



PINE TREE SOCIETY
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PINE TREE SOCIETY, INC.

FINANCIAL STATEMENTS

With Independent Auditors' Report

DECEMBER 31, 2024 AND 2023



PINE TREE SOCIETY, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Pine Tree Society, Inc.:

Opinion

We have audited the accompanying financial statements of Pine Tree Society, Inc. (the Society), which comprise the statements of financial position as of December 31, 2024 and 2023, 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 Pine Tree Society, Inc. as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' 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. generally accepted auditing standards 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. generally accepted auditing standards, 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 Pine Tree Society, Inc.'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 Pine Tree Society, Inc.'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.

Albin, Randall & Bennett

August 4, 2025

PINE TREE SOCIETY, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

ASSETS

	<u>2024</u>	<u>2023</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,560,367	1,278,879
Accounts receivable, net of allowance for credit losses and contractual allowance of \$125,500 in both 2024 and 2023	625,567	1,132,741
Contributions receivable, current portion	616,610	514,182
Other receivables	66,478	65,863
Inventory	73,893	55,467
Prepaid expenses	<u>131,811</u>	<u>137,154</u>
Total current assets	<u>3,074,726</u>	<u>3,184,286</u>
PROPERTY AND EQUIPMENT:		
Land and land improvements	570,403	534,411
Buildings	9,411,240	8,980,244
Equipment	2,667,609	3,139,372
Construction in process	<u>-</u>	<u>6,350</u>
	12,649,252	12,660,377
Less accumulated depreciation	<u>5,391,927</u>	<u>5,502,384</u>
Net property and equipment	<u>7,257,325</u>	<u>7,157,993</u>
INVESTMENTS:		
Without donor restrictions	16,602,518	17,069,015
With donor restrictions	<u>6,406,439</u>	<u>4,089,077</u>
Total investments	<u>23,008,957</u>	<u>21,158,092</u>
OTHER ASSETS:		
Contributions receivable, net of current portion and allowance for credit losses of \$3,250 and \$0 in 2024 and 2023, respectively	219,250	21,000
Beneficial interest in perpetual trusts	5,833,000	5,443,000
Contributions receivable from remainder trusts	1,452,000	1,323,000
Right of use asset - operating leases	<u>206,649</u>	<u>342,006</u>
Total other assets	<u>7,710,899</u>	<u>7,129,006</u>
	<u>\$ 41,051,907</u>	<u>38,629,377</u>

See accompanying independent auditors' report and notes to financial statements.

PINE TREE SOCIETY, INC.
STATEMENTS OF FINANCIAL POSITION, CONTINUED
DECEMBER 31, 2024 AND 2023

LIABILITIES AND NET ASSETS

	<u>2024</u>	<u>2023</u>
CURRENT LIABILITIES:		
Accounts payable	\$ 291,445	328,065
Accrued expenses	527,669	500,863
Current portion of operating lease liabilities	<u>137,851</u>	<u>136,415</u>
Total current liabilities	<u>956,965</u>	<u>965,343</u>
LONG-TERM LIABILITY, NET OF CURRENT PORTION - Operating lease liabilities	<u>69,768</u>	<u>207,619</u>
NET ASSETS:		
Without donor restrictions	25,145,673	24,159,529
With donor restrictions	<u>14,879,501</u>	<u>13,296,886</u>
Total net assets	<u>40,025,174</u>	<u>37,456,415</u>
	<u>\$ 41,051,907</u>	<u>38,629,377</u>

See accompanying independent auditors' report and notes to financial statements.

PINE TREE SOCIETY, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2024 AND 2023

	Without donor restrictions	
	2024	2023
PUBLIC SUPPORT, PROGRAM SERVICES, AND REVENUE:		
Public support:		
Bequests	\$ 20,492	273,667
Donations and gifts	408,235	370,680
Special events	39,891	49,557
Donated services	9,448	18,020
Donated equipment and other	11,457	13,836
Total public support	489,523	725,760
Program services:		
Interpreting services	2,462,117	1,711,745
Family and community support services	3,340,040	3,199,215
Pine Tree Camp recreational services, net of financial assistance	300,273	220,697
Speech, hearing, and assistive technology services	708,881	683,042
Early learning center	1,090,361	984,036
Other	238,206	266,962
Total program services	8,139,878	7,065,697
Revenue:		
Hearing aid and other product sales, net	534,466	575,665
Interest and dividends	736,752	519,862
Net realized and unrealized gain (loss) from investments	1,215,038	1,464,826
Change in value of beneficial interest in perpetual trusts and contributions receivable from remainder trusts	-	-
Gain on disposal of property and equipment	5,300	40,827
Total revenue	2,491,556	2,601,180
Net assets released by satisfaction of donor restrictions	1,578,922	5,970,608
Total public support, program services, and revenue	12,699,879	16,363,245
EXPENSES:		
Program services	10,795,951	9,602,070
Support services	917,784	836,828
Total expenses	11,713,735	10,438,898
Change in net assets	986,144	5,924,347
NET ASSETS AT BEGINNING OF YEAR	24,159,529	18,235,182
Net assets at end of year	\$ 25,145,673	24,159,529

See accompanying independent auditors' report and notes to financial statements.

PINE TREE SOCIETY, INC.
STATEMENTS OF ACTIVITIES, CONTINUED
YEARS ENDED DECEMBER 31, 2024 AND 2023

With donor restrictions		Totals	
<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
36,667	5,000	57,159	278,667
1,451,591	824,785	1,859,826	1,195,465
239,269	253,859	279,160	303,416
-	-	9,448	18,020
<u>20,240</u>	<u>-</u>	<u>31,697</u>	<u>13,836</u>
<u>1,747,767</u>	<u>1,083,644</u>	<u>2,237,290</u>	<u>1,809,404</u>
-	-	2,462,117	1,711,745
-	-	3,340,040	3,199,215
-	-	300,273	220,697
-	-	708,881	683,042
-	-	1,090,361	984,036
<u>-</u>	<u>-</u>	<u>238,206</u>	<u>266,962</u>
<u>-</u>	<u>-</u>	<u>8,139,878</u>	<u>7,065,697</u>
-	-	534,466	575,665
179,716	89,513	916,468	609,375
715,054	762,041	1,930,092	2,226,867
519,000	597,189	519,000	597,189
<u>-</u>	<u>-</u>	<u>5,300</u>	<u>40,827</u>
1,413,770	1,448,743	3,905,326	4,049,923
<u>(1,578,922)</u>	<u>(5,970,608)</u>	<u>-</u>	<u>-</u>
<u>1,582,615</u>	<u>(3,438,221)</u>	<u>14,282,494</u>	<u>12,925,024</u>
-	-	10,795,951	9,602,070
<u>-</u>	<u>-</u>	<u>917,784</u>	<u>836,828</u>
<u>-</u>	<u>-</u>	<u>11,713,735</u>	<u>10,438,898</u>
1,582,615	(3,438,221)	2,568,759	2,486,126
<u>13,296,886</u>	<u>16,735,107</u>	<u>37,456,415</u>	<u>34,970,289</u>
<u>14,879,501</u>	<u>13,296,886</u>	<u>40,025,174</u>	<u>37,456,415</u>

See accompanying independent auditors' report and notes to financial statements.

PINE TREE SOCIETY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024

	Program services			
	<u>Client services</u>	<u>Public health education</u>	<u>Program enhancement</u>	<u>Total</u>
Salaries and wages	\$ 5,258,010	42,501	89,563	5,390,074
Benefits	849,334	7,966	14,744	872,044
Payroll taxes	416,271	3,144	6,398	425,813
Workers compensation	58,959	469	1,073	60,501
Insurance	103,390	144	133	103,667
Professional and contract fees	1,802,184	11,480	1,585	1,815,249
Travel	137,548	1,296	1,727	140,571
Materials and supplies	409,133	2,325	376	411,834
Telephone and internet	117,867	158	173	118,198
Postage	13,865	16,151	22	30,038
Occupancy	312,752	420	423	313,595
Software license fees	170,200	1,416	346	171,962
Printing	2,401	29,614	11	32,026
Advertising	1,897	770	-	2,667
Service provider taxes	81,163	-	-	81,163
Training and conferences	65,011	211	236	65,458
Fuel	30,744	9	8	30,761
Bad debts, net of recoveries	21,017	-	-	21,017
Depreciation	577,066	209	189	577,464
Miscellaneous	123,759	8,024	66	131,849
	<u>\$ 10,552,571</u>	<u>126,307</u>	<u>117,073</u>	<u>10,795,951</u>

See accompanying independent auditors' report and notes to financial statements.

PINE TREE SOCIETY, INC.
STATEMENT OF FUNCTIONAL EXPENSES, CONTINUED
YEAR ENDED DECEMBER 31, 2024

Support services				
<u>Fund raising - general</u>	<u>Fund raising - special events</u>	<u>Management and general</u>	<u>Total</u>	<u>2024 Total expenses</u>
303,795	53,396	131,149	488,340	5,878,414
45,996	9,106	24,033	79,135	951,179
23,344	3,635	9,865	36,844	462,657
3,504	607	1,449	5,560	66,061
1,084	146	6,522	7,752	111,419
38,054	19,189	57,141	114,384	1,929,633
8,833	4,357	7,622	20,812	161,383
16,610	17,149	3,910	37,669	449,503
4,917	81	1,687	6,685	124,883
23,526	1,658	455	25,639	55,677
8,485	431	5,192	14,108	327,703
13,252	2,103	1,978	17,333	189,295
36,070	5,876	48	41,994	74,020
3,081	491	304	3,876	6,543
-	-	-	-	81,163
1,651	252	990	2,893	68,351
36	157	19	212	30,973
2,731	-	(675)	2,056	23,073
2,016	211	921	3,148	580,612
292	8,877	175	9,344	141,193
<u>537,277</u>	<u>127,722</u>	<u>252,785</u>	<u>917,784</u>	<u>11,713,735</u>

See accompanying independent auditors' report and notes to financial statements.

PINE TREE SOCIETY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Program services			
	<u>Client services</u>	<u>Public health education</u>	<u>Program enhancement</u>	<u>Total</u>
Salaries and wages	\$ 5,020,420	20,353	77,415	5,118,188
Benefits	746,491	1,614	7,269	755,374
Payroll taxes	375,291	1,394	5,439	382,124
Workers compensation	59,248	209	970	60,427
Insurance	71,578	157	97	71,832
Professional and contract fees	1,252,882	14,627	1,077	1,268,586
Travel	152,117	1,096	2,573	155,786
Materials and supplies	349,819	7,290	359	357,468
Telephone and internet	112,552	402	371	113,325
Postage	14,835	13,365	25	28,225
Occupancy	301,048	2,186	462	303,696
Software license fees	145,167	1,293	254	146,714
Printing	11,447	26,426	12	37,885
Advertising	1,141	787	-	1,928
Service provider taxes	78,031	-	-	78,031
Training and conferences	49,531	87	99	49,717
Fuel	29,976	8	7	29,991
Bad debts, net of recoveries	98,663	518	495	99,676
Depreciation	507,320	243	184	507,747
Miscellaneous	<u>27,273</u>	<u>8,014</u>	<u>63</u>	<u>35,350</u>
	<u>\$ 9,404,830</u>	<u>100,069</u>	<u>97,171</u>	<u>9,602,070</u>

See accompanying independent auditors' report and notes to financial statements.

PINE TREE SOCIETY, INC.
STATEMENT OF FUNCTIONAL EXPENSES, CONTINUED
YEAR ENDED DECEMBER 31, 2023

Support services				
Fund raising - general	Fund raising - special events	Management and general	Total	2023 Total expenses
248,099	49,432	143,463	440,994	5,559,182
27,228	9,165	14,090	50,483	805,857
18,208	3,832	10,188	32,228	414,352
3,011	576	1,658	5,245	65,672
723	155	5,970	6,848	78,680
31,335	33,174	65,060	129,569	1,398,155
9,460	4,820	10,191	24,471	180,257
16,292	3,079	3,673	23,044	380,512
3,574	183	1,348	5,105	118,430
19,286	1,961	779	22,026	50,251
8,516	568	5,879	14,963	318,659
10,207	1,633	1,471	13,311	160,025
24,385	7,671	1,504	33,560	71,445
3,439	13,505	208	17,152	19,080
-	-	-	-	78,031
(136)	130	1,348	1,342	51,059
32	162	23	217	30,208
2,126	488	1,582	4,196	103,872
1,391	267	727	2,385	510,132
261	8,641	787	9,689	45,039
<u>427,437</u>	<u>139,442</u>	<u>269,949</u>	<u>836,828</u>	<u>10,438,898</u>

See accompanying independent auditors' report and notes to financial statements.

PINE TREE SOCIETY, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
OPERATING ACTIVITIES:		
Change in net assets	\$ 2,568,759	2,486,126
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	580,612	510,132
Amortization of operating lease obligations	(1,058)	(2,440)
Change in allowance for credit losses and contractual allowance	(3,250)	50,000
Net realized and unrealized gain on investments	(1,930,092)	(2,226,867)
Gain on sale of property and equipment	(5,300)	(40,827)
Change in value of beneficial interest in perpetual trusts and contributions receivable from remainder trusts	(519,000)	(523,000)
Change in operating assets and liabilities:		
Accounts receivable	507,174	(574,325)
Contributions receivable	(297,428)	4,022,145
Other receivables	(615)	702,777
Inventory	(18,426)	42,365
Prepaid expenses	5,343	(54,857)
Accounts payable	(36,620)	(11,127)
Accrued expenses	<u>26,806</u>	<u>(6,624)</u>
Net cash provided by operating activities	<u>876,905</u>	<u>4,373,478</u>
INVESTING ACTIVITIES:		
Purchases of property and equipment	(679,944)	(803,229)
Proceeds from sale of property and equipment	5,300	60,573
Purchases of investments	(14,648,540)	(8,466,682)
Proceeds from sale of investments	<u>14,727,767</u>	<u>5,243,524</u>
Net cash used by investing activities	<u>(595,417)</u>	<u>(3,965,814)</u>
Increase in cash and cash equivalents	281,488	407,664
Cash and cash equivalents at beginning of year	<u>1,278,879</u>	<u>871,215</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,560,367</u>	<u>1,278,879</u>

See accompanying independent auditors' report and notes to financial statements.

PINE TREE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Society - Pine Tree Society, Inc. (the Society) is a not-for-profit corporation, which provides services to children and adults with disabilities and to their families in Maine and other New England states. These services include recreational services through Pine Tree Camp, a year round camp and recreation center, audiology, American Sign Language interpreting for Maine's deaf community, Early Learning Center for children with special needs, child and adult case management, speech language services, assistive technology and community based support services for adults living with developmental disabilities. The Society also provides educational and health information regarding disabilities to raise public awareness.

Basis of accounting - The financial statements have been prepared on the accrual basis of accounting.

Basis of presentation - The Society's net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Society and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions - Some donor-imposed restrictions are temporary in nature and may be fulfilled by actions of the Society or by the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Generally, the donors of these assets permit the Society to use all or part of the income earned on related investments for general or specific purposes of the Society.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents - The Society considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Accounts receivable - Accounts receivable are reported at the amount management expects to collect on balances outstanding at year-end. The Society determines its past due receivables based on contractual terms. The Society uses the allowance method of accounting for doubtful accounts. Losses are charged to the allowance when considered uncollectible. The estimation of the allowance is based on current receivable aging, an assessment of specific customer accounts considered at risk or uncollectible, and management's consideration of current and future economic conditions. Substantially all trade accounts receivable are related to revenue from contracts with customers. Trade accounts receivable, net of allowances totaled \$608,416 at January 1, 2023.

Contributions - Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

PINE TREE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Accretion of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. A discount was not recorded at both December 31, 2024 and 2023, as the amount was not material to the financial statements. An allowance for uncollectible contributions is provided based upon management's judgment of potential defaults, based upon such factors as prior collection history, type of contribution, nature of fundraising activity, and management's consideration of current and future economic conditions.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues of the net assets with donor restrictions class, and a reclassification to net assets without donor restrictions is made to reflect the expiration of such restrictions.

Contributed services and non-cash assets - Contributions of services and donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Society. The value of nonprofessional, donated services is not reflected in the accompanying financial statements, as those services do not meet the criteria outlined in U.S. GAAP. The Society records an expense for the utilization of services or expenditure of the asset in the period the costs are incurred or the services are provided.

The Society received the following in-kind contributions:

	<u>2024</u>	<u>2023</u>
Capital - Program	\$ 18,000	-
Equipment - Program	4,150	-
Equipment - Pine Tree Camp	-	12,117
Equipment - Community Support	-	1,199
Gift Cards - Fundraising Special Events	4,255	-
Service - Fundraising Special Events	6,316	100
Service - Promotion/Community Awareness	-	17,920
Supplies - General	5,240	-
Supplies - Fundraising Special Events	<u>3,184</u>	<u>520</u>
	<u>\$ 41,145</u>	<u>31,856</u>

Inventory - Inventory primarily consists of hearing aids and other audiology equipment. Inventories are valued at the lower of cost and net realizable value, determined on a first-in, first-out (FIFO) basis. Net realizable value is defined as the estimated selling prices of the inventory in the ordinary course of business, less reasonably predictable costs of disposal and transportation. Cost is determined on an average cost method.

PINE TREE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Investments - Investments in equity securities with readily determinable fair values and all investments in debt securities and alternative investments are measured at fair value in the statement of financial position.

Income and net realized and unrealized gains and losses on investments of endowment and similar funds are reported as increases in net assets with donor restrictions if the terms of the gift requires that they be added to the principal of a permanent endowment fund; as increases in net assets with donor restrictions if the terms of the gift or the Society's interpretation of relevant state law impose restrictions on the use of the income; or as increases in net assets without donor restrictions in all other cases.

Investments are exposed to various risks such as significant world events, interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Property and equipment - Property and equipment is stated at cost, or if donated, fair value on the date of receipt. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Revenue recognition - The Society derives its revenues primarily from providing services to clients and the sale of hearing aids and related accessories. Revenue is recognized at a point in time when services are performed or when control of the products are transferred to the customer, at the amount expected to be collected from the client or from third-party payers (private insurance or Mainecare).

Pine Tree Camp fees are recognized when registrations are received. Campership discounts are based on the ability to pay and are recorded as a reduction in Pine Tree Camp revenue. Payment plans allow for the cost to be paid through the remaining calendar year. Any uncollected balance on outstanding amounts is applied to campership discounts at year end. Because Camp transactions occur within the financial statement reporting period, no adjustment is required under generally accepted accounting principles.

The Society elected the practical expedient for sales tax collected, which allows the Society to exclude from the transaction price any amounts collected from customers for sales tax and other similar taxes. Incidental items that are immaterial in the context of the contract are recognized as expense. The Society does not have any significant financing components as payment is received at or shortly after the services are performed.

Leases - The Society determines if an arrangement is a lease or contains a lease at inception of a contract based on the right to control the use of identified asset in exchange for consideration. In evaluating its contracts, the Society separately identifies lease components from nonlease components, such as common area and other maintenance costs, in calculating the ROU asset and lease liabilities.

PINE TREE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Leases result in the recognition of ROU assets and liabilities on the balance sheets. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The Society determines lease classification as operating or finance at the lease commencement date.

At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. The Society uses the implicit rate when readily determinable. As most of the leases do not provide an implicit rate, the Society uses its incremental borrowing rate to determine the present value of lease payments for its real estate and equipment leases.

The Society considers options to extend or early terminate, if reasonably certain to exercise, when evaluating the lease term. Lease expense is generally recognized on a straight-line basis over the lease term. The Society has no leases with a term of 12 months or less.

Functional allocation of expenses - The costs of providing the various program services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the program and support services. Expenses related to facilities, such as depreciation, occupancy, as well as property and general liability insurance are allocated based on the square footage attributed to the program or support function. Information technology related expenses, including salaries are allocated based on the number of devices that are used by a program or support function. The Society allocates the expenses of the Human Resources administrative function, including salaries, based on the amount of direct salaries incurred by program and support function. The operating expenses incurred by a program or support function are the basis for allocating other general and administrative expenses.

Tax exempt status - The Society is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Society received a favorable tax determination letter in 1946.

Uncertain tax positions - U.S. GAAP prescribes a comprehensive model for how an organization should measure, recognize, present, and disclose in its financial statements uncertain tax positions that the organization has taken or expects to take on a tax return. Accordingly, the Society recognizes the tax benefits from uncertain tax positions if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position.

Subsequent events - The Society has evaluated events, if any, that have occurred subsequent to December 31, 2024, through August 4, 2025, the date the financial statements were available to be issued, and included information in the notes to the financial statements related to any identifiable events, if necessary.

PINE TREE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

2. LIQUIDITY AND AVAILABILITY

The Society's financial assets available within one year of the balance sheet date for general expenditure are as follows:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 1,560,367	1,278,879
Accounts receivable, net	625,567	1,132,741
Other receivable	66,478	65,863
Current portion of contributions receivable	616,610	514,182
Less amounts restricted by donors for specific purposes	(395,406)	(241,588)
Less amounts held for representative payee beneficiaries	(119,551)	(121,148)
Endowment appropriation for current use	<u>1,097,497</u>	<u>928,651</u>
Financial assets available within one year of balance sheet date for general expenditures	<u>\$ 3,451,562</u>	<u>3,557,580</u>

The Society's endowment funds consist of donor-restricted endowments and a quasi-endowment. As more fully described in Note 11, the endowment has a total spending rate of 4%. Amounts appropriated from either the donor-restricted endowment or quasi-endowment for general expenditures with one year of the balance sheet date have been included as available.

As part of the Society's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help managed unanticipated liquidity needs, the Society has a committed line of credit in the amount of \$400,000, as more fully described in Note 9, which the Society could draw upon in the event of an unanticipated liquidity need. Although the Society does not intend to spend from its quasi-endowment other than amounts appropriated for general expenditures as part of its annual budget approval and appropriation process, amounts from its quasi-endowment could be made available, if necessary.

PINE TREE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

3. CONTRIBUTIONS RECEIVABLE

Contributions receivable consist of the following:

	<u>2024</u>	<u>2023</u>
Receivable in less than one year (current)	\$ 616,610	514,182
Receivable in one to five years (long-term)	<u>222,500</u>	<u>21,000</u>
Total contributions receivable	839,110	535,182
Less allowance for credit losses	<u>3,250</u>	<u>-</u>
	835,860	535,182
Less current portion	<u>616,610</u>	<u>514,182</u>
Long-term contributions receivable, net of allowance for credit losses	<u>\$ 219,250</u>	<u>21,000</u>

4. CONCENTRATIONS OF CREDIT RISK

The Society's financial instruments exposed to concentrations of credit risk consist primarily of cash and cash equivalents, investments, and accounts receivable. At times, the Society maintains cash balances with financial institutions in excess of amounts federally insured. The Society maintains a collateral agreement with Bath Savings Institution, providing up to \$2,000,000 in coverage. Accounts receivable are primarily attributable to services rendered to the Society's broad client base, which limits exposure to concentrations of credit risk.

Investments are exposed to interest rate, credit, and market risks. Due to the inherent risk associated with certain investments, it is at least reasonably possible that changes in the values of investment securities could occur in the near term and that such changes could materially affect the amounts reported in the accompanying statement of financial position.

PINE TREE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

5. INVESTMENTS

The composition of investments is as follows:

	<u>2024</u>		<u>2023</u>	
	<u>Cost</u>	<u>Fair value</u>	<u>Cost</u>	<u>Fair value</u>
Cash and cash equivalents	\$ 3,674,038	3,674,038	4,694,677	4,694,677
Equity funds	5,552,862	9,319,960	6,337,912	11,008,338
Bond funds	836,255	760,623	1,622,646	1,548,972
Alternative funds	313,168	319,177	459,150	523,585
Fixed income	5,030,258	4,979,628	2,797,654	2,668,675
Exchange traded funds	<u>3,367,487</u>	<u>3,955,531</u>	<u>647,095</u>	<u>713,845</u>
	<u>\$ 18,774,068</u>	<u>23,008,957</u>	<u>16,559,134</u>	<u>21,158,092</u>

The change in fair value consists of the following:

	<u>2024</u>	<u>2023</u>
Fair value, beginning of year	\$ 21,158,092	15,708,067
Contributions	20,174	28,213
Transfers in	10,804	4,000,000
Interest and dividends	637,062	411,579
Custodial fees	(65,010)	(60,642)
Net realized and unrealized gains	1,930,092	2,226,867
Withdrawals	<u>(682,257)</u>	<u>(1,155,992)</u>
	<u>1,850,865</u>	<u>5,450,025</u>
Fair value, end of year	<u>\$ 23,008,957</u>	<u>21,158,092</u>

6. BENEFICIAL INTEREST IN PERPETUAL TRUSTS

The Society is the beneficiary of various trusts created by donors, the assets of which are not in the possession of the Society. The Society has legally enforceable rights and claims to such assets, including the sole or stated share of the income from each trust as applicable. Changes in value of the beneficial interest in perpetual trusts are reported as changes in net assets with donor restrictions based on stipulations in the gift instruments. The fair value of the beneficial interest in perpetual trusts was approximately \$5,833,000 and \$5,443,000 at December 31, 2024 and 2023, respectively.

NOTES TO FINANCIAL STATEMENTS, CONTINUED

7. CONTRIBUTIONS RECEIVABLE FROM REMAINDER TRUST

The Society is the beneficiary of various charitable remainder trusts. A charitable remainder trust provides for the payment of distributions to the grantor and other beneficiaries over the trust's term (usually the beneficiary's lifetime). At the end of the trust's term, the remaining assets are available for the Society's use. At the time the Society is named beneficiary, it records contribution revenue equal to the present value of the estimated future benefits to be received. Future changes in value of the charitable remainder trusts are reported as changes in net assets with donor restrictions based on stipulations in the gift instruments. The approximate present value of the future payments is calculated using a discount rate of 5.00% and applicable mortality tables, which was approximately \$1,452,000 and \$1,323,000 as of December 31, 2024 and 2023, respectively.

8. FAIR VALUE MEASUREMENTS

Fair value is defined as the price at which an asset could be exchanged or a liability transferred (an exit price) in an orderly transaction between knowledgeable, willing parties in the principal or most advantageous market for the asset or liability. Where available, fair value is based on observable market prices or parameters or derived from such prices or parameters. Where observable prices or inputs are not available, valuation models are applied.

Financial assets recorded at fair value in the accompanying financial statements are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Hierarchical levels, defined by U.S. GAAP, and directly related to the amount of subjectivity associated with the inputs to fair valuation of these assets and liabilities, are as follows:

Level 1 - Inputs are unadjusted, quoted prices in active markets for identical assets at the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Inputs are other than quoted prices included in Level 1, which are either directly or indirectly observable for the asset or liability through correlation with market data at the reporting date and for the duration of the instrument's anticipated life.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities and which reflect management's best estimate of what market participants would use in pricing the asset or liability at the reporting date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

Management is responsible for valuation policies and procedures and determining fair value of investments. The valuation process is completed on an annual basis for Level 3 assets.

Valuation techniques of the Society's beneficial interest in charitable remainder trusts with Level 3 inputs include a net present value calculation using factors of three to seventeen years, based on life expectancy of the income beneficiary, discounted at the applicable federal rate for the periods ended December 31, 2024 and 2023.

PINE TREE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

8. FAIR VALUE MEASUREMENTS, CONTINUED

Fair value of the Society's beneficial interest in perpetual trusts is based on the market value of assets held by the trust at December 31, 2024 and 2023, factored by the beneficiary percentage to which the Society is entitled.

Alternative investments consist of ownership interests in investment partnerships. The Society values these investments at the entity level, rather than at the individual levels of underlying assets held by the partnership. The fair value at December 31, 2024 and 2023, is based on the Society's capital account balance adjusted for performance allocation.

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

		Fair value measurements at reporting date using:			
		<u>Totals</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
December 31, 2024:					
Investments	\$ 23,008,957	22,865,875	-	-	143,082
Beneficial interest in perpetual trusts	5,833,000	-	-	-	5,833,000
Contributions receivable from remainder trusts	<u>1,452,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,452,000</u>
	<u>\$ 30,293,957</u>	<u>22,865,875</u>	<u>-</u>	<u>-</u>	<u>7,428,082</u>
		Fair value measurements at reporting date using:			
		<u>Totals</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
December 31, 2023:					
Investments	\$ 21,158,092	20,991,205	-	-	166,887
Beneficial interest in perpetual trusts	5,443,000	-	-	-	5,443,000
Contributions receivable from remainder trusts	<u>1,323,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,323,000</u>
	<u>\$ 27,924,092</u>	<u>20,991,205</u>	<u>-</u>	<u>-</u>	<u>6,932,887</u>

PINE TREE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

8. FAIR VALUE MEASUREMENTS, CONTINUED

A reconciliation of assets measured at fair value on a recurring basis with the use of significant unobservable inputs (Level 3) is as follows:

	<u>Alternative investments</u>	<u>Beneficial interest in perpetual trusts</u>	<u>Contributions receivable from remainder trusts</u>	<u>Total</u>
December 31, 2024:				
Balance at beginning of year	\$ 166,887	5,443,000	1,323,000	6,932,887
Net realized and unrealized loss, interest and dividends, net	(23,805)	-	-	(23,805)
Change in value of beneficial interests in perpetual trusts and contributions receivable from remainder trusts	<u>-</u>	<u>390,000</u>	<u>129,000</u>	<u>519,000</u>
Balance at end of year	<u>\$ 143,082</u>	<u>5,833,000</u>	<u>1,452,000</u>	<u>7,428,082</u>
	<u>Alternative investments</u>	<u>Beneficial interest in perpetual trusts</u>	<u>Contributions receivable from remainder trusts</u>	<u>Total</u>
December 31, 2023:				
Balance at beginning of year	\$ 159,324	4,973,000	1,270,000	6,402,324
Net realized and unrealized gain, interest and dividends, net	7,563	-	-	7,563
Change in value of beneficial interests in perpetual trusts and contributions receivable from remainder trusts	<u>-</u>	<u>470,000</u>	<u>127,189</u>	<u>597,189</u>
Distributions	<u>-</u>	<u>-</u>	<u>(74,189)</u>	<u>(74,189)</u>
Balance at end of year	<u>\$ 166,887</u>	<u>5,443,000</u>	<u>1,323,000</u>	<u>6,932,887</u>

Net realized and unrealized losses are included in net realized and unrealized gains in the statement of activities.

PINE TREE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

9. LINE OF CREDIT

The Society maintains a line of credit, which allows for maximum borrowings of \$400,000 and any balance outstanding accrues interest at the *Wall Street Journal* prime rate, 7.50% at December 31, 2024. The line of credit agreement, which expires July 2026, is secured by all business assets of the Society with a carrying value of \$41,051,907 at December 31, 2024. No amounts were outstanding on the line at both December 31, 2024 and 2023.

10. RESTRICTIONS ON USE OF NET ASSETS

Net assets with donor restrictions are for the following purposes:

	Temporarily <u>restricted</u>	Investment in perpetuity - only income <u>expendable</u>	Beneficial interest in perpetual trusts and contributions receivable from remainder trusts - only receipts <u>expendable</u>	Total net assets with donor <u>restrictions</u>
December 31, 2024:				
Net assets subject to purpose restriction:				
Any activities of the Society	\$ 1,964,154	1,862,010	5,555,000	9,381,164
Program services	21,900	-	-	21,900
Pine Tree Camp operations	893,431	662,248	174,000	1,729,679
Capital expenditures	29,142	-	-	29,142
Scholarships	<u>655,686</u>	<u>713,274</u>	<u>104,000</u>	<u>1,472,960</u>
	<u>3,564,313</u>	<u>3,237,532</u>	<u>5,833,000</u>	<u>12,634,845</u>
Net assets subject to time restriction:				
Contributions receivable	<u>792,656</u>	<u>-</u>	<u>1,452,000</u>	<u>2,244,656</u>
	<u>\$ 4,356,969</u>	<u>3,237,532</u>	<u>7,285,000</u>	<u>14,879,501</u>

PINE TREE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

10. RESTRICTIONS ON USE OF NET ASSETS, CONTINUED

	Temporarily <u>restricted</u>	Investment in perpetuity - income only <u>expendable</u>	Beneficial interest in perpetual trusts and contributions receivable from remainder trusts - receipts only <u>expendable</u>	Total net assets with donor <u>restrictions</u>
December 31, 2023:				
Net assets subject to purpose restriction:				
Any activities of the Society	\$ 1,581,715	1,862,010	5,182,000	8,625,725
Program services	83,801	-	-	83,801
Pine Tree Camp operations	557,382	662,248	163,000	1,382,630
Capital expenditures	26,253	-	-	26,253
Scholarships	<u>506,675</u>	<u>713,274</u>	<u>98,000</u>	<u>1,317,949</u>
	<u>2,755,826</u>	<u>3,237,532</u>	<u>5,443,000</u>	<u>11,436,358</u>
Net assets subject to time restriction:				
Contributions receivable	<u>537,528</u>	<u>-</u>	<u>1,323,000</u>	<u>1,860,528</u>
	<u>\$ 3,293,354</u>	<u>3,237,532</u>	<u>6,766,000</u>	<u>13,296,886</u>

11. ENDOWMENT FUNDS

The Society is subject to the Maine Uniform Prudent Management of Institutional Funds Act (UPMIFA) and, thus classified amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board of Directors appropriates such amounts for expenditure. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions.

The Board of Directors of the Society has interpreted UPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Society considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gifts amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Society has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. No funds were underwater at December 31, 2024 and 2023.

NOTES TO FINANCIAL STATEMENTS, CONTINUED

11. ENDOWMENT FUNDS, CONTINUED

Additionally, in accordance with UPMIFA, the Society considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: the duration and preservation of the funds; the purposes of the Society and the donor-restricted endowment fund; general economic conditions; the possible effect of inflation and deflation; the expected total return from income and the appreciation of investments; other resources of the Society; and the investment policies of the Society.

Endowment Investment - The Society has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a substantial and reasonably stable stream of income to support the operating budget of the Society and to achieve this result in perpetuity while preserving and enhancing the total value of the endowment. In order to achieve the Society's investment objectives, it is necessary to realize long-term investment returns in excess of their spending policy rate plus the inflation rate. The Society believes that a portfolio of mostly equity based investments is the best opportunity to achieve this objective. The Society's portfolio also maintains 10 - 30% of fixed income securities in order to realize some short term liquidity and to remain diversified.

Spending Policy - The Society maintains a spending policy to annually distribute 4% of the total market value of the endowment, calculated as the average of the prior 12 quarters' ending market values of the endowment funds net of all fees and administrative expenses paid by the endowment. Additionally, the Board of Directors may also appropriate an additional 1% for discretionary purposes, subject to annual appropriation. Any changes made to the spending policy are subject to approval by the Board of Directors. In 2024, the Board of Directors approved a total withdrawal from investments of 6.5% to ensure sufficient liquidity. 4% was appropriated from the Society's temporarily restricted endowment. The remaining funds in excess of the 4% withdrawal were taken from board designated endowment, which is unrestricted as to use.

Endowment net asset composition by type of fund are as follows:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
December 31, 2024:			
Board designated endowment funds	\$ 16,602,518	-	16,602,518
Donor restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	3,237,532	3,237,532
Accumulated investment gains	-	3,168,907	3,168,907
 Total endowment funds	 <u>\$ 16,602,518</u>	 <u>6,406,439</u>	 <u>23,008,957</u>

PINE TREE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

11. ENDOWMENT FUNDS, CONTINUED

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
December 31, 2023:			
Board designated endowment funds	\$ 15,406,322	-	15,406,322
Donor restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	3,237,532	3,237,532
Accumulated investment gains	<u>-</u>	<u>2,514,238</u>	<u>2,514,238</u>
 Total endowment funds	 <u>\$ 15,406,322</u>	 <u>5,751,770</u>	 <u>21,158,092</u>

Changes in endowment net assets are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
December 31, 2024:			
Endowment net assets, beginning of year	\$ 15,406,322	5,751,770	21,158,092
Investment return, net	1,660,301	841,844	2,502,145
Contributions	30,978	-	30,978
Appropriation of endowment assets for expenditure	<u>(495,082)</u>	<u>(187,176)</u>	<u>(682,258)</u>
 Endowment net assets, end of year	 <u>\$ 16,602,519</u>	 <u>6,406,438</u>	 <u>23,008,957</u>

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
December 31, 2023:			
Endowment net assets, beginning of year	\$ 10,610,628	5,097,439	15,708,067
Investment return, net	1,731,406	846,398	2,577,804
Contributions	4,000,000	-	4,000,000
Transfers to endowment funds	28,212	-	28,212
Appropriation of endowment assets for expenditure	<u>(963,924)</u>	<u>(192,067)</u>	<u>(1,155,991)</u>
 Endowment net assets, end of year	 <u>\$ 15,406,322</u>	 <u>5,751,770</u>	 <u>21,158,092</u>

PINE TREE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

11. ENDOWMENT FUNDS, CONTINUED

Description of amounts classified as net assets with donor restrictions (endowment only) are as follows:

	<u>2024</u>	<u>2023</u>
Net assets with donor restrictions:		
Original donor-restricted endowment gift amount and amounts required to be retained by donor	\$ <u>3,237,532</u>	<u>3,237,532</u>
Accumulated investment gains on endowment funds:		
Without purpose restrictions	1,964,154	1,581,715
With purpose restrictions	<u>1,204,752</u>	<u>932,523</u>
Total endowment funds classified as net assets with donor restrictions	<u>\$ 6,406,438</u>	<u>5,751,770</u>

12. HEARING AID AND OTHER PRODUCT SALES

The components of hearing aid and other product sales are as follows:

	<u>2024</u>	<u>2023</u>
Hearing aid & other products revenue	\$ 979,626	1,139,167
Less: cost of goods sold	<u>(445,160)</u>	<u>(563,502)</u>
Hearing aid and other product sales, net	<u>\$ 534,466</u>	<u>575,665</u>

13. LEASES

The Society has lease arrangements for office space from unrelated parties through various operating lease agreements. The leases have remaining lease terms of approximately 1.00 to 2.00 years. Total operating lease expense, consisting of fixed lease payments, totaled \$196,241 and \$194,946 for the years ended December 31, 2024 and 2023, respectively.

The weighted-average remaining lease term related to the Society's lease liabilities was 1.55 years and 2.51 years at December 31, 2024 and 2023, respectively. The weighted-average discount rate related to the Society's lease liabilities was 4.51% and 3.25% for the years ended December 31, 2024 and 2023, respectively.

PINE TREE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

13. LEASES, CONTINUED

Future minimum lease payments under non-cancelable operating leases are as follows:

2025	\$ 144,425
2026	<u>71,194</u>
Total future minimum lease payments	215,619
Less present value discount	<u>8,000</u>
Total lease liabilities	207,619
Less current portion	<u>137,851</u>
Long-term lease liabilities	<u>\$ 69,768</u>

14. RETIREMENT PLAN

The Society sponsors a 403(b) retirement savings plan covering employees after certain eligibility requirements are met. The Plan provides for employer matching contributions equal to 100% of the first 2% of compensation that a participant elects to contribute as a deferred cash contribution. The Plan provides for discretionary employer contributions. Matching contributions totaled \$74,638 and \$59,106 for the years ended December 31, 2024 and 2023, respectively. Discretionary employer contributions totaled \$122,680 and \$109,611 for the years ended December 31, 2024 and 2023, respectively.

15. JOINT COSTS OF MULTI-PURPOSE FUNDRAISING MATERIALS

The Society incurred joint costs for informational materials and activities that include fundraising appeals. The costs were allocated to fundraising expense and public health education as follows:

	<u>2024</u>	<u>2023</u>
Fundraising	\$ 91,386	90,583
Public health education	<u>68,308</u>	<u>70,308</u>
Total joint costs	<u>\$ 159,694</u>	<u>160,891</u>

16. SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	<u>2024</u>	<u>2023</u>
Cash paid for amounts included in the measurement of operating lease liabilities	<u>\$ 148,925</u>	<u>148,925</u>