



FINANCIAL STATEMENTS

June 30, 2022 and 2021

With Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Maine Seacoast Mission

Opinion

We have audited the accompanying financial statements of Maine Seacoast Mission (the Mission), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Mission as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

Basis for Opinion

We conducted our audits in accordance with U.S. generally accepted auditing standards (U.S. 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 Mission 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.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, in 2022, the Mission adopted Financial Accounting Standards Board Accounting Standards Update No. 2020-07, *Presentation and Disclosures by Non-for-Profit Entities for Contributed Nonfinancial Assets*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Berry Dunn McNeil & Parker, LLC

Bangor, Maine
November 17, 2021

MAINE SEACOAST MISSION
Statements of Financial Position
June 30, 2022 and 2021

ASSETS

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents (Notes 2 and 13)	\$ 1,354,425	\$ 921,836
Cash received and held for specific projects (Note 2)	1,373,357	832,132
Accounts receivable (Note 2)	16,015	5,417
Prepaid expenses	160,112	153,190
Contributions and grants receivable, net (Notes 2 and 3)	223,295	155,279
Property and equipment, net of accumulated depreciation (Notes 2 and 4)	3,627,734	3,882,467
Split-interest agreements (Notes 6 and 9)	606,511	639,834
Beneficial interest in perpetual trusts (Notes 5 and 9)	5,358,195	6,574,867
Investments (Notes 2, 7, 8, and 9)	<u>48,089,348</u>	<u>52,293,786</u>
Total assets	<u>\$ 60,808,992</u>	<u>\$ 65,458,808</u>

LIABILITIES AND NET ASSETS

Accounts payable and accrued expenses	\$ 252,379	\$ 248,741
Deferred revenue	85,888	111,765
Gift annuity payable (Note 7)	<u>8,500</u>	<u>8,903</u>
Total liabilities	<u>346,767</u>	<u>369,409</u>
Net assets		
Without donor restrictions		
Board-designated endowment funds (Note 8)	27,879,559	30,171,117
Undesignated funds	<u>4,857,402</u>	<u>4,686,376</u>
Total net assets without donor restrictions	32,736,961	34,857,493
Net assets with donor restrictions (Notes 2, 8, and 10)	<u>27,725,264</u>	<u>30,231,906</u>
Total net assets	<u>60,462,225</u>	<u>65,089,399</u>
Total liabilities and net assets	<u>\$ 60,808,992</u>	<u>\$ 65,458,808</u>

The accompanying notes are an integral part of these financial statements.

MAINE SEACOAST MISSION

Statement of Activities

Year Ended June 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Operating revenue, gains, and other support			
Contributions and grants (Note 2)	\$ 1,507,959	\$ 1,661,430	\$ 3,169,389
Contributions of nonfinancial assets (Note 16)	108,488	-	108,488
Special events	181,808	-	181,808
Program and other	29,845	-	29,845
Investment income appropriated for operations (Note 8)	2,123,575	-	2,123,575
Net assets released from restrictions (Note 11)	<u>1,007,140</u>	<u>(1,007,140)</u>	<u>-</u>
Total operating revenue, gains, and other support	<u>4,958,815</u>	<u>654,290</u>	<u>5,613,105</u>
Operating expenses			
Program	3,516,366	-	3,516,366
Management and general	459,335	-	459,335
Development and fundraising	<u>459,956</u>	<u>-</u>	<u>459,956</u>
Total operating expenses	<u>4,435,657</u>	<u>-</u>	<u>4,435,657</u>
Net operating income (Note 2)	<u>523,158</u>	<u>654,290</u>	<u>1,177,448</u>
Non-operating income (loss)			
Endowment contributions	-	45,568	45,568
Change in value of split-interest agreements (Note 6)	-	(33,323)	(33,323)
Change in value of beneficial interest in perpetual trusts (Note 5)	-	(1,216,672)	(1,216,672)
Net investment loss, less amounts appropriated for operations (Notes 2 and 8)	<u>(2,643,690)</u>	<u>(1,956,505)</u>	<u>(4,600,195)</u>
Net non-operating loss	<u>(2,643,690)</u>	<u>(3,160,932)</u>	<u>(5,804,622)</u>
Change in net assets	<u>(2,120,532)</u>	<u>(2,506,642)</u>	<u>(4,627,174)</u>
Net assets, beginning of year	<u>34,857,493</u>	<u>30,231,906</u>	<u>65,089,399</u>
Net assets, end of year	<u>\$ 32,736,961</u>	<u>\$ 27,725,264</u>	<u>\$ 60,462,225</u>

The accompanying notes are an integral part of these financial statements.

MAINE SEACOAST MISSION

Statement of Activities

Year Ended June 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Operating revenue, gains, and other support			
Contributions and grants (Note 2)	\$ 1,746,026	\$ 1,300,104	\$ 3,046,130
Special events	124,030	-	124,030
Gain on sale of property and equipment	(5,482)	-	(5,482)
Program and other	1,013	-	1,013
Investment income appropriated for operations (Note 8)	1,968,569	-	1,968,569
Net assets released from restrictions (Note 11)	<u>1,044,945</u>	<u>(1,044,945)</u>	<u>-</u>
Total operating revenue, gains, and other support	<u>4,879,101</u>	<u>255,159</u>	<u>5,134,260</u>
Operating expenses			
Program	3,241,903	-	3,241,903
Management and general	412,794	-	412,794
Development and fundraising	<u>372,813</u>	<u>-</u>	<u>372,813</u>
Total operating expenses	<u>4,027,510</u>	<u>-</u>	<u>4,027,510</u>
Net operating income (Note 2)	<u>851,591</u>	<u>255,159</u>	<u>1,106,750</u>
Non-operating income (loss)			
Net assets released from restrictions - capital projects (Note 11)	1,483,517	(1,483,517)	-
Endowment contributions	-	165,280	165,280
Change in value of split-interest agreements (Note 6)	-	(31,707)	(31,707)
Change in value of beneficial interest in perpetual trusts (Note 5)	-	1,373,739	1,373,739
Net investment income, less amounts appropriated for operations (Notes 2 and 8)	<u>4,805,338</u>	<u>3,469,537</u>	<u>8,274,875</u>
Net non-operating income	<u>6,288,855</u>	<u>3,493,332</u>	<u>9,782,187</u>
Change in net assets	<u>7,140,446</u>	<u>3,748,491</u>	<u>10,888,937</u>
Net assets, beginning of year	<u>27,717,047</u>	<u>26,483,415</u>	<u>54,200,462</u>
Net assets, end of year	<u>\$ 34,857,493</u>	<u>\$ 30,231,906</u>	<u>\$ 65,089,399</u>

The accompanying notes are an integral part of these financial statements.

MAINE SEACOAST MISSION

Statement of Functional Expenses

Year Ended June 30, 2022

	Youth Develop- ment Programs	Direct Service Programs	Island Service Programs	Total Programs	Management and General	Development and Fundraising	Total Expenses
Salaries and benefits (Note 12)	\$ 834,931	\$ 315,653	\$ 452,095	\$ 1,602,679	\$ 539,523	\$ 359,882	\$ 2,502,084
Contract labor	1,600	15,425	5,000	22,025	-	11,880	33,905
Travel and training	29,784	53,732	6,674	90,190	15,883	3,218	109,291
Subscriptions and registrations	-	-	2,690	2,690	7,107	4,194	13,991
Utilities	-	70,825	2,818	73,643	1,442	-	75,085
Maintenance and repairs	13,324	52,315	40,990	106,629	37,416	4,752	148,797
Busing	41,446	-	-	41,446	-	-	41,446
Depreciation	15,170	49,185	282,352	346,707	13,017	-	359,724
Professional fees	-	-	2,789	2,789	109,701	45,837	158,327
Food and events	13,102	158,887	10,456	182,445	2,770	55,400	240,615
Board expense	-	-	-	-	1,177	-	1,177
Grants - scholarship program	164,760	-	-	164,760	-	-	164,760
Grants - other	-	-	5,000	5,000	-	-	5,000
Other direct program expense	83,302	171,001	94,491	348,794	961	5,263	355,018
Insurance	-	45,833	-	45,833	-	-	45,833
Advertising and marketing	1,289	-	-	1,289	-	83,929	85,218
Printing	-	-	-	-	794	12,124	12,918
Postage and shipping	-	-	-	-	5,635	12,259	17,894
Supplies	5,192	31,687	-	36,879	13,012	-	49,891
Bank fees	-	-	-	-	7,123	-	7,123
Administrative overhead	217,266	147,311	77,991	442,568	(296,226)	(146,342)	-
Uncollectible pledges	-	-	-	-	-	7,560	7,560
Total expenses	\$ <u>1,421,166</u>	\$ <u>1,111,854</u>	\$ <u>983,346</u>	\$ <u>3,516,366</u>	\$ <u>459,335</u>	\$ <u>459,956</u>	\$ <u>4,435,657</u>

The accompanying notes are an integral part of these financial statements.

MAINE SEACOAST MISSION

Statement of Functional Expenses

Year Ended June 30, 2021

	Youth Development <u>Programs</u>	Direct Service <u>Programs</u>	Island Service <u>Programs</u>	Total <u>Programs</u>	Management and General	Development and <u>Fundraising</u>	Total <u>Expenses</u>
Salaries and benefits (Note 12)	\$ 779,736	\$ 347,721	\$ 451,926	\$ 1,579,383	\$ 508,112	\$ 346,919	\$ 2,434,414
Contract labor	-	17,081	2,900	19,981	-	-	19,981
Travel and training	17,306	32,111	5,758	55,175	9,047	1,222	65,444
Subscriptions and registrations	-	-	170	170	8,156	4,438	12,764
Utilities	-	60,963	2,191	63,154	2,969	-	66,123
Maintenance and repairs	92,250	62,687	26,310	181,247	38,772	5,949	225,968
Busing	17,566	-	-	17,566	-	-	17,566
Depreciation	18,740	51,418	94,467	164,625	13,017	-	177,642
Professional fees	-	-	11,275	11,275	94,237	52,500	158,012
Food and events	4,502	38,815	5,238	48,555	462	12,086	61,103
Board expense	-	-	-	-	1,341	-	1,341
Grants - scholarship program	154,500	-	-	154,500	-	-	154,500
Grants - other	-	-	18,500	18,500	-	-	18,500
Other direct program expense	64,017	168,255	97,189	329,461	5,597	4,286	339,344
Insurance	-	49,012	-	49,012	-	-	49,012
Advertising and marketing	-	-	-	-	-	94,740	94,740
Printing	-	-	-	-	5,872	15,492	21,364
Postage and shipping	-	-	-	-	4,757	11,748	16,505
Supplies	7,309	65,517	-	72,826	13,849	-	86,675
Bank fees	-	-	-	-	6,512	-	6,512
Administrative overhead	<u>242,155</u>	<u>139,731</u>	<u>94,587</u>	<u>476,473</u>	<u>(299,906)</u>	<u>(176,567)</u>	<u>-</u>
Total expenses	<u>\$ 1,398,081</u>	<u>\$ 1,033,311</u>	<u>\$ 810,511</u>	<u>\$ 3,241,903</u>	<u>\$ 412,794</u>	<u>\$ 372,813</u>	<u>\$ 4,027,510</u>

The accompanying notes are an integral part of these financial statements.

MAINE SEACOAST MISSION

Statements of Cash Flows

Year Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Change in net assets	\$ (4,627,174)	\$ 10,888,937
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	359,724	177,642
Loss on sale of property and equipment	-	5,482
Net realized and unrealized loss (gain) on investments	3,314,509	(9,377,627)
Change in value of beneficial interest in perpetual trusts (Note 5)	1,216,672	(1,373,739)
Change in value of split-interest agreements (Note 6)	33,323	31,707
Contributions restricted for long-term purposes	(45,568)	(165,280)
(Increase) decrease in		
Accounts receivable (Note 2)	(10,598)	(4,578)
Prepaid expenses	(6,922)	(26,423)
Contributions and grants receivable (Notes 2 and 3)	(68,016)	(144,969)
Increase (decrease) in		
Accounts payable and accrued expenses	3,638	(56,389)
Deferred revenue	(25,877)	61,015
Gift annuity payable (Note 7)	(403)	(409)
Net cash provided by operating activities	<u>143,308</u>	<u>15,369</u>
Cash flows from investing activities		
Purchases of investments	(6,242,194)	(18,009,878)
Proceeds from sale of investments	7,132,123	18,744,007
Purchase of property and equipment	(104,991)	(253,469)
Proceeds from sale of property and equipment	-	41,000
Net cash provided by investing activities	<u>784,938</u>	<u>521,660</u>
Cash flows from financing activities		
Proceeds from contributions restricted for long-term purposes	<u>45,568</u>	<u>165,280</u>
Net cash provided by financing activities	<u>45,568</u>	<u>165,280</u>
Net increase in cash and cash equivalents	973,814	702,309
Cash and cash equivalents, beginning of year	<u>1,753,968</u>	<u>1,051,659</u>
Cash and cash equivalents, end of year	<u>\$ 2,727,782</u>	<u>\$ 1,753,968</u>
Additional disclosure:		
Cash and cash equivalents	\$ 1,354,425	\$ 921,836
Cash received and held for specific projects	<u>1,373,357</u>	<u>832,132</u>
	<u>\$ 2,727,782</u>	<u>\$ 1,753,968</u>

The accompanying notes are an integral part of these financial statements.

MAINE SEACOAST MISSION

Notes to Financial Statements

June 30, 2022 and 2021

1. Purpose of Organization and Nature of Activities

The Maine Seacoast Mission (the Mission) provides youth development, health, spiritual, and outreach programs in coastal and island communities from Mid-Coast to Downeast Maine. Rooted in a history of compassionate service and mutual trust, the Mission seeks to strengthen these communities by educating youth, enabling families, and promoting healthy lifestyles.

The following is a summary of the Mission's activities:

Youth Development Programs

The EdGE

Students in grades kindergarten through twelve are helped to gain the skills they need to succeed as students and to build their character and confidence through a multi-site in-school, after-school, and summer program.

Scholarship Program

Grants are provided to students from island and coastal communities to enable them to attend college, technical schools, and adult education programs.

Direct Service Programs

Downeast Campus Community Outreach

People in need in Downeast Maine receive a variety of services operating out of the Downeast Campus in Cherryfield, Maine. Services include: a food pantry, a senior companion program, donor-directed fuel and crisis assistance, collaboration with visiting church groups and local residents to rebuild and weatherize local homes, access to spiritual walking trails, and arranging various community-building gatherings.

Christmas Program

The Mission distributed approximately 7,580 donated gifts during the Christmas season to needy individuals on the islands and in coastal communities of Hancock and Washington counties.

Island Service Programs

Island Outreach

Pastoral counseling, worship services, recreation activities, fellowship gatherings, and middle school student activities are provided to residents of off-shore islands of Mid-Coast and Downeast Maine.

MAINE SEACOAST MISSION

Notes to Financial Statements

June 30, 2022 and 2021

Island Church Support

Financial support is provided to churches on three of the islands, assisting these churches in providing year-round church services, pastoral counseling, and general support to the island communities.

Island Health Services

The Mission's Island Health Service Registered Nurse (RN) and staff provide personal health visitations and access to educational and health screening clinics to island residents. The RN is able to connect island residents with health providers on the mainland through the use of "telemedicine" equipment. Telemedicine enables healthcare facilities to provide services to island patients through the use of highly technical telecommunication equipment provided by the Mission and with the assistance of the Mission's RN.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified as follows based on the existence or absence of donor-imposed restrictions as indicated below:

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

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

Income Taxes

The Internal Revenue Service has determined that the Mission is exempt from taxation under Internal Revenue Code Section 501(c)(3) and, accordingly, no provision for income taxes has been reflected in these financial statements.

MAINE SEACOAST MISSION

Notes to Financial Statements

June 30, 2022 and 2021

Definition of Operations

The statements of activities include net operating income. Changes in net assets, which are excluded from net operating income, include net investment gains (loss) greater than (less than) amounts appropriated for operations, investment income withdrawn for capital projects, endowment contributions and the change in value thereof, contributions for capital projects and net assets released from restriction for those projects, gain (loss) on sale of property and equipment, and the change in the value of beneficial interest in perpetual trusts and split-interest agreements.

Cash and Cash Equivalents

The Mission considers all highly-liquid debt instruments with an original maturity of three months or less to be cash or cash equivalents. The Mission maintains its cash and cash equivalents in bank deposit accounts which, at times, may exceed federally insured limits. The Mission has not experienced any losses in such accounts. The Mission believes it is not exposed to any significant risk with respect to these accounts.

Cash received and held for specific projects is restricted for the following purposes as of June 30:

	<u>2022</u>	<u>2021</u>
Education/Scholarships	\$ 556,053	\$ 156,553
EdGE	329,320	248,926
Downeast Campus programs	212,971	303,503
Island Outreach	6,657	3,712
Island Health Services	42,636	45,670
General	3,220	8,415
Development/Marketing	47,500	65,353
Building project campaign funds	<u>175,000</u>	<u>-</u>
Total cash received and held for specific projects	<u>\$ 1,373,357</u>	<u>\$ 832,132</u>

Accounts, Contributions, and Grants Receivable

Accounts, contributions, and grants receivable are stated at the amount management expects to collect. As of June 30, 2022 and 2021, a general allowance has not been established. If any receivable becomes uncollectible, they will be charged to operations when that determination is made.

Credit is extended at regular terms without collateral.

MAINE SEACOAST MISSION

Notes to Financial Statements

June 30, 2022 and 2021

Property and Equipment

Purchased property and equipment are recorded at cost. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as support with donor restrictions. Absent donor restrictions regarding how long those donated assets must be maintained, the Mission reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Mission reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment is depreciated using the straight-line method over its estimated useful life. It is the Mission's policy to capitalize all property and equipment with cost exceeding \$2,000 and a useful life of more than one year.

Historical Collections

The Mission maintains and protects collections of donated items of historical value related to the Mission dating back to the early 1900's. The items include an extensive hooked rugs collection, works of art, and models of each of the Sunbeam ships utilized in Island Services. The collections are utilized for occasional public displays and are being preserved for educating future generations about the history of the Mission. In accordance with the Mission's policy, these donated items have not been capitalized.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statement of financial position based on quoted market prices. Other investments, for which no such quotations or valuations are readily available, are carried at fair value as estimated by management using values provided by external investment managers. The Mission reviews and evaluates the valuations provided by the investment managers and believes that these valuations are a reasonable estimate of fair value at June 30, 2022 and 2021, but are subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for the investments existed.

Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in value in the near term would materially affect the amounts reported in the statement of financial position.

Contributions

The Mission reports contributions of cash or other assets, including unconditional promises to give, in the statement of activities when the cash, unconditional promise, or other assets are received. Unconditional promises to give are reported at their net realizable value. Significant noncash contributions are recorded at their fair value at the date of receipt.

MAINE SEACOAST MISSION

Notes to Financial Statements

June 30, 2022 and 2021

The Mission reports contributions as support with donor restrictions if the contributions are received with donor restrictions that limit the use of the donated assets and the restrictions are not met within the same reporting period. Contributions subject to donor imposed restrictions that are met in the same reporting period are reported as support 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 to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Mission received 15% of the contributions from a single donor during the year ended June 30, 2022 and 16% of the contributions from a single donor during the year ended June 30, 2021.

Contributed Services

It is estimated that over 272 individuals during the year ended June 30, 2022 and 183 individuals during the year ended June 30, 2021 volunteered their time performing a variety of tasks that assist the Mission. The average volunteer worked approximately 30 hours during the year ended June 30, 2022 and 41 hours during the year ended June 30, 2021, which is over 8,250 and 7,500 volunteer hours over the years, respectively. These contributed services are not recognized in the financial statements as they did not meet the criteria for recognition under U.S. GAAP.

Functional Expenses

The Mission allocates its expenses on a functional basis among its various programs. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The Mission allocates employee salaries, payroll taxes, and benefits for the administrative and development departments, as well as professional fees paid to certain outside contractors. These costs are allocated to the various programs based on a combined percentage basis utilizing the following information related to each of the individual programs: the estimate of time and effort provided by each of the employees of the administrative and development departments and the outside contracted professionals, the total number of the program's employees, the program's development revenue raised, the units of computer hardware utilized, and the total number of accounting transactions processed. Total program expenses for the year ended June 30, 2022, excluding administrative overhead allocation of \$442,568, were \$3,073,798. Total program expenses for the year ended June 30, 2021, excluding administrative overhead allocation of \$476,473, were \$2,765,430.

Accounting Standards Adoption

During 2022, the Mission adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The amendments in this ASU require not-for-profit organizations to present contributions of nonfinancial assets separately from other contributions. Additionally, the ASU adds further disclosure requirements. There was no impact to the change in net assets as a result of this adoption.

MAINE SEACOAST MISSION

Notes to Financial Statements

June 30, 2022 and 2021

Subsequent Events

For purposes of the preparation of these financial statements in conformity with U.S. GAAP, the Mission has considered transactions or events occurring through November 17, 2021, which was the date that the financial statements were available to be issued.

Uncertainty

During 2021 and 2022, in response to the COVID-19 global pandemic, local, U.S., and world governments encouraged self-isolation to curtail the spread of COVID-19 by mandating the temporary shut-down of business in many sectors and imposing limitations on travel and the size and duration of group meetings. Most sectors experienced disruption to business operations and may feel further impacts related to decreased revenue, volatility in investment returns, and reduced philanthropic support. There continues to be uncertainty surrounding the potential economic ramifications and any government actions to mitigate them. The extent of the impact of COVID-19 on business and financial results will depend on future developments.

3. Contributions and Grants Receivable

Contributions and grants receivable consist of unconditional promises to give toward a prior capital campaign to renovate the Sunbeam, program support, and general Mission uses. The Mission has been named in certain bequests that have not been recorded, as they have not yet been through probate. Contributions and grants receivable consist of the following:

	<u>2022</u>	<u>2021</u>
Within one year	\$ 185,200	\$ 83,860
Between one and five years	<u>40,000</u>	<u>75,000</u>
Total contributions and grants receivable	225,200	158,860
Less discounts to net present value at 5.00%	<u>(1,905)</u>	<u>(3,581)</u>
Net contributions and grants receivable	<u>\$ 223,295</u>	<u>\$ 155,279</u>

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Notes to Financial Statements

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4. Property and Equipment

As of June 30, property and equipment consists of:

	<u>2022</u>	<u>2021</u>
Land and improvements	\$ 203,531	\$ 203,531
Capital lease	7,460	7,460
Building and improvements	1,612,333	1,612,333
Vehicles	93,116	75,183
Ships	3,703,133	3,703,133
Equipment	161,731	161,731
Information technology	827,587	827,587
Furniture and fixtures	260,644	260,644
Projects in process	<u>87,058</u>	<u>-</u>
	6,956,593	6,851,602
Less accumulated depreciation	<u>(3,328,859)</u>	<u>(2,969,135)</u>
Net property and equipment	<u>\$ 3,627,734</u>	<u>\$ 3,882,467</u>

5. Beneficial Interest in Perpetual Trusts

The Mission is the beneficiary of various trusts created by donors, the assets of which are not in the possession of the Mission. The Mission has legally enforceable rights or claims to such assets, including the right to income therefrom. The Mission has reported the fair value of the underlying trust assets, which approximates the present value of the expected future cash flows of these trusts, as the beneficial interest in perpetual trusts in the statement of financial position. Net realized gains and losses in trusts held by others are reported as changes in net assets with donor restrictions based on the Mission's interpretation of the trustees' policy on income appropriation. Appreciation in such funds is not available for expenditure by the Mission unless the separate trustees of those funds elect to appropriate it. The fair value at June 30, 2022 and 2021 of funds held in trust by others was \$5,358,195 and \$6,574,867, respectively. Income received as distributions for the year ended June 30, 2022 and 2021 of funds held in trust by others was \$207,624 and \$153,398, respectively, and are included with contributions and grants without donor restrictions in the statements of activities.

6. Split-Interest Agreements

The Mission is a charitable remainder beneficiary for an irrevocable charitable remainder unitrust in the amount of \$100,000, to be paid upon dissolution of the trust. Further, the Mission is the income beneficiary for two charitable lead unitrusts. Each trust pays the Mission 4% of the trust's fair market value as of January 1 of each year. The first unitrust terminates in 2029, and the second terminates in 2039. The present value of the future income stream from these trusts, using a 5% discount rate, was \$506,511 and \$539,834, respectively, at June 30, 2022 and 2021. Income distributions received from the trusts, which are restricted by the donor for the EdGE program, totaled \$73,213 and \$71,003, respectively, for the years ended June 30, 2022 and 2021, and are included in contributions and grants in the statements of activities.

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Notes to Financial Statements

June 30, 2022 and 2021

7. Charitable Gift Annuity

In a prior year, the Mission received a contribution under a charitable gift annuity agreement. The Mission is to remit payments to the income beneficiary in various installments for the remainder of the beneficiary's life. The present value of the annuity payment liability was \$8,500 and \$8,903 at June 30, 2022 and 2021, respectively. The original amount donated under this charitable gift annuity agreement was \$25,080 and the value was \$9,711 at June 30, 2022 and \$11,654 at June 30, 2021, and is included in investments.

8. Investments

Investments and investment income as of and for the years ended June 30 consist of:

	<u>2022</u>	<u>2021</u>
Cash investments	\$ 990,906	\$ 920,821
Domestic equity funds	16,266,869	17,056,491
International equity funds	6,344,836	10,012,446
Fixed income securities and funds	13,603,859	15,309,769
Hedge funds	2,285,772	2,343,198
Private equity fund	<u>8,597,106</u>	<u>6,651,061</u>
Total investments	<u>\$ 48,089,348</u>	<u>\$ 52,293,786</u>
Investment income appropriated for operations	\$ 2,123,575	\$ 1,968,569
Net investment (loss) income greater than (less than) amounts appropriated for operations	<u>(4,600,195)</u>	<u>8,274,875</u>
Total investment (loss) income	<u>\$ (2,476,620)</u>	<u>\$ 10,243,444</u>

At June 30, 2022 and 2021, the Mission held approximately \$12,411,923 and \$12,820,000, respectively, of its total investments in an S&P 500 Index Fund (a domestic equity fund). For the years ended June 30, 2022 and 2021, investment management and administrative fees totaled \$89,247 and \$73,140, respectively.

The Mission adopted a policy to annually allocate investment earnings to operations. As noted below, funds are invested with a goal to achieve a real (adjusted for inflation) total long-term return, net of investment management and administrative fees, of at least 5%. The Mission's policy of annual spending is not to exceed 5% of the previous twelve quarters' average balance of investments.

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Notes to Financial Statements

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The long-term investment objective of the Mission is to preserve and enhance the real value of the financial assets of the Mission over time, in order to provide a sufficient rate of return for fulfilling the philanthropic purposes of the Mission. Assets are to be invested prudently in diversified investments that seek to provide total return. Investment decisions are made considering the overall portfolio, resources available, and the purpose of the endowment. To accomplish this objective, endowment funds are invested for growth in principal and income, with a goal to achieve a real (adjusted for inflation) total long-term return, net of investment management and administrative fees, of at least 5%.

To achieve its investment objective and to control risk, the Mission's portfolio is diversified across multiple asset classes. The Mission's long-term commitment to these asset classes is as follows:

<u>Asset Class</u>	<u>Range</u>	<u>Allocation Target</u>
Investment Grade Fixed Income	5% - 35%	20%
Other Fixed Income*	0% - 19%	9%
U.S. Equity	21% - 41%	31%
Non-U.S. Equity	9% - 29%	19%
Hedge Funds	0% - 15%	5%
Private Equity	0% - 30%	15%

* Other fixed income may include non-U.S. investment grade debt, high-yield bonds, and emerging markets debt preferred stocks.

The Mission has interpreted the State of Maine Uniform Prudent Management of Institutional Funds Act (the Act) as requiring the preservation of the contributed value of the donor-restricted endowment funds, absent explicit donor restrictions to the contrary. As a result of this interpretation, the Mission classifies as net assets with donor restrictions (1) the original value of gifts donated to the permanent endowment, (2) the original value of subsequent gifts to the permanent endowment, and (3) 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. If the donor-restricted endowment assets earn investment returns beyond these amounts, that excess is available for appropriation and, therefore, classified as net assets with donor restrictions until appropriated by the Board of Directors for expenditure. Funds designated by the Board of Directors to function as endowments are classified as net assets without donor restrictions. Funds designated by the Board of Directors are maintained for general operating reserves, scholarships, the Sunbeam, and the Island Health program.

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The Board of Directors had designated funds for the following purposes:

	<u>2022</u>	<u>2021</u>
Sunbeam	\$ 1,561,228	\$ 1,712,916
Island Health	1,301,437	1,427,883
Education/Scholarships	1,151,335	1,254,594
EdGE	3,027,533	3,321,686
General	<u>20,838,026</u>	<u>22,454,038</u>
 Total	 <u>\$ 27,879,559</u>	 <u>\$ 30,171,117</u>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or the Act requires the Mission to retain as a fund of perpetual duration. The current Mission policy allows for continued spending of underwater funds. In accordance with U.S. GAAP, deficiencies of this nature are reported in net assets with donor restrictions. Deficiencies were \$16,410 at June 30, 2022. There were no deficiencies as of June 30, 2021.

The endowment net asset composition by type of fund as of June 30, 2022 is as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 20,200,077	\$ 20,200,077
Board-designated endowment funds	<u>27,879,559</u>	<u>-</u>	<u>27,879,559</u>
 Total	 <u>\$ 27,879,559</u>	 <u>\$ 20,200,077</u>	 <u>\$ 48,079,636</u>

Changes in endowment net assets for the year ended June 30, 2022 are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 30,171,117	\$ 22,111,014	\$ 52,282,131
Net investment loss	(1,425,542)	(1,053,793)	(2,479,335)
Additions to endowment assets	354,847	45,568	400,415
Appropriation of endowment assets for expenditure	<u>(1,220,863)</u>	<u>(902,712)</u>	<u>(2,123,575)</u>
Endowment net assets, end of year	<u>\$ 27,879,559</u>	<u>\$ 20,200,077</u>	<u>\$ 48,079,636</u>

MAINE SEACOAST MISSION

Notes to Financial Statements

June 30, 2022 and 2021

The endowment net asset composition by type of fund as of June 30, 2021 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 22,111,014	\$ 22,111,014
Board-designated endowment funds	<u>30,171,117</u>	<u>-</u>	<u>30,171,117</u>
Total	<u>\$ 30,171,117</u>	<u>\$ 22,111,014</u>	<u>\$ 52,282,131</u>

Changes in endowment net assets for the year ended June 30, 2021 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 25,162,642	\$ 18,476,199	\$ 43,638,841
Net investment income	5,845,110	4,393,871	10,238,981
Additions to endowment assets	733,856	165,280	899,136
Appropriation of endowment assets for expenditure	<u>(1,570,491)</u>	<u>(924,336)</u>	<u>(2,494,827)</u>
Endowment net assets, end of year	<u>\$ 30,171,117</u>	<u>\$ 22,111,014</u>	<u>\$ 52,282,131</u>

9. Assets at Fair Value

FASB ASC Topic 820, *Fair Value Measurement*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. FASB ASC Topic 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

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Notes to Financial Statements

June 30, 2022 and 2021

Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

Assets measured at fair value on a recurring basis as of June 30, 2022 are summarized below:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Beneficial interest in perpetual trusts	\$ 5,358,195	\$ -	\$ -	\$ 5,358,195
Split-interest agreements	606,511	-	606,511	-
Domestic equity funds	16,266,869	14,186,305	-	2,080,564
International equity funds	6,344,836	6,344,836	-	-
Fixed income funds	4,282,156	4,282,156	-	-
Cash and cash equivalents	990,906	990,906	-	-
U.S. Government fixed income (TIPS)	9,321,703	9,321,703	-	-
Hedge fund*	<u>2,285,772</u>	<u>-</u>	<u>2,285,772</u>	<u>-</u>
	45,456,948	<u>\$ 35,125,906</u>	<u>\$ 2,892,283</u>	<u>\$ 7,438,759</u>
Assets measured at net asset value (NAV)	<u>8,597,106</u>			
Total assets measured at fair value on a recurring basis	<u>\$ 54,054,054</u>			

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Notes to Financial Statements

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Assets measured at fair value on a recurring basis as of June 30, 2021 are summarized below:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Beneficiary interest in perpetual trusts	\$ 6,574,867	\$ -	\$ -	\$ 6,574,867
Split-interest agreements	639,834	-	639,834	-
Domestic equity funds	17,056,491	14,761,783	-	2,294,708
International equity funds	10,012,446	10,012,446	-	-
Fixed income funds	4,923,603	4,923,603	-	-
Cash and cash equivalents	920,821	920,821	-	-
U.S. Government fixed income (TIPS)	10,386,166	10,386,166	-	-
Hedge fund*	<u>2,343,198</u>	<u>-</u>	<u>2,343,198</u>	<u>-</u>
	52,857,426	\$ <u>41,004,819</u>	\$ <u>2,983,032</u>	\$ <u>8,869,575</u>
Assets measured at NAV	<u>6,651,061</u>			
Total assets measured at fair value on a recurring basis	\$ <u>59,508,487</u>			

*The hedge fund may be redeemed quarterly.

Level 3 beneficial interest in perpetual trusts and Level 2 split-interest agreements are valued based on the fair value of the underlying investments held by the trusts. Level 3 domestic equity funds are mutual funds that can be liquidated daily, valued using a proprietary method. U.S. Treasury notes and bonds and TIPS are valued based on quoted market prices for similar instruments.

The Mission invests in certain entities that calculate NAV per share in accordance with FASB guidance relative to investment companies and these investments are reported at fair value based on the NAV per share as reported by the investee. Investments measured at NAV are not classified by level, as they meet the criteria for the exception to fair value classification.

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Notes to Financial Statements

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The following includes a summary of fair values, redemption features, and future commitments related to investments for which estimated fair value was based upon NAV, capital account, or other valuation procedures as of June 30, 2022:

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Periods</u>
Private equity fund	\$ 854,121	\$ 476,342	N/A	N/A
Private equity fund	778,118	378,401	N/A	N/A
Private equity fund	338,516	23,921	N/A	N/A
Private equity fund	654,491	487,259	N/A	N/A
Private equity fund	28,000	1,372,000	N/A	N/A
Private equity fund	-	1,200,000	N/A	N/A
Private equity fund	114,179	-	N/A	N/A
Private equity fund - 2014	846,421	134,327	N/A	N/A
Private equity fund - 2015	1,055,754	284,423	N/A	N/A
Private equity fund - 2016	1,181,167	245,912	N/A	N/A
Private equity fund - 2017	1,279,412	179,330	N/A	N/A
Private equity fund - 2018	518,716	218,208	N/A	N/A
Private equity fund - 2019	587,120	238,002	N/A	N/A
Private equity fund - 2020	245,621	467,717	N/A	N/A
Private equity fund - 2021	115,464	585,917	N/A	N/A
Private equity fund - 2022	<u>-</u>	<u>800,000</u>	N/A	N/A
	<u>\$ 8,597,100</u>	<u>\$ 7,091,759</u>		

N/A = not applicable

The private equity funds are diversified U.S. and non U.S. private equity portfolios, which may include venture capital, buyout, and mezzanine assets through the secondary market, private equity limited partnership interests, and minority positions in direct private equity investments. The private equity funds are to be held for 10-15 years unless sold on the secondary market. A private equity fund typically receives capital over the first half of the life of the fund. Funds tend to distribute capital during the final years of a fund's life. Early in the life of a private equity program, there will be net contributions. As the collective private equity investments mature, distributions should offset contributions to new private equity funds. Generally, investments in these private equity funds will be held until the partnership terminates, unless, at the general partner's discretion, written consent is given to allow an investor to withdraw.

MAINE SEACOAST MISSION

Notes to Financial Statements

June 30, 2022 and 2021

10. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes or periods as of June 30:

	<u>2022</u>	<u>2021</u>
Restricted as to time or purpose		
Education/Scholarships	\$ 2,316,367	\$ 2,245,327
EdGE	1,664,422	2,711,153
Downeast Campus programs	665,032	810,478
Colket fund	-	181,903
Island Services	23,038	32,211
Island Health	99,224	143,599
Sunbeam	534	826
General funds subject to board appropriation	1,065,631	1,168,113
Development/Marketing	47,500	65,353
Building project campaign funds	175,000	-
Split-interest agreements - EdGE	<u>606,511</u>	<u>639,834</u>
Total net assets restricted as to time or purpose	<u>6,663,259</u>	<u>7,998,797</u>
Net assets with donor restrictions of perpetual duration		
Education/Scholarships	1,734,717	1,689,649
EdGE	10,468,600	10,468,100
Colket fund	2,000,000	2,000,000
Island Services	77,368	77,368
Island Health	933,514	933,514
Sunbeam*	2,468	2,468
General funds, income subject to board appropriation	487,143	487,143
Beneficial interest in perpetual trusts	<u>5,358,195</u>	<u>6,574,867</u>
Total net assets with donor restrictions of perpetual duration	<u>21,062,005</u>	<u>22,233,109</u>
Total net assets with donor restrictions	<u>\$ 27,725,264</u>	<u>\$ 30,231,906</u>

MAINE SEACOAST MISSION

Notes to Financial Statements

June 30, 2022 and 2021

11. Net Assets Released From Restrictions

Net assets released from restrictions due to donor-imposed restrictions being met and other reclassifications consisted of the following:

	<u>2022</u>	<u>2021</u>
Education/Scholarships	\$ 129,705	\$ 101,015
EdGE	458,263	480,352
Downeast Campus programs	253,220	224,287
Island Health	123,035	167,330
Island Services	64	100
Sunbeam	-	8,305
General funds	25,000	20,000
Development/Marketing	<u>17,853</u>	<u>43,556</u>
Total net assets released from restrictions - operating	<u>1,007,140</u>	<u>1,044,945</u>
Total net assets released from restrictions - capital projects	<u>-</u>	<u>1,483,517</u>
Total net assets released from restrictions	<u>\$ 1,007,140</u>	<u>\$ 2,528,462</u>

12. Retirement Plan

The Mission has established a defined contribution retirement plan, which covers employees working at least 35 hours per week. Mission contributions are made at 14% of gross wages for ministers. The Mission contribution for lay employees is 5% if the lay employee makes a voluntary contribution of at least 2.5%. Mission retirement contributions totaled \$81,639 and \$82,030 for the years ended June 30, 2022 and 2021, respectively.

13. Related Party Transactions

The Mission maintains cash and cash equivalents with Bar Harbor Bank and Trust (BHBT) and Machias Savings Bank (MSB). The Chief Financial Officer of BHBT and the Vice President of Business Banking of MSB were members of the Mission's Board of Directors during the years ended June 30, 2022 and 2021. Cash and cash equivalents maintained at BHBT and MSB were approximately 14% and 31% of total cash and cash equivalents at June 30, 2022, respectively. Cash and cash equivalents maintained at BHBT and MSB were approximately 1% and 48% of total cash and cash equivalents at June 30, 2021, respectively.

MAINE SEACOAST MISSION

Notes to Financial Statements

June 30, 2022 and 2021

14. Liquidity and Availability of Resources

	<u>2022</u>	<u>2021</u>
Total financial assets	\$ 56,981,146	\$ 61,423,151
Less: Financial assets with donor-imposed restrictions:		
Cash received and held for specific projects	1,373,357	832,132
Donor restricted endowments, less amounts appropriated for the next 12 months	19,217,000	21,212,000
Gift annuities	9,711	11,654
Split interest agreements	606,511	639,834
Beneficial interest in perpetual trust	<u>5,358,195</u>	<u>6,574,867</u>
Total financial assets with donor-imposed restrictions	<u>26,564,774</u>	<u>29,270,487</u>
Net financial assets after donor-imposed restrictions	<u>30,416,372</u>	<u>32,152,664</u>
Internal designations:		
Amounts set aside for liquidity reserve	501,613	500,002
Quasi-endowments, less amounts appropriated for the next 12 months	<u>26,521,833</u>	<u>27,487,763</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,392,926</u>	<u>\$ 4,164,899</u>

The Mission receives significant contributions restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures.

The Mission manages its liquidity and reserves following two guiding principles: operating within a prudent range of financial soundness and stability and maintaining adequate liquid assets to fund near-term operating needs. The Mission has a liquidity policy to maintain current financial assets, less current liabilities at a minimum of 30 days operating expenses, which are, on average, approximately \$300,000. The Mission has a policy to target a year-end balance of reserves of undesignated net assets at 15 to 30 days of expected expenditures. To achieve these targets, the Mission forecasts its future cash flows and monitors its liquidity quarterly, and monitors its reserves annually. During the years ended June 30, 2022 and 2021, the level of liquidity and reserves was managed within the policy requirements.

Although the Mission does not intend to spend from its board-designated quasi-endowments, other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, additional amounts could be made available if necessary.

MAINE SEACOAST MISSION

Notes to Financial Statements

June 30, 2022 and 2021

15. Leases

The Mission leases certain office space for administrative purposes under an operating lease agreement expiring in fiscal year 2031. The Mission records rent expense on a straight-line basis for the Northeast Harbor office. The lease agreement defers payment to future periods. The difference between rent expense and payments made under the lease are reflected as deferred rent payable. Rent expense totaled \$44,829 and \$41,093 as of June 30, 2022 and 2021, respectively. Deferred rent payable totaled \$63,947 and \$41,093 as of June 30, 2022 and 2021, respectively.

Future minimum lease payments under this operating lease are as follows:

2023	\$ 52,740
2024	52,740
2025	52,740
2026	52,740
2027	52,740
Thereafter	<u>162,615</u>
	<u>\$ 426,315</u>

16. Contributed Nonfinancial Assets

For the year ended June 30, 2022, contributed nonfinancial assets recognized within the statement of activities included donations to the food pantry to fight food insecurity, valued at \$108,488. Food pantry donations are recognized at an average price per pound of \$1.70 as calculated by the donor. Contributed nonfinancial assets did not have donor-imposed restrictions.