TRAILNET, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

TRAILNET, INC.

DECEMBER 31, 2025 AND 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Trailnet, Inc.
St. Louis, Missouri

Opinion

We have audited the financial statements of **Trailnet, Inc.** (the Organization) (a non-profit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Trailnet, Inc.** as of December 31, 2025 and 2024, 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.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the **Trailnet, Inc.'s** ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

Kiefer Bonfanti & Co. LLP

St. Louis, Missouri
July 27, 2026

STATEMENTS OF FINANCIAL POSITION

Assets

	December 31, 2025	2024
Current Assets		
Cash and cash equivalents	**$ 617,541**	$ 598,009
Accounts receivable	**28,052**	59,945
Grants receivable	**55,000**	-
Prepaid expenses	**6,382**	6,958
Total Current Assets	**706,975**	664,912
Investments, at Fair Value	**445,779**	386,984
Property and Equipment, Net	**290,600**	283,532
Total Assets	**$ 1,443,354**	$ 1,335,428

Liabilities and Net Assets

Current Liabilities		
Accounts payable	**$ 25,007**	$ 55,951
Accrued expenses	**64,568**	72,552
Current portion of long-term liabilities	**329,102**	319,368
Total Current Liabilities	**418,677**	447,871
Long-Term Liabilities		
Note payable	**143,051**	146,754
Deferred revenue	**233,085**	236,336
Total Long-Term Liabilities	**376,136**	383,090
Total Liabilities	**794,813**	830,961
Net Assets		
Without donor restrictions	**587,874**	504,467
With donor restrictions	**60,667**	-
Total Net Assets	**648,541**	504,467
Total Liabilities and Net Assets	**$ 1,443,354**	$ 1,335,428

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Support, Revenue, and Gains			
Memberships and contributions	$ 230,821	-	**$ 230,821**
Corporate and foundation grants	466,693	60,667	**527,360**
Government grants	136,703	-	**136,703**
Sponsorships	95,317	-	**95,317**
In-kind contributions	14,625	-	**14,625**
Consulting fees	88,698	-	**88,698**
Event registration	85,950	-	**85,950**
Lease income	193,767	-	**193,767**
Investment income	64,116	-	**64,116**
Gain on disposal of fixed assets	1,860	-	**1,860**
Other income	425	-	**425**
Total Support, Revenue, and Gains	1,378,975	60,667	**1,439,642**
Expenses			
Program services	1,066,792	-	**1,066,792**
Management and general	99,185	-	**99,185**
Fundraising	129,591	-	**129,591**
Total Expenses	1,295,568	-	**1,295,568**
Increase in Net Assets	83,407	60,667	**144,074**
Net Assets, Beginning of Year	504,467	-	**504,467**
Net Assets, End of Year	**$ 587,874**	**60,667**	**$ 648,541**

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support, Revenue, and Gains			
Memberships and contributions	$ 214,501	-	$ 214,501
Corporate and foundation grants	321,884	-	321,884
Government grants	53,787	-	53,787
Sponsorships	24,322	-	24,322
In-kind contributions	30,611	-	30,611
Consulting fees	179,493	-	179,493
Event registration	105,943	-	105,943
Lease income	200,092	-	200,092
Investment income	51,956	-	51,956
Other income	595	-	595
Support, Revenue, and Gains Available	1,183,184	-	1,183,184
Net assets released from restrictions	83,098	(83,098)	-
Total Support, Revenue, and Gains	1,266,282	(83,098)	1,183,184
Expenses			
Program services	954,993	-	954,993
Management and general	107,461	-	107,461
Fundraising	155,300	-	155,300
Total Expenses	1,217,754	-	1,217,754
Increase (Decrease) in Net Assets	48,528	(83,098)	(34,570)
Net Assets, Beginning of Year	455,939	83,098	539,037
Net Assets, End of Year	$ 504,467	-	$ 504,467

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025

	Program Services					Supporting Activities		
	Rides and Bike Encouragement Programs	Outreach, Advocacy, and Communications	Planning and Healthy and Active Communities	Legacy Projects	Total Program Expenses	Management and General	Fundraising	Total
Salaries and benefits	$ 78,242	434,466	160,369	8,992	682,069	54,077	61,232	**$ 797,378**
Consulting and subcontracting	66,410	25,291	78,742	2,025	172,468	8,126	14,222	**194,816**
Office expenses	23,019	45,403	3,763	4,269	76,454	11,833	15,940	**104,227**
Occupancy	24,016	15,337	9,789	-	49,142	2,837	20,107	**72,086**
Professional fees	6,242	16,348	6,242	-	28,832	5,485	5,332	**39,649**
Insurance	10,627	11,709	5,855	-	28,191	2,755	1,378	**32,324**
Equipment expenses	541	4,800	9,332	-	14,673	252	105	**15,030**
In-Kind	-	3,375	-	-	3,375	-	10,750	**14,125**
Depreciation	-	-	-	378	378	9,574	-	**9,952**
Project delivery and supplies	4,067	3,323	638	8	8,036	140	135	**8,311**
Interest	-	-	-	-	-	4,081	-	**4,081**
Conferences and reference materials	-	2,715	459	-	3,174	25	390	**3,589**
Total	**$ 213,164**	**562,767**	**275,189**	**15,672**	**1,066,792**	**99,185**	**129,591**	**$ 1,295,568**
Percentage of Total Expenses	**16.5%**	**43.4%**	**21.2%**	**1.2%**	**82.3%**	**7.7%**	**10.0%**	**100.0%**

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024

	Program Services					Supporting Activities		
	Rides and Bike Encouragement Programs	Outreach, Advocacy, and Communications	Planning and Healthy and Active Communities	Legacy Projects	Total Program Expenses	Management and General	Fundraising	Total
Salaries and benefits	$ 82,046	279,949	168,110	6,731	536,836	65,754	119,360	$ 721,950
Consulting and subcontracting	34,525	47,803	58,596	-	140,924	18,135	9,173	168,232
Office expenses	13,322	52,697	5,081	-	71,100	9,540	10,447	91,087
Occupancy	22,546	20,674	9,821	-	53,041	3,435	1,717	58,193
Professional fees	8,906	23,229	8,906	-	41,041	1,256	7,513	49,810
Insurance	18,469	11,199	5,599	-	35,267	2,635	1,318	39,220
Equipment expenses	741	1,189	295	-	2,225	69	139	2,433
In-Kind	732	13,151	2,500	2,500	18,883	-	2,553	21,436
Depreciation	-	-	-	-	-	974	-	974
Project delivery and supplies	31,618	14,592	5,529	58	51,797	1,013	2,340	55,150
Interest	-	-	-	-	-	4,532	-	4,532
Conferences and reference materials	125	3,679	75	-	3,879	118	740	4,737
Total	$ 213,030	468,162	264,512	9,289	954,993	107,461	155,300	$ 1,217,754
Percentage of Total Expenses	17.5%	38.4%	21.7%	0.8%	78.4%	8.8%	12.8%	100.0%

STATEMENTS OF CASH FLOWS

	Years Ended December 31,	
	2025	2024
Cash Flows from Operating Activities		
Change in net assets	**$ 144,074**	$ (34,570)
Adjustments:		
Depreciation	**9,952**	974
Realized and unrealized gain on investments	**(28,033)**	(15,372)
Gain on disposal of fixed assets	**(1,860)**	-
(Increase) decrease in operating assets:		
Accounts and grants receivable	**(23,107)**	(10,853)
Prepaid expenses	**576**	(549)
Increase (decrease) in operating liabilities:		
Accounts payable	**(30,944)**	43,617
Accrued expenses	**(7,984)**	2,349
Deferred revenue	**6,391**	24,305
Net Cash Provided by Operating Activities	**69,065**	9,901
Cash Flows from Investing Activities		
Proceeds from sale of investments	**49,000**	-
Proceeds from disposal of fixed assets	**1,860**	-
Purchase of investments	**(79,762)**	(16,159)
Purchase of assets	**(17,020)**	(30,129)
Net Cash Used by Investing Activities	**(45,922)**	(46,288)
Cash Flows from Financing Activities		
Payments on note payable	**(3,611)**	(3,801)
Net Cash Used by Financing Activities	**(3,611)**	(3,801)
Net Increase (Decrease) in Cash and Cash Equivalents	**19,532**	(40,188)
Cash and Cash Equivalents, Beginning of Year	**598,009**	638,197
Cash and Cash Equivalents, End of Year	**$ 617,541**	$ 598,009
Supplemental Disclosure		
Cash paid for interest	**$ 4,081**	$ 4,532

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

BUSINESS DESCRIPTION

Trailnet, Inc. (the Organization) is a not-for-profit corporation that leads in fostering healthy, active, and vibrant communities where walking, bicycling, and the use of public transit are a way of life. The Organization's mission-driven activities include:

1) Programs: bicycle/pedestrian education and promoting the use of safe non-motorized transportation for daily living,
2) Policy initiatives: advocacy that supports and promotes the mission, and
3) Planning: partnering with communities to develop and enhance access to walking, biking, and public transit and to connect them to a regional transportation system.

The Organization's support comes primarily from public support and government grants. Other major revenue sources include membership dues, sponsorships, and lease income.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting
The Organization uses the accrual method of accounting.

Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires the Organization to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Financial Statement Presentation
The Organization reports its information regarding financial position and activities according to the following net asset classifications:

> ***Net assets without donor restrictions***
> Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objective of the Organization. These net assets may be used at the discretion of the Organization's management and board of directors.
>
> ***Net assets with donor restrictions***
> Net assets subject to stipulation imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. There were no restricted net assets perpetual in nature at December 31, 2025 and 2024.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Cash and Cash Equivalents
For purposes of the statement of cash flows, the Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts and Grants Receivable

Accounts receivable are uncollateralized customer and government obligations due under normal trade terms generally requiring payment within 30 days of the invoice date. The Organization does not charge interest on any accounts receivable. Balances that are still outstanding after management has used reasonable collection efforts are written off. Management does not consider an allowance for uncollectible receivables to be necessary.

The Organization recognizes the full amount of grants received in the period that they were made as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. At December 31, 2025, the Organization considered all grants receivable to be fully collectible; accordingly, there is no allowance for doubtful accounts. If amounts become uncollectible, they will be charged to operations at that time.

There was no bad debt expense for the years ended December 31, 2025 and 2024.

Property and Equipment

Purchased property and equipment are stated at cost. Donated property and equipment are reported at their estimated fair value at the date of donation. Depreciation on buildings and equipment is computed using the straight-line method over the estimated useful lives of the assets as follows:

Asset	Years
Capital improvements	15
Office equipment	5-15
Vehicles	5

Deferred Revenue

The Organization has granted outdoor advertising licenses and easement rights on its property to other entities for periods ranging from one month to ninety-nine years. Income from outdoor licenses is deferred and recognized over the periods to which the licenses relate. The Organization is also party to several contract and grant agreements spanning multiple years. Income relating to these agreements is deferred and recognized as services are performed or obligations are met.

Contributions

The Organization 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, or a stipulated time restriction ends, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support. Unrestricted contributions of long-lived assets and cash to acquire long-lived assets are treated as unrestricted when the acquired assets are placed in service.

Revenue and Revenue Recognition

Trailnet offers technical assistance for planning complete streets, walkable communities, multimodal networks, and a variety of community engagement activities. The Organization receives revenue from membership dues, contributions, grants, and rides and sponsorships. Membership dues, which are nonrefundable, are comprised of an exchange element based on the value of benefits provided and a contribution element for the difference between the total dues paid and the exchange element. The Organization recognizes the exchange portion of membership dues over the membership period, which is generally one year, and the contribution portion immediately.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and Revenue Recognition (continued)
Trailnet recognizes contributions when cash or securities are received. Grants are recognized at the time the grant is awarded if there are no barriers to receiving the grant money. If barriers exist, the amount of the grant received is deferred until the condition is met. Grants may be restricted for time and/or purpose.

Trailnet recognizes revenue derived from rides and sponsorships at the time the event takes place.

Functional Expenses
The costs of program and supporting services activities have been summarized on a functional basis in the Statements of Activities. The Statements of Functional Expenses present the natural classification detail of expenses by function. Expenses that can be identified with a specific program and supporting services are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated based on estimates made by management. Expenses are allocated based on direct costs or time & effort.

Donated Materials and Services
The Organization receives contributions in the form of materials and services. Donated noncash assets are recorded as contributions at their fair values at the date of donation. Donated services are recognized as contributions if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills and would otherwise be purchased by the Organization. Volunteers provide various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Income Tax Status
The Organization is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements. The Organization has evaluated its tax positions, expiring tax statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings and believes that no provision for income taxes is necessary, at this time, to cover any uncertain tax position. The Organization's federal Form 990s are subject to examination, generally for three years after they are filed. As of July 27, 2026, no informational returns have been selected for examination.

Subsequent Events
The Organization has evaluated subsequent events through July 27, 2026, the date which the financial statements were available to be issued, for possible recognition or disclosure. Refer to Note 15.

NOTE 2 AVAILABILITY AND LIQUIDITY

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

	December 31,	
	2025	2024
Financial assets at year end:		
Cash and cash equivalents	**$ 617,541**	$ 598,009
Accounts and grants receivable	**83,052**	59,945
Investments	**445,779**	386,984
Total Financial Assets	**1,146,372**	1,044,938
Less amounts not available to be used within one year:		
Net assets with donor restrictions	**60,667**	-
Less net assets with time and purpose restrictions to be met in less than one year	**(60,667)**	-
Total amounts not available to be used within one year	**-**	-
Financial assets available to meet general expenditures over the next twelve months	**$ 1,146,372**	$ 1,044,938

The Organization is substantially supported by membership dues, grants, and lease arrangements without donor restrictions. As part of the Organization's liquidity management, the policy is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. The Organization invests cash more than daily requirements in short-term investments.

NOTE 3 CONCENTRATIONS OF CASH AND CREDIT RISK

For the year ended December 31, 2025, the Organization received approximately 20% of its total support from two donors. For the year ended December 31, 2024, the Organization received approximately 10% of its total support and revenue from one donor.

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash equivalents, trade accounts and grants receivable, and investments. The Organization maintains its cash primarily with one major financial institution. Cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 under the FDIC's general deposit insurance rules. Cash balances exceeded the FDIC limits by approximately $114,511 and $114,326 at December 31, 2025 and 2024, respectively.

The Organization maintains its investments primarily with one brokerage firm. Securities held at this firm are insured by Securities Investor Protection Corporation (SIPC) up to $500,000. Investment balances did not exceed the SIPC limits at December 31, 2025 and 2024.

NOTE 4 FAIR VALUE MEASUREMENTS

Financial accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

The three levels of the fair value hierarchy under the standards are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are significant unobservable inputs.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value at December 31, 2025:

- *Equities* – valued at daily closing price reported on the principal and active market on which the equities and bonds are traded.
- *Fixed Income Securities* – valued at daily closing price reported on the principal and active market on which the fixed income securities are traded.
- *Mutual Funds* – valued at daily closing price reported on the principal and active market on which the mutual fund is traded.

The inputs or methodologies used for valuing investments may not be an indication of the risk associated with investing in those securities. Furthermore, management believes its valuation methods are appropriate and consistent. The use of different methodologies or assumptions could result in a different fair value measurement at the reporting date.

The Organization's assets that are measured at fair value are as follows:

		Fair Value Measurements at Reporting		
Description	**Total**	**Level 1**	**Level 2**	**Level 3**
December 31, 2025				
Equities	$ 27,828	27,828	-	$ -
Fixed income securities	93,744	93,744	-	-
Mutual funds	324,207	324,207	-	-
Total	**$ 445,779**	**445,779**	**-**	**$ -**
December 31, 2024				
Equities	$ 24,055	24,055	-	$ -
Mutual funds	362,929	362,929	-	-
Total	$ 386,984	386,984	-	$ -

NOTE 5 PROPERTY AND EQUIPMENT

	December 31,	
	2025	2024
Land	**$ 244,501**	$ 244,501
Capital improvements	**729,170**	712,150
Office equipment	**117,445**	117,445
Vehicles	**12,662**	12,662
Property and equipment, at cost	**1,103,778**	1,086,758
Less accumulated depreciation	**(813,178)**	(803,227)
Property and Equipment, Net	**$ 290,600**	$ 283,531

Depreciation expense was $9,952 and $974 for the years ended December 31, 2025 and 2024, respectively.

NOTE 6 LONG-TERM DEBT

In October 2020, the Organization received an Economic Injury Disaster Loan from the U.S. Small Business Administration in the amount of $150,000 which matures on October 2, 2050. Security for the loan includes all personal property of the Organization. The interest rate on the loan is 2.75% and is payable in monthly installments of $641 beginning in October 2022. Interest from the date of the loan to the date of the first payment accrues to the principal balance of the loan.

The following is a schedule of future principal payments:

Years Ending December 31,	
2026	$ 3,398
2027	3,806
2028	3,912
2029	4,021
2030	4,133
Thereafter	127,179
Total Future Principal Payments	**$ 146,449**

NOTE 7 LEASES

The Organization has an agreement to lease office space. The term of the lease was three years, ending on August 15, 2021. Upon expiration, the lease terms changed to a month-to-month basis calling for monthly payments of $2,109. Under the agreement, either party may cancel the agreement by mailing 30 days written notice to the other party.

On July 1, 2021, the Organization entered into a storage lease with an unrelated party. The term of the lease was for one year and was extended through July 2023 with monthly payments of $600. The lease was extended again through July 2024 with the monthly payments of $700. Upon expiration, the lease terms changed to a month-to-month basis. Under the agreement, either party may cancel the agreement with a written notice.

Rent expense related to operating leases for the years ended December 31, 2025 and 2024 totaled $33,702 and $35,916, respectively.

NOTE 8 LEASE AGREEMENTS

Gannett Lease
In December 1993, the Organization entered into an agreement to lease outdoor advertising space to Gannett Outdoor Company of St. Louis ("Gannett") and received a prepayment of $131,127. The term of the lease is for twenty years and may be terminated upon thirty days written notice by either party. During the year ended December 31, 2013, the Organization renewed the agreement for an additional twenty year period. Gannett pays the Organization the greater of twenty-five percent of the annual net revenue (as defined in the lease agreement) or $13,800 per year for the first 5 years, $14,620 for years 6 through 10, $16,216 for years 11 through 15 and $17,828 for years 16 through 20. Deferred revenue related to this agreement was $3,053 at December 31, 2025 and 2024. The Organization recognized $18,316 and $18,640 as revenue in 2025 and 2024, respectively.

Ameren U.E. Agreements
The Organization has agreements with Ameren U.E. which call for prepayments for wire line leases. Deferred revenue related to these agreements was $117,405 at December 31, 2025 and 2024, which will be recognized as revenue in subsequent years. The Organization recognized $161,576 related to these agreements as revenue in 2025 and 2024.

St. Louis County Leases
The Organization has agreements to lease certain properties to St. Louis County for a period of 99 years. At any time, the parties may consider a transfer to St. Louis County of the Organization's interest in the subject properties. Deferred revenue under those leases was $233,085 and $236,335 at December 31, 2025 and 2024, respectively. The Organization recognized $3,250 as revenue in 2025 and 2024.

NOTE 9 EMPLOYEE BENEFIT PROGRAM

The Organization maintains a contributory retirement savings plan under Section 401(k) of the code covering substantially all employees who meet certain eligibility requirements. Employer contributions to the plan totaled $10,841 and $11,488 for the years ended December 31, 2025 and 2024, respectively.

NOTE 10 EMPLOYEE RETENTION CREDIT

The CARES Act provided an employee retention credit (ERC), which was initially a refundable tax credit against certain employment taxes of up to $5,000 per employee for eligible employers. The tax credit was equal to 50% of qualified wages paid to employees during a quarter, capped at $10,000 of qualified wages per employee through December 31, 2020. Subsequent ERC provisions were passed by the United States government, which extended and slightly expanded the qualified wage caps on these credits through September 30, 2021. Based on these additional provisions, the tax credit was equal to 70% of qualified wages paid to employees during a quarter, and the limit on qualified wages per employee was increased to $10,000 of qualified wages per quarter during 2021. During the year ended December 31, 2023, the Organization filed for credits of $73,922, which represent refunds due for the quarters ending June 30, 2020 and March 31, 2021. Due to the conditional components of the refunds, the Organization has not recognized these as receivables and will record the refund as received. During the year ended December 31, 2023, the Organization received $37,853 of the credits. As of July 21, 2026, the Organization has yet to receive and recognize the remaining refund.

NOTE 11 CONTRIBUTED SERVICES, MATERIALS, AND EQUIPMENT

Significant qualifying services, materials, and equipment are contributed to the Organization annually and are recorded at fair value upon receipt. For the years ended December 31, 2025 and 2024, the Organization recognized in-kind support as follows:

	Years Ended December 31,	
	2025	2024
Fundraising events	**$ 7,695**	$ 9,868
Supplies and merchandise	**6,930**	20,743
Total	**$ 14,625**	$ 30,611

NOTE 12 ENDOWMENT FUND

In March 2025, the Organization established an endowment fund to provide funding to cover a portion of the unrestricted operating expenses incurred by the Organization in fulfilling its mission. The endowment fund contributions are restricted indefinitely and are included in net assets with donor restrictions on the Statements of Financial Position. There were no contributions to the endowment fund during the year ended December 31, 2025.

Interpretation of Relevant Law
The Board of Directors has interpreted State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds:

1. The duration and preservation of the fund.
2. The purposes of the Organization and the donor restricted endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the Organization.
7. The investment policies of the Organization.

Return Objectives and Parameters
Under the Organization's investment policy, as approved by the Board of Directors, the investment objectives are to generate both current income and achieve capital appreciation. The Organization expects the total return on the endowment to exceed the weighted return of 60% MSCI World Index and 40% Bloomberg Aggregate Bond Index, net of fees, over a three (3) year period.

Strategies Employed for Achieving Objectives
To satisfy its long-term rate-of-return objectives, the Organization relies 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 Organization targets a diversified asset allocation with 55% of the endowment held in equities, 40% of the endowment held in fixed income securities and cash and cash equivalents, and the remainder held in diversified and alternative investments.

NOTE 12 ENDOWMENT FUND (CONTINUED)

Spending Policy and How the Investment Objectives Relate to Spending Policy
Spending shall not exceed 4% of the average value of the endowment account as of December 31 of each of the previous three years. No funds shall be disbursed until the minimum endowment corpus of $250,000 is achieved and that minimum must be maintained. Spending in-excess of these parameters shall require approval by the Organization's Endowment Committee. In establishing this policy, the Organization considered the long-term expected return on its endowment. Accordingly, the Organization expects the current spending policy to allow its endowment to grow over the long-term. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new contributions and investment return.

NOTE 13 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were available for the following purposes at December 31, 2025

Time restrictions	$	55,000
Purpose restrictions - crash report		5,667
Total	**$**	**60,667**

NOTE 14 RECLASSIFICATIONS

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

NOTE 15 SUBSEQUENT EVENTS

On April 16, 2026, the Organization received a donation of a furnished building unit. The donated property has an estimated appraised value of $315,000. This non-cash contribution will be recognized as a contribution in the fiscal period ending December 31, 2026 in accordance with generally accepted accounting principles.