



SDSN Association, Inc. and Affiliate

Independent Auditor's Report and Consolidated Financial Statements

June 30, 2024



SDSN Association, Inc. and Affiliate
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Independent Auditor's Report

Board of Directors
SDSN Association, Inc. and Affiliate
New York, New York

Opinion

We have audited the consolidated financial statements of SDSN Association, Inc., and Affiliate which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of SDSN Association, Inc. and Affiliate as of June 30, 2024, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Prior Year Audited by Other Auditors

The 2023 consolidated financial statements were audited by other auditors, and their report thereon, dated November 21, 2023, expressed an unmodified opinion. The summarized comparative information presented herein as of and for the year ended June 30, 2023 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SDSN Association, Inc. and Affiliate's ability to continue as a going concern within one year after the date that these consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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 consolidated 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 consolidated 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 SDSN Association, Inc. and Affiliate'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about SDSN Association, Inc. and Affiliate'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.

Forvis Mazars, LLP

**New York, New York
December 4, 2024**

SDSN Association, Inc. and Affiliate
Consolidated Statement of Financial Position
June 30, 2024 (With Summarized Comparative Totals for 2023)

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash	\$ 7,428,784	\$ 8,211,525
Grants, contributions receivable and accounts receivable	1,285,929	2,381,909
Other receivables	28,073	52,367
Prepaid expenses and other assets	359,584	365,050
Property and equipment, net	29,974	42,548
Right-of-use asset	317,499	390,070
Total Assets	<u>\$ 9,449,843</u>	<u>\$ 11,443,469</u>
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	\$ 1,661,978	\$ 974,462
Refundable advances	1,658,417	2,089,243
Contract liabilities	33,082	48,583
Lease liability	322,702	394,410
Total Liabilities	<u>3,676,179</u>	<u>3,506,698</u>
Net Assets		
Without donor restrictions	4,129,412	5,211,689
With donor restrictions	1,644,252	2,725,082
Total Net Assets	<u>5,773,664</u>	<u>7,936,771</u>
Total Liabilities and Net Assets	<u>\$ 9,449,843</u>	<u>\$ 11,443,469</u>

SDSN Association, Inc. and Affiliate
Consolidated Statement of Activities
Year Ended June 30, 2024 (With Summarized Comparative Totals for 2023)

	2024			
	Without Donor Restrictions	With Donor Restrictions	Total	2023
Revenue and Support				
Government grants	\$ -	\$ 1,071,062	\$ 1,071,062	\$ 1,702,337
Foundation and other contributions	632,841	5,907,373	6,540,214	8,670,073
In-kind contributions	114,762	-	114,762	120,270
Fees for service	1,906,283	-	1,906,283	1,653,057
Miscellaneous revenue	39,286	-	39,286	57,874
Net assets released from restrictions	8,059,265	(8,059,265)	-	-
Total Revenue and Support	10,752,437	(1,080,830)	9,671,607	12,203,611
Expenses				
Program services	8,922,272	-	8,922,272	8,852,808
Management and general	2,564,555	-	2,564,555	2,098,615
Fundraising	350,928	-	350,928	296,454
Total Expenses	11,837,755	-	11,837,755	11,247,877
Change in Net Assets Before Foreign Currency Translation Gain	(1,085,318)	(1,080,830)	(2,166,148)	955,734
Foreign currency translation gain	3,041	-	3,041	-
Change in Net Assets	(1,082,277)	(1,080,830)	(2,163,107)	955,735
Net Assets, Beginning of Year	5,211,689	2,725,082	7,936,771	6,981,036
Net Assets, End of Year	\$ 4,129,412	\$ 1,644,252	\$ 5,773,664	\$ 7,936,771

SDSN Association, Inc. and Affiliate
Consolidated Statement of Functional Expenses
Year Ended June 30, 2024 (With Summarized Comparative Totals for 2023)

	2024			Total	2023
	Program Services	Management and General	Fundraising		
Salaries, fees, payroll taxes, benefits	\$ 4,904,813	\$ 1,691,188	\$ 348,711	\$ 6,944,712	\$ 6,797,951
Professional fees	53,657	123,466	-	177,123	133,895
Legal fees	-	57,312	-	57,312	45,939
Media production	104,090	66	-	104,156	72,195
Grant and contract expense	2,200,985	21,600	-	2,222,585	1,868,646
Subawards	538,031	-	-	538,031	845,975
Conferences and meetings	156,103	22,148	-	178,251	111,523
Travel and lodging	753,232	23,273	565	777,070	560,716
Occupancy	90,208	248,671	-	338,879	337,991
Office supplies, software, cloud services, other	103,891	140,115	1,602	245,608	233,702
Administrative services and training fees	2,208	149,623	-	151,831	124,085
Insurance	946	57,153	-	58,099	34,910
Dues and subscriptions	14,108	2,365	50	16,523	8,055
Depreciation	-	27,575	-	27,575	26,342
Bad debt expense	-	-	-	-	100
Foreign currency translation loss	-	-	-	-	45,852
Total Expenses	\$ 8,922,272	\$ 2,564,555	\$ 350,928	\$ 11,837,755	\$ 11,247,877

SDSN Association, Inc. and Affiliate
Consolidated Statement of Cash Flows
Year Ended June 30, 2024 (With Summarized Comparative Totals for 2023)

	<u>2024</u>	<u>2023</u>
Operating Activities		
Change in net assets	\$ (2,163,107)	\$ 955,735
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities		
Bad debt expense	-	100
Depreciation	27,575	26,342
Reduction (addition) in carrying value of lease assets	242,811	(390,070)
Increase (decrease) in cash resulting from changes in operating assets and liabilities		
Grants and contributions receivable	1,095,980	(239,674)
Accounts payable and accrued expenses	687,516	(500,671)
Other receivables	24,294	(33,132)
Prepaid expenses and other assets	5,466	(51,802)
Refundable advances	(430,826)	533,160
Contract liabilities	(15,501)	1,096
Lease liability	(241,948)	394,410
Net Cash (Used in) Provided by Operating Activities	<u>(767,740)</u>	<u>695,494</u>
Investing Activities		
Purchase of property and equipment	(15,001)	(16,893)
Net Cash Used in Investing Activities	<u>(15,001)</u>	<u>(16,893)</u>
Net (Decrease) Increase in Cash	(782,741)	678,601
Cash, Beginning of Year	<u>8,211,525</u>	<u>7,532,924</u>
Cash, End of Year	<u>\$ 7,428,784</u>	<u>\$ 8,211,525</u>
Supplemental Disclosure of Noncash Investing and Financing Activities		
Right-of-use assets/lease liabilities incurred during the year	\$ 170,240	\$ -

SDSN Association, Inc. and Affiliate
Notes to the Consolidated Financial Statements
June 30, 2024 (With Summarized Comparative Totals for 2023)

Note 1. Organization and Summary of Significant Accounting Policies

SDSN Association, Inc. (SDSN Association) and Affiliate (collectively, the Association), is a non-profit New York corporation that was incorporated to support the UN Sustainable Development Solutions Network (SDSN).

SDSN was formed in August 2012 at the request of the UN Secretary-General Ban Ki Moon to mobilize global scientific and technological expertise to promote practical problem solving for sustainable development, including the design and implementation of the Sustainable Development Goals (SDGs). Following its adoption in 2015, SDSN is focused on supporting implementation of the SDGs at local, national, and global scales. SDSN aims to accelerate joint learning and to help overcome the compartmentalization of technical and policy work by promoting integrated approaches to the interconnected economic, social, and environmental challenges confronting the world.

SDSN's work is organized into three major programmatic areas: a global system of National and Regional Networks, including the SDSN Youth program that mobilizes the knowledge community for action on the SDGs, the SDG Academy that develops and distributes free online education materials on the SDGs for a global audience, and SDSN's Research and Policy work that translates scientific evidence and ideas into solutions and accountability. SDSN's Research and Policy portfolio includes the annual Sustainable Development Report and local indices reports, the Science Panel for the Amazon, modelling, and policy analysis on sustainable food and land use, climate work, initiatives on happiness and wellbeing, and a program to advance the data revolution for sustainable development. SDSN works closely with the United Nations, academic institutions, think tanks, multilateral financing institutions, the private sector, and civil society.

SDSN Association was incorporated in Delaware in March 2014 and is based in New York City. SDSN is exempt from Federal income taxes under section 501(c)(3) of the Internal Revenue Code (the Code) and is classified as a publicly supported organization described in section 509(a)(1) of the Code. SDSN has an office in Paris as well as New York City. SDSN Association Paris (SDSN Paris) was established under the French nonprofit organizations law of 1901 to facilitate the Paris operations. The activities of SDSN Paris are included in these consolidated financial statements.

SDSN's main source of revenue is grants and contributions.

Use of Estimates

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

Basis of Presentation

The consolidated financial statements of the Association have been prepared on the accrual basis of accounting in accordance with principles generally accepted in the United States of America. The net assets of the Association and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions – Net assets without donor restrictions are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes. The Board may designate a portion of these net assets for a specific purpose which makes them unavailable for use at management's discretion.

SDSN Association, Inc. and Affiliate
Notes to the Consolidated Financial Statements
June 30, 2024 (With Summarized Comparative Totals for 2023)

Net Assets with Donor Restrictions – Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time, and/or purpose restrictions.

At June 30, 2024 and 2023, there were no net assets with Board designations.

Cash

The Association maintains cash in two bank accounts in the United States which, at times may exceed federally-insured limits of \$250,000. The Association has not experienced any losses in such accounts. The Association also maintains one bank account in France. At June 30, 2024, the uninsured balance is approximately \$6,924,217. As of June 30, 2024, SDSN had uninsured cash balances held in overseas banks of approximately \$391,000.

Grants and Contributions Receivable

Grants and contributions that are expected to be collected within one year are recorded at net realizable value. Grants and contributions due in more than one year are discounted to their present value (estimated fair value) using a rate commensurate with the risks involved. Grants and contributions receivable are periodically evaluated for collectability. Changes in the estimated collectability of the receivables are recorded in the consolidated statements of activities and changes in net assets in the period in which the estimate is revised.

Property and Equipment

Property and equipment are stated at cost. Depreciation of property and equipment is provided using the straight-line method over the estimated useful lives of the related assets which range from three to five years. Additions are capitalized, whereas costs of maintenance and repairs are charged to expense as incurred.

Leases

The Association is accounting for its leases in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 842, *Leases* (ASC 842) Per ASC 842 the lease contract gives rise to the recognition of a lease liability in the lessee's balance sheet, representing the present value of lease payments including fixed rental payments. The lease liability is recognized against a right-of-use asset corresponding to the leased item. The Association defines the lease term as the noncancelable term of the lease plus any renewals covered by renewal options that are reasonably certain of exercise based on management's assessment of the economic factors relevant to the lessee.

As the implicit rate in SDSN Association's leases is unknown, the Association uses the practical expedient available to use the risk-free rate at the adoption date in determining the present value of future lease payments. The Association also elected the following package of practical expedients: 1) not to allocate consideration between lease and non-lease components, and 2) not to record leases with a term of 12 months or less.

Contributions and Government Grants

The Association reports gifts of cash and other assets as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. 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 consolidated statements of activities and changes in net assets as net assets released from restrictions.

The Association receives grants funding from various funding sources that specify certain conditions to be met. Accordingly, the Association records these funds as refundable advances when received and recognizes these as contributions when the conditions are fulfilled.

SDSN Association, Inc. and Affiliate
Notes to the Consolidated Financial Statements
June 30, 2024 (With Summarized Comparative Totals for 2023)

Fee for Service Revenue

Fees for services are generally recognized at the point in time that performance under the arrangement is completed or the contract is cancelled. However, for certain contracts, revenue is recognized over time in which the performance obligations are simultaneously provided by SDSN and consumed by the counterparty. In some circumstances, significant judgement is needed to determine the timing and measure of progress appropriate for revenue recognition under a specific contract. Contract liabilities arise when funds are received in advance of the services being provided.

Contract Balances

The following table provides information about the Association's receivables and contract liabilities from contracts with customers:

	2024	2023
Accounts receivable, beginning of year	\$ 84,046	\$ 295,254
Accounts receivable, end of year	564,321	84,046
Contract liabilities, beginning of year	\$ 48,583	\$ 47,417
Contract liabilities, end of year	33,082	48,583

There were no contract assets as of June 30, 2024 or June 30, 2023.

Functional Allocation of Expenses

The consolidated statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Association are reported as expenses of those functional areas. A portion of management and general costs that benefit multiple functional areas (indirect costs) have been allocated across programs and other supporting services based on the proportion of full-time employee equivalents of a program or other supporting service versus the total organizational full-time employee equivalents.

Foreign Currency Translation

Foreign currency translation gains and losses are the inherent result of the process of translation to U.S. dollars. For financial reporting purposes, SDSN's foreign operations are stated in U.S. dollars.

In-Kind Contributions

In-kind contributions for services or the use of equipment, materials or facilities at less than fair value are recorded at their fair value in accordance with accounting literature, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Association.

Principles of Consolidation

The consolidated financial statements include the accounts of SDSN Association and SDSN Paris. SDSN Paris is related in that they have a common Board of Directors and SDSN Association has an economic interest in SDSN Paris. All material intercompany transactions and balances are eliminated in consolidation.

SDSN Association, Inc. and Affiliate
Notes to the Consolidated Financial Statements
June 30, 2024 (With Summarized Comparative Totals for 2023)

Summarized Prior Year Information

The consolidated statements of activities and changes in net assets and functional expenses includes certain prior year summarized comparative information in total, which does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Such information should be read in conjunction with the organization's consolidated financial statements for the year ended June 30, 2023, from which the summarized information was derived.

Revisions

Certain immaterial revisions have been made to the 2023 consolidated financial statements to split refundable advances and contract liabilities into two lines on the consolidated statement of financial position and to correct the 2023 grants and contributions receivable amount in Note 2 to conform to the 2024 presentation. These revisions did not have a significant impact on the financial statement line items impacted.

Note 2. Grants and Contributions Receivable

Grants and contributions receivable expected to be collected at June 30 are as follows:

	<u>2024</u>	<u>2023</u>
Amounts due in less than one year	<u>\$ 721,608</u>	<u>\$ 2,297,863</u>

Note 3. Property and Equipment

Property and equipment consists of the following at June 30:

	<u>2024</u>	<u>2023</u>
Computers and software	\$ 146,382	\$ 138,701
Furniture, fixtures, and equipment	<u>21,367</u>	<u>21,367</u>
	167,749	160,068
Less: accumulated depreciation	<u>(137,775)</u>	<u>(117,520)</u>
	<u>\$ 29,974</u>	<u>\$ 42,548</u>

For the years ended June 30, 2024 and 2023, depreciation amounted to \$27,575 and \$26,342, respectively.

SDSN Association, Inc. and Affiliate
Notes to the Consolidated Financial Statements
June 30, 2024 (With Summarized Comparative Totals for 2023)

Note 4. Net Assets with Donor Restrictions

Net assets with donor restrictions at June 30 consists of the following:

	<u>2024</u>	<u>2023</u>
Academy/education	\$ 346,018	\$ 413,887
Networks	285,286	161,061
Policy and research	822,958	2,123,769
Management	<u>189,990</u>	<u>26,365</u>
	<u>\$ 1,644,252</u>	<u>\$ 2,725,082</u>

Note 5. In-Kind Contributions

The fair value of donated legal, accounting, technology, and web services included as contributions in the consolidated financial statements and the corresponding program expenses amount to \$114,762 and \$120,270 for the years ended June 30, 2024 and 2023, respectively. This amount represents services provided directly to the Association during the period.

<u>Nonfinancial Contributions Category</u>	<u>Type of Contributions for Beneficiaries</u>	<u>Valuation</u>	<u>2024</u>	<u>2023</u>
In-kind media	Digital campaign	Third-party rates for numbers of clicks and impressions	\$ 417	\$ 1,388
In-kind consulting services	Pro bono consulting services from the president of SDSN	Estimates using historical compensation of individuals in similar roles	80,284	77,946
In-kind legal services	Pro bono legal services	Estimated third party billing rates	104	26,286
In-kind accounting services	Professional accounting services	Estimated third party billing rates	<u>33,957</u>	<u>14,650</u>
			<u>\$ 114,762</u>	<u>\$ 120,270</u>

SDSN Association, Inc. and Affiliate
Notes to the Consolidated Financial Statements
June 30, 2024 (With Summarized Comparative Totals for 2023)

Note 6. Fee for Service Revenue

During the years ended June 30, 2024 and 2023, the Association generated fees of \$1,756,014 and \$1,526,621, respectively, from consulting and support for online courses (production, marketing, and technical) and payroll administrative services, and \$88,519 and \$85,125, respectively, from admission income and academy certificate income. The Association also generated \$61,750 and \$41,311 of membership and subscription income for the years ended June 30, 2024 and 2023.

	<u>2024</u>	<u>2023</u>
Revenue recognized at a point in time	\$ 1,769,714	\$ 1,532,720
Revenue recognized over time	136,569	120,337
	<u>\$ 1,906,283</u>	<u>\$ 1,653,057</u>

Note 7. Related-Party Transactions

Contributions received from the Association's Board of Directors and officers amounted to approximately \$1,210,000 and \$1,060,000 for the years ended June 30, 2024 and 2023, respectively.

Note 8. Conditional Grants

During the year ended June 30, 2021, a conditional grant in the amount of \$4,182,164 was awarded to the Association to be received over five years. The grant is recognized when conditions are met. In 2022, approximately \$841,500 was recognized. For the years ended June 30, 2024 and 2023, \$941,924 and \$928,558, respectively, has been recognized as revenue and support. At June 30, 2024, \$970,182 remains conditional to be recognized when the conditions are met.

During the year ended June 30, 2021, the Association was awarded a grant in the amount of \$5,000,000. The grant contains certain conditions upon which future funding will be disbursed. The Association recorded \$2,000,000 of contribution receivable for the amount earned as of June 30, 2021. For the years ended June 30, 2024 and 2023, \$500,000 and \$0, respectively, has been recognized as revenue and support. At June 30, 2024, \$2,500,000 remains conditional to be recognized when the conditions are met.

SDSN Association, Inc. and Affiliate
Notes to the Consolidated Financial Statements
June 30, 2024 (With Summarized Comparative Totals for 2023)

Note 9. Liquidity and Availability of Resources

The Association's financial assets available within one year of the consolidated statements of financial position date for general expenditures is as follows:

	<u>2024</u>	<u>2023</u>
Cash	\$ 7,428,784	\$ 8,211,525
Grants, contributions receivable and accounts receivable	1,285,929	2,381,909
Other receivables	<u>28,073</u>	<u>52,367</u>
Total financial assets available within one year	8,742,786	10,645,801
Less:		
Amounts unavailable for general expenditures within one year due to:		
Restricted by donors with purpose or time restrictions	(1,644,252)	(2,725,082)
Cash received from conditional contributions	<u>(1,658,417)</u>	<u>(2,089,243)</u>
Total financial assets available to management for general expenditures within one year	<u>\$ 5,440,117</u>	<u>\$ 5,831,476</u>

Liquidity Management

The Association maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

Note 10. Concentrations

For the year ended June 30, 2024, approximately 40% of total government grants and contributions are from three organizations. As of June 30, 2024, approximately 68% of total government grants and contributions receivable is from three organizations.

For the year ended June 30, 2023, approximately 33% of total government grants and contributions are from two organizations. As of June 30, 2023, approximately 87% of total grants and contributions receivable are from five organizations.

Note 11. Leases Commitments

The Association leases office space in New York and Paris under various noncancelable operating leases expiring in 2025 and 2026.

Occupancy expenses amounted to approximately \$339,000 and \$338,000 for the years ended June 30, 2024 and 2023, respectively.

SDSN Association, Inc. and Affiliate
Notes to the Consolidated Financial Statements
June 30, 2024 (With Summarized Comparative Totals for 2023)

Supplemental information as June 30:

	<u>2024</u>	<u>2023</u>
Weighted average remaining lease term	1.47 years	2.14 years
Weighted average discount rate	4.03%	1.44%
Operating lease cost	\$ 242,811	\$ 220,532
Cash paid for lease liabilities	241,948	225,213

Approximate future minimum obligations under the leases are as follows:

<u>Years Ended June 30,</u>	<u>2024</u>
2025	\$ 250,984
2026	<u>80,699</u>
Total lease payments	331,683
Less: present value discount	<u>(8,981)</u>
Operating of lease liabilities	<u>\$ 322,702</u>

Note 12. Employee Benefits Plan

In 2017, the Association established a 401(k) defined contribution pension plan covering all employees who have reached the age of 21. Pension expenses for the years ended June 30, 2024 and 2023 were \$147,126 and \$145,222, respectively.

Note 13. Subsequent Events

The Association has evaluated subsequent events through December 4, 2024, the date the consolidated financial statements were available for issuance.