



Maine Public Broadcasting Corporation d/b/a



FINANCIAL STATEMENTS

June 30, 2025 and 2024
With Independent Auditor's Report

**MAINE PUBLIC BROADCASTING CORPORATION
D/B/A MAINE PUBLIC**

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June 30, 2025 and 2024

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BDMP Assurance, LLP

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Maine Public Broadcasting Corporation
d/b/a Maine Public

Opinion

We have audited the accompanying financial statements of Maine Public Broadcasting Corporation d/b/a Maine Public (Maine Public), which comprise the statement of financial position as of June 30, 2025, 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 2025 financial statements referred to above present fairly, in all material respects, the financial position of Maine Public as of June 30, 2025, 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 2025 Financial Statements section of our report. We are required to be independent of Maine Public 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 Maine Public as of and for the year ended June 30, 2024 were audited by Berry, Dunn, McNeil & Parker, LLC, whose report, dated November 7, 2024, expressed an unmodified opinion on those statements.

Management's Responsibility for the 2025 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 Maine Public's ability to continue as a going concern within one year after the date that the financial statements were available to be issued.

Board of Trustees
Maine Public Broadcasting Corporation
d/b/a Maine Public

Auditor's Responsibilities for the Audit of the 2025 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 Maine Public'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 Maine Public'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.

BDMP Assurance, LLP

Portland, Maine
December 18, 2025

**MAINE PUBLIC BROADCASTING CORPORATION
D/B/A MAINE PUBLIC**

Statements of Financial Position

June 30, 2025 and 2024

	ASSETS	2025	2024
Current assets			
Cash and cash equivalents	\$ 2,603,664	\$ 6,947,646	
Cash internally designated for capital purposes	361,844	360,405	
Accounts and grants receivable	1,308,384	1,653,806	
Pledges receivable within one year	2,391,293	1,130,514	
Prepaid expenses	<u>210,425</u>	<u>71,637</u>	
Total current assets	<u><u>6,875,610</u></u>	<u><u>10,164,008</u></u>	
Property and equipment			
Broadcast equipment	20,988,079	19,316,296	
Land and improvements	270,428	259,978	
Buildings and improvements	25,007,174	4,922,792	
Office equipment and furniture	2,019,097	1,946,936	
Automotive equipment	866,205	812,817	
Construction in progress – Portland facility	<u>3,200,113</u>	<u>3,348,257</u>	
Accumulated depreciation	<u>52,351,096</u>	<u>30,607,076</u>	
Total property and equipment	<u><u>(17,706,366)</u></u>	<u><u>(15,671,792)</u></u>	
	<u><u>34,644,730</u></u>	<u><u>14,935,284</u></u>	
Other assets			
Unemployment compensation deposit	63,048	63,042	
Investments	12,985,551	11,168,836	
Cash and cash equivalents restricted for capital purposes	8,974,539	19,556,304	
Pledges receivable after one year	2,030,629	931,226	
Operating leases – right-of-use assets	<u>1,740,090</u>	<u>1,101,636</u>	
Total other assets	<u><u>25,793,857</u></u>	<u><u>32,821,044</u></u>	
Total assets	<u><u>\$ 67,314,197</u></u>	<u><u>\$ 57,920,336</u></u>	
	LIABILITIES AND NET ASSETS		
Current liabilities			
Current portion of operating lease liabilities	\$ 523,983	\$ 163,854	
Accounts payable	500,443	244,157	
Accrued expenses and other	<u>1,123,995</u>	<u>979,949</u>	
Total current liabilities	<u><u>2,148,421</u></u>	<u><u>1,387,960</u></u>	
Long-term liabilities			
Accrued postretirement benefits	10,464	18,064	
Operating lease liabilities, net of current portion	<u>1,257,443</u>	<u>963,280</u>	
Total long-term liabilities	<u><u>1,267,907</u></u>	<u><u>981,344</u></u>	
Total liabilities	<u><u>3,416,328</u></u>	<u><u>2,369,304</u></u>	
Net assets			
Without donor restrictions			
Operations	38,233,654	25,125,893	
Board designated investment	<u>10,293,013</u>	<u>9,637,451</u>	
Total net assets without donor restrictions	<u><u>48,526,667</u></u>	<u><u>34,763,344</u></u>	
With donor restrictions	<u>15,371,202</u>	<u>20,787,688</u>	
Total net assets	<u><u>63,897,869</u></u>	<u><u>55,551,032</u></u>	
Total liabilities and net assets	<u><u>\$ 67,314,197</u></u>	<u><u>\$ 57,920,336</u></u>	

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

**MAINE PUBLIC BROADCASTING CORPORATION
D/B/A MAINE PUBLIC**

Statement of Activities

**Year Ended June 30, 2025
(With Summarized Comparative Totals for Year Ended June 30, 2024)**

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Operating revenues and support				
Membership	\$ 8,171,459	\$ -	\$ 8,171,459	\$ 7,348,084
State of Maine	1,650,000	-	1,650,000	1,650,000
Corporation for Public Broadcasting	2,420,428	-	2,420,428	2,753,747
Contributions	3,682,802	26,500	3,709,302	3,244,383
Underwriting	2,568,873	-	2,568,873	2,950,663
Government grants	806,952	-	806,952	4,508,109
Interest and dividends	255,777	-	255,777	375,872
Investment return used in operations	327,077	32,923	360,000	-
Gain on sale of land	-	-	-	1,075,000
Other	1,329,625	-	1,329,625	371,356
In-kind	<u>3,300</u>	<u>-</u>	<u>3,300</u>	<u>4,000</u>
Total operating revenues and support	<u>21,216,293</u>	<u>59,423</u>	<u>21,275,716</u>	<u>24,281,214</u>
Operating expenses				
Program services				
Technical	3,559,260	-	3,559,260	3,183,985
Programming and production	8,187,605	-	8,187,605	7,400,414
Public information	<u>883,567</u>	<u>-</u>	<u>883,567</u>	<u>786,419</u>
Total program services	<u>12,630,432</u>	<u>-</u>	<u>12,630,432</u>	<u>11,370,818</u>
Development	3,776,990	-	3,776,990	3,561,376
Administration	2,511,202	-	2,511,202	2,449,169
Capital Campaign	755,635	-	755,635	400,271
Depreciation	<u>2,476,785</u>	<u>-</u>	<u>2,476,785</u>	<u>1,990,755</u>
Total operating expenses	<u>22,151,044</u>	<u>-</u>	<u>22,151,044</u>	<u>19,772,389</u>
Changes in net assets from operations	<u>(934,751)</u>	<u>59,423</u>	<u>(875,328)</u>	<u>4,508,825</u>
Nonoperating activities				
Contributions for long-term purposes	32,085	9,380,160	9,412,245	1,722,760
Investment return	<u>629,716</u>	<u>120,869</u>	<u>750,585</u>	<u>1,273,671</u>
Write-off of uncollectible pledges receivable	-	(940,665)	(940,665)	(1,500,000)
Net assets released from restrictions	<u>14,036,273</u>	<u>(14,036,273)</u>	<u>-</u>	<u>-</u>
Total nonoperating activities	<u>14,698,074</u>	<u>(5,475,909)</u>	<u>9,222,165</u>	<u>1,496,431</u>
Change in net assets	<u>13,763,323</u>	<u>(5,416,486)</u>	<u>8,346,837</u>	<u>6,005,256</u>
Net assets, beginning of year	<u>34,763,344</u>	<u>20,787,688</u>	<u>55,551,032</u>	<u>49,545,776</u>
Net assets, end of year	<u>\$ 48,526,667</u>	<u>\$ 15,371,202</u>	<u>\$ 63,897,869</u>	<u>\$ 55,551,032</u>

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

**MAINE PUBLIC BROADCASTING CORPORATION
D/B/A MAINE PUBLIC**

Statement of Activities

Year Ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Operating revenues and support			
Membership	\$ 7,348,084	\$ -	\$ 7,348,084
State of Maine	1,650,000	-	1,650,000
Corporation for Public Broadcasting	2,753,747	-	2,753,747
Contributions	3,239,383	5,000	3,244,383
Underwriting	2,950,663	-	2,950,663
Government grants	4,508,109	-	4,508,109
Interest and dividends	375,872	-	375,872
Gain on sale of land	1,075,000	-	1,075,000
Other	371,356	-	371,356
In-kind	4,000	-	4,000
 Total operating revenues and support	<u>24,276,214</u>	<u>5,000</u>	<u>24,281,214</u>
Operating expenses			
Program services			
Technical	3,183,985	-	3,183,985
Programming and production	7,400,414	-	7,400,414
Public information	786,419	-	786,419
 Total program services	<u>11,370,818</u>	<u>-</u>	<u>11,370,818</u>
Development	3,561,376	-	3,561,376
Administration	2,449,169	-	2,449,169
Capital Campaign	400,271	-	400,271
Depreciation	1,990,755	-	1,990,755
 Total operating expenses	<u>19,772,389</u>	<u>-</u>	<u>19,772,389</u>
Changes in net assets from operations	<u>4,503,825</u>	<u>5,000</u>	<u>4,508,825</u>
Nonoperating activities			
Contributions for long-term purposes	85,455	1,637,305	1,722,760
Investment return	1,157,335	116,336	1,273,671
Write-off of uncollectible pledges receivables	-	(1,500,000)	(1,500,000)
Net assets released from restrictions	<u>1,392,863</u>	<u>(1,392,863)</u>	<u>-</u>
 Total nonoperating activities	<u>2,635,653</u>	<u>(1,139,222)</u>	<u>1,496,431</u>
Change in net assets	7,139,478	(1,134,222)	6,005,256
Net assets, beginning of year	<u>27,623,866</u>	<u>21,921,910</u>	<u>49,545,776</u>
Net assets, end of year	<u>\$ 34,763,344</u>	<u>\$ 20,787,688</u>	<u>\$ 55,551,032</u>

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

MAINE PUBLIC BROADCASTING CORPORATION
D/B/A MAINE PUBLIC

Statement of Functional Expenses

Year Ended June 30, 2025
(With Summarized Comparative Totals for the Year Ended June 30, 2024)

	2025								2024	
	Program Services				Support Services				Total	Total
	Technical	Programming and Production	Public Information	Total	Development	Administration	Capital Campaign			
Salaries and benefits	\$ 1,625,249	\$ 4,690,294	\$ 614,809	\$ 6,930,352	\$ 2,504,758	\$ 1,274,833	\$ 409,170	\$ 11,119,113	\$ 9,879,360	
Programming	-	2,462,738	-	2,462,738	-	-	-	-	2,462,738	2,284,295
Professional services	389,840	498,617	32,293	920,750	176,690	258,453	29,420	1,385,313	1,341,698	
Printing	-	141	59,617	59,758	377,040	-	1,554	438,352	431,539	
Electricity	746,121	-	-	746,121	-	46,867	43,772	836,760	677,603	
Maintenance	194,238	3,468	-	197,706	-	143,372	70,389	411,467	363,492	
Postage	76	236	61,654	61,966	145,421	9,628	831	217,846	225,260	
Travel and conference	49,072	78,371	22,035	149,478	56,497	49,580	10,506	266,061	249,151	
Rent	335,040	6,262	-	341,302	-	121,523	116,715	579,540	437,432	
Insurance	34,555	122,795	14,809	172,159	68,555	21,598	-	262,312	219,897	
Telephone	66,698	19,713	-	86,411	21,381	182,299	2,183	292,274	278,001	
Premiums	-	-	-	-	94,763	-	-	94,763	122,298	
Miscellaneous	-	22,399	1,500	23,899	9,694	40,633	33	74,259	259,172	
Office and technical supplies	38,091	75,041	27,060	140,192	14,304	10,327	2,571	167,394	132,977	
Minor equipment	-	31,971	-	31,971	-	8,541	-	40,512	36,668	
Computer services	73,110	4,938	-	78,048	-	-	-	78,048	126,979	
Bank fees and discounts	-	-	-	-	259,131	11,979	728	271,838	249,824	
Advertising	-	-	31,475	31,475	30,183	9,392	-	71,050	70,048	
Special events	-	-	6,475	6,475	16,081	-	63,322	85,878	44,540	
Professional dues	-	79,345	-	79,345	978	94,186	-	174,509	180,800	
Strategic initiative/training	2,161	1,200	-	3,361	-	27,159	-	30,520	30,172	
Video tape	-	2,390	-	2,390	222	-	-	-	2,612	959
Subscriptions	5,009	87,686	11,840	104,535	1,292	4,843	4,441	115,111	92,469	
Other taxes	-	-	-	-	-	195,989	-	195,989	47,000	
Subtotal	3,559,260	8,187,605	883,567	12,630,432	3,776,990	2,511,202	755,635	19,674,259	17,781,634	
Depreciation	1,747,095	153,238	81,334	1,981,667	376,507	118,611	-	2,476,785	1,990,755	
Totals	\$ 5,306,355	\$ 8,340,843	\$ 964,901	\$ 14,612,099	\$ 4,153,497	\$ 2,629,813	\$ 755,635	\$ 22,151,044	\$ 19,772,389	

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

MAINE PUBLIC BROADCASTING CORPORATION
D/B/A MAINE PUBLIC

Statement of Functional Expenses

Year Ended June 30, 2024

	2024									
	Program Services				Support Services					
	<u>Technical</u>	<u>Programming and Production</u>	<u>Public Information</u>	<u>Total</u>	<u>Development</u>	<u>Administration</u>	<u>Capital Campaign</u>	<u>Total</u>		
Salaries and benefits	\$ 1,337,274	\$ 4,190,143	\$ 535,784	\$ 6,063,201	\$ 2,252,038	\$ 1,237,848	\$ 326,273	\$ 9,879,360		
Programming	-	2,284,295	-	2,284,295	-	-	-	2,284,295		
Professional services	372,727	465,645	37,169	875,541	134,095	329,062	3,000	1,341,698		
Printing	-	-	66,927	66,927	364,612	-	-	431,539		
Electricity	635,950	-	-	635,950	-	41,653	-	677,603		
Maintenance	214,594	4,627	-	219,221	-	142,733	1,538	363,492		
Postage	48	239	54,635	54,922	161,642	8,696	-	225,260		
Travel and conference	46,658	85,733	10,439	142,830	47,679	49,728	8,914	249,151		
Rent	306,415	8,000	-	314,415	-	120,934	2,083	437,432		
Insurance	28,508	100,327	13,158	141,993	58,716	19,188	-	219,897		
Telephone	72,219	17,952	-	90,171	22,510	163,395	1,925	278,001		
Premiums	-	-	-	-	122,298	-	-	122,298		
Miscellaneous	-	17,616	569	18,185	113,454	110,750	16,783	259,172		
Office and technical supplies	37,268	40,886	28,124	106,278	12,479	12,866	1,354	132,977		
Minor equipment	-	26,244	-	26,244	-	10,424	-	36,668		
Computer services	125,323	1,656	-	126,979	-	-	-	126,979		
Bank fees and discounts	-	-	-	-	235,382	10,637	3,805	249,824		
Advertising	-	300	26,245	26,545	20,968	22,535	-	70,048		
Special events	-	3,682	2,019	5,701	4,243	-	34,596	44,540		
Professional dues	-	80,731	-	80,731	951	99,118	-	180,800		
Strategic initiative/training	2,182	7,072	-	9,254	2,945	17,973	-	30,172		
Video tape	-	959	-	959	-	-	-	959		
Subscriptions	4,819	64,307	11,350	80,476	7,364	4,629	-	92,469		
Other taxes	-	-	-	-	-	47,000	-	47,000		
Subtotal	3,183,985	7,400,414	786,419	11,370,818	3,561,376	2,449,169	400,271	17,781,634		
Depreciation	1,588,749	166,926	33,967	1,789,642	151,578	49,535	-	1,990,755		
Totals	\$ 4,772,734	\$ 7,567,340	\$ 820,386	\$ 13,160,460	\$ 3,712,954	\$ 2,498,704	\$ 400,271	\$ 19,772,389		

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

**MAINE PUBLIC BROADCASTING CORPORATION
D/B/A MAINE PUBLIC**

Statements of Cash Flows

Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities		
Change in net assets	\$ 8,346,837	\$ 6,005,256
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	2,476,785	1,990,755
Change in operating leases, net	15,838	6,624
Gain on sale of land	-	(1,075,000)
Net change in fair value of investments	(1,110,585)	(1,273,671)
Contributions restricted for long-term purposes	(9,380,160)	(1,637,305)
Change in operating assets and liabilities		
Accounts and grants receivable	345,422	(243,813)
Prepaid expenses	(138,788)	(5,386)
Unemployment compensation deposit	(6)	(1,007)
Accounts payable	256,286	43,146
Accrued expenses and other	144,046	(6,375)
Accrued postretirement benefits	(7,600)	(7,600)
Net cash provided by operating activities	<u>948,075</u>	<u>3,795,624</u>
Cash flows from investing activities		
Purchases of property and equipment	(22,186,249)	(6,089,555)
Proceeds from sale of land	-	3,990,560
Proceeds from the sale of investments	476	400,018
Purchases of investments	(706,606)	(514,665)
Net cash used by investing activities	<u>(22,892,379)</u>	<u>(2,213,642)</u>
Cash flows from financing activities		
Contributions received restricted for long-term purposes	7,019,996	3,756,993
Net cash provided by financing activities	<u>7,019,996</u>	<u>3,756,993</u>
Net (decrease) increase in cash and cash equivalents	(14,924,308)	5,338,975
Cash and cash equivalents, beginning of year	<u>26,864,355</u>	<u>21,525,380</u>
Cash and cash equivalents, end of year	<u>\$ 11,940,047</u>	<u>\$ 26,864,355</u>
Composition of cash and cash equivalents at end of year		
Cash and cash equivalents	\$ 2,603,664	\$ 6,947,646
Cash internally designated for capital purchases	361,844	360,405
Cash and cash equivalents restricted for capital purposes	8,974,539	19,556,304
	<u>\$ 11,940,047</u>	<u>\$ 26,864,355</u>
Supplemental disclosures of cash flow information		
Cash paid during the year for income taxes	<u>\$ 24,000</u>	<u>\$ 47,000</u>

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

**MAINE PUBLIC BROADCASTING CORPORATION
D/B/A MAINE PUBLIC**

Notes to Financial Statements

June 30, 2025 and 2024

1. Summary of Significant Accounting Policies

Organization

Maine Public Broadcasting Corporation d/b/a Maine Public (Maine Public) is a statewide broadcasting system: Maine Public Television (five stations), Maine Public Radio (seven stations), and Maine Public Classical (six radio stations). Serving the people of Maine and beyond, Maine Public is a nonprofit, noncommercial public broadcast entity funded by a unique public/private partnership. Maine Public is affiliated with the Public Broadcasting System and National Public Radio.

Basis of Presentation

The accompanying financial statements, which are presented on the accrual basis of accounting, focus on Maine Public as a whole. Assets and liabilities have been shown in order of liquidity. Net assets, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

The financial statements of Maine Public have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which require Maine Public 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 Maine Public's management and Board of Trustees.

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 Maine Public or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

Accounts and Grants Receivable

Accounts and grants receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with customers having outstanding balances, current relationships with them, and reasonable and supportable forecasts, it has concluded that realization of losses on balances outstanding at year-end are expected to be immaterial.

**MAINE PUBLIC BROADCASTING CORPORATION
D/B/A MAINE PUBLIC**

Notes to Financial Statements

June 30, 2025 and 2024

Pledges Receivable

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Pledges receivable expected to be received after more than one year are discounted to the present value of their future cash flows using a risk adjusted rate of return after providing an allowance for credit losses. Charitable lead interest trusts are included in pledges receivable at the present value of future distributions.

Property and Equipment

Property and equipment are recorded at cost or, in the case of donated property, at estimated fair value at date of receipt. Depreciation is provided over the estimated useful lives of the respective assets using the straight-line method. The estimated lives of such assets range between 3 and 35 years. Maine Public capitalizes the cost of purchases in excess of \$2,500. Costs of repairs and maintenance are charged to operating expenses as incurred. Upon sale or retirement, the cost and accumulated depreciation are removed and any resulting gain or loss is included in the statements of activities.

Donated Assets

Donated marketable securities and other noncash donations are recorded at their estimated fair values at the date of donation.

Such donations are reported as contributions without donor restrictions, unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. In the absence of donor stipulations regarding how long the contributed assets must be used, Maine Public reports expirations of donor restrictions when the donated or acquired assets are placed in service.

Contributions

Contributions received, including unconditional promises to give, are recognized as revenues when donors' commitments are received.

All contributions are included in net assets without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for future periods or are restricted by the donor for specific purposes are reported as support that increases net assets with donor restrictions.

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A donor restriction expires when a stipulated time restriction ends or when a purpose is accomplished. Upon expiration, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements of activities as net assets released from restrictions.

Investments

Investments are carried at fair value, and realized and unrealized gains and losses are reflected in the statements of activities.

Maine Public's investment policy and spending policy for long-term investments are as follows:

Investment Objective: Maine Public invests for long-term growth of capital with moderate income requirements. Growth accounts will experience moderate to high levels of portfolio fluctuations to achieve long-term objectives.

Return Objective: Consistent with the asset class return assumptions, the long-term expected annual return for this objective should fall within a range between 5.5% and 7%.

Risk Tolerance: Maine Public recognizes that the long-range objective implies a high level of equity exposure and consequent market price volatility. The risk of the equity and fixed income portfolio shall be consistent with their respective indexes.

Asset Allocation: The asset allocation range shall be: 51% - 71% in equities, 15% - 45% in fixed income, and 2% - 13% in alternative asset classes (including real estate investment trusts and commodities).

Time Horizon: Long-term.

Spending Policy: The Board of Trustees have adopted a 4% annual spending rule based on a three-year rolling average market value calculated at the prior fiscal year-end.

Performance Measurement: The investment performance of this portfolio will be measured against both a blended benchmark and a static benchmark. The dynamically-weighted blended benchmark shall consist of the Citi 3-Month T-Bill, S&P 500, Russell 2000, S&P Mid-Cap 400, MSCI EAFE, MSCI EM, Dow Jones UBS Commodities, Morgan Stanley REIT, and the BarCap Intermediate Govt/Credit Indexes. The static benchmark shall consist of 70% MSCI All-Country World Index / 30% BarCap U.S. Government 1-5 year Index.

Investment income is credited to net assets without donor restrictions unless otherwise designated by the donor or state law. Related interest and dividends are recorded on the accrual basis.

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Operating and Nonoperating Activities

Maine Public reports its revenues and expenses as operating or nonoperating activities in the statements of activities. Nonoperating activities include contributions to the Board designated or donor-restricted endowment funds, investment return of the endowment funds, net of investment returns used for operations, and contributions to fund capital projects, write-off of uncollectible pledges receivable, and the release thereof when Maine Public has complied with the donative restrictions.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Those expenses include depreciation expense, which is allocated primarily based on full-time equivalents, and insurance, which is allocated based on full-time equivalents. Other expenses are charged directly to the program they serve.

Income Taxes

Maine Public is exempt from income taxes under the provisions of Internal Revenue Code Section 501(c)(3). Certain activities of Maine Public are unrelated business income and, therefore, subject to federal and state income tax.

Cash and Cash Equivalents

Maine Public considers all highly liquid debt instruments purchased with an initial maturity of three months or less to be cash equivalents. Any cash classified as long-term investments is not considered a cash equivalent because it is not designated for current use by the Board of Trustees.

2. Cash and Cash Equivalents

Maine Public maintains checking accounts, certificates of deposit, and money market accounts at various Maine financial institutions. These accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. Amounts in excess of FDIC coverage have been collateralized.

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3. Pledges Receivable

Included in pledges receivable are the following unconditional promises to give:

	2025	2024
General	\$ 2,461	\$ 3,776
Capital campaign	2,567,085	2,155,310
Foundation pledge for endowment	1,993,837	-
Other	<u>55,000</u>	<u>-</u>
	4,618,383	2,159,086
Less discount of 4.0% and 3.0% as of June 30, 2025 and 2024, respectively	<u>(196,461)</u>	<u>(97,346)</u>
Total pledges receivable	<u>4,421,922</u>	<u>2,061,740</u>
	2025	2024
Amount due in:		
Less than one year	\$ 2,391,293	\$ 1,130,514
One to five years	<u>2,227,090</u>	<u>1,028,572</u>
	<u>4,618,383</u>	<u>2,159,086</u>

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

In addition, Maine Public has received conditional pledge funding from a Foundation for an endowment. As certain conditions of the grants have not been met at June 30, 2025, these are not recognized as assets in the statement of financial position. Grants totaling \$2,000,000 are contingent upon the Foundation's determination on the conditions of the grant.

4. Endowment

Maine Public's Board of Trustees has interpreted state law as requiring the preservation of the original gifts to donor-restricted endowment funds as net assets with donor restrictions of perpetual duration. Accordingly, except for explicit donor stipulations specifying reinvestment of some or all of income and appreciation, amounts not considered of perpetual duration are classified as net assets with donor restrictions until appropriated for expenditure. Maine Public elected to spend \$360,000 from the endowment during the year ended June 30, 2025. Maine Public elected not to spend from the endowment during the year ended 2024.

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Endowment net asset composition by type of fund as of June 30, 2025 was as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 2,115,679	\$ 2,115,679
Board designated endowment funds	<u>\$ 10,293,013</u>	<u>-</u>	<u>\$ 10,293,013</u>
Total funds	\$ 10,293,013	\$ 2,115,679	\$ 12,408,692

Endowment net asset composition by type of fund as of June 30, 2024 was as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 978,979	\$ 978,979
Board designated endowment funds	<u>\$ 9,637,451</u>	<u>-</u>	<u>\$ 9,637,451</u>
Total funds	\$ 9,637,451	\$ 978,979	\$ 10,616,430

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or relevant state law requires Maine Public to retain as a fund of perpetual duration. Maine Public has a policy that permits spending from underwater endowment funds depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws and regulations. There were no deficiencies of this nature as of June 30, 2025 and 2024.

The endowment net assets and Board-designated net assets are invested in order to ensure resources of Maine Public will be available to meet the needs of clients in perpetuity. Maine Public's spending policy allows the appropriation of up to 4% of the trailing three-year quarterly average market value to support operations. Additional appropriations can be made with Board approval.

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Changes in endowment net assets for the year ended June 30, 2025 were as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Beginning of year	\$ 9,637,451	\$ 978,979	\$ 10,616,430
Investment return			
Interest and dividends	155,825	75,177	231,002
Net appreciation in fair value of investments	800,968	78,615	879,583
Contributions	25,846	1,015,831	1,041,677
Appropriation of endowment assets for expenditure	<u>(327,077)</u>	<u>(32,923)</u>	<u>(360,000)</u>
End of year	<u>\$ 10,293,013</u>	<u>\$ 2,115,679</u>	<u>\$ 12,408,692</u>

Changes in endowment net assets for the year ended June 30, 2024 were as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Beginning of year	\$ 8,394,660	\$ 859,143	\$ 9,253,803
Investment return			
Interest and dividends	169,788	17,283	187,071
Net appreciation in fair value of investments	987,547	99,053	1,086,600
Contributions	<u>85,456</u>	<u>3,500</u>	<u>88,956</u>
End of year	<u>\$ 9,637,451</u>	<u>\$ 978,979</u>	<u>\$ 10,616,430</u>

5. Liquidity and Availability of Financial Assets

Maine Public regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to optimize the investment of its available funds. Maine Public has various sources of liquidity at its disposal, including cash and cash equivalents, investments, and lines of credit.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, Maine Public considers all expenditures related to its ongoing operating activities. In addition to financial assets available to meet general expenditures over the next 12 months, Maine Public seeks to operate with a balanced budget and anticipates collecting sufficient revenue to cover expenditures not covered by donor-restricted resources or, where appropriate, borrowings.

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As of June 30, 2025, Maine Public has working capital of \$4,727,189 and average days (based on normal expenditures) of cash and cash equivalents without designation or restriction on hand of 46 days.

Financial assets and liquid resources available within 12 months for general expenditures were as follows as of June:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 2,603,664	\$ 6,947,646
Accounts and grants receivable	1,308,384	1,653,806
Operating pledges receivable within one year	57,461	3,776
Investments	<u>12,985,551</u>	<u>11,168,836</u>
	<u>16,955,060</u>	<u>19,774,064</u>
Less: investments – with donor restrictions	(2,115,679)	(978,979)
Less: investments – without donor restrictions	<u>(10,869,872)</u>	<u>(10,189,857)</u>
	<u>\$ 3,969,509</u>	<u>\$ 8,605,228</u>

Maine Public's governing board has designated a portion of its unrestricted resources for long-term investment and other purposes. Those amounts are identified as investments – without donor restrictions in the table above. These funds are invested for long-term appreciation and current income but remain available and may be spent at the discretion of the Board.

Maine Public's goal is generally to maintain financial assets to meet three months of operating expenses (approximately \$5.8 million).

In addition to the resources discussed above, Maine Public has one line of credit available to meet short-term needs, as discussed in Note 6.

6. Lines of Credit

Maine Public has available one unsecured line of credit, for \$1,000,000, with variable interest rates. There was no outstanding balances on the line of credit at June 30, 2025 and 2024. The line of credit expires in February 2026 and is subject to review at that time.

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7. Postretirement Benefits

Maine Public sponsored a defined benefit postretirement medical benefit plan. The Plan provided that employees who retired from active status after reaching age 55 and had completed ten years of service or became disabled (regardless of service) were eligible. Eligible employees who retired or became disabled and their spouses (if married) continued to have 90% of their medical premiums paid by Maine Public. When retired or disabled participants reached age 65, Medicare became their primary plan and Maine Public's plan became secondary. Maine Public continued to pay 90% of medical coverage for the secondary coverage. The Plan was curtailed during the year ended June 30, 1997.

In 1997, Maine Public offered to continue special benefits to its employees who elected voluntary retirement from employment by a specified period of time and notified Maine Public by October 30, 1997. Because a significant reduction in future years of service to fill eligibility of active participants has occurred, the offer of special termination benefits resulted in a plan curtailment. The accumulated postretirement benefit obligation at June 30, 2025 and 2024 was \$10,464 and \$18,064, respectively.

8. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, Maine Public uses various methods, including market, income and cost approaches. Based on these approaches, Maine Public often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and/or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs.

Maine Public utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, Maine Public is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

- Level 1 – Quoted prices for identical assets and liabilities traded in active exchange markets, such as the New York Stock Exchange.
- Level 2 – Observable inputs other than Level 1 including quoted prices for similar assets or liabilities, quoted prices in less active markets, or other observable inputs that can be corroborated by observable market data.

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- Level 3 – Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair values requires significant management judgment or estimation.

Fair values of assets measured on a recurring basis were as follows:

June 30, 2025	Total	Level 1	Level 2	Level 3
Cash and money market accounts	\$ 988,021	\$ 988,021	\$ -	\$ -
U.S. government agency obligations	3,116,878	-	3,116,878	-
Corporate bonds	572,537	-	572,537	-
Other	119,772	-	119,772	-
Mutual funds – fixed income	9,461	9,461	-	-
Mutual funds – equity securities	<u>8,178,882</u>	<u>8,178,882</u>	-	-
Total	<u>\$ 12,985,551</u>	<u>\$ 9,176,364</u>	<u>\$ 3,809,187</u>	<u>\$ _____</u>
June 30, 2024	Total	Level 1	Level 2	Level 3
Cash and money market accounts	\$ 1,002,083	\$ 1,002,083	\$ -	\$ -
U.S. government agency obligations	2,468,151	-	2,468,151	-
Corporate bonds	509,276	-	509,276	-
Other	114,239	-	114,239	-
Mutual funds – fixed income	10,510	10,510	-	-
Mutual funds – equity securities	<u>7,064,577</u>	<u>7,064,577</u>	-	-
Total	<u>\$ 11,168,836</u>	<u>\$ 8,077,170</u>	<u>\$ 3,091,666</u>	<u>\$ _____</u>

The fair value of Level 2 assets has been measured using quoted market prices of similar assets.

9. Retirement Plan

Employees participate in a retirement plan under Section 403(b) of the Internal Revenue Code through the Teachers Insurance and Annuity Association of America and College Retirement Equities Fund. Contributions are made both by the participant and Maine Public. Maine Public contributes between 3% and 6.5% of an employee's salary on a graduated rate based upon an employee's contribution. Maine Public's contributions were approximately \$489,423 and \$451,700 in 2025 and 2024, respectively.

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10. Health Insurance Plan

Maine Public's health plan is a self-insured vehicle with a stop-loss component. Claims are handled through an independent third-party benefits administrator. In the fiscal years 2025 and 2024, Maine Public's reinsurance policy provided payment for per person annual claim costs in excess of \$55,000. Total net cost for claims, administration, and stop loss insurance totaled approximately \$1,645,000 and \$1,186,000 for the years ended 2025 and 2024, respectively. The statements of financial position includes \$161,731 and \$157,348 of accrued medical claims as of June 30, 2025 and 2024, respectively, which are included in accrued expenses and other.

11. Related Party

Maine Public purchases various products and services from a related party, the University of Maine System (UMS). Maine Public was affiliated with UMS before incorporating in July 1992. Since then, UMS has maintained a position on Maine Public's Board of Trustees. The amount paid to UMS totaled approximately \$102,500 and \$110,540 during the years ended 2025 and 2024, respectively. The purchases included fuel, printing and telecommunication services.

12. Net Assets with Donor Restrictions

Net assets with donor restrictions consisted of the following as of June 30:

	2025	2024
Subject to expenditure for specified purpose:		
General	\$ 14,072	\$ 14,230
Capital campaigns – for property and equipment	<u>11,333,894</u>	<u>19,806,002</u>
	<u>11,347,966</u>	<u>19,820,232</u>
Subject to the passage of time:		
Endowment gains	<u>625,342</u>	<u>507,973</u>
	<u>625,342</u>	<u>507,973</u>
Restricted in perpetuity:		
Pledges receivable	1,907,557	-
Endowment funds invested in perpetuity for which income is without donor restrictions to be used for operations	<u>1,490,337</u>	<u>459,483</u>
	<u>3,397,894</u>	<u>459,483</u>
Total net assets with donor restrictions	<u>\$ 15,371,202</u>	<u>\$ 20,787,688</u>

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13. Contingencies

Maine Public receives funding in the form of grants from the Corporation for Public Broadcasting which is a private, nonprofit corporation, the National Telecommunications and Information Administration, and other federal agencies. The grants are governed by various rules and regulations and are subject to audit and adjustment by the grantors. Therefore, to the extent that Maine Public has not complied with the rules and regulations governing the grants, repayments may be required. In the opinion of Maine Public, there are no significant uncertainties relating to compliance with the rules and regulations governing these grants. Therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

14. Commitments

During the year ended June 30, 2024, Maine Public sold a piece of land, which resulted in a gain of approximately \$1.1 million, and is included in the statement of activities for the year ended June 30, 2024. During 2025, Maine Public purchased a building for its new facility in Southern Maine for approximately \$20 million.

Maine Public will be renovating the new facility. The total cost of the construction of the new facility approximates \$15 million, which will be funded primarily by contributions from the capital campaign. To date, Maine Public has incurred approximately \$3.4 million in architectural and project management costs.

In January 2025, Maine Public committed to a construction contract with a value of \$5,500,000 for the renovation of the new facility. As of June 30, 2025, \$192,810 has been expended under the contract.

15. Operating Leases

Maine Public leases towers, copier machines and a parking garage under noncancelable operating leases expiring in various dates through 2036. The monthly lease payments range from \$157 to \$8,322 through the end of the lease terms. Some leases do not require monthly payments and are paid quarterly. The following table presents the right-of-use assets and lease liabilities as of June 30, 2025 and 2024.

	<u>2025</u>	<u>2024</u>
Assets		
Operating leases - right-of-use assets	<u>\$ 1,740,090</u>	<u>\$ 1,101,636</u>
Liabilities		
Current portion of operating lease liabilities	<u>\$ 523,983</u>	<u>\$ 163,854</u>
Operating lease liabilities, net of current portion	<u>\$ 1,257,443</u>	<u>\$ 963,280</u>
	<u>\$ 1,781,426</u>	<u>\$ 1,127,134</u>
Weighted-average discount rate	<u>4.1 %</u>	<u>3.3 %</u>
Weighted-average remaining lease term (years)	<u>5.6</u>	<u>6.8</u>

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Expense under the operating leases, which approximated lease payments, was \$579,450 and \$437,433 for the years ended June 30, 2025 and 2024.

The maturity analysis of the annual undiscounted cash flows reconciled to the carrying value of the operating lease liability are as follows for the years ended June 30:

2026	\$ 588,155
2027	342,425
2028	329,745
2029	336,285
2030	129,430
Thereafter	<u>257,551</u>
	1,983,591
Less present value discount	<u>(202,165)</u>
	<u>\$ 1,781,426</u>

Maine Public is a lessor to an unrelated tenant under an operating lease with an expiration date extending through September 2028 with monthly rent payments of \$4,900. Additionally, Maine Public purchased a building that was being rented by a tenant. During 2025, the lease was renegotiated and the tenant vacated the space owned by Maine Public. The former tenant entered into a lease termination agreement to continue monthly lease payments of \$64,282 through May 2030. Future minimum rental income under the remaining lease agreements is as follows for the years ending June 30:

2026	864,870
2027	864,870
2028	868,675
2029	820,771
2030	<u>671,727</u>
	<u>\$ 4,090,913</u>

16. Subsequent Events

Management has evaluated subsequent events through December 18, 2025, the date which the financial statements were available to be issued, and has not evaluated subsequent events after that date.