



## FINANCIAL STATEMENTS

December 31, 2024

With Independent Auditor's Report





BDMP Assurance, LLP

## INDEPENDENT AUDITOR'S REPORT

The Board of Directors  
Maine Coast Heritage Trust

### Opinion

We have audited the accompanying financial statements of Maine Coast Heritage Trust (the Organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the 2024 financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with U.S generally accepted accounting principles (U.S. GAAP).

### Basis for Opinion

We conducted our audit 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 Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Prior Period Financial Statements

The financial statements of the Organization as of and for the year ended December 31, 2023 were audited by Berry, Dunn, McNeil, & Parker, LLC whose report, dated July 22, 2024, expressed an unmodified opinion on those statements. The summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### 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 Organization'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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*BMP Assurance, LLP*

Bangor, Maine  
July 14, 2025

**MAINE COAST HERITAGE TRUST**

**Statement of Financial Position**

**December 31, 2024**  
**(With Comparative Totals for December 31, 2023)**

**ASSETS**

	<b>2024</b>						<b>2023 Total</b>
	<u>Operating</u>	<u>Operating Endowment</u>	<u>Stewardship Investments</u>	<u>Revolving Loan</u>	<u>Special Projects</u>	<u>Total</u>	
Cash and cash equivalents	\$ 1,867,884	\$ -	\$ -	\$ 200,138	\$ -	\$ 2,068,022	\$ 1,157,795
Cash and short-term investments restricted for long-term purposes	7,945,052	-	-	250,000	-	8,195,052	13,033,008
Accounts and accrued interest receivable	71,434	-	-	2,791	-	74,225	670,986
Bequests receivable, net	1,417,885	-	76,062	-	-	1,493,947	1,486,581
Pledges and grants receivable, net	690,047	-	8,500	-	-	698,547	2,333,470
Due (to) from other funds	(3,969,312)	32,373	138,133	3,800,000	(1,194)	-	-
Notes receivable	-	-	-	55,002	-	55,002	319,002
Short-term investments	10,214,582	-	-	398,335	-	10,612,917	10,760,444
Investments	19,863,679	52,245,539	73,823,645	-	3,529,104	149,461,967	137,904,948
Beneficial interest in split-interest agreements	5,922,679	-	-	-	-	5,922,679	5,552,093
Property and equipment, net of accumulated depreciation	7,298,525	-	-	-	-	7,298,525	7,187,928
Deposits and other assets	265,046	-	-	-	-	265,046	399,167
Land	<u>126,054,819</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>126,054,819</u>	<u>117,355,783</u>
Total assets	<u>\$177,642,320</u>	<u>\$ 52,277,912</u>	<u>\$ 74,046,340</u>	<u>\$ 4,706,266</u>	<u>\$ 3,527,910</u>	<u>\$312,200,748</u>	<u>\$298,161,205</u>

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

## LIABILITIES AND NET ASSETS

	<b>2024</b>					<b>Total</b>	2023 <u>Total</u>
	<u>Operating</u>	<u>Operating Endowment</u>	<u>Stewardship Investments</u>	<u>Revolving Loan</u>	<u>Special Projects</u>		
<b>Liabilities</b>							
Accounts payable	\$ 517,592	\$ -	\$ -	\$ -	\$ -	\$ 517,592	\$ 752,052
Deferred revenue	500	-	-	-	-	500	500
Accrued expenses and other liabilities	<u>459,181</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>459,181</u>	<u>447,027</u>
Total liabilities	<u>977,273</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>977,273</u>	<u>1,199,579</u>
<b>Net assets</b>							
Without donor restrictions							
Available for operations	7,205,238	-	-	4,350,044	-	11,555,282	11,892,255
Board-designated	1,900,845	24,315,768	31,254,097	106,222	3,527,910	61,104,842	56,040,788
Net investment in land, property and equipment	<u>133,353,344</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>133,353,344</u>	<u>124,543,711</u>
Total net assets without donor restrictions	142,459,427	24,315,768	31,254,097	4,456,266	3,527,910	206,013,468	192,476,754
With donor restrictions	<u>34,205,620</u>	<u>27,962,144</u>	<u>42,792,243</u>	<u>250,000</u>	<u>-</u>	<u>105,210,007</u>	<u>104,484,872</u>
Total net assets	<u>176,665,047</u>	<u>52,277,912</u>	<u>74,046,340</u>	<u>4,706,266</u>	<u>3,527,910</u>	<u>311,223,475</u>	<u>296,961,626</u>
Total liabilities and net assets	<u>\$177,642,320</u>	<u>\$ 52,277,912</u>	<u>\$ 74,046,340</u>	<u>\$ 4,706,266</u>	<u>\$ 3,527,910</u>	<u>\$312,200,748</u>	<u>\$298,161,205</u>

**MAINE COAST HERITAGE TRUST**

**Statement of Activities**

**Year Ended December 31, 2024**

**(With Comparative Totals for the Year Ended December 31, 2023)**

	<b>2024</b>						<b>2023</b>
	<u>Operating</u>	<u>Operating Endowment</u>	<u>Stewardship Investments</u>	<u>Revolving Loan</u>	<u>Special Projects</u>	<u>Total</u>	<u>Total</u>
Changes in net assets without donor restrictions							
Revenues and gains							
Contributions and grants	\$ 3,834,431	\$ 323,308	\$ -	\$ -	\$ -	<b>\$ 4,157,739</b>	\$ 5,224,030
Donated land and equipment	2,448,280	-	-	-	-	<b>2,448,280</b>	1,120,134
Interest and dividend income	1,303,012	149,671	151,144	146,296	21,979	<b>1,772,102</b>	1,049,050
Net gain on investments	184,324	2,158,380	2,183,862	-	317,794	<b>4,844,360</b>	6,327,071
Investment income transfers	3,191,712	(824,396)	(2,219,956)	-	(147,360)	-	-
Farm operations revenue	78,071	-	-	-	-	<b>78,071</b>	96,470
Other, net	154,555	-	-	-	-	<b>154,555</b>	92,686
Net assets released from restrictions							
Investment income transfer	1,007,592	-	-	-	-	<b>1,007,592</b>	985,492
Aldermere contributions and investment income	302,600	-	-	-	-	<b>302,600</b>	337,285
Land protection and other	<u>11,674,407</u>	<u>-</u>	<u>2,629,214</u>	<u>-</u>	<u>-</u>	<b><u>14,303,621</u></b>	<u>16,620,139</u>
Total revenues and gains without donor restrictions	<u>24,178,984</u>	<u>1,806,963</u>	<u>2,744,264</u>	<u>146,296</u>	<u>192,413</u>	<b><u>29,068,920</u></b>	<u>31,852,357</u>
Expenses							
Operations support	1,565,739	-	-	-	-	<b>1,565,739</b>	1,172,364
Land protection							
Land transaction activity	3,865,135	-	-	-	-	<b>3,865,135</b>	10,622,646
Other land protection expenses	3,232,199	-	-	-	-	<b>3,232,199</b>	2,768,099
Fund raising	1,581,839	-	-	-	-	<b>1,581,839</b>	1,494,003
Public education and outreach	913,419	-	-	-	-	<b>913,419</b>	806,878
Stewardship	3,502,807	-	-	-	-	<b>3,502,807</b>	3,039,565
Farm operations	<u>871,075</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<b><u>871,075</u></b>	<u>732,852</u>
Total expenses	<u>15,532,213</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<b><u>15,532,213</u></b>	<u>20,636,407</u>
Change in net assets without donor restrictions	<u>8,646,771</u>	<u>1,806,963</u>	<u>2,744,264</u>	<u>146,296</u>	<u>192,413</u>	<b><u>13,536,707</u></b>	<u>11,215,950</u>

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

**MAINE COAST HERITAGE TRUST**

**Statement of Activities (Concluded)**

**Year Ended December 31, 2024**

**(With Comparative Totals for the Year Ended December 31, 2023)**

	<b>2024</b>					<b>Total</b>	<b>2023 Total</b>
	<u>Operating</u>	<u>Operating Endowment</u>	<u>Stewardship Investments</u>	<u>Revolving Loan</u>	<u>Special Projects</u>		
Changes in net assets with donor restrictions							
Contributions and grants	\$ 6,693,698	\$ 5,000	\$ 354,060	\$ -	\$ -	<b>\$ 7,052,758</b>	\$ 15,395,450
Increase in beneficial interest in split-interest agreements	328,194	-	-	-	-	<b>328,194</b>	189,943
Interest and dividend income	217,827	158,023	305,680	-	-	<b>681,530</b>	514,598
Net gain on investments	1,335,709	2,527,181	4,413,583	-	-	<b>8,276,473</b>	8,314,153
Net assets released from restrictions							
Investment income transfer	-	(1,007,592)	-	-	-	<b>(1,007,592)</b>	(985,492)
Aldermere contributions and investment income	(302,600)	-	-	-	-	<b>(302,600)</b>	(337,285)
Land protection and other	<u>(11,674,407)</u>	<u>-</u>	<u>(2,629,214)</u>	<u>-</u>	<u>-</u>	<b><u>(14,303,621)</u></b>	<u>(16,620,139)</u>
Change in net assets with donor restrictions	<u>(3,401,579)</u>	<u>1,682,612</u>	<u>2,444,109</u>	<u>-</u>	<u>-</u>	<b><u>725,142</u></b>	<u>6,471,228</u>
Change in net assets	5,245,192	3,489,575	5,188,373	146,296	192,413	<b>14,261,849</b>	17,687,178
Net assets, beginning of year	171,665,233	48,788,337	68,612,589	4,559,970	3,335,497	<b>296,961,626</b>	279,274,448
Transfers between funds with donor restrictions	<u>(245,378)</u>	<u>-</u>	<u>245,378</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total transfers between funds	<u>(245,378)</u>	<u>-</u>	<u>245,378</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets, end of year	<b><u>\$176,665,047</u></b>	<b><u>\$ 52,277,912</u></b>	<b><u>\$ 74,046,340</u></b>	<b><u>\$ 4,706,266</u></b>	<b><u>\$ 3,527,910</u></b>	<b><u>\$311,223,475</u></b>	<b><u>\$296,961,626</u></b>

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

**MAINE COAST HERITAGE TRUST**

**Statement of Functional Expenses**

**Year Ended December 31, 2024  
(With Comparative Totals for the Year Ended December 31, 2023)**

	<b>2024</b>							2023
	Operations Support	Land Protection	Fund Raising	Public Education and Outreach	Stewardship	Farm Operations	<b>Total</b>	Total
Salaries, wages, and payroll taxes	\$ 797,402	\$ 1,870,365	\$ 734,434	\$ 372,536	\$ 1,787,415	\$ 346,893	\$ 5,909,045	\$ 5,042,985
Employee benefits	152,837	367,580	177,121	69,373	387,118	86,172	1,240,201	1,009,888
Professional and contract services	348,697	326,396	199,015	311,133	65,871	6,865	1,257,977	926,321
General and administrative	71,587	115,517	201,162	46,577	109,242	42,395	586,480	597,146
Project expense	6,019	222,560	139,926	78,967	202,633	43,609	693,714	534,804
Travel	5,313	43,743	40,030	2,597	51,860	3,459	147,002	145,033
Board and committee meetings	186	58,070	261	-	1,820	-	60,337	119,178
Land conference	-	36,737	-	-	-	-	36,737	44,309
Insurance	21,969	53,032	24,739	9,927	75,620	34,691	219,978	224,429
Staff training	34,826	17,118	4,516	3,123	22,297	3,573	85,453	98,900
Equipment maintenance	31,109	76,193	60,635	19,186	115,526	3,203	305,852	258,457
Property management	25,442	-	-	-	268,040	49,408	342,890	328,053
Property taxes	-	-	-	-	230,146	5,100	235,246	196,263
Depreciation	9,637	44,888	-	-	166,164	198,490	419,179	302,582
Equipment expense	60,715	-	-	-	19,055	47,217	126,987	114,140
<b>Subtotal</b>	<b>1,565,739</b>	<b>3,232,199</b>	<b>1,581,839</b>	<b>913,419</b>	<b>3,502,807</b>	<b>871,075</b>	<b>11,667,078</b>	<b>9,942,488</b>
Land transaction activity								
Conservation easements purchased	-	5,918	-	-	-	-	5,918	257,155
Loss on impairment of land and buildings	-	228,116	-	-	-	-	228,116	-
Loss on destruction of structures	-	-	-	-	-	-	-	71,273
Loss on sale of land	-	314,135	-	-	-	-	314,135	1,242,302
Contributions in support of other organizations	-	3,316,966	-	-	-	-	3,316,966	9,123,189
<b>Subtotal</b>	<b>-</b>	<b>3,865,135</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,865,135</b>	<b>10,693,919</b>
<b>Total</b>	<b>\$ 1,565,739</b>	<b>\$ 7,097,334</b>	<b>\$ 1,581,839</b>	<b>\$ 913,419</b>	<b>\$ 3,502,807</b>	<b>\$ 871,075</b>	<b>\$ 15,532,213</b>	<b>\$ 20,636,407</b>

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

**MAINE COAST HERITAGE TRUST**

**Statement of Cash Flows**

**Year Ended December 31, 2024**

**(With Comparative Totals for the Year Ended December 31, 2023)**

	<b>2024</b>						<b>2023 Total</b>
	<u>Operating</u>	<u>Operating Endowment</u>	<u>Stewardship Investments</u>	<u>Revolving Loan</u>	<u>Special Projects</u>	<u>Total</u>	
Cash flows from operating activities							
Change in net assets	\$ 5,245,192	\$ 3,489,575	\$ 5,188,373	\$ 146,296	\$ 192,413	\$ <b>14,261,849</b>	\$ 17,687,178
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities							
Depreciation	419,179	-	-	-	-	<b>419,179</b>	302,582
Donated land received	(2,448,280)	-	-	-	-	<b>(2,448,280)</b>	(1,104,720)
Gain on sale of buildings	(31,733)	-	-	-	-	<b>(31,733)</b>	(34,953)
Loss on impairment of land	228,116	-	-	-	-	<b>228,116</b>	-
Loss on sale of land	314,135	-	-	-	-	<b>314,135</b>	1,242,302
Loss on destruction of structures	-	-	-	-	-	-	71,273
Gain on sale of cattle and equipment	(39,419)	-	-	-	-	<b>(39,419)</b>	-
Decrease in allowance for uncollectible pledges receivable	(33,796)	-	-	-	-	<b>(33,796)</b>	(39,145)
Net gain on investments	(1,520,033)	(4,685,561)	(6,597,445)	-	(317,794)	<b>(13,120,833)</b>	(14,641,224)
Gain on beneficial interest in split-interest agreements	401,733	-	-	-	-	<b>401,733</b>	193,581
Contributions and investment income restricted for long-term investment	(3,168,869)	(842,450)	(106,665)	-	-	<b>(4,117,984)</b>	(5,100,144)
Decrease (increase) in							
Pledges and grants receivable	(96,796)	-	(8,500)	-	-	<b>(105,296)</b>	478,594
Accounts and accrued interest receivable	580,321	-	-	-	-	<b>580,321</b>	(548,513)
Bequests receivable	(6,527)	-	(839)	-	-	<b>(7,366)</b>	3,965,244
Short-term investments	(1,596,825)	-	-	1,744,352	-	<b>147,527</b>	(10,760,444)
Deposits and other assets	134,121	-	-	-	-	<b>134,121</b>	(69,897)
Increase (decrease) in							
Accounts payable	(234,460)	-	-	-	-	<b>(234,460)</b>	48,823
Accrued expenses and other liabilities	12,154	-	-	16,440	-	<b>28,594</b>	(15,688)
Net cash (used) provided by operating activities	<u>(1,841,787)</u>	<u>(2,038,436)</u>	<u>(1,525,076)</u>	<u>1,907,088</u>	<u>(125,381)</u>	<u><b>(3,623,592)</b></u>	<u>(8,325,151)</u>

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

## MAINE COAST HERITAGE TRUST

### Statement of Cash Flows (Concluded)

Year Ended December 31, 2024

(With Comparative Totals for the Year Ended December 31, 2023)

	2024					Total	2023 Total
	Operating	Operating Endowment	Stewardship Investments	Revolving Loan	Special Projects		
Cash flows from investing activities							
Purchase of land	\$ (8,073,105)	\$ -	\$ -	\$ -	\$ -	\$ (8,073,105)	\$ (3,588,640)
Proceeds from sale of land	1,071,946	-	-	-	-	1,071,946	2,379,608
Purchase of property and equipment	(544,792)	-	-	-	-	(544,792)	(2,385,292)
Purchase of investments	(1,114,361)	(603,629)	(1,049,763)	-	(21,979)	(2,789,732)	(8,598,208)
Proceeds from sale of investments	155,436	1,831,988	2,219,956	-	147,360	4,354,740	4,136,008
Advances on notes receivable	-	-	-	(233,000)	-	(233,000)	(319,003)
Repayments of notes receivable, net	-	-	-	497,000	-	497,000	-
Transfers between funds	(245,378)	-	245,378	-	-	-	-
Proceeds from sale of building, cattle, and equipment	<u>86,168</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>86,168</u>	<u>122,049</u>
Net cash (used) provided by investing activities	<u>(8,664,086)</u>	<u>1,228,359</u>	<u>1,415,571</u>	<u>264,000</u>	<u>125,381</u>	<u>(5,630,775)</u>	<u>(8,253,478)</u>
Cash flows from financing activities							
Change in due to/from other funds	2,390,351	(32,373)	2,840	(2,362,012)	-	(1,194)	4,938
Contributions and investment income received, restricted for long-term investment	4,378,717	842,450	106,665	-	-	5,327,832	6,463,809
Principal payments on notes payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(75,000)</u>
Net cash provided (used) by financing activities	<u>6,769,068</u>	<u>810,077</u>	<u>109,505</u>	<u>(2,362,012)</u>	<u>-</u>	<u>5,326,638</u>	<u>6,393,747</u>
Net (decrease) increase in cash and cash equivalents	(3,736,805)	-	-	(190,924)	-	(3,927,729)	(10,184,882)
Cash and cash equivalents, beginning of year	<u>13,549,741</u>	<u>-</u>	<u>-</u>	<u>641,062</u>	<u>-</u>	<u>14,190,803</u>	<u>24,375,685</u>
Cash and cash equivalents, end of year	<u>\$ 9,812,936</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 450,138</u>	<u>\$ -</u>	<u>\$ 10,263,074</u>	<u>\$ 14,190,803</u>
Composition of cash and cash equivalents, end of year							
Cash and cash equivalents	\$ 1,867,884	\$ -	\$ -	\$ 200,138	\$ -	\$ 2,068,022	\$ 1,157,795
Cash restricted for long-term purposes	<u>7,945,052</u>	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>8,195,052</u>	<u>13,033,008</u>
	<u>\$ 9,812,936</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 450,138</u>	<u>\$ -</u>	<u>\$ 10,263,074</u>	<u>\$ 14,190,803</u>

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

# MAINE COAST HERITAGE TRUST

## Notes to Financial Statements

December 31, 2024

### Purpose of the Organization

Maine Coast Heritage Trust's (the Organization) mission is to advance the conservation of lands and waters in Maine to help ensure ecological well-being and foster thriving communities. The Organization provides statewide conservation leadership through its work with land trusts, coastal communities, and other partners. The Organization negotiates conservation easements and gifts of fee interest in land on behalf of landowners and various holding agencies and organizations operating in Maine. The Organization accepts gifts of interest in lands that are of statewide significance and, in addition, has also purchased a number of critically important coastal properties. The Organization is also involved in the stewardship of various properties throughout the state of Maine. The Organization's support comes primarily from contributions and return on investments. The Organization is the owner of Conservation Limited Development, LLC, whose purpose is to support limited conservation development through ownership, management, leasing, buying, selling, and developing property as authorized by the Organization.

During 2024, the Organization received contributions from approximately 4,040 donors, totaling approximately \$11,200,000. Approximately \$1,665,000 of these total contributions were received from one donor.

### 1. Summary of Significant Accounting Policies

#### Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

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

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

# MAINE COAST HERITAGE TRUST

## Notes to Financial Statements

December 31, 2024

The assets, liabilities, and net assets of the Organization are reported in five self-balancing fund groups as follows:

- Operating fund, which includes resources with and without donor restriction, represents the portion of funds available for support of the Organization's operations. Functions within the operating fund include operations support, land protection, fund raising, public education and outreach, stewardship contributions and expenses (stewardship investment activity is reported in the stewardship investments fund), and Conservation Limited Development, LLC. Included in the Operating fund is Aldermere Farm, which represents resources without donor restrictions and with donor restrictions received through a bequest, including a beneficial interest in a perpetual trust. Distributions from this trust are to be used to fund farm operations in furtherance of the Organization's mission.
- Operating endowment represents contributions without donor restrictions and with donor restrictions, the income from which is to be used for operating fund purposes (excluding land and conservation easement acquisitions), except as needed to be retained in the operating endowment fund so the purchasing power of the contributions with donor restrictions is not eroded.
- Stewardship investments represent the investment activity of the stewardship operations and contribution revenue related thereto. Stewardship investments also includes contributions without donor restrictions and with donor restrictions, the income from which is to be used for stewardship purposes, except as needed to be retained in the stewardship investments fund so the purchasing power of the contributions with donor restrictions is not eroded.
- Revolving loan represents resources held for conservation purposes, including acquisition of land and loans to other conservation organizations.
- Special projects represent resources that are held for board-designated special projects, the income from which is reflected in the operating or special projects fund.

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements as of and for the year ended December 31, 2023, from which the summarized information was derived.

# MAINE COAST HERITAGE TRUST

## Notes to Financial Statements

December 31, 2024

### **Cash and Cash Equivalents**

The Organization considers all highly liquid savings deposits and certificates of deposit with maturities of three months or less when purchased to be cash equivalents. Cash restricted for long term purposes on the statement of financial position are funds allocated specifically for preservation and land acquisition activities.

### **Short-Term Investments**

Short-term investments consist of certificates of deposit with original maturities of four to twelve months. CDs are stated at cost plus accrued interest earned.

### **Pledges, Grants, and Bequests Revenue and Receivables**

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions to be received beyond one year from the statement of financial position date are reduced by a discount rate, which is commensurate with the risk involved, to reflect the present value of the future payments to be received. The periodic reduction in the discount is recorded as contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. The Organization recognizes bequests revenue and the related receivable when it has obtained an irrevocable bequest agreement from a donor or a donor's will has been through probate. All donor-restricted contributions are reported as increases in net assets with donor restriction. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities as net assets released from restrictions.

The Organization uses the allowance method to determine uncollectible, unconditional pledges receivable. The allowance is based on prior years' experience, history of prior uncollectible accounts, and management's analysis of specific pledges made.

### **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 Organization reviews and evaluates the valuations provided by the investment managers and believes that these valuations are a reasonable estimate of fair value at December 31, 2024, 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 statements of financial position and activities.

# MAINE COAST HERITAGE TRUST

## Notes to Financial Statements

December 31, 2024

### **Easements**

Contributed conservation easements held by the Organization are not recorded because easements do not represent economic assets or resources. Purchased conservation easements are expensed on the date purchased.

### **Property and Equipment**

Purchased property and equipment are stated at cost at the date of acquisition. Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Depreciation is computed on the straight-line basis over the estimated useful lives of the respective assets.

Gifts of long-lived assets such as buildings or equipment are reported as revenues and gains without donor restrictions, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets, are reported as increases in net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

### **Land**

Purchased land is recorded at cost and donated land is recorded at appraised fair value at the date of the gift. Donated land is appraised using the market approach and is utilized (not monetized) upon donation as part of the Organization's overall mission. Gifts of land are reported as increases in net assets without donor restrictions, unless explicit donor stipulations specify how the donated land must be used. Gifts of land with explicit restrictions that specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire land, are reported as increases in net assets with donor restrictions. Absent explicit donor stipulations about how long the land must be maintained, expirations of donor restrictions are reported when the donated or purchased land is acquired.

### **Impairment of Long-Lived Assets**

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 360-10-35-17, *Measurement of an Impairment Loss*, long-lived assets are reviewed for impairment when circumstances indicate the carrying value of an asset may not be recoverable. If impairment exists, an adjustment is made to write the asset down to its fair value, and a loss is recorded as the difference between the carrying value and fair value. Fair values are determined based on quoted market values, discounted cash flows, or internal and external appraisals, as applicable. Assets to be disposed of are carried at the lower of carrying value or estimated net realizable value.

# MAINE COAST HERITAGE TRUST

## Notes to Financial Statements

December 31, 2024

Subsequent to the initial purchase or donation of certain land, the Organization has placed conservation easements, declarations of trust, or other similar restrictions on the land which subject the land to certain covenants regarding its preservation and use in perpetuity. These arrangements resulted in the fair market value of the land being less than the original carrying value of the land by \$10,919,996 at December 31, 2024. The Organization has determined that placing these perpetual restrictions impairs land values by 70%, in line with the State of Maine Open Space Tax Law, which recommends a 70% reduction for purposes of property taxation for forever wild open space land protected by easement or preserve. In accordance with FASB ASC Topic 360-10-35-17, impairment losses were reflected in prior years for restrictions placed on land. There was an impairment loss of \$228,116 in 2024.

### **Use of Estimates**

The preparation of financial statements in conformity with 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.

### **Income Taxes**

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and is also exempt from Maine income taxes on its not-for-profit activities. However, it is subject to federal and state income taxes on unrelated business income, as defined by Section 512(a)(1) of the Code. The Organization is not a private foundation.

Conservation Limited Development, LLC is a single-member limited liability company and is a disregarded entity under the Code. Income or loss for Conservation Limited Development, LLC is required to be reported by the member on the Organization's tax return.

### **Notes and Accounts Receivable**

Notes and accounts receivable are stated at the amount management expects to collect from outstanding balances. The Organization considers notes and accounts receivable to be fully collectible based on its historical collection experience, accordingly, no allowance for credit losses has been established. If accounts become uncollectible, they will be charged to operations when that determination is made.

### **Functional Expenses**

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Those expenses include the salaries and wages, payroll taxes, and employee benefits of staff, as well as occupancy and other costs which are allocated based on estimates of time and effort. Total program expenses for the year ended December 31, 2024 were \$12,384,635.

**MAINE COAST HERITAGE TRUST**

**Notes to Financial Statements**

**December 31, 2024**

**Transfers Between Funds and Other Allocations**

During capital campaigns and other fundraising efforts, the Organization receives funding restricted to meeting the goals of the overall fundraising effort. These goals, highlighted in the fundraising literature, may be geared towards multiple projects. These include projects that are restricted for specific or future uses, as well as those for more general purposes. When donors contribute to these efforts without specifying any further restrictions, the Organization allocates the funds between the categories communicated to the donors as part of the fundraising efforts. These allocations are included in the statement of activities as transfers between funds and other allocations.

**Subsequent Events**

For purposes of the preparation of these financial statements in conformity with U.S. GAAP, the Organization has considered transactions or events occurring through July 14, 2025, which was the date that the financial statements were available to be issued.

**2. Pledges, Grants, and Bequests Receivable**

Pledges, grants, and bequests receivable consisted of unconditional promises to give as of December 31, 2024, which were as follows:

Pledges, grants, and bequests receivable	\$ 2,466,034
Less discount to net present value at 0.80 - 4.25%	(259,232)
Less allowance for uncollectible pledges	<u>(14,308)</u>
Net pledges, grants, and bequest receivable	<u>\$ 2,192,494</u>

Pledges, grants, and bequest receivable are expected to be received as follows:

Within one year	\$ 569,251
Between one and five years	1,442,833
More than five years	<u>453,950</u>
	<u>\$ 2,466,034</u>

**MAINE COAST HERITAGE TRUST**

**Notes to Financial Statements**

**December 31, 2024**

Amounts expected to be collected beyond one year are discounted to present value as required using a risk-free rate of return.

In addition, the Organization has received conditional grant funding from the United States Department of the Interior Coastal Wetlands Conservation Grant Program, as well as the Fish and Wildlife Service Grant Program, and the State of Maine Land for Maine's Future Program.

As certain conditions of the grants have not been met at December 31, 2024, these are not recognized as assets in the statement of financial position. Grants totaling \$5,909,518 are contingent upon the acquisition of the respective preserves.

**3. Investments**

Investments as of December 31, 2024 consisted of the following:

Mutual and exchange traded funds	\$ 44,895,991
Money market portfolios	9,831,578
Corporate bonds	4,948,258
Other investments	<u>89,786,140</u>
Total investments	<u>\$ 149,461,967</u>

The Organization's investment income during 2024 was comprised of interest and dividend income of \$2,453,632, total gain on investments of \$13,120,833, fees from the Organization's various investment managers of \$1,267,531, and fees from the Organization's investment advisor of \$202,936.

# MAINE COAST HERITAGE TRUST

## Notes to Financial Statements

December 31, 2024

The net assets with donor restrictions fund that is of perpetual duration in the operating endowment and stewardship funds are invested to maintain their real value relative to inflation. Investments are managed for total return rather than income production. The Organization's policy for investment asset allocation includes approximately 85-95% of investments to be held in equity securities, private investments, and marketable alternatives, with the remaining 5-15% in fixed income securities. The Organization's investment committee monitors the underlying asset allocation of the multi-asset fund managers and regularly tracks their performance against an agreed benchmark which reflects the policy asset allocation. Under the fund's spending criteria, a portion of the total return is required to be retained in the fund to preserve its purchasing power relative to inflation. The Organization utilizes a hybrid spending model, whereby 30% of 4.5% of the trailing four quarter average market value of the investments, in addition to 70% of the preceding year draws from the investments, adjusted for inflation, may be used for general operating purposes, and the remainder is retained for use in future years. In 2020, the Organization approved a strategy to reduce the percentage draw of the beginning market value of the investments from 4.5% to 4.0% in annual 0.1% increments. Therefore, in 2024, the hybrid spending model utilized 4.1% of the trailing four quarter average market value of the investments. This spending model is utilized for the operating endowment, stewardship, special projects, and operating investment funds.

Maine legislation requires that appreciation on investments of net assets with donor restrictions that are of perpetual duration be considered a donor-restricted asset until appropriated pursuant to proper governing-board action. Pursuant to the Board of Directors' interpretation of this legislation, the appreciation on the operating endowment that is not of perpetual duration and appreciation on the stewardship investments fund is classified as funds subject to use or time restriction and released from restriction upon appropriation by the Board of Directors in accordance with the spending policy as described above. Earnings on net assets with funds subject to use or time restriction are classified as net assets without donor restrictions unless explicitly restricted by the donor. The Organization has also interpreted the legislation to permit spending from funds with deficiencies in accordance with prudent measures required under the legislation. There were no funds with such deficiencies as of December 31, 2024.

The majority of other investments are invested in private investment funds and asset and mortgage-backed securities. These private investment interests are generally not securities for which market quotations are readily available.

Fair value of private investment interests is ordinarily based on the estimated value of the private investment fund, as provided to the funds by the management of the private investment fund. Fair value is intended to represent a good faith approximation of the amount that a fund could reasonably expect to receive from the private investment fund if the fund's interest in the private investment was sold at the time of valuation, based on information that is reasonably available at the time valuation is made and that the fund believes is reliable. The fair values of these investment funds are based on available information and do not necessarily represent the amounts that might ultimately be realized.

**MAINE COAST HERITAGE TRUST**

**Notes to Financial Statements**

**December 31, 2024**

The donor-restricted and board-designated endowment investment net asset composition by type of fund as of December 31, 2024 is as follows:

	<u>Board- Designated</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 78,096,003	\$ 78,096,003
Donor-restricted funds	-	7,961,877	7,961,877
Board-designated stewardship endowment funds	29,874,715	-	29,874,715
Board-designated endowment funds	24,367,390	-	24,367,390
Board-designated special projects funds	<u>3,529,104</u>	<u>-</u>	<u>3,529,104</u>
 Total endowment investments	 <u>\$ 57,771,209</u>	 <u>\$ 86,057,880</u>	 143,829,089
 Investments without donor or board restriction			 <u>5,632,878</u>
 Total investments			 <u>\$149,461,967</u>

Changes in donor-restricted and board-designated endowment investment net assets for the year ended December 31, 2024 are as follows:

	<u>Without donor restriction– Board Designated</u>	<u>With donor Restriction</u>	<u>Total</u>
Endowment investment net assets, beginning of year	\$ 53,985,912	\$ 78,564,595	\$ 132,550,507
Investment return, net	5,019,716	8,700,530	13,720,246
Contributions and other deposits	273,308	1,636,929	1,910,237
Release for spending for Stewardship project expenses	245,378	(245,378)	-
Appropriation of endowment investment assets for expenditure	(1,755,944)	(2,598,796)	(4,354,740)
Other, net	<u>2,839</u>	<u>-</u>	<u>2,839</u>
 Endowment investment net assets, end of year	 <u>\$ 57,771,209</u>	 <u>\$ 86,057,880</u>	 <u>\$ 143,829,089</u>

MAINE COAST HERITAGE TRUST

Notes to Financial Statements

December 31, 2024

4. **Property and Equipment**

Property and equipment as of December 31, 2024 consisted of:

Land improvements	\$ 297,205
Buildings	8,204,945
Farm equipment	716,558
Livestock	20,495
Equipment – office and other	754,023
Construction-in-progress	<u>77,294</u>
	10,070,520
Accumulated depreciation	<u>(2,771,995)</u>
	<u>\$ 7,298,525</u>

The Organization has entered into an immaterial lease agreement through April 2026 for office space in Topsham. The Organization has agreed to pay approximately \$188,000 in 2025 and \$64,000 in 2026 under this agreement. A member of the Organization's Board Council owns a 25% interest in the lessor of this lease.

5. **Land and Conservation Easements**

Following is a summary of land held by the Organization at December 31, 2024 and related activity for the year then ended:

Land purchased	\$ 72,718,235
Land donated	53,213,058
Land in process	<u>123,526</u>
Total land	<u>\$ 126,054,819</u>

Land purchased during 2024:

<u>Name</u>	<u>Location</u>
Bass Harbor Marsh Elliottsville Foundation	Tremont
Bold Coast Forest	Trescott
East Stream Wilcox Road	Trescott
Frenchboro Preserve North Inholding	Frenchboro
Harriman Point Access Trail	Brooklin
Russ Island	Stonington
Metinic Island Lot 8	Metinic Island Plantation
The Nub and Island	Blue Hill
Erickson Fields Homestead (Purchased by LLC)	Rockport
Sand Cove, Great Wass Island (Purchased by LLC)	Beals

**MAINE COAST HERITAGE TRUST**

**Notes to Financial Statements**

**December 31, 2024**

Land purchased during 2024 – bargain purchase:

<u>Name</u>	<u>Location</u>
Conary Point	Deer Isle

Land donations received during 2024:

<u>Name</u>	<u>Location</u>
Bar Island	Machiasport
Sipp Bay North 3	Pembroke

Conservation easements purchased during 2024:

<u>Name</u>	<u>Location</u>
South Bay LLC	Lubec

Conservation easement donations during 2024:

<u>Name</u>	<u>Location</u>
Seal Bay Barney's Point Trail Connector	Vinalhaven

In June 2024, the Organization entered into an agreement for the purchase of land in Washington, Maine for \$4,815,750. The transaction has not yet closed as of July 14, 2025.

**6. Borrowings**

The Organization has available a \$4,000,000 line of credit, with interest at 7%, collateralized by investments or pledges at the option of the Organization. There were no outstanding advances on the line at December 31, 2024. The line of credit expires in October 2025. The Organization does not pay any availability fees on this line of credit.

**7. Employee Benefit Plans**

The Organization has established various defined contribution plans for employees. Contributions to the plans were \$432,772 for 2024.

# MAINE COAST HERITAGE TRUST

## Notes to Financial Statements

December 31, 2024

### 8. Beneficial Interest in Split-Interest Agreements

The Organization is the beneficiary of a trust created by a donor, the assets of which are not in the possession of the Organization. The Organization has the legally enforceable right to receive the greater of actual net income collected on the account, or 5% of the fair market value (based on the average month-end market value for the calendar year) of the trust in perpetuity. This income is expendable to support Aldermere Farm operations. The Organization's share of the fair value of the underlying trust assets, which approximates the present value of the estimated future cash receipts from the trust, is included in the Organization's financial statements and totaled \$5,440,936 at December 31, 2024. Distributions from the trust were \$271,600 in 2024.

The Organization is also a remainder beneficiary of three charitable remainder unitrusts, the assets of which are not in the possession of the Organization. The present value of estimated future cash receipts from the trusts, using a discount rate ranging from 2.5% to 6.0%, was \$150,782 at December 31, 2024.

In prior years, the Organization received contributions under charitable gift annuity agreements. The Organization is to remit payments to the income beneficiaries in various installments for the remainder of the beneficiaries' lives. The present value of the annuity payment liability, using discount rates ranging from 2.0% to 2.5%, was \$165,458 at December 31, 2024 and is included in accrued expenses and other liabilities in the statement of financial position. The fair value of the assets under these charitable gift annuity agreements was \$330,961 at December 31, 2024.

### 9. Net Assets with Donor Restrictions

As of December 31, 2024, net assets subject to expenditure for a specified purpose are as follows:

	<u>Operating</u>	<u>Operating Endowment</u>	<u>Stewardship Investments</u>	<u>Revolving Loan Fund</u>	<u>Total</u>
Stewardship	\$ 3,828,539	\$ -	\$ 12,129,418	\$ -	\$ 15,957,957
Land protection	12,302,509	-	-	250,000	12,552,509
General operations – time restricted	1,546,458	-	-	-	1,546,458
Operating endowment earnings, restricted until Board appropriated	<u>-</u>	<u>3,197,412</u>	<u>-</u>	<u>-</u>	<u>3,197,412</u>
Total	<u>\$ 17,677,506</u>	<u>\$ 3,197,412</u>	<u>\$ 12,129,418</u>	<u>\$ 250,000</u>	<u>\$ 33,254,336</u>

**MAINE COAST HERITAGE TRUST**

**Notes to Financial Statements**

**December 31, 2024**

As of December 31, 2024, net assets invested in perpetuity are as follows:

Beneficial interest in a trust, the income from which is expendable to support Aldermere Farm operations	\$ 5,440,936
Land and land improvements – Aldermere Farm	1,400,000
Investments in perpetuity, (subject to the Organization's spending policy) the income from which is expendable to support:	
General operations of the Organization	18,264,702
Campaign for the Coast	6,500,030
General operations of Aldermere Farm and Erickson Fields	1,420,625
The stewardship of conserved land	22,343,536
The stewardship of conserved land in the Acadian region	7,500,000
The Partridge Endowment for People and Places – Care for the Land	550,000
The Places for People – Care for the Land Endowment	269,289
The ESPY Land Heritage award given by the Organization	136,520
Land conservation effort in the Acadian region	2,500,000
The Partridge Endowment for People and Places – Connect People & Land	2,539,835
The Places for People – Connect People & Land Endowment	588,183
Richard Rockefeller Internship Program	2,250,000
Tim Glidden Conservation Internship Program	<u>252,015</u>
 Total	 \$ <u>71,955,671</u>
 Total net assets with donor restrictions	 <u>\$105,210,007</u>

**MAINE COAST HERITAGE TRUST**

**Notes to Financial Statements**

**December 31, 2024**

**10. Board-Designated Net Assets**

The Board has chosen to designate a portion of net assets at December 31, 2024 for specific purposes as follows:

	<u>Operating</u>	<u>Operating Endowment</u>	<u>Stewardship Investments</u>	<u>Revolving Loan</u>	<u>Special Projects</u>	<u>Total Board- Designated</u>
Stewardship	\$ 115,298	\$ -	\$ 31,254,097	\$ -	\$ -	\$ 31,369,395
Revolving loan – island projects	-	-	-	106,222	-	106,222
Operating endowment	-	24,315,768	-	-	-	24,315,768
Special projects general	-	-	-	-	3,267,964	3,267,964
Legal defense fund – conservation easements	-	-	-	-	250,000	250,000
Conservation innovation	145,000	-	-	-	-	145,000
Capital replacement reserve—operating	939,039	-	-	-	9,946	948,985
Capital replacement reserve—Aldermere	<u>701,508</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>701,508</u>
	<u>\$ 1,900,845</u>	<u>\$ 24,315,768</u>	<u>\$ 31,254,097</u>	<u>\$ 106,222</u>	<u>\$ 3,527,910</u>	<u>\$ 61,104,842</u>

**11. Fair Value Measurement**

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.

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. There were no Level 3 assets as of December 31, 2024.

# MAINE COAST HERITAGE TRUST

## Notes to Financial Statements

December 31, 2024

Assets measured at fair value on a recurring basis are summarized below:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>
Beneficial interest in split-interest agreement –			
Aldermere Farm	\$ 5,440,936	\$ -	\$ 5,440,936
Charitable gift annuities	330,961	330,961	-
Charitable remainder unitrusts	150,782	-	150,782
Corporate bonds	4,948,258	-	4,948,258
Mutual funds	44,895,991	44,895,991	-
Money market portfolios	9,831,578	9,831,578	-
Short-term investments	<u>10,214,582</u>	<u>10,214,582</u>	<u>-</u>
Sub-total	75,813,088	<u>\$ 65,273,112</u>	<u>\$ 10,539,976</u>
Investment in limited liability companies or limited partnerships at net asset value	<u>89,786,140</u>		
Total	<u>\$165,599,228</u>		

Level 2 beneficial interest in split-interest agreement and Level 2 charitable remainder unitrusts are valued based on the classification of the underlying investments held by the trusts, which are actively traded. The fair value for Level 2 corporate bonds is primarily based on quoted market prices of comparable securities, interest rates, and credit risk, and is obtained from the Organization's investment custodian.

# MAINE COAST HERITAGE TRUST

## Notes to Financial Statements

December 31, 2024

The following table sets forth a summary of the fair value of the Organization's other investments at December 31, 2024, using a reported net asset value per share:

	<u>Fair Value</u>	<u>Unfunded Commitments</u>
Accolade Partners III, L.P.	\$ 755,797	\$ 300,000
Accolade Partners IV, L.P.	865,658	300,000
Accolade Partners V, L.P.	1,491,170	215,000
Accolade Partners VI, L.P.	1,645,028	255,000
Accolade Partners VII, L.P.	1,445,396	100,000
Accolade Partners VIII, L.P.	843,464	210,000
Accolade Partners VIII-G, L.P.	449,182	65,000
Accolade Partners IX, L.P.	302,800	1,680,000
Camber Capital Offshore Fund, Ltd.	5,125,543	-
City of London	8,018,831	-
Davidson Kempner Institutional Partners, L.P.	740,149	-
Diameter Offshore Fund, L.P.	5,459,144	-
Garda Capital Partners, L.P.	6,023,645	-
Kline Hill Partners Fund II, L.P.	564,910	304,179
Kline Hill Partners Fund III, L.P.	746,643	341,064
Legacy Venture IV	106,641	-
Legacy Venture V	175,884	-
Legacy Venture VI	607,254	10,000
Legacy Venture VII	1,072,643	-
Legacy Venture VIII	902,403	10,000
LL Mortgage Fund, L.P.	5,983,908	-
Massar Macro	4,429,839	-
Millstreet	5,351,099	-
Moonrise China Partners I, L.P.	550,158	68,036
Moonrise China Partners II, L.P.	594,432	426,609
Moonrise Venture Partners I	1,758,187	56,322
Moonrise Venture Partners II	1,235,144	100,950
Overlook Partners Fund, L.P.	2,948,499	-
Ownership Capital Global Equity Fund, L.P.	8,284,253	-
Thirteen Partners Private Equity IV, L.P.	1,284,263	102,134
Thirteen Partners Private Equity V, L.P.	1,505,860	156,851
Thirteen Partners Private Equity IX, L.P.	679,701	898,180
Two Sigma Active Extension U.S. All Cap Equity Cayman Fund, LTD	16,116,810	-
Vision Ridge Partners Sustainable Assets Fund II	509,784	300,816
Vision Ridge Partners Sustainable Assets Fund III	779,482	413,331
Vision Ridge Partners Sustainable Assets Fund IV	<u>4,789</u>	<u>980,344</u>
Private equity total	<u>89,358,393</u>	<u>7,293,816</u>
Venture Investment Associates Energy I, L.P.	54,682	86,250
Venture Investment Associates Energy II, L.P.	283,204	82,500
TIFF Realty and Resources 2008	87,991	60,000
TIFF Realty and Resources II	<u>1,870</u>	<u>67,500</u>
Real assets total	<u>427,747</u>	<u>296,250</u>
Investments at net asset value	<u>\$ 89,786,140</u>	<u>\$ 7,590,066</u>

**MAINE COAST HERITAGE TRUST**

**Notes to Financial Statements**

**December 31, 2024**

These investments are subject to varying restrictions on the sale and transfer of the Organization's interest in the investment. Distributions are generally at the discretion of the general partner, and redemption is generally only permitted upon liquidation of the partnership.

The private investment allocation is intended to enhance and diversify the sources of equity returns by taking ownership interests in illiquid partnerships that may require 7 to 10 years or more before returning invested capital. Such investments may include venture capital, leveraged buyouts, real estate or other such investments.

Land donated and received in 2024 measured at fair value using significant other observable inputs using the market approach at the date of receipt totaled \$2,448,280.

**12. Liquidity and Availability of Financial Assets**

The Organization regularly monitors the availability of resources required to meet operating needs, while also striving to maximize the investment of its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents and investments.

As of December 31, 2024, the following financial assets could be readily made available within one year of the statement of financial position date to meet general expenditures:

Accounts receivable	74,225
Short-term investments	10,214,582
Investments without donor restriction or board-designation	<u>5,632,878</u>
Total assets	<u>\$ 15,921,685</u>

At December 31, 2024, \$57,771,209 of the Organization's investments were board designated. Although not expected to be needed, the portion of the Organization's investments without donor restrictions in excess of any budgeted spending amount could be used to meet cash needs if necessary. Prudent investment management, however, must be considered to help ensure the preservation of the funds for future use.

Approximately 37% of the Organization's investment portfolio consists of highly liquid investments. See Notes 3 and 11 for further information about the Organization's investment portfolio and net assets, respectively.

The Organization also has a line of credit available to meet short-term needs as discussed in Note 6.

MAINE COAST HERITAGE TRUST

Notes to Financial Statements

December 31, 2024

13. Conservation Limited Development, LLC

During 2008, the Organization formed Conservation Limited Development, LLC (the Company). The Organization is the sole member of the Company. The Company was formed for the purpose of owning, managing, renting, leasing, buying, selling, and developing property as authorized by the Organization. The balances and activities of the Company for 2024, prior to elimination and consolidation into the operating fund, are as follows:

Cash	\$ 279,235
Buildings, net of accumulated depreciation	567,583
Land	<u>3,580,301</u>
Total assets	<u>4,427,119</u>
Accounts payable	1,942
Notes payable	<u>4,300,000</u>
Total liabilities	<u>4,301,942</u>
Net assets without donor restriction	\$ <u>125,177</u>
Interest income	\$ 16,395
Donated land	<u>254,536</u>
Total revenue	<u>270,931</u>
Professional fees and contract services	1,835
Depreciation	19,250
Property taxes	15,912
Property management	6,095
Contributions in support of other organizations	288,440
Loss on sale of land and buildings	<u>159,333</u>
Total expenses and loss on sale	<u>490,865</u>
Decrease in net assets	(219,934)
Net assets without donor restriction – beginning of year	<u>345,111</u>
Net assets without donor restriction – end of year	\$ <u>125,177</u>