

Bicycle Coalition of Maine

Financial Statements

Years Ended December 31, 2019 and 2018



**BICYCLE
COALITION
OF MAINE**

WIPFLI

Independent Accountant's Review Report

Bicycle Coalition of Maine
Portland, Maine

We have reviewed the accompanying financial statements of Bicycle Coalition of Maine which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP
South Portland, Maine
July 29, 2020

Bicycle Coalition of Maine

Statements of Financial Position

| December 31, | 2019 | 2018 |
|---|-------------------|-------------------|
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 151,985 | \$ 476,523 |
| Accounts receivable | 53,070 | 22,031 |
| Prepaid expenses | 7,188 | 12,116 |
| Inventory | 23,685 | 17,819 |
| Total Current Assets | 235,928 | 528,489 |
| Property and Equipment | | |
| Equipment | 39,500 | 38,645 |
| Accumulated depreciation | (19,299) | (21,230) |
| Total Property and Equipment | 20,201 | 17,415 |
| Long Term Assets | | |
| Investments | 313,872 | 268,493 |
| Other Assets | | |
| Security deposit | 3,900 | 3,900 |
| Total Assets | \$ 573,901 | \$ 818,297 |
| LIABILITIES AND NET ASSETS | | |
| Current Liabilities | | |
| Accounts payable | \$ 15,885 | \$ 13,852 |
| Deferred revenue | 248,400 | 455,550 |
| Accrued expenses | 29,707 | 34,657 |
| Total Current Liabilities | 293,992 | 504,059 |
| Net Assets | | |
| Without donor restrictions | | |
| Undesignated | 122,348 | 204,828 |
| Total without donor restrictions | 122,348 | 204,828 |
| With donor restrictions | 157,561 | 109,410 |
| Total Net Assets | 279,909 | 314,238 |
| Total Liabilities and Net Assets | \$ 573,901 | \$ 818,297 |

See Independent Accountant's Review Report.
See accompanying notes to financial statements.

Bicycle Coalition of Maine

Statement of Activities

| Year Ended December 31, 2019 | Without Donor Restrictions | With Donor Restrictions | Total |
|---------------------------------------|-------------------------------|----------------------------|-------------------|
| Support and Revenues | | | |
| Contract revenue | \$ - | \$ 169,900 | \$ 169,900 |
| Memberships | 148,507 | - | 148,507 |
| Contributions | 116,399 | - | 116,399 |
| Bike rides and events | 608,850 | - | 608,850 |
| Grants | - | 197,500 | 197,500 |
| Sales | 21,538 | - | 21,538 |
| Special events | 5,375 | - | 5,375 |
| Interest income | 10,520 | - | 10,520 |
| Miscellaneous income | 593 | - | 593 |
| In-kind revenue | 35,490 | - | 35,490 |
| Gain on investments | 34,889 | - | 34,889 |
| Assets released from restriction | 319,249 | (319,249) | - |
| Total Support and Revenues | 1,301,410 | 48,151 | 1,349,561 |
| Expenses | | | |
| Program and grant related expenses | 857,520 | - | 857,520 |
| Fundraising expenses | 79,694 | - | 79,694 |
| General and administrative | 446,676 | - | 446,676 |
| Total Expenses | 1,383,890 | - | 1,383,890 |
| Changes in Net Assets | (82,480) | 48,151 | (34,329) |
| Net Assets - Beginning of Year | 204,828 | 109,410 | 314,238 |
| Net Assets - End of Year | \$ 122,348 | \$ 157,561 | \$ 279,909 |

See Independent Accountant's Review Report.
See accompanying notes to financial statements.

Bicycle Coalition of Maine

Statement of Activities

| Year Ended December 31, 2018 | Without Donor Restrictions | With Donor Restrictions | Total |
|---------------------------------------|-------------------------------|----------------------------|-------------------|
| Support and Revenues | | | |
| Contract revenue | \$ - | \$ 219,113 | \$ 219,113 |
| Memberships | 137,131 | - | 137,131 |
| Contributions | 157,260 | - | 157,260 |
| Bike rides and events | 604,515 | - | 604,515 |
| Grants | - | 63,000 | 63,000 |
| Sales | 25,365 | - | 25,365 |
| Special events | 15,641 | - | 15,641 |
| Interest income | 15,214 | - | 15,214 |
| Miscellaneous income | 661 | - | 661 |
| In-kind revenue | 43,068 | - | 43,068 |
| Assets released from restriction | 260,715 | (260,715) | - |
| Total Support and Revenues | 1,259,570 | 21,398 | 1,280,968 |
| Expenses | | | |
| Program and grant related expenses | 952,798 | - | 952,798 |
| Fundraising expenses | 81,691 | - | 81,691 |
| General and administrative | 458,868 | - | 458,868 |
| Total Expenses | 1,493,357 | - | 1,493,357 |
| Changes in Net Assets | (233,787) | 21,398 | (212,389) |
| Net Assets - Beginning of Year | 438,615 | 88,012 | 526,627 |
| Net Assets - End of Year | \$ 204,828 | \$ 109,410 | \$ 314,238 |

See Independent Accountant's Review Report.
See accompanying notes to financial statements.

Bicycle Coalition of Maine

Statement of Functional Expenses

| Year Ended December 31, 2019 | Program and Grant Related Expenses | Fundraising Expenses | General and Administrative | Total |
|-------------------------------|--|-------------------------|-------------------------------|---------------------|
| Personnel Expense | | | | |
| Compensation | \$ 311,000 | \$ 39,546 | \$ 216,581 | \$ 567,127 |
| Payroll taxes | 23,569 | 3,308 | 19,240 | 46,117 |
| Employee benefits | - | - | 8,267 | 8,267 |
| Total Personnel Cost | 334,569 | 42,854 | 244,088 | 621,511 |
| Other Expenses | | | | |
| In-kind expenses | - | - | 35,490 | 35,490 |
| Cost of sales | 14,449 | 64 | 2,833 | 17,346 |
| Marketing | 29,996 | 26,103 | 17,452 | 73,551 |
| Program and event expenses | 418,193 | 92 | 507 | 418,792 |
| Professional fees | - | - | 40,765 | 40,765 |
| Conference | 2,381 | 125 | 155 | 2,661 |
| Travel | 21,207 | 974 | 3,197 | 25,378 |
| Occupancy costs | 8,200 | - | 53,978 | 62,178 |
| Insurance | 4,456 | - | 12,703 | 17,159 |
| Information technology | 426 | - | 13,379 | 13,805 |
| Office expenses | 1,024 | 8,618 | 8,373 | 18,015 |
| Card and bank fees | 17,528 | 24 | 3,489 | 21,041 |
| Dues and memberships | 966 | 840 | 1,153 | 2,959 |
| Equipment | 57 | - | - | 57 |
| Sponsorships and scholarships | 570 | - | - | 570 |
| Special events | 3,498 | - | - | 3,498 |
| Depreciation | - | - | 5,685 | 5,685 |
| Loss on sale of assets | - | - | 3,429 | 3,429 |
| Total Other Expenses | 522,951 | 36,840 | 202,588 | 762,379 |
| Total Expenses | \$ 857,520 | \$ 79,694 | \$ 446,676 | \$ 1,383,890 |

See Independent Accountant's Review Report.
See accompanying notes to financial statements.

Bicycle Coalition of Maine

Statement of Functional Expenses

| Year Ended December 31, 2018 | Program and Grant Related Expenses | Fundraising Expenses | General and Administrative | Total |
|-------------------------------|--|-------------------------|-------------------------------|---------------------|
| Personnel Expense | | | | |
| Compensation | \$ 340,955 | \$ 31,760 | \$ 228,419 | \$ 601,134 |
| Payroll taxes | 25,507 | 2,613 | 20,293 | 48,413 |
| Employee benefits | - | - | 5,258 | 5,258 |
| Total Personnel Cost | 366,462 | 34,373 | 253,970 | 654,805 |
| Other Expenses | | | | |
| In-kind expenses | - | - | 43,068 | 43,068 |
| Cost of sales | 17,505 | - | 7,182 | 24,687 |
| Marketing | 43,865 | 23,197 | 17,573 | 84,635 |
| Program and event expenses | 442,797 | 1,192 | 375 | 444,364 |
| Professional fees | - | 17,278 | 15,347 | 32,625 |
| Conference | 2,329 | - | 3,973 | 6,302 |
| Travel | 31,445 | 1,044 | 4,727 | 37,216 |
| Occupancy costs | 2,315 | - | 40,601 | 42,916 |
| Insurance | 10,566 | - | 5,563 | 16,129 |
| Information technology | 458 | 25 | 13,256 | 13,739 |
| Office expenses | 1,209 | 4,567 | 15,223 | 20,999 |
| Card and bank fees | 19,121 | 15 | 2,898 | 22,034 |
| Dues and memberships | 810 | - | 2,058 | 2,868 |
| Equipment | 1,019 | - | - | 1,019 |
| Sponsorships and scholarships | 2,250 | - | - | 2,250 |
| Special events | 10,647 | - | - | 10,647 |
| Loss on investments | - | - | 26,863 | 26,863 |
| Depreciation | - | - | 6,191 | 6,191 |
| Total Other Expenses | 586,336 | 47,318 | 204,898 | 838,552 |
| Total Expenses | \$ 952,798 | \$ 81,691 | \$ 458,868 | \$ 1,493,357 |

See Independent Accountant's Review Report.
See accompanying notes to financial statements.

Bicycle Coalition of Maine

Statements of Cash Flows

| Years Ended December 31, | 2019 | 2018 |
|--|-------------------|-------------------|
| Cash Flows from Operating Activities | | |
| Change in net assets | \$ (34,329) | \$ (212,389) |
| Adjustments to reconcile change in net assets to net cash flows from operating activities: | | |
| Depreciation | 5,685 | 6,191 |
| (Gain) loss on investments | (34,889) | 26,863 |
| Loss on sale of fixed assets | 1,281 | - |
| (Increase) decrease in operating assets: | | |
| Accounts receivable | (31,039) | 33,407 |
| Prepaid expenses | 4,928 | (4,263) |
| Inventory | (5,866) | 12,399 |
| Other assets | - | (2,900) |
| Increase (decrease) in operating liabilities: | | |
| Accounts payable | 2,033 | 11,316 |
| Accrued expenses | (4,950) | (3,449) |
| Deferred revenue | (207,150) | 160,415 |
| Total adjustments | (269,967) | 239,979 |
| Net cash flows from operating activities | (304,296) | 27,590 |
| Cash flows from Investing Activities | | |
| Purchase of property and equipment | (9,752) | - |
| Purchase of investments | (10,490) | (31,482) |
| Net cash flows from investing activities | (20,242) | (31,482) |
| Net Change in Cash and Cash Equivalents | (324,538) | (3,892) |
| Cash and Cash Equivalents, Beginning of Year | 476,523 | 480,415 |
| Cash and Cash Equivalents, End of Year | \$ 151,985 | \$ 476,523 |

See Independent Accountant's Review Report.
See accompanying notes to financial statements.

Bicycle Coalition of Maine

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Operations

The Bicycle Coalition of Maine (the Coalition) is a not-for-profit corporation. The primary purpose of the Coalition is to make Maine better for bicycling and walking. This goal is accomplished through education, legislation, limited advocacy and encouragement. The Coalition's primary sources of revenue are through hosted programs and events, membership fees, contributions from the public, and grant and contract received revenue.

Basis of Presentation

The financial statements of the Coalition have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") and, accordingly, reflect all significant receivables, payables and other liabilities.

Net Assets

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Coalition and changes therein are classified and reported, as follows:

Net assets without donor restrictions: Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

Net assets with donor restrictions: Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents

The Coalition considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable represent revenues due for services provided through year-end. Any allowance would be based on management's estimate of possible bad debts. No allowance for uncollectible accounts was considered necessary by management as of December 31, 2019 and 2018.

Bicycle Coalition of Maine

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Inventory

Inventory, consisting of t-shirts and memorabilia sold or distributed at special events, is stated at the lower of cost, determined on the first-in, first-out (FIFO) method, or net realizable value.

Deferred Revenue

Deferred revenue results from advance registrations received for the Coalition's subsequent year BikeMaine event, which is unrecognized as of December 31, 2019 and 2018.

Concentration of Revenue

Of the contract revenue received by the Coalition for the year ended December 31, 2019 and 2018, 85% was from a single source and 91% was from two sources, respectively. Of the program and events revenue for the year ended December 31, 2019 and 2018, 84% and 74% was from a single source, respectively. Changes in, or elimination of, these sources could adversely affect operations of the Coalition if another service provider was not readily available.

Revenue Recognition

The Coalition recognizes revenue from bike related program and events throughout the year and membership fees. Program and event registration contain only one performance obligation, which is providing the outlined program. Membership fees contain only one performance obligation as well, which is providing any events or services as outlined by the membership signed up for. Program and event registration fees are recognized upon the full completion of the event. The passage of time is used to recognize membership fee revenue as management considers that to be the best available measure of progress on the Coalition's performance obligation. Revenue is reported at the amount of consideration that the Coalition expects to be entitled in exchange for providing its services. Generally, the Coalition bills and collects registration fees at the time of registration.

All amounts received prior to the commencement of the fiscal year are deferred to the applicable period. Due to the nature and timing of the performance and/or transfer of services, substantially all contract liabilities at December 31 of each year are recognized the following year.

The Coalition has elected the short-term contract exemption with respect to disclosures associated with its performance obligations as all performance obligations, as of the end of any year, have original terms of less than one year.

Bicycle Coalition of Maine

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Contributions

The Coalition recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

Functional Allocation of Expenses

The Coalition allocates expenses on a functional basis among its programs and supporting services. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Certain indirect costs, such as payroll, are allocated based on time and effort, and other costs are allocated directly based on the nature of the expense.

Income Taxes

The Coalition is classified as a public charity exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and has been determined not to be a private foundation within the meaning of Section 509(a) of the Code.

The Coalition is subject to U.S. federal, state, and local examinations by taxing authorities for the years ended December 31, 2016 through December 31, 2019.

Fair Value Measurements

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, the Coalition uses various methods, including market, income and cost approaches. Based on these approaches, the Coalition 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. The Coalition utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

Bicycle Coalition of Maine

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Fair Value Measurements (Continued)

Based on the observability of the inputs used in the valuation techniques, the Coalition 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.
- 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.

In determining the appropriate levels, the Coalition performs a detailed analysis of the assets and liabilities. At each reporting period, any assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3.

For the years ended December 31, 2019 and 2018, the application of valuation techniques applied to similar assets and liabilities has been consistent. The following is a description of the valuation methodologies used for instruments measured at fair value:

Investments

Investments have been valued using a market approach. The fair value of mutual funds is determined to be its net asset value (NAV), money market funds are at cost plus interest earned and stocks and other securities are based on quoted market prices.

Use of Estimates

The preparation of the financial statements in accordance with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Advertising

Advertising (marketing) costs are charged to operations when incurred. Advertising costs were \$73,551 and \$84,635 for the years ended December 31, 2019 and 2018, respectively.

Bicycle Coalition of Maine

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment are stated at cost at the date of acquisition or, if donated, at the fair value on the date of the gift. Maintenance, repairs, and minor renewals are expensed as incurred. Renewals and betterments that extend the useful life of the asset are capitalized. When an asset is retired or disposed of, the related costs and allowances for depreciation or amortization are removed from the accounts and any gain or loss on the disposition is reflected in the statements of activities. Provisions for depreciation are made using the straight-line method over estimated useful lives of five years.

Recently Adopted Pronouncement

Contributions Received and Contributions Made

In June 2018, the FASB released Accounting Standards Update (ASU) 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this update assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The Organization adopted the guidance for the year ended 2019 with no effect on its recognition of contributions received.

Revenue Recognition

In May 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (Topic 606). The core principle of the guidance in ASU 2014-09 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Organization adopted this guidance effective January 1, 2019 as it felt it was the most faithful depiction of the timing of revenue reasonably expected to be collected in exchange for goods or services. The Organization applied Topic 606 on a modified retrospective basis and elected the practical expedient in paragraph FASB ASC 606-10-65-1(f)(1), under which an entity need not restate contracts that begin and are completed within the same annual reporting period. There were no changes to reported assets, liabilities, net assets, revenues, expenses for 2018 and therefore no cumulative adjustment for prior periods as a result of adopting this standard.

New Accounting Pronouncements

Leasing

In February 2016, the FASB issued Accounting Standards Update (ASU) 2016 – 02, *Leases* (Topic 842). ASU 2016-02 replaces existing leasing rules with a comprehensive lease measurement and recognition standard and expanded disclosure requirements. ASU 2016-02 will require lessees to recognize most leases on their statement on financial position as liabilities, with corresponding “right-of-use” assets. The standard is effective for annual reporting periods in fiscal years that begin after December 15, 2021. Management is currently evaluating the impact of adoption on its financial statements.

Bicycle Coalition of Maine

Notes to Financial Statements

Note 2: Liquidity and Availability of Financial Resources

The Coalition does not have a formal liquidity policy but generally maintains financial assets in liquid form, such as cash and cash equivalents for approximately 120 days of operating expenses. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

| December 31, | 2019 | 2018 |
|---------------------|-------------------|-------------------|
| Cash | \$ 151,985 | \$ 476,523 |
| Accounts receivable | 53,070 | 22,031 |
| | <u>\$ 205,055</u> | <u>\$ 498,554</u> |

Note 3: Investments

Investments at fair value consist of the following as of December 31:

| | 2019 | 2018 |
|-----------------------|-------------------|-------------------|
| Equities | \$ 206,075 | \$ 168,757 |
| Fixed income | 86,320 | 80,314 |
| Money market accounts | 21,477 | 19,422 |
| | <u>\$ 313,872</u> | <u>\$ 268,493</u> |

Note 4: Fair Value Measurements

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

| December 31, 2019 | Total | Level 1 | Level 2 | Level 3 |
|---------------------------|-------------------|-------------------|-------------|----------|
| Equities | \$ 206,075 | \$ 206,075 | \$ - | - |
| Fixed income mutual funds | 86,320 | 86,320 | - | - |
| Money market accounts | 21,477 | 21,477 | - | - |
| | <u>\$ 313,872</u> | <u>\$ 313,872</u> | <u>\$ -</u> | <u>-</u> |

| December 31, 2018 | Total | Level 1 | Level 2 | Level 3 |
|---------------------------|-------------------|-------------------|-------------|----------|
| Equities | \$ 168,757 | \$ 168,757 | \$ - | - |
| Fixed income mutual funds | 80,314 | 80,314 | - | - |
| Money market accounts | 19,422 | 19,422 | - | - |
| | <u>\$ 268,493</u> | <u>\$ 268,493</u> | <u>\$ -</u> | <u>-</u> |

Bicycle Coalition of Maine

Notes to Financial Statements

Note 5: Operating Leases

The Coalition leased an office in Portland and entered into a five-year lease, effective February 1, 2013, with an option to renew this lease for five one-year terms at contracted rates. The lease expired in 2018 and they did not exercise the option to renew the lease. They began leasing a new office in Portland and entered into a five-year lease, effective August 1, 2018. Rental expense, which is allocated across several areas, totaled \$48,204 and \$30,204 for the years ended December 31, 2019 and 2018, respectively.

The Coalition also leases a multifunction printer. The five-year lease began January 2019 at a monthly payment of \$127 .

The Coalition started leasing a storage unit located in Portland starting January 1, 2016 that ended in January 2018. They started leasing a new storage unit located in Brunswick starting September 6, 2018. Monthly payments are \$360 on the 6th of each month.

The future minimum lease payments are:

Years Ending December 31:

| | | | |
|------|--|----|---------|
| | | \$ | |
| 2020 | | | 51,060 |
| 2021 | | | 52,545 |
| 2022 | | | 54,066 |
| 2023 | | | 5,406 |
| | | \$ | 163,077 |

Note 6: Net Assets with Donor Restriction

Net assets with donor restrictions consisted of the following at December 31:

| | 2019 | | 2018 |
|--|------------|----|---------|
| Bikes for all Mainers | \$ 1,407 | \$ | 1,408 |
| Education - Other | 9,299 | | 2,469 |
| Community Spokes - Non- Bike Maine Communities | 4,090 | | 16,246 |
| Bicycles WelcoME | 3,766 | | 4,880 |
| Infrastructure | 214 | | 2,529 |
| Bold Coast | 4,182 | | 5,867 |
| Where to Ride | 5,561 | | 6,917 |
| Law Enforcement Education & Outreach | 852 | | 1,383 |
| Trails & Mountain Biking | 24,661 | | 36,174 |
| Legislative Work | - | | 384 |
| Unassigned | - | | 11,500 |
| Other | 103,529 | | 19,653 |
| | \$ 157,561 | \$ | 109,410 |

Bicycle Coalition of Maine

Notes to Financial Statements

Note 7: Concentration of Credit Risk

The Coalition maintains cash balances at a local financial institution where the accounts are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. At certain times during the year, cash balances may be in excess of FDIC coverage. The Coalition has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.

Note 8: Nonmonetary Exchange Transactions

A nonmonetary transaction is an exchange transaction, which is a reciprocal transfer in which each party receives and sacrifices something of equal value, as opposed to a nonreciprocal transaction (such as a donation) in which a donor provides resources to support the Coalition's mission.

For the years ended December 31, 2019 and 2018, the Coalition received nonmonetary support from various businesses for the purposes of providing professional fees, memberships and subscriptions, advertising, workshop expenses, and services to the Coalition. In exchange, these businesses were provided with membership benefits, as well as workshop and conference sponsorships. For the years ended December 31, 2019 and 2018, the Coalition's nonmonetary exchange transactions totaled \$35,490 and \$43,068, respectively.

Note 9: Contract Revenue

The Coalition administers certain contracts with the Maine Department of Transportation (MDOT) and others to promote its mission, including bicycle and pedestrian safety education and safe routes to school and other missions. The Coalition has an ongoing relationship with MDOT, which shares these missions.

Revenue sources for years ended December 31 are, as follows:

| | 2019 | 2018 |
|------------------------------------|-------------------|-------------------|
| Maine Department of Transportation | \$ 145,157 | \$ 156,000 |
| PACTS | 15,232 | 5,476 |
| CDC | - | 43,349 |
| RTP | 3,799 | 5,000 |
| Maine Office of Tourism | 5,712 | 9,288 |
| | <u>\$ 169,900</u> | <u>\$ 219,113</u> |

Bicycle Coalition of Maine

Notes to Financial Statements

Note 10: Subsequent Events

BikeMaine 2020 Cancelled

The 2020 BikeMaine event was cancelled in May 2020 due to the COVID-19 pandemic. The Coalition is allowing the paid participants to either (1) receive a refund of the registration fee less \$150, (2) donate all or a portion of the registration to the Coalition and receive the rest as a refund or, (3) roll the registration over for the 2021 BikeMaine event, which will be in the same region of the state. The potential exposure of having to refund registrations received at year end for the 2020 ride is approximately \$248,400, which is the balance of the deferred revenue at year end. As of the end of May 2020, it appears that most riders (60 of the 90 for which responses have been received) are electing to roll the funds forward to pay for the 2021 ride.

The future impact of the COVID 19 crisis on the Coalition cannot be reasonably estimated at this time.

PPP Loan Funds

The Coalition received \$115,497 in Paycheck Protection Program loan funds in 2020. The loan for these funds are expected to be fully forgiven based upon regulations in effect as of July 29, 2020.

Events Effecting the Financial Statements

Management has evaluated subsequent events through July 29, 2020, which represents the date on which the financial statements were available to be issued and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of the financial statements.