

The American Radio Relay League, Incorporated

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

December 31, 2023 and 2022

The American Radio Relay League, Incorporated

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Independent Auditor's Report

To the Board of Directors
The American Radio Relay League, Incorporated

Opinion

We have audited the financial statements of The American Radio Relay League, Incorporated, which comprise the statements of financial position as of December 31, 2023 and 2022, 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 The American Radio Relay League, Incorporated as of December 31, 2023 and 2022 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 The American Radio Relay League, Incorporated 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 American Radio Relay League, Incorporated's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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 American Radio Relay League, Incorporated'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 American Radio Relay League, Incorporated'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 audits.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of restricted funds for time and purpose summary are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

CohnReznick LLP

Hartford, Connecticut
October 29, 2024

The American Radio Relay League, Incorporated

**Statements of Financial Position
December 31, 2023 and 2022**

	<u>Assets</u>	
	2023	2022
Current assets		
Cash	\$ 1,606,539	\$ 1,357,885
Accounts receivable, net of allowance for credit losses of \$33,800 and \$58,570, respectively, for 2023 and 2022	222,607	354,276
Inventories, net	600,377	562,760
Contributions receivable, current	179,713	164,713
Other receivables	73,660	383,688
Prepaid expenses and other current assets	398,279	406,340
Total current assets	3,081,175	3,229,662
Other assets		
Investments	35,686,517	32,899,592
Long-term contributions receivable, net of discount and allowance of \$180,742 and \$172,579, respectively, for 2023 and 2022	149,258	197,421
Land, building and equipment, net	2,084,792	2,032,729
Operating lease right-of-use assets	131,242	184,483
Total other assets	38,051,809	35,314,225
Total assets	\$ 41,132,984	\$ 38,543,887

The American Radio Relay League, Incorporated

**Statements of Financial Position
December 31, 2023 and 2022**

Liabilities and Net Assets

	2023	2022
Current liabilities		
Accounts payable	\$ 258,781	\$ 360,553
Accrued liabilities	765,503	740,148
Deferred revenue	394,752	53,653
Subtotal operational current liabilities	1,419,036	1,154,354
Deferred life membership dues, current	622,383	626,706
Deferred term membership dues, current	3,150,261	3,264,258
Current maturities of operating lease liabilities	53,623	53,241
Total current liabilities	5,245,303	5,098,559
Long-term liabilities		
Deferred life membership dues, less current portion	9,047,609	9,045,406
Deferred term membership dues, less current portion	1,196,711	1,088,045
Operating lease liabilities, less current maturities	77,619	131,242
Total long-term liabilities	10,321,939	10,264,693
Total liabilities	15,567,242	15,363,252
Commitments		
Net assets		
Without donor restrictions		
Undesignated	8,114,524	7,478,247
Board designated	9,274,293	7,948,356
Total without donor restrictions	17,388,817	15,426,603
With donor restrictions	8,176,925	7,754,032
Total net assets	25,565,742	23,180,635
Total liabilities and net assets	\$ 41,132,984	\$ 38,543,887

See Notes to Financial Statements.

The American Radio Relay League, Incorporated

**Statement of Activities
Year Ended December 31, 2023**

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Revenues and contributions			
Membership dues	\$ 6,868,272	\$ -	\$ 6,868,272
Net publication sales	3,194,109	-	3,194,109
Advertising	1,418,314	-	1,418,314
Investment income	664,397	226,176	890,573
Examination fees and other	293,835	-	293,835
Program and service fees	677,510	-	677,510
Contributions and support	1,135,282	538,535	1,673,817
Other income	158,465	-	158,465
Net assets released from restrictions	914,164	(914,164)	-
	<u>15,324,348</u>	<u>(149,453)</u>	<u>15,174,895</u>
Expenditures			
Programs and services	9,328,021	-	9,328,021
Publications	3,172,920	-	3,172,920
Administration	3,509,189	-	3,509,189
Fundraising	539,775	-	539,775
	<u>16,549,905</u>	<u>-</u>	<u>16,549,905</u>
Decrease in net assets before other income (expense)	<u>(1,225,557)</u>	<u>(149,453)</u>	<u>(1,375,010)</u>
Other income (expense)			
Bequests, Board designated functioning as an endowment	545,252	-	545,252
Second Century Campaign endowment contributions	-	17,497	17,497
Unrealized gain on investments	2,642,519	554,849	3,197,368
	<u>3,187,771</u>	<u>572,346</u>	<u>3,760,117</u>
Change in net assets	1,962,214	422,893	2,385,107
Net assets, beginning	<u>15,426,603</u>	<u>7,754,032</u>	<u>23,180,635</u>
Net assets, end	<u>\$ 17,388,817</u>	<u>\$ 8,176,925</u>	<u>\$ 25,565,742</u>

See Notes to Financial Statements.

The American Radio Relay League, Incorporated

**Statement of Activities
Year Ended December 31, 2022**

	Without donor restrictions	With donor restrictions	Total
Revenues and contributions			
Membership dues	\$ 6,749,957	\$ -	\$ 6,749,957
Net publication sales	3,086,574	-	3,086,574
Advertising	1,588,981	-	1,588,981
Investment income	2,723,124	908,314	3,631,438
Examination fees and other	301,998	-	301,998
Program and service fees	591,531	-	591,531
Contributions and support	843,367	894,092	1,737,459
Other income	127,943	-	127,943
Net assets released from restrictions	1,197,877	(1,197,877)	-
	17,211,352	604,529	17,815,881
Expenditures			
Programs and services	8,653,583	-	8,653,583
Publications	3,224,279	-	3,224,279
Administration	3,388,914	-	3,388,914
Fundraising	451,006	-	451,006
	15,717,782	-	15,717,782
Increase in net assets before other income	1,493,570	604,529	2,098,099
Other income			
Bequests, Board designated functioning as an endowment	199,314	-	199,314
Second Century Campaign endowment contributions	-	(20,815)	(20,815)
Unrealized loss on investments	(6,594,694)	(2,103,332)	(8,698,026)
	(6,395,380)	(2,124,147)	(8,519,527)
Change in net assets	(4,901,810)	(1,519,618)	(6,421,428)
Net assets, beginning	20,328,413	9,273,650	29,602,063
Net assets, end	\$ 15,426,603	\$ 7,754,032	\$ 23,180,635

See Notes to Financial Statements.

The American Radio Relay League, Incorporated

**Statement of Functional Expenses
Year Ended December 31, 2023
(with Comparative totals for 2022)**

	<u>Program</u>	<u>Publications</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>2023</u>	<u>2022</u>
Salaries, compensation and benefits	\$ 4,397,715	\$ 1,196,892	\$ 1,702,395	\$ 364,172	\$ 7,661,174	\$ 7,215,753
Publication costs	958,740	1,110,204	57	2,779	2,071,780	1,973,552
Shipping and forwarding costs	896,445	432,643	-	-	1,329,088	1,455,961
Communication and postage	391,684	64,053	32,901	37,465	526,103	553,301
Other	245,868	2,043	448,700	43,142	739,753	597,878
Occupancy costs	196,434	86,400	265,985	7,574	556,393	583,805
Office supplies and expenditures	416,184	29,756	32,291	28,043	506,274	560,698
Legal and professional fees	745,452	99,298	314,925	14,294	1,173,969	921,992
Governance	111,459	-	389,364	-	500,823	516,722
Travel	388,262	50	20,107	3,464	411,883	425,736
Depreciation	202,197	47,560	130,203	13,121	393,081	347,203
Rentals and equipment maintenance	377,581	104,021	172,261	25,721	679,584	565,181
Total	\$ 9,328,021	\$ 3,172,920	\$ 3,509,189	\$ 539,775	\$ 16,549,905	\$ 15,717,782

See Notes to Financial Statements.

The American Radio Relay League, Incorporated

**Statement of Functional Expenses
Year Ended December 31, 2022**

	<u>Program</u>	<u>Publications</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>2022</u>
Salaries, compensation and benefits	\$ 4,013,993	\$ 1,293,122	\$ 1,652,600	\$ 256,038	\$ 7,215,753
Publication costs	1,021,848	946,407	134	5,163	1,973,552
Shipping and forwarding costs	946,841	509,120	-	-	1,455,961
Communication and postage	366,051	107,171	37,765	42,314	553,301
Other	105,648	2,679	412,333	77,218	597,878
Occupancy costs	212,202	88,041	275,711	7,851	583,805
Office supplies and expenditures	444,516	59,914	24,883	31,385	560,698
Legal and professional fees	554,249	94,938	264,714	8,091	921,992
Governance	114,978	-	401,744	-	516,722
Travel	394,135	4,572	22,809	4,220	425,736
Depreciation	177,527	38,169	124,338	7,169	347,203
Rentals and equipment maintenance	301,595	80,146	171,883	11,557	565,181
Total	\$ 8,653,583	\$ 3,224,279	\$ 3,388,914	\$ 451,006	\$ 15,717,782

See Notes to Financial Statements.

The American Radio Relay League, Incorporated

**Statements of Cash Flows
Years Ended December 31, 2023 and 2022**

	2023	2022
Cash flows from operating activities		
Change in net assets	\$ 2,385,107	\$ (6,421,428)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Receipts to establish or increase perpetual endowment funds	(63,608)	(96,141)
Depreciation	393,081	347,203
Amortization of operating lease asset	53,241	52,519
Discount and allowance for accounts receivable	27,902	10,334
Discount and allowance for contributions receivable	8,163	32,860
Change in inventory reserve	17,020	1,129
Unrealized (gain) loss on investments	(3,197,368)	8,698,373
Realized (gain) loss on investments allocated to general and perpetual funds	(100,738)	(2,300,908)
Changes in operating assets and liabilities		
Accounts receivable	103,767	(120,358)
Inventories	(54,637)	(161,499)
Contributions receivable	25,000	30,000
Other receivables	310,028	29,932
Prepaid expenses and other current assets	8,061	13,952
Accounts payable and accrued liabilities	(76,417)	43,373
Deferred revenue	341,099	(31,684)
Operating lease liabilities	(53,241)	(52,519)
Deferred life membership dues, net of allocated realized gain	(340,973)	(106,389)
Deferred term membership dues	(5,331)	(111,205)
Net cash used in operating activities	(219,844)	(142,456)
Cash flows from investing activities		
Purchase of equipment	(445,144)	(215,171)
Sales of investments	6,759,149	4,293,397
Purchases of investments	(5,909,115)	(4,666,073)
Net cash provided by (used in) investing activities	404,890	(587,847)
Cash flows from financing activities		
Receipts to establish or increase perpetual endowment funds	63,608	96,141
Net increase (decrease) in cash	248,654	(634,162)
Cash, beginning	1,357,885	1,992,047
Cash, end	\$ 1,606,539	\$ 1,357,885
Cash paid for amounts included in lease liabilities		
Operating	\$ 55,083	\$ 55,432
Supplemental disclosure of noncash investing and financing activities		
Right-of-use assets recognized	\$ -	\$ 237,002

See Notes to Financial Statements.

The American Radio Relay League, Incorporated

Notes to Financial Statements December 31, 2023 and 2022

Note 1 - Organization and summary of significant accounting policies

Nature of activities

The American Radio Relay League, Incorporated ("ARRL") is a not-for-profit organization formed to promote interest in amateur radio communication, experimentation and the advancement of radio art, further the public welfare and foster education in the field of electronic communication. ARRL also publishes documents, books, magazines and pamphlets necessary or incidental to its purpose. ARRL's operations are primarily supported by membership dues, publication sales, advertising and contributions. ARRL's members are primarily located throughout the United States.

New accounting pronouncement

On January 1, 2023, ARRL adopted Accounting Standards Update No. 2016-13, *Measurement of Credit Losses on Financial Instruments*, and its related amendments using the prospective method. The new standard changes the impairment model for most financial assets that are measured at amortized cost and certain other instruments, including trade receivables, from an incurred loss model to an expected loss model and adds certain new required disclosures. Under the expected loss model, entities will recognize credit losses to be incurred over the entire contractual term of the instrument rather than delaying recognition of credit losses until it is probable the loss has been incurred. In accordance with ASC 326, ARRL evaluates certain criteria, including aging and historical write-offs, current economic condition of specific customers and future economic conditions to determine the appropriate allowance for credit losses. ARRL adopted ASU No. 2016-13 on January 1, 2023, and the adoption of this update did not have a significant impact on ARRL's financial statements.

Basis of presentation

The accompanying financial statements of ARRL have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP"). ARRL reports information regarding its financial position and activities according to the following net asset categories:

Net assets without donor restrictions

Net assets without donor restrictions represent available resources other than donor-restricted contributions. Included in net assets without donor restrictions are funds that may be earmarked for specific purposes.

Net assets with donor restrictions

Net assets subject to donor- (or certain grantor-) imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Cash and cash equivalents

Cash and cash equivalents include all cash balances and highly liquid short-term instruments with an original maturity of three months or less when acquired. Temporary cash and cash equivalent balances associated with investment accounts are included with investments in these financial statements. There were no cash equivalents as of December 31, 2023 and 2022 included in operating cash.

The American Radio Relay League, Incorporated

Notes to Financial Statements December 31, 2023 and 2022

Allowance for credit losses

ARRL recognizes an allowance for credit losses for financial assets carried at amortized cost to present the net amount expected to be collected as of the statement of financial position date. Such allowance is based on the credit losses expected to arise over the life of the asset (contractual term) which includes consideration of prepayments and based on ARRL's expectations as of the statement of financial position date. Assets are written off when the ARRL determined that such financial assets are deemed uncollectible or based on regulatory requirements, whichever is earlier. Write-offs are recognized as a deduction from the allowance for credit losses. Expected recoveries of amounts previously written off, not to exceed the aggregate of the amount previously written off, are included in determining the necessary reserve at the statement of financial position date.

Accounts receivable

ARRL sells its products to a broad range of customers. Customers typically are provided with payment terms of net 30 days. ARRL has tracked historical loss information for its trade receivables and compiled historical credit loss percentages for different aging categories (current, 1-30 days past due, 31-60 days past due, 61-90 days past due, and more than 90 days past due).

Management believes that the historical loss information it has compiled is a reasonable base on which to determine expected credit losses for trade receivables held at December 31, 2023 because the composition of the trade receivables at that date is consistent with that used in developing the historical credit-loss percentages (i.e., the similar risk characteristics of its customers and its lending practices have not changed significantly over time). However, management has determined that the current and reasonable and supportable forecasted economic conditions have improved as compared with the economic conditions included in the historical information. Management developed this estimate based on its knowledge of past experience for which there were similar improvements in the economy. As a result, management applied the applicable updated credit loss rates to determine the expected credit loss estimate for each aging category. Accordingly, the allowance for expected credit losses related to accounts receivable at December 31, 2023 totaled \$33,800.

ARRL's allowance for credit losses represents its estimate of expected credit losses related to its trade receivables. To estimate its allowance for credit losses, ARRL leverages information on historical losses, asset-specific risk characteristics, current conditions, and reasonable and supportable forecasts of future conditions.

Contributions receivable

Contributions receivable are recorded at their net realizable value, which approximates fair value. Receivables that are expected to be collected in future years are discounted to their present values.

Inventories

Inventories consist of publications, software, membership supplies and other miscellaneous items. Inventories are stated at the lower of cost or market. Cost is determined by the first-in, first-out (FIFO) method. Inventories are reflected net of reserves for slow moving inventory of \$106,873 and \$89,853 as of December 31, 2023 and 2022, respectively.

Investments

ARRL reports investments at fair value (see Note 5) and reflects any gain or loss in the statements of activities. Investment income and gains and losses are considered to be without donor restriction unless restricted by donor stipulation or by operation of law.

The American Radio Relay League, Incorporated

Notes to Financial Statements December 31, 2023 and 2022

Land, building and equipment

ARRL capitalizes expenditures for building and equipment with a useful life of greater than one year and a cost of \$1,000 or more. Purchased land, building and equipment are carried at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful life of the asset. Estimated lives for financial reporting purposes are as follows:

Asset	Estimated useful lives
Building	40 years
Furnishings, equipment and building	3 - 15 years
Computer software	3 - 5 years

Expenditures for repairs and maintenance are charged to expense as incurred. For assets sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in change in net assets for the period.

ARRL reviews its long-lived assets for impairment using an undiscounted cash flow method whenever events or circumstances indicate the carrying value of an asset may not be recoverable. There were no impairment losses related to long-lived assets as of December 31, 2023 and 2022.

Endowment and spending policy

ARRL adheres to investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that ARRL must hold in perpetuity as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in accordance with sound investment practices that emphasize long-term investment fundamentals. It is recognized that short-term market fluctuations may cause variations in account performance and investment balances.

To satisfy its long-term rate of return objectives, ARRL 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). ARRL targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

ARRL appropriates funds for distribution based on an annual review of investment results and available net assets. ARRL's objective is 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 gifts and investment return.

Revenue recognition

Revenue is recognized when control of the promised goods or services is transferred to ARRL's customers (participants and members), in an amount that reflects the consideration expected to be entitled in exchange for those goods or services.

Membership dues - Revenue from term membership dues is recognized to the extent of acquisition costs when memberships are received. The remaining portion is recognized as revenue on the straight-line basis ratably over the applicable membership period.

The American Radio Relay League, Incorporated

Notes to Financial Statements December 31, 2023 and 2022

The by-laws of ARRL provide for a life membership dues rate that equals 25 times the term membership annual dues rate. Life member dues are deferred upon receipt. Investment earnings on allocated life member investments are deferred. Revenue is recognized at an amount representative of the estimated cost to ARRL for providing services to the life members.

Publication sales - Revenue from publication sales is recognized when the earnings process is complete and the risks and rewards of ownership have transferred to the customer, which is generally considered to have occurred upon shipment of the publication.

Advertising - Advertising revenue is recorded during the period in which the advertisements are published.

Contributions and bequests - Transactions where the resource provider often receive value indirectly by providing a societal benefit, although the societal benefit is not considered to be of commensurate value, are deemed to be contributions. Contributions are classified as either conditional or unconditional. A conditional contribution is a transaction where ARRL has to overcome a barrier or hurdle to be entitled to the resource and the resource provider is released from the obligation to fund or has the right of return of any advanced funding if ARRL fails to overcome the barrier. ARRL recognizes the contribution revenue upon overcoming the barrier or hurdle. Any funding received prior to overcoming the barrier is recognized as refundable advance. Unconditional contributions are recognized as revenue and receivable when the commitment to contribute is received.

Conditional and unconditional contributions are recorded as either with donor restriction or without donor restriction. Contributions are recognized as contributions with donor restrictions if they are received with donor stipulations that limit the use of the donated asset. Contributions received with no donor stipulations are recorded as contributions without donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and are reported in the statements of activities and changes in net assets as net assets released from restriction. Donor-restricted contributions whose restrictions expire during the same fiscal year are recognized as contribution without donor restrictions.

Income taxes

ARRL is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. However, ARRL is subject to federal and state income tax as a result of unrelated business income arising from net advertising income. There are no unrelated business income tax liabilities for the years ended December 31, 2023 and 2022.

ARRL's federal information returns prior to calendar year 2020 are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. ARRL recognizes interest and penalties associated with uncertain tax positions as part of the income tax provision and includes accrued interest and penalties with the related tax liability in the statements of financial position. Management has analyzed the tax positions taken by ARRL and has concluded that, as of December 31, 2023, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

The American Radio Relay League, Incorporated

Notes to Financial Statements December 31, 2023 and 2022

Functional expenses

The 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, which is allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and other, which are allocated on the basis of estimates of time, effort, and utilization.

Use of estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassification

Certain amounts in the 2022 financial statements have been reclassified to confirm to the 2023 presentation.

Subsequent events

ARRL has evaluated events and transactions for potential recognition or disclosure through October 29, 2024, which is the date the financial statements were available to be issued.

Note 2 - Liquidity

ARRL regularly monitors liquidity required to meet its annual operating needs and other contractual commitments while also striving to maximize the return on investment of its funds not required for annual operations. As of December 31, 2023 and 2022, ARRL has the following financial assets available to meet annual operating needs for the subsequent calendar year:

	<u>2023</u>	<u>2022</u>
Cash	\$ 1,606,539	\$ 1,357,885
Accounts receivable	222,607	354,276
Investments available for operations	1,660,865	1,694,652
Other receivable	<u>73,660</u>	<u>383,688</u>
Total	<u>\$ 3,563,671</u>	<u>\$ 3,790,501</u>

These financial assets are not subject to any donor or contractual restrictions.

ARRL supports its general operations primarily with membership dues, advertising, publications and program fees, as well as contributions without donor restrictions and donor restricted funds whose time or purpose restriction has been met. In addition, the Board may appropriate a portion of the earnings as needed from ARRL's donor-restricted endowment as described in Note 10.

The ARRL Investment Policy Statement requires the investment portfolio to maintain liquid instruments within its portfolio to ensure assets are available to meet general expenditures, liabilities and other obligations as they come due. For budgeting purposes, the investment manager assumes annual withdrawals from the portfolio of 3% of the rolling average of the prior eight quarters ending market values of the invest portfolio. The estimate of this amount is a little over \$1 million as of December 31, 2023 and 2022. ARRL's administration and finance committee in conjunction with the

The American Radio Relay League, Incorporated

Notes to Financial Statements December 31, 2023 and 2022

investment management committee reviews investment performance and considers near-term liquidity needs on a quarterly basis.

The Board may also appropriate amounts currently reported as board designated to be available as needed. The Board designates bequests without donor restriction over \$50,000 to the board-designated endowment.

Note 3 - Contributions receivable

Unconditional contributions receivable to be collected as of December 31, 2023 and 2022, are expected to be realized in the following periods:

	<u>2023</u>	<u>2022</u>
In one year or less	\$ 179,713	\$ 164,713
In one to five years	120,000	130,000
In more than five years	<u>210,000</u>	<u>240,000</u>
Total contributions receivable	509,713	534,713
Less allowance for uncollectible contributions receivable	(36,552)	(40,237)
Less discount	<u>(144,190)</u>	<u>(132,342)</u>
Total	<u>\$ 328,971</u>	<u>\$ 362,134</u>

Amounts are shown in the statements of financial position as of December 31 as follows:

	<u>2023</u>	<u>2022</u>
Current	\$ 179,713	\$ 164,713
Long-term	<u>149,258</u>	<u>197,421</u>
Total	<u>\$ 328,971</u>	<u>\$ 362,134</u>

Contributions receivable expected to be received in more than one year have been discounted using a discount rate of 8.50% and 3.25% at December 31, 2023 and 2022, respectively.

The American Radio Relay League, Incorporated

**Notes to Financial Statements
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Note 4 - Investments

Investments are carried at their aggregate fair value. The following summarizes the relationship between the cost and fair values as presented in the financial statements as of December 31, 2023 and 2022:

	2023		2022	
	Fair value	Cost	Fair value	Cost
Cash and cash equivalents	\$ 299,883	\$ 299,883	\$ 389,785	\$ 389,785
Equities and mutual funds	35,382,728	33,051,324	32,505,922	33,371,841
Fixed maturities	3,906	3,857	3,885	3,881
Total	\$ 35,686,517	\$ 33,355,064	\$ 32,899,592	\$ 33,765,507

ARRL allocates its investments into categories related to life memberships, regular operations, donor restricted and endowment funds. The following summarizes the fair value of investments by category as of December 31, 2023 and 2022:

	2023	2022
Life membership	\$ 9,669,992	\$ 9,672,112
Regular operations	8,565,307	7,525,092
Donor restricted for time and purpose	3,133,865	2,774,580
Functioning as an endowment	9,274,293	7,948,356
Donor restricted in perpetuity	5,043,060	4,979,452
Total	\$ 35,686,517	\$ 32,899,592

The following summarizes changes in relationships between cost and fair values of investments:

	2023	2022
Unrealized appreciation, beginning		
Fair value	\$ 32,899,592	\$ 37,684,306
Cost	33,765,507	29,852,195
Net (loss) gain	(865,915)	7,832,111
Unrealized appreciation, end		
Fair value	35,686,517	32,899,592
Cost	33,355,064	33,765,507
Net gain (loss)	2,331,453	(865,915)
Net unrealized gain (loss) for the year	\$ 3,197,368	\$ (8,698,026)

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Notes to Financial Statements December 31, 2023 and 2022

Investment income is summarized as follows for the years ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Interest and dividend income	\$ 1,044,900	\$ 808,729
Net realized gain on investments	<u>184,526</u>	<u>4,128,630</u>
Gross investment income	1,229,426	4,937,359
Less		
Net investment income allocated to deferred life liability	<u>(338,853)</u>	<u>(1,305,921)</u>
Total investment income	<u>\$ 890,573</u>	<u>\$ 3,631,438</u>

Note 5 - Fair value measurements

ARRL values its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy that prioritizes observable and unobservable inputs is used to measure fair value into three broad levels, which are described below:

- Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data by correlation or other means. If an 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: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, ARRL utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value.

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Notes to Financial Statements December 31, 2023 and 2022

Financial assets carried at fair value at December 31, 2023 and 2022, are classified in the tables below in one of the three categories described above:

	2023			Total
	Level 1	Level 2	Level 3	
Money market fund	\$ 299,883	\$ -	\$ -	\$ 299,883
Mutual funds				
Large blend fund	6,651,451	-	-	6,651,451
Large growth fund	1,145,728	-	-	1,145,728
Foreign large growth fund	4,492,334	-	-	4,492,334
Intermediate core plus bond	5,350,087	-	-	5,350,087
Intermediate core bond	2,153,561	-	-	2,153,561
Multisector bond	1,225,058	-	-	1,225,058
Foreign large value	1,676,714	-	-	1,676,714
Natural resources	904,532	-	-	904,532
Large value	1,010,439	-	-	1,010,439
Small value	2,121,480	-	-	2,121,480
Short-term bond	975,560	-	-	975,560
Other mutual funds	28,577	-	-	28,577
Total mutual funds	<u>27,735,521</u>	<u>-</u>	<u>-</u>	<u>27,735,521</u>
Exchange traded funds				
Large blend fund	1,064,329	-	-	1,064,329
Foreign large blend fund	22,605	-	-	22,605
Large value	1,583,056	-	-	1,583,056
Technology	555,305	-	-	555,305
Short government	818,185	-	-	818,185
Long government	2,432,884	-	-	2,432,884
Ultrashort bond	770,144	-	-	770,144
Total exchange traded funds	<u>7,246,508</u>	<u>-</u>	<u>-</u>	<u>7,246,508</u>
Stocks				
Domestic large cap	400,699	-	-	400,699
Fixed maturities				
Domestic corporate bonds	-	3,906	-	3,906
Total assets at fair value	<u>\$ 35,682,611</u>	<u>\$ 3,906</u>	<u>\$ -</u>	<u>\$ 35,686,517</u>

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	2022			Total
	Level 1	Level 2	Level 3	
Money market fund	\$ 389,785	\$ -	\$ -	\$ 389,785
Mutual funds				
Large blend fund	6,327,078	-	-	6,327,078
Large growth fund	488,104	-	-	488,104
Foreign large growth fund	4,658,786	-	-	4,658,786
Intermediate core plus bond	4,423,481	-	-	4,423,481
Intermediate core bond	1,939,913	-	-	1,939,913
Multisector bond	1,131,340	-	-	1,131,340
Foreign large value	1,839,519	-	-	1,839,519
Small value	1,902,846	-	-	1,902,846
Total mutual funds	22,711,067	-	-	22,711,067
Exchange traded funds				
Large blend fund	1,075,011	-	-	1,075,011
Foreign large blend fund	39,384	-	-	39,384
Large value	1,486,378	-	-	1,486,378
Technology	518,168	-	-	518,168
Large growth	865,365	-	-	865,365
Short government	1,341,172	-	-	1,341,172
Long government	2,271,902	-	-	2,271,902
Ultrashort bond	2,164,820	-	-	2,164,820
Total exchange traded funds	9,762,200	-	-	9,762,200
Stocks				
Domestic large cap	32,655	-	-	32,655
Fixed maturities				
Domestic corporate bonds	-	3,885	-	3,885
Total assets at fair value	\$ 32,895,707	\$ 3,885	\$ -	\$ 32,899,592

Level 1 stocks, mutual funds, exchange traded funds, and money market funds are valued at the daily closing price as reported by the fund. Mutual funds held are open-ended funds that are registered with the Securities and Exchange Commission and are valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value and to transact at that price. These financial assets held by ARRL are deemed to be actively traded.

The fair value of fixed maturities (Level 2), which consists principally of corporate and international bonds, is estimated using market price quotations (where observable), recently executed transactions or bond spreads of the issuer. If the spread data does not reference the issuer, then data that references a comparable issuer is used. When observable price quotations are not available, fair value is determined based on cash flow models with yield curves or bond spreads.

The preceding is a description of the valuation methodologies used for assets at fair value. There have been no changes in the methodology used at December 31, 2023 and 2022.

ARRL's policy is to recognize transfers in and transfers out of levels at the actual date of the event or change in circumstances that caused the transfer. There were no transfers in or out of the respective levels during the years ended December 31, 2023 and 2022.

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The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although ARRL believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 6 - Land, building and equipment

Land, building and equipment, and related accumulated depreciation are comprised of the following at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Land and building	\$ 1,094,693	\$ 1,094,693
Furnishings, equipment and building improvements	5,238,209	4,880,610
Computer software	<u>3,182,356</u>	<u>3,172,756</u>
	9,515,258	9,148,059
Less accumulated depreciation	<u>(7,430,466)</u>	<u>(7,115,330)</u>
Total	<u>\$ 2,084,792</u>	<u>\$ 2,032,729</u>

Note 7 - Leases

ARRL leases warehouse space and office equipment. All contracts that implicitly or explicitly involve land, building and equipment are evaluated to determine whether they are or contain a lease.

At lease commencement, ARRL recognizes a lease liability, which is measured at the present value of future lease payments, and a corresponding right-of-use asset equal to the lease liability, adjusted for prepaid lease costs, initial direct costs and lease incentives. ARRL has elected and applies the practical expedient available to lessees to combine nonlease components with their related lease components and account for them as a single combined lease component for all its leases. ARRL remeasures lease liabilities and related right-of-use assets whenever there is a change to the lease term and/or there is a change in the amount of future lease payments, but only when such modification does not qualify to be accounted for as a separate contract.

ARRL determines an appropriate discount rate to apply when determining the present value of the remaining lease payments for purposes of measuring or remeasuring lease liabilities. As the rate implicit in the lease is generally not readily determinable, ARRL uses a risk-free rate as the discount rate at either lease commencement or when a lease liability is remeasured.

For accounting purposes, ARRL's leases commence on the earlier of (i) the date upon which ARRL obtains control of the underlying asset and (ii) the contractual effective date of a lease. Lease commencement for most of ARRL's leases coincides with the contractual effective date. ARRL's leases generally have minimum base terms with renewal options or fixed terms with early termination options. Such renewal and early termination options are exercisable at the option of ARRL and, when exercised, usually provide for rental payments during the extension period at then current market rates or at pre-determined rental amounts. Unless ARRL determines that it is reasonably certain that the term of a lease will be extended, such as through the exercise of a renewal option or nonexercise of an early termination option, the term of a lease begins at lease commencement and spans for the duration of the minimum noncancellable contractual term. When the exercise of a renewal option or

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nonexercise of an early termination option is reasonably certain, the lease term is measured as ending at the end of the renewal period or on the date an early termination may be exercised.

Leases involving real estate

The lease of ARRL's warehouse has a lease term of five years has been incorporated into the measurement of the related right-of-use assets and operating lease liabilities. Although most of ARRL's real estate leases include one or more options to renew that can extend the contractual terms from 5 to 10 years, those renewal options are exercisable solely at ARRL's discretion and have been excluded from lease term measurements. Rental payments on these leases are fixed payments of \$4,265 per month.

Leases involving equipment

Equipment operating leases have lease terms that range from 36 to 63 months and do not have renewal options. Rental payments on these leases are fixed payments and range from \$58 to \$297 per month.

The components of all operating lease rental costs for the each of the years ended December 31, 2023 and 2022 was \$55,083 and \$55,432, respectively.

Weighted average remaining lease term and weighted average discount rate for ARRL's leases as of December 31, 2023 and 2022:

	2023	2022
Weighted average remaining lease term in years	1.78	3.86
Weighted average discount rate	1.37%	1.37%

Annual maturity analysis of the Company's lease liabilities as of December 31, 2023 are as follows:

Year Ending December 31,	
2024	\$ 55,083
2025	54,734
2026	23,696
Total future payments	133,513
Less: imputed interest	(2,271)
Present value of operating lease liabilities	131,242
Less: current portion of operating lease liabilities	53,623
Noncurrent portion of operating lease liabilities	\$ 77,619

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Note 8 - 403(b) plan

ARRL has The ARRL, Inc. 403(b) Pension Plan. Employees are eligible to participate in the plan immediately upon employment. After an employee has worked for six months, ARRL provides a contribution of 2% of the employee's compensation and will match any elective contributions made by the employee up to the employee's contribution of 4% of their compensation. The match was one dollar for every dollar contributed by the employee in 2023 and 2022. Total employer contributions were \$289,406 and \$262,955 in 2023 and 2022, respectively.

Note 9 - Board-designated net assets

ARRL's Board of Directors' intent is to treat bequests without donor restrictions over a specific amount as funds functioning as an endowment. Since the beginning of 2004, ARRL has received bequests in the amount of \$8,713,240. Earnings on board-designated assets are used for operations annually. As of December 31, 2023 and 2022, the balance of the bequests, inclusive of unrealized gains and losses, was \$9,274,293 and \$7,948,356, respectively.

Note 10 - Net assets with donor restrictions

Net assets with donor restrictions as of December 31, 2023 and 2022, were available for the following purposes:

	2023	2022
Funds restricted for time or purpose		
Exceptional merit	\$ 1,255,068	\$ 1,153,766
Other specific purposes	1,069,436	743,885
Education and research	809,361	876,929
Total funds restricted for time or purpose	3,133,865	2,774,580
Funds restricted in perpetuity		
Second Century fund	3,164,231	3,167,344
W1AW fund	737,046	730,325
DX Log Archive fund	229,390	229,390
Youth and Education fund	333,189	313,189
Colvin fund	154,340	154,340
Dave Bell, W6AQ fund	134,864	134,864
Snyder Collegiate fund	250,000	250,000
Amateur Radio Innovation Awards Fund	40,000	-
Total funds restricted in perpetuity	5,043,060	4,979,452
Total donor restricted net assets	\$ 8,176,925	\$ 7,754,032

In 1993, ARRL became entitled, as beneficiary, to proceeds from a life insurance policy on one of its members, the Colvin fund. This endowment specifies that the principal is to be maintained in a fund and invested for the purpose of producing future income. The income from this endowment will be expended to reward deserving radio amateurs.

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In 2002, an endowment fund was established for W1AW maintenance and upkeep.

In 2011, ARRL started the Second Century Campaign. The principal funds are to be maintained and invested for the purpose of producing income for operations to be used annually. The income from the endowment will support creating a path to passionate involvement in amateur radio by new generations, and will thereby provide opportunities for educational enrichments, community service and personal achievement.

In 2012, ARRL became entitled to a bequest for the Youth and Education fund. This endowment specifies that the principal is to be maintained in a fund and invested for the purpose of producing future income. The income from this endowment will be used to support education and technology initiatives.

In 2014, ARRL received a donation to establish the DX Log Archive fund. This endowment specifies that the principal is to be maintained in a fund and invested for the purpose of producing future income. The income will fund the creation and management of the DX Log Archive Program for paper DX logs for rare and significant DX petitions.

In 2015, ARRL became entitled to a bequest to establish the Dave Bell, W6AQ fund. This fund specifies that the principal is to be maintained in a fund and invested for the purpose producing income for operations to be used annually. The income from this endowment will be used for ARRL's programs and operations in the best interests of the Amateur Radio Service as determined by ARRL.

In 2017, ARRL received a donation to establish the W1YSM Snyder Family Collegiate Amateur Radio Endowment fund. This endowment specifies that the principal is to be maintained in a fund and invested for the purpose of producing future income. In 2022, ARRL received an additional donation to expand the fund to the W1YSM Snyder Family Collegiate & ARRL-Affiliate Club Endowment fund. The income from this endowment will be used to support ARRL's Collegiate Amateur Radio Initiative activities and/or programs specific to ARRL-Affiliated Club support.

In 2023, ARRL received a donation to establish the American Radio Innovation Awards Endowment fund. This endowment specifies that the principal is to be maintained in a fund and invested for the purpose of producing future income. The income from this endowment will be used to support ARRL's Innovation Awards activities.

Note 11 - Endowment

ARRL's endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. The donor-restricted funds include the corpus restricted in perpetuity and the net appreciation of the fund. Funds designated by the Board of Directors as restricted to purpose or time are also included in the Organization's endowment and are reported as net assets without donor restrictions. The Board of Directors has interpreted the Connecticut Uniform Prudent Management of Institutional Funds Act ("CTUPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, ARRL retains in perpetuity (a) the original value of the initial and subsequent gift amounts (including contributions receivable net of discount and allowance for doubtful accounts donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by use in a manner consistent with the standard of prudence prescribed by CTUPMIFA.

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In accordance with CTUPMIFA, ARRL considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of ARRL and donor-restricted endowment funds, (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 ARRL and (7) ARRL's investment policies.

Changes in endowment net assets for the year ended December 31, 2023, are as follows:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Endowment net assets, January 1, 2023	\$ 7,948,356	\$ 4,940,638	\$ 12,888,994
Investment income, net	647,100	156,032	803,132
Net unrealized gain	780,685	444,248	1,224,933
Contributions	545,252	68,592	613,844
Amounts appropriated for expenditure	<u>(647,100)</u>	<u>(299,204)</u>	<u>(946,304)</u>
Endowment net assets, December 31, 2023	<u>\$ 9,274,293</u>	<u>\$ 5,310,306</u>	<u>\$ 14,584,599</u>

Endowment net asset composition by type of fund as of December 31, 2023, is as follows:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 5,310,306	\$ 5,310,306
Board-designated endowment funds	<u>9,274,293</u>	<u>-</u>	<u>9,274,293</u>
Total funds	<u>\$ 9,274,293</u>	<u>\$ 5,310,306</u>	<u>\$ 14,584,599</u>

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Changes in endowment net assets for the year ended December 31, 2022, are as follows:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets, January 1, 2022	\$ 9,908,502	\$ 6,257,344	\$ 16,165,846
Investment income, net	2,642,557	724,949	3,367,506
Net unrealized loss	(2,159,460)	(1,697,800)	(3,857,260)
Contributions	199,314	201,046	400,360
Amounts appropriated for expenditure	(2,642,557)	(544,901)	(3,187,458)
Endowment net assets, December 31, 2022	\$ 7,948,356	\$ 4,940,638	\$ 12,888,994

Endowment net asset composition by type of fund as of December 31, 2022, is as follows:

	Without donor restrictions	With donor restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 4,940,638	\$ 4,940,638
Board-designated endowment funds	7,948,356	-	7,948,356
Total funds	\$ 7,948,356	\$ 4,940,638	\$ 12,888,994

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires ARRL to retain as a fund of perpetual duration. ARRL may spend from underwater endowments. If the endowment agreement specifically prohibits distributions for any reason, including underwater situations, the endowment agreement shall prevail and the distributions will be eliminated or reduced in accordance with donor intent.

Due to a decline in investment earnings, the fair values of some of the endowments dropped below their historic gift value. The aggregate underwater funds as of December 31, 2023 and 2022 are as follows:

	Number of funds underwater	Fair Value	Original gift	Amount of deficiencies
2023	3	\$ 3,562,215	\$ 3,632,283	\$ (70,068)
2022	4	\$ 3,502,501	\$ 3,869,785	\$ (367,280)

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Note 12 - Concentrations

Credit risk

Financial instruments, which potentially subject ARRL to concentrations of credit risk, consist primarily of cash, pledges and trade receivables. ARRL maintains its cash with high-credit quality financial institutions. At times, such amounts may exceed the federally insured limit. At December 31, 2023, ARRL had approximately \$1,271,000 in excess of federally insured limits.

Market risk

ARRL invests in various debt and equity securities. These investment securities are exposed to interest rate, market, credit and other risks depending on the nature of the specific investment. Accordingly, it is at least reasonably possible that these factors will result in changes in the value of ARRL's investments which could materially affect amounts reported in the financial statements.

Note 13 - Related party transactions

ARRL has some common directors with The ARRL Foundation, Inc. ARRL performs administrative services for The ARRL Foundation, Inc. and was reimbursed for these services in the amount of \$20,000 and \$15,000 for the years ended December 31, 2023 and 2022, respectively.

Note 14 - Subsequent event

Subsequent to year end, ARRL experienced unauthorized access to certain systems which resulted in a cyber security incident and a ransomware attack. Management's investigation of the cyber security incident is ongoing. The investigation included hiring a 3rd party IT investigation firm, retaining legal counsel specializing in cyber incidents, and filing an insurance claim. Membership data was not accessed nor encrypted as part of the incident. ARRL is in the process of restoring systems and improving their cyber security measures.

ARRL is closely monitoring the effects of this event, however the full extent of impact on ARRL's operational performance cannot be determined at this time. The accompanying financial statements do not include any material accrued amounts for estimated future expenses as these amounts are uncertain.

Supplementary Information

The American Radio Relay League, Incorporated

**Restricted Funds for Time and Purpose Summary
Year Ended December 31, 2023**

Fund name	Balance January 1, 2023	Contributions	Investment income, net	Unrealized gain	Released from restriction	Balance December 31, 2023
H.P. Maxim Award	\$ 46,496	\$ -	\$ 1,459	\$ -	\$ (1,499)	\$ 46,456
Exceptional Merit	1,153,766	-	30,700	110,602	(40,000)	1,255,068
Legal Research and Resource	273,302	1,270	-	-	-	274,572
Ham Aid Fund	150,012	700	-	-	-	150,712
Defense of Frequencies	-	273,750	23,026	-	(296,776)	-
Lab Fund	47,733	1,294	-	-	-	49,027
Education and Technology	919,977	163,455	11,796	-	(272,674)	822,554
Steven Rich Fund	10,000	-	-	-	-	10,000
Direction Finding	2,154	2,217	-	-	-	4,371
Fred Fish Awards Fund	368	1,752	-	-	-	2,120
Legislative Issues Advocacy Fund	58,383	5,316	-	-	(62,401)	1,298
Preservation of Artifacts	214,066	576	-	-	(1,076)	213,566
Awards LoTW Fund	-	3,398	-	-	(3,398)	-
ARDC STEM Grant Fund	-	36,875	-	-	-	36,875
Colvin Fund earnings	57,205	-	5,668	19,312	-	82,185
W1AW Fund earnings	147,523	-	26,975	80,179	(121,604)	133,073
Youth and Education Fund earnings	(43,046)	-	-	29,853	-	(13,193)
Second Century Campaign earnings	(306,396)	-	103,996	254,042	(103,996)	(52,354)
CCF Earnings - DX Log Archive	60,875	-	8,424	26,379	(4,200)	91,478
Dave Bell, W6AQ Fund earnings	(16,604)	-	4,952	12,083	(4,952)	(4,521)
Snyder Collegiate Amateur Radio earnings	(1,234)	-	9,180	22,399	(1,588)	28,757
Amateur Radio Innovation Awards earnings	-	1,821	-	-	-	1,821
Total restricted funds for time and purpose	\$ 2,774,580	\$ 492,424	\$ 226,176	\$ 554,849	\$ (914,164)	\$ 3,133,865

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**Restricted Funds for Time and Purpose Summary
Year Ended December 31, 2022**

Fund name	Balance January 1, 2022	Contributions	Investment income, net	Unrealized loss	Released from restriction	Balance December 31, 2022
H.P. Maxim Award	\$ 45,353	\$ -	\$ 1,143	\$ -	\$ -	\$ 46,496
Exceptional Merit	1,574,263	-	25,035	(405,532)	(40,000)	1,153,766
Legal Research and Resource	268,274	5,028	-	-	-	273,302
Ham Aid Fund	156,567	1,663	-	-	(8,218)	150,012
Defense of Frequencies	-	257,919	103,332	-	(361,251)	-
Lab Fund	45,973	1,760	-	-	-	47,733
Education and Technology	637,165	455,710	53,855	-	(226,753)	919,977
Steven Rich Fund	10,000	-	-	-	-	10,000
Direction Finding	1,334	820	-	-	-	2,154
Fred Fish Awards Fund	1,722	3,415	-	-	(4,769)	368
Legislative Issues Advocacy Fund	67,249	1,230	-	-	(10,096)	58,383
Preservation of Artifacts	208,410	5,830	-	-	(174)	214,066
Awards LoTW Fund	-	1,715	-	-	(1,715)	-
Colvin Fund earnings	96,690	-	26,227	(65,712)	-	57,205
W1AW Fund earnings	346,549	-	122,862	(282,355)	(39,533)	147,523
Youth and Education Fund earnings	53,549	-	-	(96,595)	-	(43,046)
Second Century Campaign earnings	737,524	-	476,092	(1,043,920)	(476,092)	(306,396)
CCF Earnings - DX Log Archive	116,837	-	38,981	(90,743)	(4,200)	60,875
Dave Bell, W6AQ Fund earnings	25,662	-	22,918	(42,266)	(22,918)	(16,604)
Snyder Collegiate Amateur Radio earnings	39,264	-	37,869	(76,209)	(2,158)	(1,234)
Total restricted funds for time and purpose	\$ 4,432,385	\$ 735,090	\$ 908,314	\$ (2,103,332)	\$ (1,197,877)	\$ 2,774,580

See Independent Auditor's Report.



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