

SHERIFF'S MEADOW FOUNDATION

**FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024**

SHERIFF'S MEADOW FOUNDATION

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Independent Auditor's Report

To the Board of Directors
Sheriff's Meadow Foundation

Opinion

We have audited the financial statements of Sheriff's Meadow Foundation (the "Foundation"), 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 accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of June 30, 2025 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Foundation and to meet our 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.

Report on Prior Year Financial Statements

The financial statements of Sheriff's Meadow Foundation as of June 30, 2024 were audited by Tonneson & Company, PC, who expressed an unmodified opinion on those statements on March 4, 2025.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 the Foundation's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

To the Board of Directors
Sheriff's Meadow Foundation

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation'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.

Plante & Moran, PLLC

April 10, 2026

SHERIFF'S MEADOW FOUNDATION

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2025 AND 2024

ASSETS

	<u>2025</u>	<u>2024</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 234,600	\$ 505,838
Accounts and grants receivable	85,043	28,003
Promises to give	317,255	572,987
Prepaid expenses and other current assets	88,401	88,598
Note receivable, employee	30,000	30,000
	<hr/>	<hr/>
Total current assets	755,299	1,225,426
	<hr/>	<hr/>
PROPERTY, PLANT AND EQUIPMENT, AT COST:		
Land	87,098,629	79,560,813
Land improvements	77,187	77,187
Buildings and improvements	3,771,957	3,244,324
Equipment	713,329	522,223
Construction in progress	168,861	21,094
	<hr/>	<hr/>
	91,829,963	83,425,641
Less accumulated depreciation	<hr/>	<hr/>
	(1,665,631)	(1,478,416)
	<hr/>	<hr/>
Total property, plant and equipment, net	90,164,332	81,947,225
	<hr/>	<hr/>
OTHER ASSETS:		
Promises to give - long-term, net	269,033	364,795
Investments	15,887,291	16,512,522
Note receivable, employee - long-term	210,000	240,000
Website and mobile application, net of accumulated amortization of \$294,816 and \$262,732 in 2025 and 2024, respectively	-	32,084
	<hr/>	<hr/>
Total other assets	16,366,324	17,149,401
	<hr/>	<hr/>
TOTAL ASSETS	\$ 107,285,955	\$ 100,322,052
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SHERIFF'S MEADOW FOUNDATION

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2025 AND 2024

LIABILITIES AND NET ASSETS

	<u>2025</u>	<u>2024</u>
CURRENT LIABILITIES:		
Accounts payable	\$ 106,573	\$ 63,554
Accrued expenses	40,890	61,428
Deferred revenue	430,386	513,642
Line of credit	50,000	-
Notes payable, current maturities	51,035	94,155
Total current liabilities	<u>678,884</u>	<u>732,779</u>
LONG-TERM LIABILITIES:		
Deferred compensation	423,308	358,691
Note payable, other	1,805,549	105,845
Total long-term liabilities	<u>2,228,857</u>	<u>464,536</u>
TOTAL LIABILITIES	<u>2,907,741</u>	<u>1,197,315</u>
NET ASSETS:		
Without donor restrictions	90,492,008	83,449,105
With donor restrictions	13,886,206	15,675,632
TOTAL NET ASSETS	<u>104,378,214</u>	<u>99,124,737</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 107,285,955</u>	 <u>\$ 100,322,052</u>

SHERIFF'S MEADOW FOUNDATION

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2025 Total</u>
SUPPORT AND REVENUE:			
Donations of land and conservation restrictions	\$ 1,772,263	\$ -	\$ 1,772,263
Donations	1,164,157	2,460,376	3,624,533
Event revenue	667,177	-	667,177
Grant revenue	115,241	75,000	190,241
Interest income	992	-	992
Investment gain, net	991,589	900,833	1,892,422
Donated services and materials	44,200	-	44,200
Other income	24,277	-	24,277
Net assets released from restrictions	<u>5,225,635</u>	<u>(5,225,635)</u>	<u>-</u>
Total support and revenue	<u>10,005,531</u>	<u>(1,789,426)</u>	<u>8,216,105</u>
EXPENSES:			
Program services:			
Land acquisition	94,823	-	94,823
Land stewardship	1,702,492	-	1,702,492
Education and outreach	67,884	-	67,884
Supporting services:			
General and administrative	741,823	-	741,823
Fundraising	<u>355,606</u>	<u>-</u>	<u>355,606</u>
Total expenses	<u>2,962,628</u>	<u>-</u>	<u>2,962,628</u>
INCREASE (DECREASE) IN NET ASSETS	7,042,903	(1,789,426)	5,253,477
NET ASSETS, BEGINNING OF YEAR	<u>83,449,105</u>	<u>15,675,632</u>	<u>99,124,737</u>
NET ASSETS, END OF YEAR	<u>\$ 90,492,008</u>	<u>\$ 13,886,206</u>	<u>\$ 104,378,214</u>

SHERIFF'S MEADOW FOUNDATION

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2024 Total</u>
SUPPORT AND REVENUE:			
Donations	\$ 544,085	\$ 2,877,887	\$ 3,421,972
Event revenue	537,089	-	537,089
Grant revenue	128,810	18,750	147,560
Interest income	119,464	-	119,464
Investment gain, net	733,906	812,504	1,546,410
Donated services and materials	4,965	-	4,965
Other income	28,087	-	28,087
Net assets released from restrictions	2,187,134	(2,187,134)	-
Total support and revenue	<u>4,283,540</u>	<u>1,522,007</u>	<u>5,805,547</u>
EXPENSES:			
Program services:			
Land acquisition	90,703	-	90,703
Land stewardship	1,442,648	-	1,442,648
Education and outreach	57,846	-	57,846
Supporting services:			
General and administrative	574,807	-	574,807
Fundraising	348,441	-	348,441
Total expenses	<u>2,514,445</u>	<u>-</u>	<u>2,514,445</u>
INCREASE IN NET ASSETS	1,769,095	1,522,007	3,291,102
NET ASSETS, BEGINNING OF YEAR	<u>81,680,010</u>	<u>14,153,625</u>	<u>95,833,635</u>
NET ASSETS, END OF YEAR	<u>\$ 83,449,105</u>	<u>\$ 15,675,632</u>	<u>\$ 99,124,737</u>

SHERIFF'S MEADOW FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2025

	<u>Program Services</u>				<u>Supporting Services</u>		<u>Total</u>
	<u>Land Acquisition</u>	<u>Land Stewardship</u>	<u>Education & Outreach</u>	<u>Total</u>	<u>General & Administrative</u>	<u>Fundraising</u>	
Accounting & audit	\$ -	\$ -	\$ -	\$ -	\$ 148,790	\$ -	\$ 148,790
Advertising	-	-	-	-	2,331	-	2,331
Annual report & newsletter	-	-	20,145	20,145	-	20,144	40,289
Automobile expense	1,360	24,476	-	25,836	1,360	-	27,196
Bank fees	-	-	-	-	5,055	-	5,055
Conferences and meetings	-	-	-	-	10,815	-	10,815
Depreciation	-	208,334	-	208,334	10,965	-	219,299
Dues and subscriptions	-	4,742	1,581	6,323	4,743	4,742	15,808
Fundraising events	-	-	-	-	-	140,190	140,190
Health insurance	1,948	58,429	974	61,351	26,293	9,738	97,382
Insurance - other	-	44,572	-	44,572	47,435	-	92,007
Interest	-	-	-	-	65,103	-	65,103
Investment & other fees	-	-	-	-	2,951	-	2,951
Land acquisition expense	2,136	-	-	2,136	-	-	2,136
Land trust accreditation	-	-	-	-	850	-	850
Legal fees	47,927	400	-	48,327	-	-	48,327
Memberships	-	-	-	-	5,867	5,868	11,735
Office supplies & expense	4,043	28,300	4,043	36,386	28,300	16,171	80,857
Other	-	-	3,234	3,234	16,167	2,156	21,557
Payroll	30,759	543,415	30,759	604,933	297,342	123,037	1,025,312
Payroll taxes	2,108	37,234	2,108	41,450	20,372	8,430	70,252
Postage	-	-	498	498	2,488	6,968	9,954
Property maintenance & expense	-	701,313	-	701,313	-	-	701,313
Rent	1,497	5,986	1,497	8,980	14,966	5,986	29,932
Retirement plan expense	2,423	42,807	2,423	47,653	23,422	9,692	80,767
Telephone	1	2	1	4	4	2	10
Utilities	621	2,482	621	3,724	6,204	2,482	12,410
Total	\$ 94,823	\$ 1,702,492	\$ 67,884	\$ 1,865,199	\$ 741,823	\$ 355,606	\$ 2,962,628

See Notes to Financial Statements.

SHERIFF'S MEADOW FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024

	<u>Program Services</u>				<u>Supporting Services</u>		<u>Total</u>
	<u>Land Acquisition</u>	<u>Land Stewardship</u>	<u>Education & Outreach</u>	<u>Total</u>	<u>General & Administrative</u>	<u>Fundraising</u>	
Accounting & audit	\$ -	\$ -	\$ -	\$ -	\$ 113,812	\$ -	\$ 113,812
Advertising	-	-	-	-	3,538	-	3,538
Annual report & newsletter	-	-	15,915	15,915	-	15,914	31,829
Automobile expense	1,427	25,691	-	27,118	1,427	-	28,545
Bank fees	-	-	-	-	7,736	-	7,736
Conferences and meetings	-	-	-	-	2,945	-	2,945
Depreciation	-	193,165	-	193,165	10,167	-	203,332
Dues and subscriptions	-	3,123	1,041	4,164	3,124	3,123	10,411
Fundraising events	-	-	-	-	-	139,860	139,860
Health insurance	1,812	54,345	906	57,063	24,453	9,059	90,575
Insurance - other	-	31,852	-	31,852	32,577	-	64,429
Investment & other fees	-	-	-	-	2,063	-	2,063
Land acquisition expense	5,669	-	-	5,669	-	-	5,669
Legal fees	43,380	362	-	43,742	-	-	43,742
Memberships	-	-	-	-	3,004	3,005	6,009
Office supplies & expense	3,705	25,934	3,705	33,344	25,932	14,822	74,098
Other	-	-	937	937	4,686	625	6,248
Payroll	28,511	503,698	28,511	560,720	275,607	114,046	950,373
Payroll taxes	2,015	35,591	2,015	39,621	19,474	8,057	67,152
Postage	-	-	632	632	3,159	8,841	12,632
Property maintenance & expense	-	521,396	-	521,396	-	-	521,396
Rent	1,544	6,178	1,544	9,266	15,444	6,178	30,888
Retirement plan expense	2,250	39,751	2,250	44,251	21,751	9,000	75,002
Telephone	5	22	5	32	56	21	109
Uncollectible promises to give	-	-	-	-	-	14,350	14,350
Utilities	385	1,540	385	2,310	3,852	1,540	7,702
Total	\$ 90,703	\$ 1,442,648	\$ 57,846	\$ 1,591,197	\$ 574,807	\$ 348,441	\$ 2,514,445

See Notes to Financial Statements.

SHERIFF'S MEADOW FOUNDATION

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2025 AND 2024

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 5,253,477	\$ 3,291,102
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Contributions of land	(1,772,263)	-
Contributions restricted for long-term purposes	(210,000)	(310,000)
Net realized and unrealized gains on investments	(1,374,217)	(1,239,602)
Depreciation	219,299	203,332
Discount on promises to give	14,429	(26,980)
Change in certain assets and liabilities:		
Accounts and grants receivable	(57,040)	(21,280)
Promises to give	123,733	(104,650)
Prepaid expenses and other current assets	197	(6,828)
Accounts payable	43,019	(1,628)
Accrued expenses	(20,538)	59,940
Deferred revenue	(83,256)	145,423
Deferred compensation	64,617	91,627
	<u>2,201,457</u>	<u>2,080,456</u>
Net cash provided by operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales of investments	8,419,312	2,430,481
Purchase of investments	(6,419,864)	(4,057,270)
Purchase of land and building	(2,519,322)	(1,646,871)
Purchase of building improvements and equipment	(718,739)	(225,936)
Purchase of construction in progress	(162,222)	(21,094)
Repayment of note receivable, employee	30,000	30,000
	<u>(1,370,835)</u>	<u>(3,490,690)</u>
Net cash used in investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from contributions restricted for long-term purposes:		
Land acquisitions	423,332	667,326
Proceeds from line of credit	200,000	-
Repayments of line of credit	(150,000)	-
Repayments of notes payable, other	(1,575,192)	-
	<u>(1,101,860)</u>	<u>667,326</u>
Net cash provided by (used in) financing activities		
NET DECREASE IN CASH AND CASH EQUIVALENTS	(271,238)	(742,908)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>505,838</u>	<u>1,248,746</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 234,600</u>	<u>\$ 505,838</u>

SHERIFF'S MEADOW FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Note 1 - Summary of Significant Accounting Policies

Organization - The mission of Sheriff's Meadow Foundation is to conserve the natural, beautiful, rural landscape and character of Martha's Vineyard for present and future generations.

Basis of Accounting - The financial statements of Sheriff's Meadow Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis of Presentation - Under U.S. GAAP, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets as follows:

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 Foundation. These assets may be used at the discretion of the Foundation's management and Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by action of the Foundation 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 of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk - The Foundation maintains an investment portfolio consisting of a combination of long-term cash and cash equivalents, government securities, corporate stocks and mutual funds. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the value of these investments will occur in the near term and such changes could materially affect the Foundation's investment account balances. At June 30, 2025 and 2024, the Foundation had \$15,887,291 and \$16,512,522, respectively, in brokerage accounts, which were not insured and subject to various risks, such as interest rate, market and credit risks.

The Foundation maintains operating cash balances at financial institutions located in Massachusetts. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. In addition, the Foundation's financial institutions participate in the Depositors Insurance Fund, which insures all deposits above FDIC limits at Massachusetts chartered savings banks. As of June 30, 2025 and 2024, the Foundation's cash balances were fully insured under these programs.

Cash Equivalents - Cash equivalents consist of highly liquid investments with original maturities of ninety days or less. Cash equivalents are carried at cost, which approximates fair value.

SHERIFF'S MEADOW FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Note 1 - Summary of Significant Accounting Policies (Continued)

Investments - The Foundation's investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the Statements of Financial Position. Alternative Investments are reported using the NAV per share, as reported by the investment managers, as a practical expedient for measuring fair value. The investment managers have various processes and controls in place to ensure that fair value is reasonably estimated. They perform due diligence procedures over third-party pricing service providers in order to support their use in the valuation process. Unrealized gains and losses are included in the change in net assets in the accompanying Statements of Activities. Gains and losses on the disposition of investments are accounted for on the average cost method for mutual funds and specific identification method for other securities. Investment income and gains restricted by donors are reported as increases in net assets with donor restrictions and are reclassified to net assets without donor restrictions when the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished).

The Foundation maintains master investment accounts for its donor-restricted endowments, unless specified to be segregated by the donor. Realized and unrealized gains and losses from securities in the master investment account are allocated monthly to the individual endowments based on the relationship of the market value of each endowment to the total market value of the master investment accounts, as adjusted for additions to or deductions from those accounts.

Promises to Give - Promises to give are stated at the amounts the Foundation expects to collect from outstanding balances. Foundation management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on historical collection experience, its assessment of current economic conditions, review and assessment of estimated funding sources and the financial condition of the donor. Balances that are still outstanding after Foundation management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to promises to give.

At June 30, 2025 and 2024, promises to give were deemed fully collectible by Foundation management.

Property, Plant and Equipment - The Foundation capitalizes all acquisitions of property and equipment and all expenditures for repairs, maintenance, renewals and betterments in excess of \$1,000 that materially prolong the useful lives of assets. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method over the assets estimated useful lives.

Web Development and Mobile Application Costs - Website development and mobile application costs are accounted for as capital assets and amortized on a straight-line basis over their estimated useful lives. Costs related to the planning stage of website development and mobile application projects, as well as ongoing operating and support costs are expensed as incurred.

Donations - Contributions, including grants, are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts that are designated for future periods or restricted by the donor for specific purposes are reported as contributions with donor restrictions that increase that net asset class. Contributions that are restricted by the donor are reclassified to net assets without donor restrictions when the restriction expires (that is when a stipulated time restriction ends, or purpose restriction is accomplished).

Unconditional promises to give are reported at net realizable value if at the time the promise is made, collection is expected to be received in one year or less. Unconditional promises to give that are expected to be collected in more than one year are initially reported at fair value using present value techniques and a discount rate determined by management of the Foundation. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

SHERIFF'S MEADOW FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Note 1 - Summary of Significant Accounting Policies (Continued)

Donations (Continued) - Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Contributions in the form of property and equipment and other assets are recorded at fair value on the date the donation is received.

During the year ended June 30, 2025, approximately 33% of total support and revenue was contributed by two donors. At June 30, 2025, no promises to give were outstanding from these donors. There were no significant donors during the year ended June 30, 2024.

Revenue Recognition - Under FASB ASC Topic 606, *Revenue from Contracts with Customers* (ASC 606), revenue is recognized when a customer obtains control of promised goods or services (the performance obligation) in an amount that reflects the consideration expected to be received in exchange for those goods or services (the transaction price).

Revenue from performance obligations satisfied at a point in time consists of event revenue which is recognized when the event takes place. Amounts received in advance are deferred until earned. All of the Foundation's performance obligations are for durations of one year or less. For the years ended June 30, 2025 and 2024, revenue from performance obligations satisfied at a point in time amounted to approximately \$667,000 and \$537,000, respectively. Accounts receivable require payment on a short-term basis and as such the Foundation does not have any significant financing components.

Contributed Assets - Non-cash donations are recorded as donations at their estimated fair values at the date of donation. The Foundation reports the fair value of donated services that require specialized skills and that would otherwise be purchased by the Foundation as contributions without donor restriction and simultaneously as expense, based on the estimated fair value at the time the services are donated. The Foundation did not monetize any donated services. Additionally, individuals volunteer their time and perform a variety of tasks that assist the Foundation, but these services do not meet the criteria for recognition as donated services under accounting principles generally accepted in the United States of America. Donated services and materials for the years ended June 30, 2025 and 2024, included in the accompanying statement of activities, were as follows:

<u>Non-financial Contribution</u>	<u>Type of Contribution</u>	<u>Valuation</u>	<u>2025</u>	<u>2024</u>
Contributed goods	Building improvements	Invoice	\$ 43,000	\$ -
Contributed goods	Fundraising event supplies	Invoice	1,200	-
Contributed goods	Gift cards	Invoice	-	225
Contributed services	Catering services	Standard industry pricing	-	3,140
Contributed services	Landscaping services	Standard industry pricing	-	1,000
Contributed services	Tutorial services	Standard industry pricing	-	500
Contributed services	Printing services	Standard industry pricing	-	100
			<u>\$ 44,200</u>	<u>\$ 4,965</u>

SHERIFF'S MEADOW FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Note 1 - Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Activities and Statements of Functional Expenses. Certain expenses attributed to more than one program or supporting function have been allocated on a reasonable basis that is consistently applied. The expenses that are allocated primarily include payroll and related benefits, occupancy, utilities, and depreciation. These expenses are allocated on the basis of estimates of usage, time and effort.

The following program and supporting services are included in the accompanying financial statements:

Land acquisition

Land is acquired for the preservation, administration, and maintenance of natural habitats for wildlife on Martha's Vineyard both for educational purposes and in the interests of conservation.

Land stewardship

For the conservation and maintenance of land and walking trails as well as guided tours of the various conservation properties.

Education and outreach

Education of the general public and of children about nature, conservation, and about the natural history of Martha's Vineyard.

General and administrative

Includes the functions necessary to manage the financial and budgetary responsibilities of the Foundation.

Fundraising

Provides the structure necessary to encourage and secure private financial support from individuals, foundations and corporations.

Advertising - The Foundation uses advertising to promote its programs and educational materials among the audience it serves. The production costs of advertising are expensed as incurred. Advertising expenses totaled \$2,331 and \$3,538 for the years ended June 30, 2025 and 2024, respectively.

Income Taxes - The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Foundation's tax-exempt purpose is subject to taxation as unrelated business income. The Foundation had no unrelated business income for the years ended June 30, 2025 and 2024.

In determining the recognition of uncertain tax positions, the Foundation applies a more-likely-than-not recognition threshold and determines the measurement of uncertain tax positions considering the amounts and probabilities of the outcomes that could be realized upon ultimate settlement with taxing authorities. As of June 30, 2025 and 2024, the Foundation has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The Foundation is not currently under examination by any taxing jurisdiction. The Foundation's federal and state tax returns are generally open for examination for three years following the date filed.

SHERIFF'S MEADOW FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Note 1 - Summary of Significant Accounting Policies (Continued)

Leases - Finance leases, when applicable, are included in property, plant and equipment as right-of-use ("ROU") assets and current and long-term finance lease obligations on the Foundation's statement of financial position. Operating leases, when applicable, are included as ROU assets and operating lease obligations on the Foundation's statement of financial position.

The Foundation determines if an arrangement is a lease at inception. In evaluating contracts to determine if they qualify as a lease, the Foundation considers factors such as if it has obtained substantially all of the rights to the underlying asset through exclusivity, if it can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. The evaluation may require significant judgement. The Foundation has elected to apply the short-term lease exemption to all asset classes.

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. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term which includes both amortization of the ROU asset and other lease expense. In determining the discount rate used to measure the right-of-use asset and lease liability, the rate implicit in the lease is used, or if not available, the Foundation uses a risk-free rate for all classes of assets based on the information available at commencement date in determining the present value of lease payments. The risk free interest rate is based on the U.S. Daily Treasury Par Yield Curve Rates for terms similar to lease terms. The ROU asset also includes any lease payments made at or before commencement, less any incentives received. Lease terms may include options to extend or terminate the lease when it is reasonably certain that such option will be exercised. The Foundation's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Subsequent Events - The financial statements and related disclosures include evaluation of events up through and including April 10, 2026, which is the date the financial statements were available to be issued.

Note 2 - Availability and Liquidity

The Foundation strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures, approximately \$700,000. Financial assets in excess of daily cash requirements are invested in money market funds and other short-term investments.

In addition, the Foundation receives contributions with donor restrictions to be used in accordance with the associated purpose restrictions. It also receives gifts to establish endowments that will exist in perpetuity; the income generated from such endowments is used to fund programs. The Foundation also receives support without donor restrictions.

The Foundation considers investment income without donor restrictions, appropriated earnings from donor-restricted endowments, contributions without donor restrictions, and contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include program service expenses, general and administrative expenses and fundraising expenses expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Foundation's fiscal year.

SHERIFF'S MEADOW FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

Note 2 - Availability and Liquidity (Continued)

The Foundation manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets, and
- Maintaining sufficient reserves to provide reasonable assurance that long term grant commitments and obligations under endowments with donor restrictions and quasi-endowments that support mission fulfillment will continue to be met, ensuring the sustainability of the Foundation.

The table below presents financial assets available for general expenditures within one year at June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 234,600	\$ 505,838
Accounts and grants receivable	85,043	28,003
Promises to give	586,288	937,782
Investments	15,887,291	16,512,522
Note receivable, employee	<u>30,000</u>	<u>30,000</u>
Total financial assets	<u>16,823,222</u>	<u>18,014,145</u>
Less amounts not available to be used within one year:		
Promises to give for restricted gifts, net	496,051	746,563
Promises to give due after one year, net	-	45,000
Investments held to fund deferred compensation	436,750	364,883
Investments held as endowments	5,039,756	4,827,075
Investments held with donor restrictions	<u>5,118,978</u>	<u>7,633,676</u>
Financial assets not available to be used within one year	<u>11,091,535</u>	<u>13,617,197</u>
Financial assets available to meet general expenditures within one year	<u>\$ 5,731,687</u>	<u>\$ 4,396,948</u>

Note 3 - Conservation Easements

The Foundation has acquired and holds a number of conservation easements, each representing a legal interest in land owned by another person or entity. The easements grant the Foundation the right to use, control, and/or protect the land for conservation purposes. Because of the unique nature of these assets, the impracticality of obtaining consistent and reliable estimates of the values ascribed to these interests, the accompanying financial statements do not include any amounts for these property interests. At each of the years ended June 30, 2025 and 2024, the Foundation held 44 conservation easements on approximately 999 acres of land.

SHERIFF'S MEADOW FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Note 4 - Investments

The Foundation maintains a master investment account to fund operating and endowment related activities and an investment account to fund a deferred compensation plan. The cost and fair value of these investments at June 30, 2025 and 2024 were as follows:

	<u>June 30, 2025</u>	
	<u>Cost</u>	<u>Value</u>
Mutual funds	\$ 7,861,239	\$ 8,978,383
Stocks	2,249,256	3,014,584
Alternative investments	1,691,063	1,926,588
Exchange traded and closed-end funds	951,601	1,009,551
Money market funds	958,185	958,185
	<u>\$ 13,711,344</u>	<u>\$ 15,887,291</u>

	<u>June 30, 2024</u>	
	<u>Cost</u>	<u>Value</u>
Mutual funds	\$ 9,617,471	\$ 10,674,073
Stocks	1,912,873	2,321,944
Alternative investments	34,296	30,160
Treasury securities	1,370,976	1,383,038
Money market funds	2,103,307	2,103,307
	<u>\$ 15,038,923</u>	<u>\$ 16,512,522</u>

For the years ended June 30, 2025 and 2024, investments were segregated into the following categories:

	<u>June 30, 2025</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Without donor restrictions	\$ 5,728,557	\$ -	\$ 5,728,557
Board designated endowments	517,758	-	517,758
Donor designated endowments	-	4,521,998	4,521,998
With donor restrictions	-	5,118,978	5,118,978
	<u>\$ 6,246,315</u>	<u>\$ 9,640,976</u>	<u>\$ 15,887,291</u>

SHERIFF'S MEADOW FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

Note 4 - Investments (Continued)

	June 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Without donor restrictions	\$ 4,051,771	\$ -	\$ 4,051,771
Board designated endowments	464,679	-	464,679
Donor designated endowments	-	4,362,396	4,362,396
With donor restrictions	-	7,633,676	7,633,676
	\$ 4,516,450	\$ 11,996,072	\$ 16,512,522

Fair value is defined under U.S. GAAP as the price that would be received to sell an asset, or paid to transfer a liability, in orderly transactions between market participants. Further, the Foundation is required to maximize the use of observable market inputs, minimize the use of unobservable market inputs, and disclose in the form of an outlined hierarchy the details of such fair value measurements. The hierarchy of valuation techniques is based on whether inputs to a fair value measurement are considered to be observable or unobservable in a marketplace. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Foundation's market assumptions.

This hierarchy requires the use of observable market data when available. These inputs have created the following fair value hierarchy:

- Level 1 - Quoted market prices in active markets for identical assets or liabilities.
- Level 2 - Observable inputs other than those included in Level 1. For example, quoted prices for similar assets in active markets or quoted prices for identical assets in inactive markets.
- Level 3 - Unobservable inputs reflecting management's own assumptions about the inputs used in estimating the value of the asset.

Following is a description of the Foundation's valuation methodologies for assets measured at fair value.

Money Market Funds: This investment is valued at cost, which approximates fair value. Investments in the money market funds are classified within Level 1 of the valuation hierarchy.

Stocks and Government Securities: These investments are valued at the closing price of the active market in which the individual securities are traded. Investments in stocks and government securities are classified as Level 1 of the valuation hierarchy.

Exchange Traded and Closed-End Funds and Mutual Funds: These investments are public investment vehicles valued using the Net Asset Value ("NAV") provided by the administrator of the fund and calculated at the close of business on various stock exchanges. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. Investments in exchange traded and closed-end funds and mutual funds are classified as Level 1 of the valuation hierarchy.

SHERIFF'S MEADOW FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Note 4 - Investments (Continued)

The following table summarizes the Foundation's financial assets measured at fair value and net asset value on a recurring basis in accordance with U.S. GAAP as of June 30, 2025 and 2024:

	June 30, 2025		June 30, 2024	
	Level 1	Total	Level 1	Total
Investments:				
Money market funds	\$ 958,185	\$ 958,185	\$ 2,103,307	\$ 2,103,307
Stocks:				
Basic Materials	61,200	61,200	64,400	64,400
Communication Services	301,682	301,682	226,246	226,246
Consumer Cyclicals	321,881	321,881	240,707	240,707
Consumer Defensive	173,071	173,071	138,328	138,328
Financial services	400,535	400,535	270,538	270,538
Healthcare	288,430	288,430	283,389	283,389
Industrials	268,278	268,278	197,064	197,064
Real Estate	70,230	70,230	54,755	54,755
Technology	1,043,339	1,043,339	780,669	780,669
Utilities	85,938	85,938	65,848	65,848
Exchange traded and closed-end funds:				
Large blend	1,009,551	1,009,551	-	-
Government securities:				
Treasury securities	-	-	1,383,038	1,383,038
Mutual funds:				
Non-traditional bond	999,631	999,631	648,911	648,911
Intermediate-term bond	2,334,943	2,334,943	2,671,029	2,671,029
Large growth stock	-	-	2,080,491	2,080,491
Large blend stock	3,216,355	3,216,355	2,930,871	2,930,871
Foreign large blend stock	1,334,699	1,334,699	699,655	699,655
Small blend stock	923,505	923,505	977,424	977,424
Diversified emerging market	169,250	169,250	665,692	665,692
Total assets in the fair value hierarchy	\$ <u>13,960,703</u>	13,960,703	\$ <u>16,482,362</u>	16,482,362
Alternative investments measured at net asset value		<u>1,926,588</u>		<u>30,160</u>
Total investments		\$ <u>15,887,291</u>		\$ <u>16,512,522</u>

SHERIFF'S MEADOW FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Note 4 - Investments (Continued)

The Foundation uses NAV to determine the fair value of investments which (a) do not have readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. The type of investment that qualifies for this treatment is included in the following table at June 30, 2025 and 2024:

	Fair Value		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
	2025	2024			
Brown Advisory Private Equity Partners XI (1)	\$ 98,181	\$ 30,160	\$ 282,131	Not permitted	N/A
Brown Advisory Private Equity Partners XII (1)	67,120	-	242,005	Not permitted	N/A
Egerton Capital Equity Fund (2)	1,239,715	-	-	Daily	7 Days
TPG Twin Brook Capital Income Fund (3)	521,572	-	-	Quarterly	30 days
	<u>\$ 1,926,588</u>	<u>\$ 30,160</u>	<u>\$ 524,136</u>		

(1) This class includes investments in fund of funds vehicle that provides investors exposure to private equity buyout, venture, and growth equity strategies with opportunistic allocations to next-generation and established managers that the advisor deems “best-in-class.” The fair values of the investments in this class have been estimated using the net asset value per share of the investments. Unfunded commitments represent future capital calls.

(2) This class includes investments in directional, long-only global equity portfolio that targets attractive relative and absolute returns over the medium to long-term. The fair values of the investments in this class have been estimated using the net asset value per share of the investments.

(3) This class includes investments in a private credit business development company that seeks to invest primarily in U.S. middle market companies with less than \$25 million in annual EBITDA. The fair values of the investments in this class have been estimated using the net asset value per share of the investments.

Note 5 - Endowment

The Foundation’s endowment consists of eleven individual funds established for a variety of purposes. The endowment also includes funds designated by the Board of Directors to function as endowments. In conformity with accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of relevant law: The Board of Directors of the Foundation has interpreted the Massachusetts Uniform Prudent Management of Institutional Funds Act (the Act) as requiring the preservation of the fair value of the original gift as of the gift date on the donor-restricted endowment funds, absent explicit donor stipulations to the contrary, and the fair value of the Board-designated endowment funds absent explicit stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the 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 is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner that is consistent with the standard of prudence prescribed by the Act.

SHERIFF'S MEADOW FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Note 5 - Endowment (Continued)

The Foundation may accumulate so much of the annual net income as deemed prudent to meet (1) the long and short-term needs of the Foundation in carrying out its mission, (2) problems specific to the Foundation, (3) present and anticipated financial requirements, (4) expected total return on its investments, (5) price level trends, and (6) general economic conditions. In addition, the Foundation may hold any or all of such accumulated income for subsequent expenditure for the uses and purposes for which the Board-designated endowments were established or may add any or all of the accumulated income to the principal endowment funds that is deemed prudent.

In accordance with the Act, the Foundation considers the following factors in making a determination to appropriate or accumulate restricted endowment funds: (1) the duration and preservation of various funds, (2) the purpose of the Foundation and the restricted endowment funds, (3) general economic conditions, (4) the possible effects of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

Investment and spending policies: The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding while seeking to maintain the purchasing power of the endowment assets. The Foundation has adopted a fossil fuel free investment policy, resulting in a change in the endowment investments of the Foundation. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for donor-specified periods as well as Board-designated funds. Under these policies, as approved by the Finance Committee, the endowment assets are invested in a manner that is intended to contribute to the Foundation's total return objectives and preserve principal while maintaining a competitive yield as market conditions dictate.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation including marketable securities and insured instruments issued by the United States Government or agencies of the United States Government to achieve its long-term return objectives within prudent risk constraints.

The Foundation's policy of appropriating distribution of funds is determined based on the donor's intentions and investment returns as well as taking into consideration the long-term expected return on its endowment. Accordingly, over the long-term, the Foundation expects the current spending policy to allow its endowment to grow at a normal inflationary rate on an annual basis. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specific term as well as to provide additional growth through new gifts and investment return.

Funds with deficiencies: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or the Act requires the Foundation to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America, deficiencies of this nature are reported in net assets with donor restrictions. There were no deficiencies of this nature as of June 30, 2025 and 2024.

SHERIFF'S MEADOW FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

Note 5 - Endowment (Continued)

Endowment net assets composition by type of fund as of June 30, 2025 and 2024 is as follows:

	June 30, 2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 4,524,998	\$ 4,524,998
Board-designated endowment funds	517,758	-	517,758
	\$ 517,758	\$ 4,524,998	\$ 5,042,756

	June 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 4,365,396	\$ 4,365,396
Board-designated endowment funds	464,679	-	464,679
	\$ 464,679	\$ 4,365,396	\$ 4,830,075

Changes in endowment net assets for the years ended June 30, 2025 and 2024 are as follows:

	June 30, 2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 464,679	\$ 4,365,396	\$ 4,830,075
Investment gain, net	61,522	180,482	242,004
Appropriation of endowment assets for expenditure	(8,443)	(20,880)	(29,323)
Endowment net assets, end of year	\$ 517,758	\$ 4,524,998	\$ 5,042,756

	June 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 423,323	\$ 4,229,410	\$ 4,652,733
Contributions	-	10,000	10,000
Investment gain, net	52,111	152,429	204,540
Appropriation of endowment assets for expenditure	(10,755)	(26,443)	(37,198)
Endowment net assets, end of year	\$ 464,679	\$ 4,365,396	\$ 4,830,075

SHERIFF'S MEADOW FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

Note 6 - Promises to Give

The Foundation had promises to give as follows at June 30, 2025 and 2024:

	June 30, 2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Promises to give expected to be collected in:			
Less than one year	\$ 90,237	\$ 227,018	\$ 317,255
One to five years	-	305,248	305,248
	90,237	532,266	622,503
Discount on promises to give	-	(36,215)	(36,215)
	\$ 90,237	\$ 496,051	\$ 586,288
	June 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Promises to give expected to be collected in:			
Less than one year	\$ 146,219	\$ 426,768	\$ 572,987
One to five years	45,000	341,581	386,581
	191,219	768,349	959,568
Discount on promises to give	-	(21,786)	(21,786)
	\$ 191,219	\$ 746,563	\$ 937,782

Management has measured promises to give using present value techniques that use a risk-free rate of return (ranging from 3.11% to 4.29% at June 30, 2025 and 2024). Management has determined promises to give are fully collectible as of June 30, 2025 and 2024.

Note 7 - Line of Credit

Effective May 29, 2024, the Foundation entered into a revolving line of credit agreement with a bank. The maximum borrowings available under the agreement are \$100,000. The agreement provides that any borrowings are due demand, and bear interest at the Prime rate plus 0.50%, with a floor of 4.50%. The interest rate at June 30, 2025 and 2024 was 8.00% and 9.00%, respectively. The agreement is collateralized by substantially all assets of the Foundation. Borrowings outstanding under the agreement amounted to \$50,000 at June 30, 2025. There were no borrowings outstanding under this agreement at June 30, 2024.

Under the agreement, the Foundation must maintain a zero balance for thirty consecutive days each anniversary year.

SHERIFF'S MEADOW FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Note 8 - Notes Payable, Other

During December 2023, the Foundation entered into an agreement to purchase land and a building on Campbell Road in West Tisbury for a total purchase price of \$1,835,872. The Foundation paid cash of \$1,635,872 and entered into a promissory note agreement for the remaining \$200,000. Interest is charged at the rate of 4.25% per annum for each of the years ended June 30, 2025 and 2024. Principal and interest are payable in annual installments of \$100,000 on August 28, 2024, \$57,140 on December 31, 2025 and \$57,140 on December 31, 2026. Borrowings outstanding under the agreement amounted to \$105,799 and \$200,000 at June 30, 2025 and 2024, respectively.

During December 2024, the Foundation acquired 83.2 acres of Pimpneymouse Farm in Edgartown, Massachusetts for \$5,731,776. The Foundation paid cash of \$2,500,000 and entered into a promissory note agreement for the remaining \$3,231,776. The note is payable in annual principal installments of \$646,355 plus interest, beginning on January 27, 2026 through January 27, 2030 at an interest rate of 4.18%. The Foundation made payments in the amount of \$1,480,991 during the year ended June 30, 2025. Borrowings outstanding under the agreement amounted to \$1,750,785 at June 30, 2025.

Note 9 - Net Assets

Net assets with donor restrictions consist of the following at June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Land preservation and property management	\$ 6,658,178	\$ 8,607,206
Land (use restricted in perpetuity)	2,694,811	2,694,811
Donor-designated endowment (including amounts above original gift amount of \$3,921,174)	4,524,998	4,365,396
Other	5,000	5,000
Education	3,219	3,219
	<u>\$ 13,886,206</u>	<u>\$ 15,675,632</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by the donor during the years ended June 30, 2025 and 2024 as follows:

	<u>2025</u>	<u>2024</u>
Land preservation and property management	\$ 5,196,310	\$ 2,144,937
Appropriations from donor-designated endowment	20,882	26,442
Other	8,443	15,755
	<u>\$ 5,225,635</u>	<u>\$ 2,187,134</u>

SHERIFF'S MEADOW FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

Note 9 - Net Assets (Continued)

Net assets without donor restrictions consists of the following at June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Undesignated	\$ 89,974,250	\$ 82,984,426
Board designated		
Working reserve	78,841	69,432
Conservation easement stewardship	206,117	190,230
Conservation easement defense fund	<u>232,800</u>	<u>205,017</u>
	<u>\$ 90,492,008</u>	<u>\$ 83,449,105</u>

Note 10 - Retirement Plan

The Foundation has a Section 403(b) retirement plan for the benefit of eligible employees. The Foundation makes contributions of 6% of eligible employees' salary into the Section 403(b) retirement plan. Contributions to the plan totaled \$57,517 and \$53,252 for the years ended June 30, 2025 and 2024, respectively. While the Foundation expects to continue the plan indefinitely, it has reserved the right to modify, amend or terminate the plan. In the event of termination, the entire amount contributed under the plan must be applied to the payment of benefits to the participants or their beneficiaries, as defined in the plan.

Note 11 - Deferred Compensation Plan

The Foundation has a deferred compensation plan for the exclusive benefit of the Executive Director. The Foundation makes a discretionary contribution into the deferred compensation plan. Contributions to the plan totaled \$30,500 and \$27,000 for the years ended June 30, 2025 and 2024, respectively. The Foundation holds the deferred compensation plan funds in an investment account. At June 30, 2025 and 2024 the investment account totaled \$436,750 and \$364,883, respectively.

Note 12 - Leasing Arrangement

The Foundation is a tenant at will for the Foundation's office space. Office rental expense totaled \$29,932 and \$30,888 for the years ended June 30, 2025 and 2024, respectively. Management has determined that this leasing arrangement does not require a ROU asset or lease liability to be recorded, and has determined this lease qualified as a short-term lease under the standard. During the year ended June 30, 2025, the lease agreement was terminated and the Foundation moved its headquarters to its new location on Campbell Road.

Note 13 - Supplemental Cash Flow Information

Cash paid for interest during the year ended June 30, 2025 amounted to \$43,145. There was no cash paid for interest during the year ended June 30, 2024.

During the year ended June 30, 2025, the Foundation purchased land that was partially financed through a promissory note agreement in the amount \$3,231,776.

During the year ended June 30, 2025, the Foundation received land and conservation restriction donations valued at \$1,772,263.