes in Net Assets Without Donor Restrictions | | |
| Revenue and support | | |
| Sponsorship contracts and rights fees | | |
| Revenue | \$ 12,103,070 | \$ 14,841,720 |
| Fulfillment expense | (5,638,276) | (7,156,130) |
| | 6,464,794 | 7,685,590 |
| Contributions and fundraising activities | | |
| Revenue | 12,489,630 | 12,807,898 |
| Fulfillment expense | (2,314,979) | (3,443,451) |
| | 10,174,651 | 9,364,447 |
| Self-funded regional programs | | |
| Revenue | 77,807 | 460,066 |
| Fulfillment expense | (77,807) | (460,066) |
| | - | - |
| Membership and competition dues and fees | 5,297,660 | 5,471,815 |
| Grants from United States Olympic Committee | 6,007,415 | 6,875,883 |
| Athletic grant from endowment | 1,895,566 | 1,634,001 |
| Gain on forgiveness of Paycheck Protection Program (PPP) Loan | 2,536,807 | - |
| Other revenue, net | 817,133 | 1,020,867 |
| Net assets released from donor restrictions | 1,024,822 | 670,719 |
| Net revenue and support available for programs and administration | 34,218,848 | 32,723,322 |
| Costs of programs and administration | | |
| Elite team athletic programs | (17,174,536) | (15,885,900) |
| Domestic athletic programs | (5,304,089) | (5,157,851) |
| Events | (2,856,393) | (6,457,661) |
| General and administration | (5,475,200) | (4,487,282) |
| Grants | (1,048,922) | (670,719) |
| | (31,859,140) | (32,659,413) |
| Change in undesignated net assets from operations | 2,359,708 | 63,909 |

United States Ski and Snowboard and Affiliated Entities
 Combined/Consolidated Statements of Activities
 Years Ended April 30, 2021 and 2020

| | 2021 | 2020 |
|--|---------------|---------------|
| Change in endowment funds | | |
| Grants to scholarship program | \$ (198,369) | \$ (126,095) |
| Grants to athletic programs | (1,889,303) | (1,634,001) |
| Net assets released from restriction pursuant to endowment spending-rate distribution formula | 2,087,672 | 1,760,096 |
| | - | - |
| Change in value of interest-rate swap | (8,975) | (68,003) |
| Change in undesignated net assets | 2,350,733 | (4,094) |
| Changes in designated net assets | | |
| USSAIF net investment return (loss) | 460,984 | (82,081) |
| USSAIF grant to athletic program | (71,859) | (78,964) |
| Change in designated net assets | 389,125 | (161,045) |
| Change in net assets without donor restrictions | 2,739,858 | (165,139) |
| Changes in Net Assets With Purpose Restrictions | | |
| Scholarship donations received | 360,867 | 297,494 |
| Net assets released from donor restrictions | (1,024,822) | (670,719) |
| Net investment return (loss) | 4,334,449 | (173,420) |
| Change in net assets with purpose restrictions | 3,670,494 | (546,645) |
| Changes in Net Assets With Donor Restrictions - Endowment | | |
| Net assets released from restriction pursuant to endowment spending-rate distribution formula | (1,438,933) | (1,426,491) |
| Net investment return (loss) | 8,482,562 | (2,216,438) |
| Endowment contributions | 3,215,603 | 5,253,552 |
| Changes in net assets with donor restrictions - endowment | 10,259,232 | 1,610,623 |
| Change in Net Assets | 16,669,584 | 898,839 |
| Net Assets, Beginning of Year | 53,466,804 | 52,567,965 |
| Net Assets, End of Year | \$ 70,136,388 | \$ 53,466,804 |

United States Ski and Snowboard and Affiliated Entities
 Combined/Consolidated Statements of Cash Flows
 Years Ended April 30, 2021 and 2020

| | 2021 | 2020 |
|--|---------------|--------------|
| Operating Activities | | |
| Membership and competition dues, fees, and self-funded regional programs | \$ 5,375,467 | \$ 5,931,881 |
| Grants and contributions | 26,797,595 | 22,569,973 |
| Sponsorships and athlete contracts | 15,128,472 | 15,443,586 |
| Programs and administration costs | (36,022,860) | (43,231,362) |
| Interest received | 13,553 | 17,561 |
| Interest paid | (327,931) | (554,645) |
| Net Cash from Operating Activities | 10,964,296 | 176,994 |
| Investing Activities | | |
| Purchases of property and equipment | (203,818) | (364,162) |
| Net proceeds from maturities of investments | 2,401,621 | 1,646,747 |
| Purchases of investments | (2,235,200) | (1,716,203) |
| Purchases of investments - endowment | (3,215,603) | (5,253,552) |
| Proceeds from investments - endowment | 2,087,672 | 1,760,096 |
| Net Cash used for Investing Activities | (1,165,328) | (3,927,074) |
| Financing Activities | | |
| Collections of endowment and scholarship contributions | 3,576,470 | 5,551,046 |
| Endowment program grants | (2,087,672) | (1,760,096) |
| Grants from net assets released from donor restrictions | (1,024,822) | (670,719) |
| Payments on long-term debt | (617,691) | (601,252) |
| Proceeds from issuance of Paycheck Protection Program (PPP) Loan | 2,000,000 | 2,516,400 |
| Net change in line of credit | (1,190,232) | 1,092,686 |
| Net Cash from Financing Activities | 656,053 | 6,128,065 |
| Net Change in Cash and Cash Equivalents | 10,455,021 | 2,377,985 |
| Cash and Cash Equivalents, Beginning of Year | 3,399,821 | 1,021,836 |
| Cash and Cash Equivalents, End of Year | \$ 13,854,842 | \$ 3,399,821 |

United States Ski and Snowboard and Affiliated Entities
 Combined/Consolidated Statements of Cash Flows
 Years Ended April 30, 2021 and 2020

| | 2021 | 2020 |
|---|---------------|-------------|
| Reconciliation of Change in Net Assets to Net | | |
| Cash from Operating Activities | | |
| Change in net assets | \$ 16,669,584 | \$ 898,839 |
| Adjustments to reconcile change in net assets | | |
| to net cash from operating activities | | |
| Depreciation expense | 1,180,757 | 1,271,249 |
| Interest expense attributable to amortization of deferred financing costs | 5,317 | 5,317 |
| Amortization of other assets | 165,000 | 165,000 |
| Bad debt expense | 522,150 | 166,339 |
| Gain on forgiveness of Paycheck Protection Program (PPP) Loan | (2,536,807) | - |
| Interest expense added to Paycheck Protection Program (PPP) Loan | 25,558 | - |
| Contributions restricted to endowment | (3,215,603) | (5,253,552) |
| Net assets released from restriction pursuant to endowment spending-rate distribution formula | 2,087,672 | 1,760,096 |
| Endowment net investment (return) loss | (12,717,349) | 2,373,256 |
| Decrease in donor restricted net assets | 564,293 | 546,645 |
| Net realized/unrealized (gain) loss on investments | (560,646) | 98,683 |
| Change in value of interest-rate swap | 8,975 | 68,003 |
| Changes in operating assets and liabilities | | |
| Accounts and contributions receivable | 3,556,786 | 218,993 |
| Inventories | 46,813 | (32,047) |
| Prepaid expenses | 337,360 | (230,657) |
| Other assets | 82,072 | (79,474) |
| Checks issued in excess of bank balance | (33,353) | (330,977) |
| Accounts payable | 788,596 | (624,644) |
| Accrued liabilities | (122,312) | (984,258) |
| Contributions payable | (100,000) | (100,000) |
| Deferred revenue | 4,209,433 | 240,183 |
| | \$ 10,964,296 | \$ 176,994 |
| Net Cash from Operating Activities | | |

Note 1 - Principal Activity and Significant Accounting Policies

Organization

United States Ski and Snowboard and affiliated entities (the Companies) combined/consolidated financial statements consist of the financial statements of the United States Ski and Snowboard (USSA), a nonprofit corporation, and its wholly-owned subsidiary, the United States Ski Team, Inc. (USST); and three not-for-profit organizations supporting the activities of these entities, the United States Ski Team Foundation (the Foundation), the USSA Investment Fund (USSAIF), and the Center of Excellence Properties Fund (COEPF).

USSA is the national governing body overseeing the sports of Olympic skiing and snowboarding in the United States, and is engaged in nonprofit membership, competition, training, development, and educational activities related to skiers and snowboarders who are, or aspire to become, members of the United States Ski and Snowboard Teams. USST manages and finances the United States Ski and Snowboard Teams.

The three not-for-profit organizations supporting the activities of USSA and USST are: 1) the Foundation, which is the fundraising entity formed to promote educational and charitable activities for the sports of skiing and snowboarding; 2) USSAIF, which was formed to manage the investment of endowment gifts made for the benefit of supporting the development, training and competition of elite national team and development athletes in skiing and snowboarding; additionally, it distributes a portion of the earnings of the investments to charitable organizations that support the development, training and competition of such athletes; and 3) COEPF, which was formed to support the development, training and competition of elite national team and development athletes in skiing and snowboarding, and further is the sole member of Center of Excellence Properties, LLC (COE, LLC). COE, LLC constructed and owns a training center and office building designed to support the training and development of such athletes. USSA has entered into a long-term lease to utilize the facility for its purposes.

Principles of Consolidation

The combined/consolidated financial statements of the Companies include the accounts of USSA, USST, USSAIF, COEPF, and the Foundation. USST is wholly owned by USSA. USSAIF, COEPF, and the Foundation are combined for accounting presentation purposes only due to certain common members of governing boards. All significant intercompany amounts and transactions have been eliminated during consolidation and combination.

Cash and Cash Equivalents

Cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

Accounts Receivables and Credit Policies

Accounts receivable consist primarily of noninterest-bearing amounts due for sponsorship contracts and other amounts due to the Companies. Management determines the allowance for uncollectible accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectible. At April 30, 2021 and 2020, the allowance was \$415,102 and \$263,435, respectively. The accounts receivable balance at May 1, 2019 was \$3,409,143. Contract liabilities are reported as deferred revenue in the accompanying combined/consolidated statements of financial position.

Contributions Receivable

Contributions receivable are recorded at net realizable value. Management determines the allowance for contributions receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions receivable are written off when deemed uncollectible. At April 30, 2021 and 2020, the allowance was \$0.

Inventories

Inventories are stated at the lower of cost, determined on a first-in, first-out basis, or net realizable value.

Property and Equipment

Property and equipment additions over \$5,000 are recorded at cost or, if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the combined/consolidated statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended April 30, 2021 and 2020.

Investments

Investment purchases are recorded at cost or, if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the combined/consolidated statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Interest-Rate Swap

The Companies use an interest-rate swap to mitigate interest-rate risk on one-half of the outstanding balance on the bonds payable (Note 8). The related asset or liability is reported at fair value in the combined/consolidated statements of financial position, and unrealized losses or gains are included in the combined/consolidated statements of activities.

Deferred Financing Costs

Deferred financing costs relating to the bonds payable are amortized using the straight-line method over the term of the related debt (which approximates the effective interest method). Deferred financing costs are included within long-term debt on the combined/consolidated statements of financial position. Amortization of deferred financing costs is included in general and administration in the accompanying combined/consolidated financial statements.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated quasi endowment. The Board has determined that the funds received from the surplus of the 1984 Los Angeles Olympics will be invested and an annual allocation made to support the athletic program.

Net Assets With Donor Restrictions – The Companies reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated/combined statements of activities as net assets released from restrictions.

Revenue and Revenue Recognition

USSA and USST have entered into certain commercial contracts which typically grant endorsement rights to companies to advertise their products and services, other than ski equipment, used by members of the United States Ski and Snowboard Teams. The contracts also cover television broadcasting rights. Most of these contracts are multiyear contracts.

United States Ski and Snowboard and Affiliated Entities

Notes to Combined/Consolidated Financial Statements

April 30, 2021 and 2020

The Companies recognize contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is 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 have been met. Donated assets are recorded at their market value at the date of donation. Contributions with donor-imposed restrictions are reported as net assets with donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions when the donor restrictions are satisfied. Grants are contributions from the United States Olympic Committee (USOC). Such grants are recorded as revenue in the year designated by the grantor.

Membership and competition dues and fees, sponsorship contracts, and rights fees are recognized as revenue in the period earned.

Contributions of services are recognized only if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. In some instances, contributions from supporting committees are received net of fundraising expenses incurred and are recognized on a net basis. No significant contributions of such goods or services were received during the years ended April 30, 2021 and 2020.

For the years ended April 30, 2021 and 2020, \$3,055,710 and \$4,359,718, respectively, of revenue was recognized at a point in time and \$15,077,108 and \$17,206,464, respectively, of revenue was recognized over time.

Deferred Revenue

Deferred revenue represents payments received on contracts to be applied to a future year, prepayments for programs to be held in a future year, and contributions for which qualifying expenses have not been incurred. Deferred revenue at April 30, 2021 and 2020, is \$7,690,209 and \$3,480,776, respectively, and includes revenue deferred for the hospitality programs that have not yet been earned. The following table provides information about significant changes in deferred revenue for the years ended April 30, 2021 and 2020:

| | 2021 | 2020 |
|---|--------------|--------------|
| Deferred revenue, May 1 | \$ 3,480,776 | \$ 3,240,593 |
| Revenue recognized that was included in deferred revenue at the beginning of period | (1,989,327) | (1,328,929) |
| Increase in deferred revenue due to consideration received during the period | 6,198,760 | 1,569,112 |
| Deferred revenue, April 30 | \$ 7,690,209 | \$ 3,480,776 |

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the combined/consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The combined/consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied.

The expenses that are allocated include occupancy, depreciation, information technology, insurance, legal fees, advertising and promotion, salaries, wages and benefits, payroll taxes and professional services. The expenses are allocated based on historical experience and reviewed as circumstances require. Note 15 presents the natural classification detail of expenses by function.

Paycheck Protection Program (PPP) Loan

USSA was granted a \$2,516,400 loan under the PPP administered by a Small Business Administration (SBA) approved partner during the year ended April 30, 2020. The loan was uncollateralized and fully guaranteed by the federal government. The Company initially recorded a note payable and subsequently received forgiveness when the loan obligation was legally released by the SBA. The Company recognized \$2,536,807, including interest, of loan forgiveness income for the year ended April 30, 2021 related to this PPP loan.

USSA was granted a second PPP loan totaling \$2,000,000 administered by a Small Business Administration (SBA) approved partner. The loan is uncollateralized and is fully guaranteed by the federal government. USSA is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. USSA has initially recorded the loan and accrued interest as a refundable advance and will record the forgiveness in accordance with guidance for conditional contributions when there is no longer a measurable performance or other barrier and a right to return of the PPP loan. Proceeds from the loan are eligible for forgiveness if they are used for certain expenses. No contribution revenue has been recorded for this loan during the year ended April 30, 2021. USSA will be required to repay the loan in monthly installment payments of the outstanding balance of principal and interest after the deferment period amortized over the remaining term of the loan. The loan matures in February 2026 and bears interest at 1.00%. The loan balance, including accrued interest, is \$2,005,151 at April 30, 2021.

Income Taxes

USSA, USSAIF, COEPF, and the Foundation are exempt under Internal Revenue Code Section 501(c)(3) from income taxes on earnings from related activities. Accordingly, income taxes are only provided on revenues from nonexempt activities and are included in administrative expenses. USST is a taxable corporation and is responsible for filing separate income tax returns.

USST accounts for income taxes using the asset and liability method. Income taxes are provided for the tax effects of transactions reporting in the combined/consolidated financial statements and consist of taxes currently due plus deferred taxes related primarily to differences between the basis of receivables, inventory, property and equipment, intangible assets, and accrued expenses for financial and income tax reporting. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

Management believes that each entity has appropriate support for any tax positions taken affecting its annual filing requirements and, as such, does not have any uncertain tax positions that are material to the combined/consolidated financial statements. Management would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Estimates

The preparation of combined/consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the combined/consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

Financial Instruments and Credit Risk

The Companies manage deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by the Companies to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Companies have not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from Board members, governmental agencies, and foundations supportive of their mission.

Investments are made by diversified investment managers whose performance is monitored by the Companies and the Investment Committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Companies and the Investment Committee believe that the investment policies and guidelines are prudent for the long-term welfare of the Companies.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying combined/consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

United States Ski and Snowboard and Affiliated Entities

Notes to Combined/Consolidated Financial Statements

April 30, 2021 and 2020

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the combined/consolidated statements of financial position date, comprise the following:

| | 2021 | 2020 |
|--|----------------------|----------------------|
| Cash and cash equivalents | \$ 13,854,842 | \$ 3,384,605 |
| Accounts receivable | 1,619,875 | 3,828,144 |
| Contributions receivable | 712,000 | 1,534,667 |
| Endowment spending-rate distributions and appropriations | 2,116,410 | 1,961,162 |
| | <u>\$ 18,303,127</u> | <u>\$ 10,708,578</u> |

Endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The difference between cash and cash equivalents in this footnote and the balance reported in the combined/consolidated statements of financial position of \$0 and \$15,216 at April 30, 2021 and 2020, respectively, is due to cash being donor-restricted for purpose and not being available.

A board-designated endowment of \$2,016,798 and \$1,627,637 as of April 30, 2021 and 2020, respectively, is subject to an annual spending rate between 3% and 5% as described in Note 11. Although the Companies do not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary.

The Legacy Campaign Athletic Endowment is also subject to an annual spending rate between 3% and 5% as described in Note 11.

Note 3 - Fair Value Measurements and Disclosures

Certain assets and liabilities are reported at fair value in the combined/consolidated financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Companies can access at the measurement date.

Level 2 – 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 – Unobservable inputs for the asset or liability. In these situations, the Companies develop inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the Companies assessment of the quality, risk or liquidity profile of the asset or liability.

A significant portion of the Companies investment assets are classified within Level 1 because they are comprised of open-end mutual funds, money market funds and equities with readily determinable fair values based on daily redemption values.

The Companies uses net asset value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, as a practical expedient to estimate the fair values of certain hedge funds, private equity funds, funds of funds, and limited partnerships which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy.

The interest rate swap agreement is valued using a third party's proprietary discounted cash flow model, which considers past, present, and future assumptions regarding interest rates and market conditions to estimate the fair value of the agreement. This is classified within Level 2.

United States Ski and Snowboard and Affiliated Entities

Notes to Combined/Consolidated Financial Statements

April 30, 2021 and 2020

The following table presents assets and liabilities measured at fair value on a recurring basis, except those measured at cost or by using NAV per share as a practical expedient as identified in the following, at April 30, 2021:

| | Total | Fair Value Measurements at Report Date Using | | |
|--|----------------------|---|---|--|
| | | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| <u>Assets</u> | | | | |
| Long-term investments | | | | |
| Cash and money market funds (at cost) | \$ 2,470,317 | \$ - | \$ - | \$ - |
| Endowment investments | | | | |
| Cash and money market funds (at cost) | 2,887,250 | - | - | - |
| Equities | 22,961,957 | 22,961,957 | - | - |
| Mutual funds | 15,219,763 | 15,219,763 | - | - |
| At NAV | | | | |
| Alternative investments | 18,672,774 | - | - | - |
| | <u>\$ 59,741,744</u> | <u>\$ 38,181,720</u> | <u>\$ -</u> | <u>\$ -</u> |
| <u>Liabilities</u> | | | | |
| Interest-rate swap | \$ 21,336 | \$ - | \$ 21,336 | \$ - |

United States Ski and Snowboard and Affiliated Entities

Notes to Combined/Consolidated Financial Statements

April 30, 2021 and 2020

The following table presents assets measured at fair value on a recurring basis, except those measured at cost or by using NAV per share as a practical expedient as identified in the following, at April 30, 2020:

| | Total | Fair Value Measurements at Report Date Using | | |
|---------------------------------------|----------------------|--|---|---|
| | | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| <u>Assets</u> | | | | |
| Long-term investments | | | | |
| Cash and money market funds (at cost) | \$ 1,981,530 | \$ - | \$ - | \$ - |
| Endowment investments | | | | |
| Cash and money market funds (at cost) | 3,227,693 | - | - | - |
| Equities | 17,035,979 | 17,035,979 | - | - |
| Mutual funds | 15,681,947 | 15,681,947 | - | - |
| At NAV | | | | |
| Alternative investments | 9,945,745 | - | - | - |
| | <u>\$ 45,891,364</u> | <u>\$ 32,717,926</u> | <u>\$ -</u> | <u>\$ -</u> |
| <u>Liabilities</u> | | | | |
| Interest-rate swap | \$ 12,361 | \$ - | \$ 12,361 | \$ - |

Investments in certain entities that calculate NAV per share are as follows at April 30, 2021:

| | Number of Investments | Fair Value | Unfunded Commitments | Redemption Frequency | Redemption Notice Period |
|-------------------------|-----------------------|----------------------|----------------------|------------------------------------|---------------------------------|
| <u>April 30, 2021</u> | | | | | |
| Alternative investments | 17 | <u>\$ 18,672,774</u> | <u>\$ -</u> | Monthly, Quarterly, One Plus Years | None, 30 days, 65 days, 90 days |

United States Ski and Snowboard and Affiliated Entities

Notes to Combined/Consolidated Financial Statements

April 30, 2021 and 2020

Investments in certain entities that calculate NAV per share are as follows at April 30, 2020:

| | Number of Investments | Fair Value | Unfunded Commitments | Redemption Frequency | Redemption Notice Period |
|-------------------------|-----------------------------|---------------------|-------------------------|--|--|
| <u>April 30, 2020</u> | | | | | |
| Alternative investments | 13 | <u>\$ 9,945,745</u> | <u>\$ -</u> | Monthly, Quarterly, One Plus Years | None, 30 days, 65 days, 90 days |

Alternative Investments – Alternative investments include, but are not limited to, partnerships, limited liability companies, managed futures, private equity, hedge funds, fund of funds, real estate investment trusts, and Delaware Statutory Trusts. Alternative investments are generally highly illiquid, and a formal trading market may not exist. Fund managers may invest in value, growth, or event-driven equity opportunities and typically are not restricted by market capitalization, industry sector, or geography. Leverage may be utilized, which can magnify changes in the values of the underlying securities.

Note 4 - Net Investment Return

Net investment return consists of the following for the years ended April 30, 2021 and 2020:

| | 2021 | 2020 |
|---|----------------------|-----------------------|
| Endowment investments | | |
| Net realized and unrealized gain (loss), dividends and interest | <u>\$ 12,717,349</u> | <u>\$ (2,373,256)</u> |
| Other long-term investments | | |
| Net realized and unrealized gain (loss), dividends and interest | <u>\$ 560,646</u> | <u>\$ (98,683)</u> |

Note 5 - Contributions Receivable

Contributions receivable are estimated to be collected as follows at April 30, 2021 and 2020:

| | 2021 | 2020 |
|----------------------|-------------------|---------------------|
| Within one year | \$ 712,000 | \$ 1,534,667 |
| In one to five years | - | 1,048,000 |
| | <u>\$ 712,000</u> | <u>\$ 2,582,667</u> |

Note 6 - Property and Equipment

Property and equipment consists of the following at April 30, 2021 and 2020:

| | 2021 | 2020 |
|------------------------------------|---------------|---------------|
| Buildings and improvements | \$ 25,636,807 | \$ 25,605,001 |
| Furniture, fixtures, and equipment | 8,126,471 | 7,954,459 |
| Land | 2,185,876 | 2,185,876 |
| | 35,949,154 | 35,745,336 |
| Less accumulated depreciation | (18,844,208) | (17,663,451) |
| | \$ 17,104,946 | \$ 18,081,885 |

Note 7 - Line of Credit

USSA had a \$7,000,000 line of credit with a bank at April 30, 2021 and 2020. The outstanding balance on the line was \$0 and \$1,190,232 at April 30, 2021 and 2020, respectively. The line of credit was amended during the year ended April 30, 2020 and then refinanced subsequent to April 30, 2021 (See Note 19). The line of credit was guaranteed by USSIF, the Foundation, USST, and COEPF, LLC. As of April 30, 2021 and 2020, interest on borrowings on the line of credit was at the daily one-month LIBOR rate plus 1.25% (1.36% and 1.55% as of April 30, 2021 and 2020, respectively) and a fee equal to 0.05% per annum on the daily unused amount of the line of credit. USSA was in compliance with certain financial and non-financial covenants at April 30, 2021 and 2020.

Note 8 - Long-Term Debt

COE, LLC, the sole member of which is COEPF, issued \$18,885,000 in tax-exempt bonds to refinance the Center of Excellence, a multi-use training facility and office building. Wells Fargo purchased the bonds through the refinance that closed in May 2016. USSA, the Foundation, USSAIF, and USST were guarantors on the long-term debt from Wells Fargo. This refinance extended the amortization period to 2040 and changed the interest rate on the bonds bearing interest at a blended rate (half swapped, half floating) of 2.83% and 2.94% based on current LIBOR at April 30, 2021 and 2020, respectively. The bonds were refinanced with Zions Bank, and swap agreement was terminated subsequent to April 30, 2021 when COE, LLC exercised its option to terminate without penalty (See Note 19).

United States Ski and Snowboard and Affiliated Entities

Notes to Combined/Consolidated Financial Statements

April 30, 2021 and 2020

Borrowings consist of the following at April 30:

| | <u>2021</u> | <u>2020</u> |
|---|----------------------|----------------------|
| One-half of bonds bearing interest at a pre-refinanced rate of a 1.38% swap rate plus a 1.40% spread plus 14.43% times one-month LIBOR (all-in rate of 2.80% and 2.83% at April 30, 2021 and 2020, respectively) and the other half at the swap rate plus credit spread of 1.40% plus 81.43% times one-month LIBOR (all-in rate of 2.87% and 3.05% at April 30, 2021 and 2020, respectively). See Note 19 for subsequent event related to the long-term debt. | \$ 15,500,172 | \$ 16,117,863 |
| Deferred financing costs of \$101,463 in 2021 and \$106,780 in 2020. | <u>(101,463)</u> | <u>(106,780)</u> |
| | 15,398,709 | 16,011,083 |
| Less current maturities | <u>(370,984)</u> | <u>(617,691)</u> |
| | <u>\$ 15,027,725</u> | <u>\$ 15,393,392</u> |

Scheduled maturities of the principal only portion of long-term debt are as follows:

| <u>Years Ending April 30,</u> | <u>Wells Fargo Bonds</u> | <u>Zions Bank Bonds (See Note 19)</u> |
|-------------------------------|------------------------------|---|
| 2022 | \$ 633,981 | \$ 326,580 |
| 2023 | 650,503 | 349,393 |
| 2024 | 666,638 | 359,123 |
| 2025 | 684,665 | 369,124 |
| 2026 | 702,670 | 379,404 |
| Thereafter | 12,161,715 | 13,886,376 |
| Deferred financing costs | <u>(101,463)</u> | <u>(210,910)</u> |
| | <u>\$ 15,398,709</u> | <u>\$ 15,459,090</u> |

During the years ended April 30, 2021 and 2020, the fair value of the liability under the swap changed \$8,975 and \$68,003, respectively, which has been reflected in the accompanying combined/consolidated statements of activities. At April 30, 2021 and 2020, the fair value of the swap liability was \$21,336 and \$12,361, respectively.

United States Ski and Snowboard and Affiliated Entities

Notes to Combined/Consolidated Financial Statements

April 30, 2021 and 2020

Note 9 - Related Party Transactions

Related parties include USSA Investment Fund (USSAIF), Center of Excellence Properties Fund (COEPF), United States Ski Team Foundation (the Foundation), and United States Ski Team (USST), and the officers or trustees of these entities.

The Companies maintain material cash and investment balances at Wells Fargo Bank (Wells Fargo), a financial institution, and Thomas Weisel Partners (TWP), an investment banking firm. A former executive officer of Wells Fargo, and the co-chairman of the parent company of TWP are members of the board of trustees of the Foundation.

Note 10 - Gross Revenue and Expenses

USSA conducts a variety of revenue and support programs. Activities such as sponsorships or fundraising programs require certain fulfillment costs. Sponsorship may require the purchase of media support for the sponsor or other hospitality functions, while fundraising programs may include the cost of a dinner event or reception.

The following summarizes the gross revenue and related expenses to conduct these programs for the years ended April 30, 2021 and 2020:

| | Gross Revenue | Related Expenses | Net Revenue |
|--|------------------|---------------------|----------------|
| Year Ended April 30, 2021 | | | |
| Sponsorship contracts and rights fees | \$ 12,103,070 | \$ (5,638,276) | \$ 6,464,794 |
| Contributions and fundraising activities | 12,489,630 | (2,314,979) | 10,174,651 |
| Membership and competition dues and fees | 5,297,660 | - | 5,297,660 |
| Grants from the USOC | 6,007,415 | - | 6,007,415 |
| Athletic grant from endowment | 1,895,566 | - | 1,895,566 |
| Gain on forgiveness of Paycheck Protection Program (PPP) Loan | 2,536,807 | - | 2,536,807 |
| Other revenue, net | 817,133 | - | 817,133 |
| | \$ 41,147,281 | \$ (7,953,255) | \$ 33,194,026 |

United States Ski and Snowboard and Affiliated Entities

Notes to Combined/Consolidated Financial Statements

April 30, 2021 and 2020

| | Gross Revenue | Related Expenses | Net Revenue |
|--|------------------|---------------------|----------------|
| Year Ended April 30, 2020 | | | |
| Sponsorship contracts and rights fees | \$ 14,841,720 | \$ (7,156,130) | \$ 7,685,590 |
| Contributions and fundraising activities | 12,807,898 | (3,443,451) | 9,364,447 |
| Membership and competition dues and fees | 5,471,815 | - | 5,471,815 |
| Grants from the USOC | 6,875,883 | - | 6,875,883 |
| Athletic grant from endowment | 1,634,001 | - | 1,634,001 |
| Other revenue, net | 1,020,867 | - | 1,020,867 |
| | \$ 42,652,184 | \$ (10,599,581) | \$ 32,052,603 |

USSA acts as the custodian of funds for projects conducted by regional programs. USSA receives funds from a particular region and then applies the funds to the conduct of a camp or project as advised by the region.

The following summarizes the gross receipts and related expenditures from these programs for the years ended April 30, 2021 and 2020:

| | Gross Receipts | Related Expenditures | Net |
|-------------------------------|-------------------|-------------------------|------|
| At April 30, 2021 | | | |
| Self-funded regional programs | \$ 77,807 | \$ (77,807) | \$ - |
| At April 30, 2020 | | | |
| Self-funded regional programs | \$ 460,066 | \$ (460,066) | \$ - |

Note 11 - Endowments and Net Assets with Donor Restrictions

The Companies' endowments include three endowment funds and a board designated quasi-endowment fund. These funds provide for annual grants from earnings to support athletic and scholarship programs. As required by generally accepted accounting principles and in accordance with the Utah Uniform Prudent Management of Institutional Funds Act (UPFIMA), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. Accordingly, contributions to net assets with donor restricted endowments, net earnings and grants from such earnings are classified as net assets with donor restrictions.

The USSA Investment Fund (a separate 501(c)(3) organization) was formed to hold and oversee the investment management of various funds that donors have contributed to support the organization's ongoing operations. Management and the boards have conducted fundraising campaigns over the years to support various activities of the organization. The most significant campaigns include the Legacy Campaign Athletic Endowment (LCAE), the Marolt Athlete Endowment (MAE) and the Borgen Swartz Athlete Education Endowment.

United States Ski and Snowboard and Affiliated Entities

Notes to Combined/Consolidated Financial Statements

April 30, 2021 and 2020

During 2000, the management and key board members initiated a campaign to raise funds to provide additional annual support for athletic activities which was named the Legacy Campaign Athletic Endowment. The board adopted an Investment Policy for the LCAE with an overall financial objective of providing financial support for operations at a level consistent with maintaining or increasing the fund's purchasing power over the long term. Under this policy, endowment assets are invested in a manner intended to maintain or increase the dollar value of the portfolio after annual distribution expenses and fees in order to provide the benefit intended by the donors. To satisfy its long-term rate-of-return objectives, the Companies rely on a total-return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Companies target a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. The policy provides for an annual grant over the long term that will be 3% to 5% of the three-prior year-ending portfolio market values (a rolling average calculation). This 3% to 5% rolling average grant is expected to be maintained over time; however, the board can adjust this grant level from year to year to account for variations in portfolio market values and endowment contributions. The LCAE and other similar athletic funds have been classified as net assets with donor restrictions for financial statement purposes.

Deficiencies of \$6,160,817 and \$12,216,842 as of April 30, 2021 and 2020, respectively, have been reported as part of the underwater endowments within net assets with donor restrictions. The Companies have not suspended distributions from these funds until such time as the deficiencies are recovered via market returns, and there is no legal obligation for the Companies to fund these deficiencies.

Purpose restricted funds have been contributed to support the early season on snow speed training center, and additional scholarship contributions. These funds are classified as net assets with donor restrictions for financial statement purposes and have been granted to those programs in accordance with the stipulation of the donors.

The following summarizes the contributions, grants, and investment earnings for the years ended April 30, 2021 and 2020:

| LCAE | 2021 | 2020 |
|------------------------------|---------------|---------------|
| Balance, beginning of year | \$ 27,881,982 | \$ 30,523,365 |
| Contributions | 40,000 | 40,000 |
| Grants to athletic programs | (1,438,934) | (1,342,261) |
| Investment earnings (losses) | 7,494,957 | (1,339,122) |
| Balance, end of year | \$ 33,978,005 | \$ 27,881,982 |

The MAE is a fundraising campaign to assist with athletic priorities of coaching and travel costs and intends to further education activities and athlete career skills. Deficiencies of \$0 and \$657,061 as of April 30, 2021 and 2020, respectively, have been reported as part of the underwater endowments within net assets with donor restrictions. Excess investment earnings on endowment of \$2,918,784 and \$0 as of April 30, 2021 and 2020, respectively, have been reported as net assets with donor restrictions. The following summarizes the funds' contributions, grants, and investment earnings for the years ended April 30, 2021 and 2020:

United States Ski and Snowboard and Affiliated Entities

Notes to Combined/Consolidated Financial Statements

April 30, 2021 and 2020

| MAE | 2021 | 2020 |
|------------------------------|---------------|---------------|
| Balance, beginning of year | \$ 13,874,016 | \$ 10,821,632 |
| Contributions | 2,877,509 | 4,199,868 |
| Grants to athletic programs | (501,304) | (333,605) |
| Investment earnings (losses) | 4,077,149 | (813,879) |
| Balance, end of year | \$ 20,327,370 | \$ 13,874,016 |

The Borgen Swartz Athlete Education Endowment consists of donor restricted gifts to be utilized for providing academic scholarship funds to elite team athletes. This fund has been classified as net assets with donor restrictions for financial statement reporting. Deficiencies of \$0 and \$330,543 as of April 30, 2021 and 2020, respectively, have been reported as part of the underwater endowments within net assets with donor restrictions. Excess investment earnings on endowment of \$667,264 and \$0 as of April 30, 2021 and 2020, respectively, have been reported as net assets with donor restrictions. The following summarizes the funds' contributions, grants, and investment earnings for the years ended April 30, 2021 and 2020:

| Borgen Swartz Athlete Education Endowment | 2021 | 2020 |
|---|--------------|--------------|
| Balance, beginning of year | \$ 4,135,366 | \$ 3,426,167 |
| Contributions | 298,094 | 1,013,684 |
| Program grants | (147,432) | (84,230) |
| Investment earnings (losses) | 1,145,241 | (220,255) |
| Balance, end of year | \$ 5,431,269 | \$ 4,135,366 |

Purpose restricted net assets at April 30, 2021 and 2020, consist of:

| Restricted by Donors | 2021 | 2020 |
|---|--------------|------------|
| Scholarships | \$ - | \$ 15,216 |
| Other projects | 453,519 | 353,857 |
| Excess investment earnings on endowment | 3,586,048 | - |
| | \$ 4,039,567 | \$ 369,073 |

United States Ski and Snowboard and Affiliated Entities

Notes to Combined/Consolidated Financial Statements

April 30, 2021 and 2020

The following summarizes the funds' contributions, grants, and investment earnings for the years ended April 30, 2021 and 2020, a portion of which are earnings and grants associated with endowments:

| Donor Restricted Funds | 2021 | 2020 |
|---|--------------|------------|
| Balance, beginning of year | \$ 369,073 | \$ 915,718 |
| Contributions | 360,869 | 297,495 |
| Excess investment earnings on endowment | 4,234,787 | - |
| Net assets released from donor restrictions | (1,024,822) | (670,719) |
| Investment earnings (losses) | 99,660 | (173,421) |
| Balance, end of year | \$ 4,039,567 | \$ 369,073 |

The board determined that the funds received from the surplus of the 1984 Los Angeles Olympics be invested with the USSAIF investments and an annual grant be made from these funds to support the athletic programs. The board has been granting funds on a three-year rolling average as is done with the LCAE. These funds have been classified as net assets without donor restrictions, designated by the board as quasi-endowment on the combined/consolidated financial statements.

The following summarizes the funds' grants, and investment earnings for the years ended April 30, 2021 and 2020:

| USSAIF/USSF Quasi-Endowment, Designated | 2021 | 2020 |
|---|--------------|--------------|
| Balance, beginning of year | \$ 1,627,673 | \$ 1,788,718 |
| Grant to athletic programs | (71,859) | (78,964) |
| Investment earnings (losses) | 460,984 | (82,081) |
| Balance, end of year | \$ 2,016,798 | \$ 1,627,673 |

United States Ski and Snowboard and Affiliated Entities
Notes to Combined/Consolidated Financial Statements
April 30, 2021 and 2020

As of April 30, 2021 and 2020, the Companies had the following endowment net asset composition by type of fund:

| | April 30, 2021 | | | | | | |
|---|--|--------------------------|--|--|----------------------|------------------------------------|----------------------|
| | Donor - Restricted Endowments | | | | | Board- Designated Endowments | |
| | Perpetual in Nature - Endowments | Underwater Endowments | Total Perpetual in Nature - Endowments, Net | Purpose Restrictions - Endowment Earnings | Total | Without Donor Restrictions | Total Endowments |
| Endowment net assets, April 30, 2020 | \$ 59,095,810 | \$(13,204,446) | \$ 45,891,364 | \$ - | \$ 45,891,364 | \$ 1,627,673 | \$ 47,519,037 |
| Contributions | 3,215,603 | - | 3,215,603 | - | 3,215,603 | - | 3,215,603 |
| Net investment earnings | - | 8,482,563 | 8,482,563 | 4,234,787 | 12,717,350 | 460,984 | 13,178,334 |
| Grants | - | (1,438,934) | (1,438,934) | (648,739) | (2,087,673) | (71,859) | (2,159,532) |
| Endowment net assets, April 30, 2021 | <u>\$ 62,311,413</u> | <u>\$ (6,160,817)</u> | <u>\$ 56,150,596</u> | <u>\$ 3,586,048</u> | <u>\$ 59,736,644</u> | <u>\$ 2,016,798</u> | <u>\$ 61,753,442</u> |
| | April 30, 2020 | | | | | | |
| | Donor - Restricted Endowments | | | | | Board- Designated Endowments | |
| | Perpetual in Nature - Endowments | Underwater Endowments | Total Perpetual in Nature - Endowments, Net | Purpose Restrictions - Endowment Earnings | Total | Without Donor Restrictions | Total Endowments |
| Endowment net assets, April 30, 2019 | \$ 53,842,258 | \$ (9,561,517) | \$ 44,280,741 | \$ 490,423 | \$ 44,771,164 | \$ 1,788,718 | \$ 46,559,882 |
| Contributions | 5,253,552 | - | 5,253,552 | - | 5,253,552 | - | 5,253,552 |
| Net investment losses | - | (2,216,438) | (2,216,438) | (156,818) | (2,373,256) | (82,081) | (2,455,337) |
| Grants | - | (1,426,491) | (1,426,491) | (333,605) | (1,760,096) | (78,964) | (1,839,060) |
| Endowment net assets, April 30, 2020 | <u>\$ 59,095,810</u> | <u>\$ (13,204,446)</u> | <u>\$ 45,891,364</u> | <u>\$ -</u> | <u>\$ 45,891,364</u> | <u>\$ 1,627,673</u> | <u>\$ 47,519,037</u> |

United States Ski and Snowboard and Affiliated Entities

Notes to Combined/Consolidated Financial Statements

April 30, 2021 and 2020

Note 12 - Income Taxes

The taxable entity of the Companies is USST. Deferred tax assets and liabilities consist of the following components as of April 30, 2021 and 2020:

| | 2021 | 2020 |
|--|------------|------------|
| Deferred tax assets (liabilities) | | |
| Receivable allowances | \$ 12,600 | \$ 26,400 |
| Property and equipment | (21,159) | (32,911) |
| Net operating loss | 840,700 | 639,000 |
| | \$ 832,141 | \$ 632,489 |
| Net deferred tax assets before valuation allowance | \$ 832,141 | \$ 632,489 |
| Less valuation allowance | (832,141) | (632,489) |
| Net deferred tax assets | \$ - | \$ - |

At April 30, 2021, the Company has available unused net operating loss carryforwards that may be applied against future taxable income of \$4,003,393, which is related to USST.

Note 13 - Concentration of Credit Risk

The Companies primarily maintain cash and investment balances at the financial institutions of Wells Fargo Bank (Wells Fargo) and Zions Bank; Thomas Weisel Partners (TWP), an investment banking firm; and Charles Schwab & Co. (Schwab), a discount brokerage firm. The following balances summarize total cash and investments of the Companies as of April 30, 2021 and 2020:

| | 2021 | 2020 |
|------------------------------|---------------|---------------|
| TWP | \$ 61,847,644 | \$ 47,059,888 |
| Zions Bank | 6,003 | 2,052,897 |
| Wells Fargo | 13,772,466 | 1,118,298 |
| Schwab | 439,610 | 1,040,527 |
| Other financial institutions | 1,180 | 1,105 |
| | \$ 76,066,903 | \$ 51,272,715 |

United States Ski and Snowboard and Affiliated Entities

Notes to Combined/Consolidated Financial Statements

April 30, 2021 and 2020

Cash and investments are included in the combined/consolidated statements of financial position as of April 30, 2021 and 2020:

| | 2021 | 2020 |
|-----------------------|---------------|---------------|
| Cash | \$ 13,854,842 | \$ 3,399,821 |
| Long-term investments | 2,470,317 | 1,981,530 |
| Endowment investments | 59,741,744 | 45,891,364 |
| | \$ 76,066,903 | \$ 51,272,715 |

The Companies' cash and investments held with TWP and Schwab are fully insured (as to security positions owned, but not as to fluctuations in market value). The Companies maintain cash and investment accounts in various deposit accounts, the balances of which are periodically in excess of federally insured limits.

Note 14 - Leases

USSA leases certain office equipment under noncancelable operating lease agreements that expire at November 2022. Future minimum lease payments for leases with initial or remaining lease terms in excess of one year are as follows:

| Years Ending April 30, | | |
|------------------------|----|--------|
| 2022 | \$ | 13,381 |
| 2023 | | 7,806 |
| | \$ | 21,187 |

Rent expense for the operating leases totaled \$15,265 and \$21,435 for the years ended April 30, 2021 and 2020, respectively.

United States Ski and Snowboard and Affiliated Entities
Notes to Combined/Consolidated Financial Statements
April 30, 2021 and 2020

Note 15 - Functionalized Expenses

The following schedule presents the natural classification of expense by function for the year ended April 30, 2021:

| | Program Services | | | | | | | General and Administration | Contribution and Fundraising Activities | |
|-----------------------------------|---|---|----------------------|---------------------|---------------------|---------------------|----------------------|----------------------------|---|----------------------|
| | Sponsorship Contracts and Rights Fees Fulfillment | Self-Funded Regional Programs Fulfillment | Elite Team Athletics | Domestic Athletics | Events | Grants | Total | | Fulfillment | Total |
| | Salaries and wages | \$ 854,597 | \$ - | \$ 5,420,309 | \$ 2,016,840 | \$ 514,817 | \$ - | | \$ 8,806,563 | \$ 2,338,506 |
| Payroll taxes and benefits | 161,115 | - | 1,076,119 | 421,687 | 101,035 | - | 1,759,956 | 104,947 | 186,377 | 2,051,280 |
| Professional services | 903,785 | 488 | 1,107,402 | 148,649 | 39,000 | - | 2,199,324 | 313,649 | 57,286 | 2,570,259 |
| Legal fees | 85,000 | - | 20,000 | 70,000 | 10,000 | - | 185,000 | 81,634 | - | 266,634 |
| Communication and promotion | 400,000 | - | 237,000 | 64,000 | 81,000 | - | 782,000 | 34,000 | 3,777 | 819,777 |
| Office expenses | 20,546 | 10,375 | 519,463 | 227,285 | 10,042 | - | 787,711 | 784,074 | 185,734 | 1,757,519 |
| COVID testing | - | - | 733,553 | 56,244 | - | - | 789,797 | - | - | 789,797 |
| Information technology | 62,000 | - | 105,000 | 242,200 | 30,400 | - | 439,600 | - | - | 439,600 |
| Occupancy | 35,000 | - | 131,459 | 66,000 | 33,000 | - | 265,459 | 74,811 | - | 340,270 |
| Travel | 26,896 | 66,944 | 6,184,587 | 647,874 | 190,224 | - | 7,116,525 | 47,191 | 100,605 | 7,264,321 |
| Conferences and meetings | - | - | - | - | - | - | - | - | 63,773 | 63,773 |
| Interest | - | - | 323,147 | - | - | - | 323,147 | 31,071 | - | 354,218 |
| Insurance | 50,000 | - | 159,410 | 642,365 | 156,800 | - | 1,008,575 | 1,118,939 | - | 2,127,514 |
| Fulfillment | - | - | 82,500 | 656,525 | - | - | 739,025 | - | 35,363 | 774,388 |
| Cost of sales | 2,091,608 | - | - | - | - | - | 2,091,608 | - | 82,451 | 2,174,059 |
| Event production | - | - | - | - | 1,671,275 | - | 1,671,275 | - | - | 1,671,275 |
| TV production | 929,729 | - | - | - | - | - | 929,729 | - | - | 929,729 |
| Cost of direct benefits to donors | - | - | - | - | - | - | - | - | 608,799 | 608,799 |
| Depreciation | 18,000 | - | 1,074,587 | 44,420 | 18,800 | - | 1,155,807 | 24,228 | 722 | 1,180,757 |
| Bad debt expense | - | - | - | - | - | - | - | 522,150 | - | 522,150 |
| Grants and other assistance | - | - | - | - | - | 1,048,922 | 1,048,922 | - | 20,039 | 1,068,961 |
| | <u>\$ 5,638,276</u> | <u>\$ 77,807</u> | <u>\$ 17,174,536</u> | <u>\$ 5,304,089</u> | <u>\$ 2,856,393</u> | <u>\$ 1,048,922</u> | <u>\$ 32,100,023</u> | <u>\$ 5,475,200</u> | <u>\$ 2,314,979</u> | <u>\$ 39,890,202</u> |

The following schedule presents the natural classification of expense by function for the year ended April 30, 2020:

| | Program Services | | | | | | | General and Administration | Contribution and Fundraising Activities | |
|-----------------------------------|---|---|----------------------|---------------------|---------------------|-------------------|----------------------|----------------------------|---|----------------------|
| | Sponsorship Contracts and Rights Fees Fulfillment | Self-Funded Regional Programs Fulfillment | Elite Team Athletics | Domestic Athletics | Events | Grants | Total | | Fulfillment | Total |
| | Salaries and wages | \$ 726,923 | \$ - | \$ 5,587,471 | \$ 1,904,778 | \$ 617,538 | \$ - | | \$ 8,836,710 | \$ 1,822,378 |
| Payroll taxes and benefits | 145,385 | - | 1,121,494 | 399,642 | 123,508 | - | 1,790,029 | 114,920 | 187,500 | 2,092,449 |
| Professional services | 975,051 | 19,000 | 930,107 | 263,004 | 10,500 | - | 2,197,662 | 389,078 | 36,457 | 2,623,197 |
| Legal fees | 85,000 | - | 42,559 | 70,000 | 10,000 | - | 207,559 | 53,166 | - | 260,725 |
| Communication and promotion | 400,000 | - | 237,000 | 64,000 | 81,000 | - | 782,000 | 34,000 | 20,136 | 836,136 |
| Office expenses | 30,628 | 18,692 | 421,379 | 326,917 | 14,854 | - | 812,470 | 252,349 | 212,992 | 1,277,811 |
| Information technology | 62,000 | - | 105,000 | 242,200 | 30,400 | - | 439,600 | - | - | 439,600 |
| Occupancy | 35,000 | - | 184,150 | 66,000 | 33,000 | - | 318,150 | 139,972 | - | 458,122 |
| Travel | 139,118 | 422,374 | 5,458,711 | 400,525 | 452,674 | - | 6,873,402 | 229,480 | 152,579 | 7,255,461 |
| Conferences and meetings | 61,832 | - | - | - | - | - | 61,832 | 1,457 | 177,335 | 240,624 |
| Interest | - | - | 480,656 | - | - | - | 480,656 | 60,816 | - | 541,472 |
| Insurance | 50,000 | - | 160,286 | 726,897 | 156,800 | - | 1,093,983 | 1,116,826 | - | 2,210,809 |
| Fulfillment | - | - | 82,500 | 641,603 | - | - | 724,103 | - | 253,376 | 977,479 |
| Cost of sales | 2,417,603 | - | - | - | - | - | 2,417,603 | - | 453,959 | 2,871,562 |
| Event production | - | - | - | - | 4,908,587 | - | 4,908,587 | - | - | 4,908,587 |
| TV production | 2,009,590 | - | - | - | - | - | 2,009,590 | - | - | 2,009,590 |
| Cost of direct benefits to donors | - | - | - | - | - | - | - | - | 634,977 | 634,977 |
| Depreciation | 18,000 | - | 1,074,587 | 52,285 | 18,800 | - | 1,163,672 | 106,501 | 1,076 | 1,271,249 |
| Bad debt expense | - | - | - | - | - | - | - | 166,339 | - | 166,339 |
| Grants and other assistance | - | - | - | - | - | 670,719 | 670,719 | - | 375,567 | 1,046,286 |
| | <u>\$ 7,156,130</u> | <u>\$ 460,066</u> | <u>\$ 15,885,900</u> | <u>\$ 5,157,851</u> | <u>\$ 6,457,661</u> | <u>\$ 670,719</u> | <u>\$ 35,788,327</u> | <u>\$ 4,487,282</u> | <u>\$ 3,443,451</u> | <u>\$ 43,719,060</u> |

Note 16 - Retirement Plan

USSA has a defined contribution plan covering substantially all employees under section 401(k) of the Internal Revenue Code. The plan provides that employees who have attained the age 21 and completed one month of service can voluntarily contribute up to the maximum contribution allowed by the IRS. The Companies can, at its discretion, make a contribution to the plan. Effective September 1, 2017, the plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the plan unless they affirmatively elect not to participate in the plan and the Companies made 2% matching contributions to the plan. Automatically enrolled participants have their deferral rate set at 1% of eligible compensation and their contributions invested in a designated age-based fund until changed by the participant. For the years ended April 30, 2021 and 2020, there were \$204,174 and \$192,593 of employer contributions to the plan, respectively.

Note 17 - Legal Claims and Commitments

The Companies are involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate liability, if any, will not have a material effect on the Companies' combined/consolidated financial position or results of activity. During the year ended April 30, 2017, the Companies incurred a settlement fee, with \$0 and \$100,000 in remaining contributions payable at April 30, 2021 and 2020, respectively.

Note 18 - Risk and Uncertainties

The Companies have been impacted by the effects and continuation of the world-wide coronavirus pandemic. The Companies are closely monitoring their operations, liquidity, and capital resources and are actively working to minimize the current and future impact of this unprecedented situation. As of the date of issuance of these combined/consolidated financial statements, the full impact to the Companies' financial position is not known.

Note 19 - Subsequent Events

Subsequent to April 30, 2021, COE, LLC refinanced their bonds. Zions Bank purchased the bonds through the refinance that closed in May 2021. USSA, the Foundation, USSAIF, and USST are guarantors on the long-term debt from Zions Bank. This refinance extended the amortization period to May 2051 and changed the interest rate on the bonds to a fixed interest rate of 2.75%. The refinance with Zions Bank simplifies the organization debt structure by moving to a fixed rate and eliminates the swap agreement with Wells Fargo.

Subsequent to April 30, 2021, USSA entered into a \$5,000,000 line of credit agreement with Zions Bank. The line of credit agreement bears interest at one-month LIBOR plus 1.25% spread and a fee equal to 0.05% per annum on the daily unused amount of the line of credit. The line of credit agreement matures on May 13, 2024.

United States Ski and Snowboard and Affiliated Entities

Notes to Combined/Consolidated Financial Statements

April 30, 2021 and 2020

Subsequent to April 30, 2021, USSA received forgiveness of the second PPP loan in the amount of \$2,010,027 which includes accrued interest through the date in which the second PPP loan was forgiven.

Subsequent events have been evaluated through July 29, 2021, which is the date the combined/consolidated financial statements were available to be issued.



Supplementary Information
April 30, 2021

United States Ski and Snowboard and Affiliated Entities

United States Ski and Snowboard and Affiliated Entities
Combining/Consolidating Statement of Financial Position
April 30, 2021

| | United States Ski and Snowboard Association | United States Ski Team, Inc. | United States Ski Team Foundation | USSA Investment Fund | Center of Excellence Properties Fund | Eliminations | Combined/ Consolidated Balance |
|--|--|------------------------------------|---|----------------------------|--|------------------------|--------------------------------------|
| Assets | | | | | | | |
| Current Assets | | | | | | | |
| Cash and cash equivalents | \$ 4,149,325 | \$ - | \$ 9,613,353 | \$ - | \$ 92,164 | \$ - | \$ 13,854,842 |
| Accounts receivable, net | 1,111,032 | 480,077 | 28,766 | - | - | - | 1,619,875 |
| Contributions receivable, net | - | - | 712,000 | - | - | - | 712,000 |
| Related party receivable | 14,491,803 | 516,474 | 255 | - | 521,055 | (15,529,587) | - |
| Inventories | - | 147,604 | - | - | - | - | 147,604 |
| Prepaid expenses | 403,944 | 241,233 | 22,122 | - | - | - | 667,299 |
| Total current assets | <u>20,156,104</u> | <u>1,385,388</u> | <u>10,376,496</u> | <u>-</u> | <u>613,219</u> | <u>(15,529,587)</u> | <u>17,001,620</u> |
| Endowment Investments | - | - | - | 59,741,744 | - | - | 59,741,744 |
| Quasi Endowment and Purpose-Restricted Investment: | - | - | - | 2,470,317 | - | - | 2,470,317 |
| Property and Equipment, Net | 598,904 | 364,692 | 497 | - | 16,140,853 | - | 17,104,946 |
| Other Assets | 1,506,761 | 21,590 | - | - | - | (100) | 1,528,251 |
| | <u>\$ 22,261,769</u> | <u>\$ 1,771,670</u> | <u>\$ 10,376,993</u> | <u>\$ 62,212,061</u> | <u>\$ 16,754,072</u> | <u>\$ (15,529,687)</u> | <u>\$ 97,846,878</u> |

United States Ski and Snowboard and Affiliated Entities

Combining/Consolidating Statement of Financial Position

April 30, 2021

| | United States Ski and Snowboard Association | United States Ski Team, Inc. | United States Ski Team Foundation | USSA Investment Fund | Center of Excellence Properties Fund | Eliminations | Combined/ Consolidated Balance |
|--|--|---------------------------------|---|----------------------------|--|------------------------|--------------------------------------|
| Liabilities and Net Assets | | | | | | | |
| Current Liabilities | | | | | | | |
| Checks issued in excess of bank balance | \$ - | \$ 14,403 | \$ - | \$ - | \$ - | \$ - | \$ 14,403 |
| Accounts payable | 1,139,597 | 661,856 | 6,269 | - | - | - | 1,807,722 |
| Related party payable | 521,055 | 13,414,678 | 1,588,754 | 5,100 | - | (15,529,587) | - |
| Accrued liabilities | 458,778 | 264,762 | 21,947 | - | 27,473 | - | 772,960 |
| Current maturities of long-term debt | - | - | - | - | 370,984 | - | 370,984 |
| Deferred revenue | 190,304 | 179,670 | 6,078,786 | - | - | - | 6,448,760 |
| Total current liabilities | 2,309,734 | 14,535,369 | 7,695,756 | 5,100 | 398,457 | (15,529,587) | 9,414,829 |
| Paycheck Protection Program (PPP) Loan | 2,005,151 | - | - | - | - | - | 2,005,151 |
| Long-Term Debt, Less Current Maturities | - | - | - | - | 15,027,725 | - | 15,027,725 |
| Deferred Revenue | 5,000 | - | 1,236,449 | - | - | - | 1,241,449 |
| Interest-Rate Swap | - | - | - | - | 21,336 | - | 21,336 |
| Total liabilities | 4,319,885 | 14,535,369 | 8,932,205 | 5,100 | 15,447,518 | (15,529,587) | 27,710,490 |
| Net Assets | | | | | | | |
| Without donor restrictions | | | | | | | |
| Undesignated | 17,941,884 | (12,763,699) | 1,444,788 | - | 1,306,554 | (100) | 7,929,427 |
| Designated by the board as quasi endowment | - | - | - | 2,016,798 | - | - | 2,016,798 |
| With donor restrictions | | | | | | | |
| Purpose restrictions | - | - | - | 453,519 | - | - | 453,519 |
| Purpose restrictions - endowment earnings | - | - | - | 3,586,048 | - | - | 3,586,048 |
| Perpetual in nature - endowments | - | - | - | 56,150,596 | - | - | 56,150,596 |
| Total net assets | 17,941,884 | (12,763,699) | 1,444,788 | 62,206,961 | 1,306,554 | (100) | 70,136,388 |
| | \$ 22,261,769 | \$ 1,771,670 | \$ 10,376,993 | \$ 62,212,061 | \$ 16,754,072 | \$ (15,529,687) | \$ 97,846,878 |

United States Ski and Snowboard and Affiliated Entities
Combining/Consolidating Statement of Activities
Year Ended April 30, 2021

| | United States Ski and Snowboard Association | United States Ski Team, Inc. | United States Ski Team Foundation | USSA Investment Fund | Center of Excellence Properties Fund | Eliminations | Combined/ Consolidated Balance |
|--|--|---------------------------------|---|----------------------------|--|--------------------|--------------------------------------|
| Changes in Net Assets Without Donor Restrictions | | | | | | | |
| Revenue and support | | | | | | | |
| Sponsorship contracts and rights fees | | | | | | | |
| Revenue | \$ 9,709,561 | \$ 2,393,509 | \$ - | \$ - | \$ - | \$ - | \$ 12,103,070 |
| Fulfillment expense | (4,196,122) | (1,442,154) | - | - | - | - | (5,638,276) |
| | <u>5,513,439</u> | <u>951,355</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>6,464,794</u> |
| Contributions and fundraising activities | | | | | | | |
| Revenue | - | 9,976,706 | 12,489,630 | - | - | (9,976,706) | 12,489,630 |
| Fulfillment expense | - | - | (12,291,685) | - | - | 9,976,706 | (2,314,979) |
| | <u>-</u> | <u>9,976,706</u> | <u>197,945</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>10,174,651</u> |
| Self-funded regional programs | | | | | | | |
| Revenue | 77,807 | - | - | - | - | - | 77,807 |
| Fulfillment expense | (77,807) | - | - | - | - | - | (77,807) |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Membership and competition dues and fees | 5,293,359 | 4,301 | - | - | - | - | 5,297,660 |
| Grants from United States Olympic Committee | 6,007,415 | 6,007,415 | - | - | - | (6,007,415) | 6,007,415 |
| Athletic grant from endowment | 1,895,566 | - | - | - | - | - | 1,895,566 |
| Gain on forgiveness of Paycheck Protection Program (PPP) Loan | 2,536,807 | - | - | - | - | - | 2,536,807 |
| Other revenue (expense), net | 3,419,480 | 306,282 | 33,371 | - | (950,000) | (1,992,000) | 817,133 |
| Net assets released from donor restrictions | - | - | 376,083 | 648,739 | - | - | 1,024,822 |
| | <u>-</u> | <u>-</u> | <u>376,083</u> | <u>648,739</u> | <u>-</u> | <u>-</u> | <u>1,024,822</u> |
| Net revenue and support available for programs and administration | <u>24,666,066</u> | <u>17,246,059</u> | <u>607,399</u> | <u>648,739</u> | <u>(950,000)</u> | <u>(7,999,415)</u> | <u>34,218,848</u> |

United States Ski and Snowboard and Affiliated Entities
Combining/Consolidating Statement of Activities
Year Ended April 30, 2021

| | United States Ski and Snowboard Association | United States Ski Team, Inc. | United States Ski Team Foundation | USSA Investment Fund | Center of Excellence Properties Fund | Eliminations | Combined/ Consolidated Balance |
|---|--|---------------------------------|---|----------------------------|--|------------------|--------------------------------------|
| Costs of programs and administration | | | | | | | |
| Elite team athletic programs | \$ (975,959) | \$ (15,095,525) | \$ - | \$ - | \$ (1,103,052) | \$ - | \$ (17,174,536) |
| Domestic athletic programs | (10,113,967) | (1,197,537) | - | - | - | 6,007,415 | (5,304,089) |
| Events | (2,731,266) | (125,127) | - | - | - | - | (2,856,393) |
| General and administration | (7,393,555) | (2,069,858) | (192,000) | - | 2,188,213 | 1,992,000 | (5,475,200) |
| Grants | - | - | (400,183) | (648,739) | - | - | (1,048,922) |
| | <u>(21,214,747)</u> | <u>(18,488,047)</u> | <u>(592,183)</u> | <u>(648,739)</u> | <u>1,085,161</u> | <u>7,999,415</u> | <u>(31,859,140)</u> |
| Change in undesignated net assets from operations | <u>3,451,319</u> | <u>(1,241,988)</u> | <u>15,216</u> | <u>-</u> | <u>135,161</u> | <u>-</u> | <u>2,359,708</u> |
| Change in endowment funds | | | | | | | |
| Grants to scholarship program | - | - | - | (198,369) | - | - | (198,369) |
| Grants to athletic programs | - | - | - | (1,889,303) | - | - | (1,889,303) |
| Net assets released from restriction pursuant to endowment spending-rate distribution formula | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,087,672</u> | <u>-</u> | <u>-</u> | <u>2,087,672</u> |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Change in value of interest-rate swap | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(8,975)</u> | <u>-</u> | <u>(8,975)</u> |
| Change in undesignated net assets | <u>3,451,319</u> | <u>(1,241,988)</u> | <u>15,216</u> | <u>-</u> | <u>126,186</u> | <u>-</u> | <u>2,350,733</u> |
| Changes in designated net assets | | | | | | | |
| USSAIF net investment income | - | - | - | 460,984 | - | - | 460,984 |
| USSAIF grant to athletic program | - | - | - | (71,859) | - | - | (71,859) |
| Change in designated net assets | <u>-</u> | <u>-</u> | <u>-</u> | <u>389,125</u> | <u>-</u> | <u>-</u> | <u>389,125</u> |
| Change in net assets without donor restrictions | <u>3,451,319</u> | <u>(1,241,988)</u> | <u>15,216</u> | <u>389,125</u> | <u>126,186</u> | <u>-</u> | <u>2,739,858</u> |

United States Ski and Snowboard and Affiliated Entities
Combining/Consolidating Statement of Activities
Year Ended April 30, 2021

| | United States Ski and Snowboard Association | United States Ski Team, Inc. | United States Ski Team Foundation | USSA Investment Fund | Center of Excellence Properties Fund | Eliminations | Combined/ Consolidated Balance |
|---|--|---------------------------------|---|----------------------------|--|-----------------|--------------------------------------|
| Changes in Net Assets With Purpose Restrictions | | | | | | | |
| Scholarship donations received | \$ - | \$ - | \$ 360,867 | \$ - | \$ - | \$ - | \$ 360,867 |
| Net assets released from donor restrictions | - | - | (376,083) | (648,739) | - | - | (1,024,822) |
| Net investment income | - | - | - | 4,334,449 | - | - | 4,334,449 |
| Change in net assets with purpose restrictions | - | - | (15,216) | 3,685,710 | - | - | 3,670,494 |
| Changes in Net Assets With Donor Restrictions - Endowment | | | | | | | |
| Net assets released from restriction pursuant to endowment spending-rate distribution formula | - | - | - | (1,438,933) | - | - | (1,438,933) |
| Net investment income | - | - | - | 8,482,562 | - | - | 8,482,562 |
| Endowment contributions | - | - | - | 3,215,603 | - | - | 3,215,603 |
| Changes in net assets with donor restrictions - endowment | - | - | - | 10,259,232 | - | - | 10,259,232 |
| Change in Net Assets | 3,451,319 | (1,241,988) | - | 14,334,067 | 126,186 | - | 16,669,584 |
| Net Assets (Deficit), Beginning of Year | 14,490,565 | (11,521,711) | 1,444,788 | 47,872,894 | 1,180,368 | (100) | 53,466,804 |
| Net Assets (Deficit), End of Year | <u>\$ 17,941,884</u> | <u>\$ (12,763,699)</u> | <u>\$ 1,444,788</u> | <u>\$ 62,206,961</u> | <u>\$ 1,306,554</u> | <u>\$ (100)</u> | <u>\$ 70,136,388</u> |