



Financial Report

October 31, 2016

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Independent Auditors' Report

Board of Directors
Camp Sunshine at Sebago Lake, Inc.
Casco, Maine

We have audited the accompanying financial statements of Camp Sunshine at Sebago Lake, Inc. (a Maine nonprofit organization), which comprise the statements of financial position as of October 31, 2016 and 2015, and the related statements of activities, functional expense, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Board of Directors
Camp Sunshine at Sebago Lake, Inc.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Camp Sunshine at Sebago Lake, Inc. as of October 31, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



South Portland, Maine
February 8, 2017

Statements of Financial Position

October 31,

ASSETS	2016	2015
Current Assets		
Cash	\$ 1,231,170	\$ 941,194
Accounts receivable	172,130	141,319
Inventory	53,546	6,247
Total Current Assets	<u>1,456,846</u>	<u>1,088,760</u>
Property and Equipment		
Buildings	9,920,930	9,215,472
Land improvements	1,477,303	1,441,680
Automobiles	192,549	188,666
Equipment	1,208,832	1,196,523
	<u>12,799,614</u>	<u>12,042,341</u>
Less accumulated depreciation	5,738,168	5,209,284
	<u>7,061,446</u>	<u>6,833,057</u>
Land	400,257	400,257
Construction-in-progress	46,758	
	<u>7,508,461</u>	<u>7,233,314</u>
Other Assets		
Investments	17,904,661	16,097,111
Cash - restricted	482,869	1,000,000
Contributions receivable - endowment (net)	173,780	422,901
	<u>18,561,310</u>	<u>17,520,012</u>
Total Assets	<u>\$ 27,526,617</u>	<u>\$ 25,842,086</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 59,126	\$ 81,826
Accrued expenses	62,755	54,907
Deferred revenue		30,000
Deferred gift annuity	38,345	39,493
Total Current Liabilities	<u>160,226</u>	<u>206,226</u>
Total Liabilities	<u>160,226</u>	<u>206,226</u>
Net Assets		
Unrestricted	8,785,490	7,847,762
Unrestricted - Board-designated	3,828,539	4,043,987
Total unrestricted net assets	<u>12,614,029</u>	<u>11,891,749</u>
Temporarily restricted	4,837,010	3,938,735
Permanently restricted	9,915,352	9,805,376
Total Net Assets	<u>27,366,391</u>	<u>25,635,860</u>
Total Liabilities and Net Assets	<u>\$ 27,526,617</u>	<u>\$ 25,842,086</u>

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

Statements of Activities

Years Ended October 31,

	2016			2015				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Changes in Unrestricted Net Assets								
Operating Support and Revenue								
Contributions	\$ 2,074,888			\$ 2,074,888	\$ 2,290,396			\$ 2,290,396
Donated goods, services, and facilities	176,685			176,685	163,311			163,311
Special events income	1,364,487			1,364,487	1,216,284			1,216,284
Special events expense	(237,774)			(237,774)	(207,437)			(207,437)
Total Operating Support and Revenue	3,378,286			3,378,286	3,462,554			3,462,554
Operating Expenses								
Program services	2,995,960			2,995,960	2,970,625			2,970,625
Management and general	253,001			253,001	240,880			240,880
Fund raising	288,989			288,989	253,698			253,698
Total Operating Expenses	3,537,950			3,537,950	3,465,203			3,465,203
Loss from Operations	(159,664)			(159,664)	(2,649)			(2,649)
Non-Operating Support, Revenue and Gains and Losses								
Contributions	180,058	\$ 1,022,408	\$ 109,976	1,132,384	155,397	\$ 439,500	\$ 190,985	630,485
Investment income - endowment		218,056		398,114		214,990		370,387
Net realized and unrealized gains on investments	162,304	197,393		359,697	99,930	138,000		237,930
Net assets released from restrictions	539,582	(539,582)			513,382	(513,382)		
Total Non-Operating Support, Revenue and Gains and Losses	881,944	898,275	109,976	1,890,195	768,709	279,108	190,985	1,238,802
Change in Net Assets	722,280	898,275	109,976	1,730,531	766,060	279,108	190,985	1,236,153
Net Assets, Beginning of Year	11,891,749	3,938,735	9,805,376	25,635,860	11,125,689	3,659,627	9,614,391	24,399,707
Net Assets, End of Year	\$ 12,614,029	\$ 4,837,010	\$ 9,915,352	\$ 27,366,391	\$ 11,891,749	\$ 3,938,735	\$ 9,805,376	\$ 25,635,860

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

Statements of Cash Flows

Years Ended October 31,

	2016	2015
Cash flows from operating activities:		
Change in total net assets	\$ 1,730,531	\$ 1,236,153
Adjustments to reconcile change in total net assets to net cash from operating activities:		
Depreciation	525,663	449,000
Net realized and unrealized gain on investments	(359,697)	(237,930)
Contribution for long-lived purposes	(109,976)	(190,985)
Contribution of stock	(50,924)	(37,153)
(Increase) decrease in operating assets:		
Accounts receivable	(30,811)	306
Inventory	(47,299)	6,799
Contributions receivable	249,121	112,524
Increase (decrease) in operating liabilities:		
Accounts payable	(22,700)	(78,621)
Accrued expenses	7,848	4,915
Deferred revenue	(30,000)	30,000
Deferred gift annuity	(1,148)	(1,115)
Total adjustments	130,077	57,740
Net cash from operating activities	1,860,608	1,293,893
Cash flows from investing activities:		
Purchase of investments	(1,396,929)	(238,184)
Cash paid to/from restricted accounts	517,131	(1,000,000)
Purchase of property and equipment	(800,810)	(372,871)
Net cash from investing activities	(1,680,608)	(1,611,055)
Cash flows from financing activities:		
Contributions for long-lived purposes	109,976	190,985
Net cash from financing activities	109,976	190,985
Net increase (decrease) in cash	289,976	(126,177)
Cash at beginning of year	941,194	1,067,371
Cash at end of year	\$ 1,231,170	\$ 941,194

Statements of Functional Expenses

Years Ended October 31,

	2016			2015			
	Program Services	Management and General	Fund Raising	Program Services	Management and General	Fund Raising	Total
Expenses:							
Salaries	\$ 663,776	\$ 123,273	\$ 161,202	\$ 636,578	\$ 118,222	\$ 154,597	\$ 909,397
Payroll taxes	55,966	10,393	13,592	55,172	10,246	13,399	78,817
Employee benefits	86,259	16,019	20,949	79,981	12,803	21,474	114,258
Contracted services				2,640	540		3,180
Professional services	135,680	31,657	19,100	125,540	23,553		149,093
Medical program support	349,976			346,366			346,366
Utilities	121,318	2,501	1,251	138,345	2,853	1,426	142,624
Telephone	25,370	523	262	22,843	1,777	761	25,381
Postage	14,894	1,716	8,238	13,005	2,767	10,430	26,202
Maintenance	320,440	6,606	3,304	407,504	12,869	8,579	428,952
Supplies	84,447	907	2,311	77,408	2,055	846	80,309
Printing and publications	64,679	476	34,160	65,960	1,680	12,398	80,038
Travel	155,065	2,828	16,583	145,665	548	18,121	164,334
Entertainment	14,979			15,848			15,848
Food and supplies	217,025			225,293			225,293
Property taxes		418			250		250
Equipment rental/maintenance	20,270	1,979	209	27,090	856	570	28,516
Insurance	96,011	217	990	94,252	962	962	96,176
Lease expense	10,497	3,425	108	10,150	564	564	11,278
Dues and subscriptions	30,303		1,441	30,768	12,144		46,948
Bad debt	10,000					4,036	
Miscellaneous	3,855	44,807	32	10,197	31,701	1,045	42,943
Total Expenses Before Depreciation and Special Event	2,480,810	247,745	283,732	2,530,605	236,390	249,208	3,016,203
Depreciation	515,150	5,256	5,257	440,020	4,490	4,490	449,000
Special event expense			237,774			207,437	207,437
Total Expenses	2,995,960	253,001	526,763	2,970,625	240,880	461,135	3,672,640
Less expenses included in revenues (special events)			237,774			207,437	207,437
Total Expenses Included in the Expense Section of the Statement of Activities	\$ 2,995,960	\$ 253,001	\$ 288,989	\$ 2,970,625	\$ 240,880	\$ 253,698	\$ 3,465,203

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

Notes to Financial Statements

October 31, 2016 and 2015

NOTE 1 – NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

Camp Sunshine at Sebago Lake, Inc. (hereinafter called "Organization"), located in Casco, Maine, is a nonprofit organization that provides respite and support services for children with life-threatening illnesses and their families. The Organization is supported primarily by donor contributions and a vast force of volunteers.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets, support, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported, as follows:

Unrestricted Net Assets

Net assets that are not subject to donor-imposed stipulations.

Unrestricted Net Assets – Board-Designated

Net unrestricted assets that have been designated by the Board of Directors to be part of the endowment fund.

Temporarily Restricted Net Assets

Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets

Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization, but permits the Organization to expend all or part of the income earned on the assets.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Notes to Financial Statements

October 31, 2016 and 2015

NOTE 1 – NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Interpretation of Relevant Law

The State of Maine Uniform Prudent Management Institutional Funds Act (UPMIFA) requires the preservation of the historic value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this Act, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers a number of factors in making a determination to appropriate or accumulate donor-restricted endowment funds which are designed to safeguard the principal.

Investments

Investments are carried at estimated fair value, and realized and unrealized gains and losses are reflected in the statement of activities. Investments consist of funds designated by the Board of Trustees and permanent endowment assets, which are held for the long-term.

The Organization's investment policy for permanently restricted and Board-designated investments is as follows:

Purpose

The Organization's Investment Portfolio holds and invests such funds as are deemed to be temporarily surplus to the current operating requirements of the Organization. These funds must be available to finance any annual operating shortfall, should such a shortfall occur. At the discretion of the Board, and on recommendation of the Finance Committee, funds deemed to be excess in this investment portfolio may be transferred to the Board-designated Camp Sunshine Endowment Fund. The Camp Sunshine Endowment and designated endowment holds and invests funds for the purpose of generating income and capital appreciation that can be applied to:

- a. Capital improvement at the Organization.
- b. Specific programs as per terms designated by donors.
- c. Emergency repairs at the Organization.
- d. Curing a shortfall in the annual operating account at the Organization if all other sources are exhausted.

Procedures

The Board of Directors of the Organization, acting on advice of the Finance Committee, will establish investment policies for the Investment Portfolio and for the Camp Sunshine Endowment Fund. Such policies will be reviewed periodically, but not less than annually.

The Board of Directors of the Organization, acting on advice of the Finance Committee, will select professional investment managers to manage the two investment portfolios in a manner consistent with the investment policy adopted for each portfolio.

Notes to Financial Statements

October 31, 2016 and 2015

Recent Accounting Pronouncements

Revenue Recognition

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers, to clarify the principles for recognizing revenue and to develop a common revenue standard for U.S. GAAP and International Financial Reporting Standard (IFRS). The core principle of the guidance requires entities to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance is effective for all nonpublic entities' annual periods beginning after December 15, 2018, but management presently does not expect a significant change in revenue recognition.

Leasing

In February 2016, FASB issued ASU 2016 – 2, Leases. This new standard will provide users of the financial statements a more accurate picture of the assets and the long-term financial obligations of companies that lease. The proposal is for a dual-model approach; a lessee would account for most existing capital leases as Type A leases, and most existing operating leases as Type B leases. Both would be reported on the balance sheet of the company. Lessors will see some changes too, largely made to align with the revised lease model. For nonpublic companies, the new leasing standard would apply for fiscal years beginning after December 15, 2019. The standard requires retroactive application to previously issued financial statements for 2019 and 2018, if presented. Management is currently evaluating the impact of adoption on its financial statements.

Not-for-Profit Entities

In August 2016, the FASB issued ASU 2016-14, Not-for-Profit Entities: Presentation of Financial Statements of Not-for-Profit Entities, to amend current reporting requirements to make several improvements including reducing complexities of information presented within Not-for-Profit financial statements. A main provision of this update is that a Not-for-Profit entity will report two classes of net assets (amounts for net assets with donor restrictions and net assets without donor restrictions), rather than the currently required three classes. The guidance is effective for annual periods beginning after December 15, 2017, with early application permitted. This standard requires retroactive application to previously issued financial statements for 2018 and 2017, if presented. Management is currently evaluating the impact of adoption on its financial statements.

NOTE 2 – CASH

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash.

Notes to Financial Statements

October 31, 2016 and 2015

NOTE 3 – CONTRIBUTIONS RECEIVABLE – ENDOWMENT

Included in contributions receivable are the following unconditional promises to give at October 31:

	2016	2015
Endowment Fund	\$ 179,668	\$ 431,668
Less unamortized discount	5,888	8,767
	<u>\$ 173,780</u>	<u>\$ 422,901</u>
Amounts due in:		
Less than one year	\$ 75,000	\$ 256,668
One to five years	104,668	175,000
	<u>\$ 179,668</u>	<u>\$ 431,668</u>

The discount rate approximated 4% for 2016 and 2015. No allowance was considered necessary.

NOTE 4 – RESTRICTED CASH AND INVESTMENTS

Investments at approximate fair value based on quoted market prices at October 31:

	2016	2015
Bonds	\$ 131,712	\$ 257,946
U.S. Treasuries	505,097	614,000
Mortgage-Backed Securities	75,321	99,357
Mutual Funds	16,872,656	15,098,330
Cash and Money Market Funds	802,744	1,027,478
	<u>\$ 18,387,530</u>	<u>\$ 17,097,111</u>

The Organization incurred investment related custodial and advisory expenses of \$0 and \$70 for the years ended October 31, 2016 and 2015, respectively.

Board-designated cash of \$482,869 for 2016 and \$1,000,000 for 2015 that are to be transferred to the investment account have been segregated on the statement of financial position under other assets.

Donor-restricted and Board-designated endowment investment composition by type of fund as of October 31, 2016, is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds		\$ 4,837,010	\$ 9,741,572	\$ 14,578,582
Board-designated endowment funds	\$ 3,808,948			3,808,948
	<u>\$ 3,808,948</u>	<u>\$ 4,837,010</u>	<u>\$ 9,741,572</u>	<u>\$ 18,387,530</u>

Notes to Financial Statements

October 31, 2016 and 2015

NOTE 4 – RESTRICTED CASH AND INVESTMENTS – CONTINUED

Donor-restricted and Board-designated endowment investment composition by type of fund as of October 31, 2015, is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds		\$ 3,938,735	\$ 9,382,475	\$ 13,321,210
Board-designated endowment funds	\$ 3,775,901			3,775,901
	<u>\$ 3,775,901</u>	<u>\$ 3,938,735</u>	<u>\$ 9,382,475</u>	<u>\$ 17,097,111</u>

Changes in endowment investment for the year ended October 31, 2016 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Beginning of year	\$ 3,775,901	\$ 3,938,735	\$ 9,382,475	\$ 17,097,111
Investment return:				
Investment income	179,294	218,056		397,350
Net appreciation	162,305	197,393		359,698
Contributions	691,486	1,022,408	359,097	2,072,991
Appropriation for expenditure	(1,000,038)	(539,582)		(1,539,620)
	<u>\$ 3,808,948</u>	<u>\$ 4,837,010</u>	<u>\$ 9,741,572</u>	<u>\$ 18,387,530</u>

Changes in endowment investment for the year ended October 31, 2015 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Beginning of year	\$ 2,845,251	\$ 3,659,627	\$ 9,078,966	\$ 15,583,844
Investment return:				
Investment income	155,397	214,990		370,387
Net appreciation	99,930	138,000		237,930
Contributions	733,347	439,500	303,509	1,476,356
Appropriation for expenditure	(58,024)	(513,382)		(571,406)
	<u>\$ 3,775,901</u>	<u>\$ 3,938,735</u>	<u>\$ 9,382,475</u>	<u>\$ 17,097,111</u>

The Organization's investments are categorized as follows as of October 31, 2016:

Fair Value	Fair Value Measurements at Reporting Date Using		
	Level 1	Level 2	Level 3
Investments – endowment			
Bonds	\$ 131,712	\$ 131,712	
U.S. Treasuries	505,097		
Mortgage-Backed Securities	75,321	75,321	
Mutual Funds	16,872,656	16,872,656	
Cash and Money Market Funds	802,744	802,744	
	<u>\$ 18,387,530</u>	<u>\$ 18,180,497</u>	<u>\$ 207,033</u>
			<u>\$ -</u>

Notes to Financial Statements

October 31, 2016 and 2015

NOTE 6 – NET ASSETS RELEASED FROM RESTRICTION

Net assets were released from restrictions by incurring expenses satisfying the restricted purpose.

Purpose restrictions accomplished for the years ended October 31:

	2016	2015
Kitchen and pool upgrades		
Family decks		\$ 82,522
51 Acadia		117,788
Blackbaud software		8,374
Office remodel		31,792
Townhouse renovations		117,336
Boat		15,060
Garden project	\$ 35,623	
Group lodging	45,000	
48 Acadia	198,425	
Van	13,963	
Other releases	246,571	140,510
	<u>\$ 539,582</u>	<u>\$ 513,382</u>

NOTE 7 – RELATED PARTY TRANSACTIONS

During 2016 and 2015, two Board members were paid a combined total of \$339,580 and \$322,606, respectively, for medical and psychosocial consulting services, which include family evaluation screening, management of on-site medical clinic, the supervision of on-site doctors and management of psychosocial program. While desiring to be competitive, Camp Sunshine is also committed to good stewardship of public funds. Therefore, an in depth labor market analysis, with the aid of an external independent compensation consulting firm, has been conducted and the results of the labor market analysis was used to determine compensation levels for the medical and psychosocial consultants.

NOTE 8 – DONATED SERVICES

Only donated services that meet the criteria under generally accepted accounting principles are recorded. The Organization recorded \$135,680 and \$125,440 in volunteer services for the years ended October, 31, 2016 and 2015, respectively. These amounts include the equivalent of 13,568 and 12,544 hours for the respective years for donated services from a variety of unpaid volunteers who receive specialized training from the Organization and who assist the Organization in its programs and services.

Additionally, for each of the years ended October 31, 2016 and 2015, the Organization received approximately 68,000 hours of donated services from a variety of unpaid volunteers who assisted the Organization in its programs and services. No amounts for these services were recognized in the accompanying statements of activities because the criteria for recognition of such volunteer services were not satisfied.

Notes to Financial Statements

October 31, 2016 and 2015

NOTE 9 – SPECIAL EVENTS

During the years ended October 31, the Organization solicited contributions through the following special events:

	2016		
	Revenues	Expenses	Net
Bingo	\$ 46,128	\$ 34,222	\$ 11,906
Games of chance	953	1,653	(700)
Auction	77,744	208	77,536
PSE golf tournament	34,552	9,675	24,877
Golf	48,447	117	48,330
Coin boxes	3,828	18	3,810
Bottle redemption	5,306		5,306
Souvenirs	89,713	48,389	41,324
Pumpkin Fest	112,094	13,466	98,628
Weston Pumpkin Fest	23,702	2,484	21,218
Freezin for a Reason	7,861		7,861
Coney Island Plunge	87,777	19,671	68,106
AJ's Polar Plunge	66,238	7,660	58,578
VA Polar Plunge	105,074	8,717	96,357
Wachusett Plunge	35,566	2,896	32,670
Portland Plunge	28,038	2,011	26,027
Colin's Crew Plunge	7,888	1,917	5,971
Maryland Plunge	18,337	2,450	15,887
Long Island Plunge	9,413	2,771	6,642
Central NY Plunge	11,026	1,723	9,303
Bangor Plunge	2,130	711	1,419
Maine Suitcase Party	87,887	34,205	53,682
SEALS for Sunshine	81,785	10,072	71,713
Angel walkway	7,000		7,000
Brick walkway	7,942	3,230	4,712
Miscellaneous	358,058	29,508	328,550
	<u>\$ 1,364,487</u>	<u>\$ 237,774</u>	<u>\$ 1,126,713</u>

Notes to Financial Statements

October 31, 2016 and 2015

NOTE 9 – SPECIAL EVENTS – CONTINUED

	2015		
	Revenues	Expenses	Net
Bingo	\$ 43,344	\$ 34,108	\$ 9,236
Games of chance	14,863	2,675	12,188
Westin Pumpkin Fest	44,742	3,740	41,002
Auction	60,610	3,330	57,280
Freezin for a Reason	5,659	372	5,287
Pumpkin Fest	96,666	13,274	83,392
PSE golf tournament	35,201	7,483	27,718
Maine Suitcase Party	79,834	28,407	51,427
Miscellaneous	259,787	16,330	243,457
AJ's Polar Plunge	74,580	6,050	68,530
Sunnies	535		535
Coin boxes	4,609	233	4,376
Bottle redemption	1,570		1,570
Souvenirs	69,159	36,561	32,598
Brick walkway	6,880	2,314	4,566
Angel walkway	10,050	100	9,950
Coney Island	77,163	18,036	59,127
SEALS for Sunshine	157,341	17,433	139,908
Wachusett Plunge	37,140	2,496	34,644
Portland Plunge	10,081	1,451	8,630
Colin's Crew	22,986	2,650	20,336
Rhode Island Plunge	185		185
Long Island Plunge	12,262	1,181	11,081
VA Polar Plunge	83,312	6,908	76,404
Central NY Plunge	7,725	2,305	5,420
	<u>\$ 1,216,284</u>	<u>\$ 207,437</u>	<u>\$ 1,008,847</u>

Included in Bingo expense are prizes given to participants totaling \$33,507 and \$32,437 for the years ended October 31, 2016 and 2015, respectively.

NOTE 10 – OPERATING LEASE

The Organization leases various office equipment on a monthly basis. Lease expense for the years ended October 31, 2016 and 2015 was \$10,822 and \$11,278, respectively.

NOTE 11 – PENSION PLAN

The Organization sponsors a 403 (b) Tax-sheltered Account covering all eligible employees. Contributions to the Plan are at management's discretion. For the years ended October 31, 2016 and 2015, the Organization's contributions were based on 5% of the employee's salary. The contributions by the Organization for the years ended October 31, 2016 and 2015 were \$32,822 and \$32,734, respectively.

Notes to Financial Statements

October 31, 2016 and 2015

NOTE 12 – SPLIT-INTEREST AGREEMENT

The Organization administers various charitable remainder trusts. A charitable remainder trust provides for the payment of distributions to the grantor or other designated beneficiaries over the trust's term (usually the designated beneficiary's lifetime). At the end of the trust's term, the remaining assets are available for the Organization's use. The portion of the trust attributable to the present value of the future benefits to be received by the Organization is recorded in the Statement of Activities as a permanently restricted contribution in the period the trust is established. No contributions were received in fiscal years ending 2016 and 2015. The initial assets allocated to the charitable remainder trusts totaled \$75,000. State of Maine law does not require these assets to be maintained in separate accounts and are included as part of the Organization's total investment balance, which is reported at fair market value in the Organization's Statement of Financial Position at October 31, 2016 and 2015. On an annual basis, the Organization revalues the liability to make distributions to the designated beneficiaries based on actuarial assumptions. The present value of the estimated future payments (\$38,345 at October 31, 2016 and \$39,493 at October 31, 2015) is calculated using a discount rate of 3% and applicable mortality tables.

NOTE 13 – EVALUATION OF SUBSEQUENT EVENTS

Management of the Organization has made an evaluation of subsequent events up to February 8, 2017, the date the financial statements were available to be issued, and determined that any subsequent events that require recognition or disclosure have been considered in the preparation of these financial statements.