

**CAMP FIRE**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2021 AND 2020**



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## INDEPENDENT AUDITORS' REPORT

National Board of Trustees  
Camp Fire  
Kansas City, Missouri

We have audited the accompanying financial statements of Camp Fire, which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

National Board of Trustees  
Camp Fire

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Camp Fire as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 2 to the financial statements, management has adopted Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (Topic 606). Our opinion is not modified with respect to this matter.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

St. Joseph, Missouri  
October 5, 2021

**CAMP FIRE  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2021 AND 2020**

<b>ASSETS</b>	2021	2020
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 892,422	\$ 887,278
Investments	347,216	602,420
Charter Fees Receivable, Net	133,777	86,360
Pledges Receivable	23,470	48,960
Grants Receivable, Net	-	6,058
Merchandise Inventory, Net	1,236	1,364
Prepaid Expenses	7,472	12,844
Other Receivables	40,136	9,814
Current Assets of Discontinued Operations	-	124,416
Total Current Assets	1,445,729	1,779,514
<b>PROPERTY AND EQUIPMENT</b>		
Land	-	10
Monument	25,000	25,000
Building Improvements	7,805	7,805
Furniture, Fixtures, and Equipment	245,879	248,368
Total, at Cost	278,684	281,183
Less: Accumulated Depreciation	249,749	235,911
Total Property and Equipment, Net	28,935	45,272
<b>OTHER ASSETS</b>		
Long-Term Charter Fees Receivable, Net	50,533	38,953
Long-Term Pledges Receivable, Net	18,552	36,390
Intangible Assets, Net	117,693	146,154
Beneficial Interest in Perpetual Trust	1,054,989	828,683
Total Other Assets	1,241,767	1,050,180
Total Assets	\$ 2,716,431	\$ 2,874,966

See accompanying Notes to Financial Statements.

**CAMP FIRE  
STATEMENTS OF FINANCIAL POSITION (CONTINUED)  
JUNE 30, 2021 AND 2020**

	2021	2020
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 23,637	\$ 9,184
Accrued Liabilities	64,634	101,955
Payable to Other Organizations	55,789	-
Current Portion of Note Payable	13,215	179,351
Deferred Revenues	67,435	130,492
Current Liabilities of Discontinued Operations	-	66
Total Current Liabilities	224,710	421,048
<b>LONG-TERM LIABILITIES</b>		
Note Payable, Less Current Portion	366,654	569,660
Total Liabilities	591,364	990,708
<b>NET ASSETS</b>		
Without Donor Restrictions:		
General Operating	390,637	(461,352)
Board-Designated	347,216	818,826
Total Without Donor Restrictions	737,853	357,474
With Donor Restrictions:		
Time Restrictions	42,022	108,398
Purpose Restrictions	290,203	589,703
Perpetual in Nature	1,054,989	828,683
Total With Donor Restrictions	1,387,214	1,526,784
Total Net Assets	2,125,067	1,884,258
Total Liabilities and Net Assets	\$ 2,716,431	\$ 2,874,966

See accompanying Notes to Financial Statements.

**CAMP FIRE**  
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEARS ENDED JUNE 30, 2021 AND 2020**

	2021			2020		
	With Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES, GAINS, AND PUBLIC SUPPORT</b>						
Contributions and Grants	\$ 145,903	\$ 4,092	\$ 149,995	\$ 98,905	\$ 33,383	\$ 132,288
United Way Contributions	2,375	-	2,375	4,772	-	4,772
Designated Contributions and Grants	27,482	400,000	427,482	42,263	120,192	162,455
Contribution of Net Assets, Net of Losses	-	-	-	6,450	-	6,450
Contractual Services	-	-	-	4,000	-	4,000
Contributed Goods, Services, and Travel	-	-	-	19,815	-	19,815
Royalties and License Fees	11,426	-	11,426	16,294	-	16,294
Charter Fees	1,277,427	-	1,277,427	1,308,673	-	1,308,673
Conferences and Program Services	-	-	-	36,469	-	36,469
Sales of Inventory, Net of Cost of Sales of \$397 for 2021 and \$163 for 2020	678	-	678	233	-	233
Investment Income - Net	123,321	587	123,908	12,073	1,617	13,690
Investment Income - Perpetual Trust	46,250	-	46,250	40,000	-	40,000
Unrealized Gain (Loss) on Investments, Net	(61)	-	(61)	15,930	-	15,930
Change in Value of Beneficial Interest in Perpetual Trust	-	226,306	226,306	-	(47,566)	(47,566)
Gain (Loss) on Sale of Property and Equipment	5,979	-	5,979	(44)	-	(44)
Rental Income	106,582	-	106,582	78,142	-	78,142
Loan Forgiveness	337,800	-	337,800	-	-	-
Other Income	588	-	588	1,623	-	1,623
Net Assets Released from Restrictions	705,028	(705,028)	-	2,552,183	(2,552,183)	-
Total Revenues, Gains, and Public Support	2,790,778	(74,043)	2,716,735	4,237,781	(2,444,557)	1,793,224
<b>EXPENSES</b>						
Program Services:						
Programs for Youth	711,921	-	711,921	1,555,049	-	1,555,049
Services to Councils	908,660	-	908,660	1,254,973	-	1,254,973
Community Relations	207,871	-	207,871	332,942	-	332,942
Total Program Services	1,828,452	-	1,828,452	3,142,964	-	3,142,964
Support Services:						
Fundraising	218,968	-	218,968	601,779	-	601,779
Management and General Administration	304,156	-	304,156	401,221	-	401,221
Total Support Services	523,124	-	523,124	1,003,000	-	1,003,000
Total Expenses	2,351,576	-	2,351,576	4,145,964	-	4,145,964
<b>CHANGE IN NET ASSETS BEFORE DISCONTINUED OPERATIONS</b>	439,202	(74,043)	365,159	91,817	(2,444,557)	(2,352,740)
<b>DISCONTINUED OPERATIONS</b>	(58,823)	(65,527)	(124,350)	58,823	65,527	124,350
<b>CHANGES IN NET ASSETS</b>	380,379	(139,570)	240,809	150,640	(2,379,030)	(2,228,390)
Net Assets - Beginning of Year	357,474	1,526,784	1,884,258	206,834	3,905,814	4,112,648
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 737,853</u>	<u>\$ 1,387,214</u>	<u>\$ 2,125,067</u>	<u>\$ 357,474</u>	<u>\$ 1,526,784</u>	<u>\$ 1,884,258</u>

See accompanying Notes to Financial Statements.

**CAMP FIRE  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2021**

	Program Services			Supporting Services			Total Functional Expenses	
	Programs for Youth	Services to Councils	Community Relations	Total Program Services	Fundraising	Management and General Administration		Total Supporting Services
<b>EXPENSES</b>								
Salaries and Wages	\$ 367,981	\$ 231,485	\$ 107,371	\$ 706,837	\$ 140,763	\$ 155,860	\$ 296,623	\$ 1,003,460
Benefits	43,608	25,008	13,865	82,481	13,165	17,333	30,498	112,979
Payroll Taxes	30,067	17,596	7,608	55,271	8,947	11,739	20,686	75,957
Total Salaries and Related Expenses	441,656	274,089	128,844	844,589	162,875	184,932	347,807	1,192,396
Payments and Products to Councils	64,000	429,757	-	493,757	2,500	-	2,500	496,257
Professional Fees and Contract Services	153,178	30,163	33,468	216,809	29,506	33,478	62,984	279,793
Travel, Conferences, and Meetings	2,681	1,467	101	4,249	419	72	491	4,740
Telephone and Other Communication	9,116	6,365	2,650	18,131	1,537	3,812	5,349	23,480
Occupancy	21,670	78,465	29,134	129,269	11,419	44,708	56,127	185,396
Depreciation and Amortization	5,400	32,415	1,373	39,188	1,029	2,082	3,111	42,299
Equipment Rental and Maintenance	1,987	1,455	505	3,947	380	7,222	7,602	11,549
Supplies and Office Expenses	470	1,622	77	2,169	21	2,306	2,327	4,496
Publications and Printing	-	-	7,835	7,835	111	-	111	7,946
Postage and Shipping	651	328	41	1,020	97	175	272	1,292
Insurance	10,691	7,826	2,718	21,235	2,038	4,122	6,160	27,395
Interest Expense and Bank Fees	18	-	-	18	449	16,068	16,517	16,535
Membership Dues and Subscriptions	363	1,836	1,125	3,324	6,422	5,179	11,601	14,925
Bad Debt and Charter Fee Relief	-	42,872	-	42,872	60	-	60	42,932
Miscellaneous	40	-	-	40	105	-	105	145
Total Expenses	<u>\$ 711,921</u>	<u>\$ 908,660</u>	<u>\$ 207,871</u>	<u>\$ 1,828,452</u>	<u>\$ 218,968</u>	<u>\$ 304,156</u>	<u>\$ 523,124</u>	<u>\$ 2,351,576</u>

See accompanying Notes to Financial Statements.



**CAMP FIRE  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2020**

	Program Services				Supporting Services			Total Functional Expenses
	Programs for Youth	Services to Councils	Community Relations	Total Program Services	Fundraising	Management and General Administration	Total Supporting Services	
<b>EXPENSES</b>								
Salaries and Wages	\$ 339,579	\$ 405,259	\$ 157,179	\$ 902,017	\$ 379,385	\$ 212,951	\$ 592,336	\$ 1,494,353
Benefits	37,600	28,264	13,053	78,917	16,879	15,401	32,280	111,197
Payroll Taxes	26,854	33,405	12,246	72,505	33,614	17,528	51,142	123,647
Total Salaries and Related Expenses	404,033	466,928	182,478	1,053,439	429,878	245,880	675,758	1,729,197
Payments and Products to Councils	569,835	431,812	2,500	1,004,147	30,000	-	30,000	1,034,147
Professional Fees and Contract Services	430,836	59,122	78,505	568,463	49,242	37,796	87,038	655,501
Travel, Conferences, and Meetings	89,454	38,482	353	128,289	23,834	6,720	30,554	158,843
Telephone and Other Communication	5,106	6,511	1,931	13,548	6,179	8,537	14,716	28,264
Occupancy	32,053	69,184	21,951	123,188	28,334	47,048	75,382	198,570
Depreciation and Amortization	3,952	21,531	1,101	26,584	3,801	1,765	5,566	32,150
Equipment Rental and Maintenance	1,637	1,645	590	3,872	2,036	7,008	9,044	12,916
Supplies and Office Expenses	4,745	1,222	1,800	7,767	-	1,186	1,186	8,953
Publications and Printing	1,909	1,940	13,400	17,249	5,729	-	5,729	22,978
Postage and Shipping	578	739	797	2,114	1,334	375	1,709	3,823
Insurance	6,470	12,502	2,331	21,303	8,048	3,739	11,787	33,090
Interest Expense and Bank Fees	174	254	-	428	779	30,245	31,024	31,452
Membership Dues and Subscriptions	1,421	1,846	12,955	16,222	4,922	4,740	9,662	25,884
Bad Debt and Charter Fee Relief	2,830	133,755	-	136,585	7,613	6,067	13,680	150,265
Donated Goods and Services	-	7,500	12,250	19,750	50	15	65	19,815
Miscellaneous	16	-	-	16	-	100	100	116
Total Expenses	<u>\$ 1,555,049</u>	<u>\$ 1,254,973</u>	<u>\$ 332,942</u>	<u>\$ 3,142,964</u>	<u>\$ 601,779</u>	<u>\$ 401,221</u>	<u>\$ 1,003,000</u>	<u>\$ 4,145,964</u>

See accompanying Notes to Financial Statements.

**CAMP FIRE  
STATEMENTS OF CASH FLOWS  
YEARS ENDED JUNE 30, 2021 AND 2020**

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in Net Assets	\$ 240,809	\$ (2,228,390)
Adjustments to Reconcile Changes in Net Assets to Net Cash Used by Operating Activities:		
Change in Net Assets of Discontinued Operations	124,350	(124,350)
Depreciation	13,838	12,791
Amortization	28,461	19,359
(Gain) Loss on Sale of Property and Equipment	(5,979)	44
Income on Investments and Trust, Net	(123,908)	(13,690)
Unrealized (Gain) Loss on Investments, Net	61	(15,930)
Change in Value of Trust	(226,306)	47,566
Noncash Grant to Council	1,478	45,591
Loan Forgiveness	(337,800)	-
Effects of Changes in Operating Assets and Liabilities:		
Charter Fees Receivable, Net	(58,997)	148,885
Pledges and United Way Receivable, Net	43,328	75,089
Grants Receivable, Net	6,058	1,935,288
Other Receivables	(30,322)	30,795
Merchandise Inventory, Net	128	43
Prepaid Expenses	5,372	14,266
Accounts Payable and Accrued Liabilities	32,921	(154,261)
Deferred Revenues	(63,057)	(2,107)
Net Cash Used by Continuing Operating Activities	(349,565)	(209,011)
Net Cash Provided (Used) by Discontinued Operations	(69,265)	69,265
Net Cash Used by Operating Activities	(418,830)	(139,746)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of Property and Equipment	8,478	-
Proceeds from Sale of Investments	379,051	37,209
Net Cash Provided by Investing Activities	387,529	37,209
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Line of Credit	-	2,404,448
Payments on Line of Credit	-	(2,653,808)
Proceeds from Long-Term Debt	337,800	337,800
Payments on Note Payable	(370,620)	(24,734)
Net Cash Provided (Used) by Financing Activities	(32,820)	63,706
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(64,121)	(38,831)
Cash and Cash Equivalents - Beginning of Year	956,543	995,374
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 892,422	\$ 956,543

See accompanying Notes to Financial Statements.

**CAMP FIRE  
STATEMENTS OF CASH FLOWS (CONTINUED)  
YEARS ENDED JUNE 30, 2021 AND 2020**

	2021	2020
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS ON THE STATEMENT OF FINANCIAL POSITION</b>		
Cash and Cash Equivalents	\$ 892,422	\$ 887,278
Cash Included In Current Assets of Discontinued Operations	-	69,265
Total	\$ 892,422	\$ 956,543
 <b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash Paid for Interest	\$ 11,864	\$ 25,368
 <b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Noncash Long-Term Obligation to Council	\$ 1,478	\$ 45,591

See accompanying Notes to Financial Statements.

**CAMP FIRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

Growing up is hard. That's why **Camp Fire connects young people to themselves, others, and the outdoors.**

Camp Fire (the Organization) is an inclusive national youth development organization headquartered in Kansas City, Missouri. Founded in 1910, our 49 councils in 24 states serve more than 175,000 young people and their caregivers.

We envision a world where all young people **thrive** and have equitable opportunities for:

1. **Self-discovery:** All young people find their spark, lift their voice, and discover who they are.
2. **Community-connection:** All young people find, build, and contribute to their community; they develop meaningful relationships with supportive adults and peers; they feel seen, heard, accepted, supported, and affirmed for who they are today, and who they will be in the future
3. **Engagement with nature:** All young people experience the power and awe of the outdoors; they learn to respect, love, and care for our world.

**HOW WE DO IT:**

Camp Fire creates safe spaces where young people can have fun and be themselves. We do this in a variety of programs (camps, afterschool, in-school, and virtual), customized to meet the needs of youth, their families, and their local community. The common thread woven through all our programs is a commitment to helping young people navigate the challenges of growing up in the world today and learning the life skills they need to thrive.

We are a values-driven organization today and have been since 1910. Our eight core values are:

***We are inclusive.***

***We get outdoors.***

***We honor the power of young people.***

***We prioritize relationships.***

***We are learners.***

***We take action.***

***We are responsive.***

***We pursue impact.***

**CAMP FIRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**CAMP FIRE'S STATEMENT OF INCLUSION**

Camp Fire believes in the dignity and the intrinsic worth of every human being. We welcome, affirm, and support young people and adults of all abilities and disabilities, experiences, races, ethnicities, socio-economic backgrounds, sexual orientations, gender identities and expressions, religion and nonreligion, citizenship and immigration status, and any other category people use to define themselves or others. We strive to create safe and inclusive environments that celebrate diversity and foster positive relationships.

Significant accounting policies followed by the Organization are presented below.

**Use of Estimates in Preparing Financial Statements**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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, expenses, gains, losses, and other changes in net assets during the reporting period. Significant estimates incorporated into the Organization's financial statements include the timing and collectability of charter fees receivable, grants receivable, and pledges receivable; estimated useful lives for depreciable and amortizable assets; the allocations incorporated into the statements of functional expenses; the valuation of gift-in-kind contributions; and the valuation of the beneficial interest in perpetual trust. Actual results could differ from those estimates.

**Description of Programs**

The primary programs of the Organization are grouped into three activity areas:

**Programs for Youth**

Research, development, and evaluation of programs for youth and families through Outdoor Education, Out of School Time, and Teen Leadership; access to program quality intervention tools and supports for councils; program design, testing, and innovation; and regional and national training in support of effective program delivery.

**Services to Councils**

Council effectiveness assists councils in improving organizational performance so they are better equipped to effectively deliver high-quality programs and achieve our Camp Fire Promise. Strategies are developed in partnership with council leadership, to increase knowledge, interest, and skills related to enhancing organizational effectiveness.

**Community Relations**

Public relations and media support to increase awareness of the Organization's programs and services; development of products and materials that support programs and services.

**CAMP FIRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Related Parties**

The financial statements do not include the financial position or activities of the local councils, licensees, or community partners. Each council, licensee, and community partner is an autonomous corporation organized under the laws of the state in which it operates.

**Basis of Presentation**

Financial statement presentation follows the recommendations of Financial Accounting Standards Board ASC 958-205, *Financial Statements of Not-for-profit Organizations*. Under ASC 958-205, the Organization is required to report information regarding its financial position and activities according to two classes of net assets. Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets 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**

Cash and cash equivalents consist of bank accounts that are available for current operations. Certain cash equivalents are considered to be an integral part of the Organization's investment program and are, accordingly, recognized as a component of investments on the statement of financial position.

**Investments**

Investments include equity and fixed income mutual funds, which are carried at fair value, with unrealized and realized gains and losses on investments reported as increases or decreases in net assets without donor restrictions and net assets with donor restrictions based upon donor-imposed restrictions. Investments include investment specific cash equivalents, money market funds, and certificates of deposit that are reported at cost, which approximates fair value.

Investments which are available to repay current liabilities are classified as current assets on the statement of financial position, while investments restricted for long-term purposes are shown as long-term assets.

**CAMP FIRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Grants Receivable**

Grants are recognized when the grant letter is received, absent the presence of conditional provisions, and are classified as net assets with restrictions if time or purpose restrictions are present.

**Contributions and Pledge Receivables**

Unconditional promises to give are recorded as revenues or gains in the period received and as assets or a decrease of liabilities, depending on the form of the benefits received. Conditional contributions received are accounted for as a liability or are unrecognized initially, that is, until the barriers to entitlement are overcome, and a right of return or release are no longer present, at which point the transaction is recognized as unconditional and classified as either net assets with restrictions or net assets without restrictions.

All contributions are considered to be available for the general programs of the Organization unless specifically restricted by the donor. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, reclassifications are made from net assets with donor restrictions to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Pledges receivable represents unconditional promises to give that are due within one to three years. Pledges receivable are stated at the pledged amount, with the exception of long-term promises to give which are discounted to reflect their present value. Management has also established a valuation allowance that reflects management's best estimate of amounts that may not be collected.

**Program Service Revenue**

Exchange transaction revenue from program services are recognized over time, proportionately to when the service is provided, thus, monies received before the program begins are classified as deferred revenue.

**In-Kind Contributions**

In-kind contributions consist of goods and services donated to the Organization. These have been reflected in the financial statements at their estimated fair market value at the date of donation.

In-kind support for contributed services is recognized if these services (a) create or enhance long-lived assets or (b) require specialized skills, are provided by an individual possessing those skills, and would typically need to be purchased if not provided by donation. Such support could be used in the program activities of the Organization as well as in fundraising and administrative activities. The value of services meeting these requirements, to the extent measurable, is reflected in the accompanying financial statements.

**CAMP FIRE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**In-Kind Contributions (Continued)**

The Organization receives a substantial amount of support from nonprofessional volunteer services that do not meet the criteria listed above. These nonprofessional volunteers donate services for fundraising, education, and administration that are not valued or recorded in the financial statements.

Contributed property and equipment is recorded at its fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as support without donor restrictions.

**Accounts Receivable and Charter Fees**

The Organization grants credit to councils for the payment of charter fees. Accounts are due on negotiated terms, generally within 15 days, and are stated at the amounts due, net of an allowance for doubtful accounts. Accounts outstanding longer than their contractual payment terms are considered past due. The Organization determines its allowance for doubtful accounts by considering a number of factors, including the length of time accounts are past due, the council's ability to pay its obligations to the Organization, and the general condition of the council. The Organization writes off accounts receivable and charter fees when they become uncollectible, and payments subsequently received on such receivables are recorded to the allowance for doubtful accounts. Finance charges are recognized as revenue when billed, and are considered when the allowance for doubtful accounts is established.

Charter fees are paid to the Organization monthly, quarterly, or annually by the chartered councils. Such fees are determined annually and are based upon the level of certain expenditures made by each council. Certain councils have renegotiated payment terms over periods greater than one year. These renegotiated payments, and management's estimates of the timing of other payments, have been recorded as long-term charter fees receivable on the statements of financial position. Interest is accrued on the long-term charter fees receivable, generally at a rate 1% greater than the Wall Street Journal Prime Rate. Long-term receivables are not placed on nonaccrual status, but are considered in the allowance for doubtful accounts.

**Merchandise Inventory**

Merchandise inventory is carried at the lower of weighted-average cost or net realizable value.



**CAMP FIRE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Beneficial Interest in Perpetual Trust**

The Organization holds a beneficial interest in a perpetual trust. The trust was created by an independent donor for which the assets are not in the possession or control of the Organization. The Organization, along with other specified nonprofit organizations and individuals, is a beneficiary of this trust. The income received by the Organization from this trust is included as support without donor restriction on the statement of activities. The Organization's beneficial interest in this trust is recorded at the fair value of the underlying assets in the trust and classified within net assets with donor restrictions perpetual in nature.

**Property and Equipment**

The Organization's property and equipment is carried at cost if purchased, or fair value if contributed. The cost of property and equipment purchased in excess of \$2,000 is capitalized. Depreciation of building improvements, furniture and fixtures, and equipment is provided on the straight-line method over the estimated useful lives of the assets as follows:

Building Improvements	5 to 30 Years
Equipment	3 to 10 Years
Furniture and Fixtures	5 to 10 Years

Leasehold improvements are amortized over the life of the lease, or the service lives of the improvements, whichever is shorter. Repair and maintenance costs are charged to expense as incurred. The monument is not being depreciated. Management believes the fair market value of the monument exceeds its cost basis.

**Intangible Assets**

Intangible assets are carried at cost if purchased, or fair value if contributed. Amortization is provided on the straight-line method over the estimated useful lives of the assets as follows:

Branding	5 Years
Curriculum	2 to 3 Years
Software Development	4 to 5 Years

**Impairment of Long-Lived Assets**

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

**Deferred Revenues**

Deferred revenues primarily represent council charter fees paid in advance of the terms set forth in the charter agreements.

**CAMP FIRE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Functional Allocation of Expenses**

The costs of providing the Organization's various programs and activities have been summarized on a functional basis in the statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited according to formulas developed by management to, in its judgment, reflect actual costs and efforts expended on each program or supporting service by their natural expense classification. Functional expense allocations, expenses not explicitly attributable to a specific program or supporting service, are estimated through periodic evaluation of each employee's portfolio of responsibilities and how they distribute across functional areas.

**Income Tax Status**

The Organization is tax-exempt under Section 501(c)(3) of the Internal Revenue Code and has been determined not to be a private foundation.

Although it is exempt from federal and state income taxes on its principal operations, the Organization is subject to federal income taxes on the net income from certain operations that generate unrelated business income. Unrelated business income tax incurred during 2021 or 2020 was not significant. The Organization follows the standard for evaluating uncertain tax positions and has determined no liability should be recorded for uncertain tax positions.

**New Accounting Pronouncement Effective in Future Accounting Period**

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)*. This update increases transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. ASU 2016-02 was effective for the Organization for the fiscal year ending June 30, 2021. Since then, the effective date has been postponed, making it effective for the year ending June 30, 2023. Management will be evaluating the effects of this new standard.

**NOTE 2 ADOPTION OF NEW ACCOUNTING STANDARDS**

May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*. Subsequent to May 2014, the FASB issued six ASUs to clarify certain matters related to Topic 606. Topic 606 supersedes the revenue recognition requirements in FASB ASC 605, Revenue Recognition, and requires the recognition of revenue when promised goods or services are transferred 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 updates address the complexity of revenue recognition and provide sufficient information to enable financial statement users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Organization's financial statements reflect the application of ASC 606 guidance beginning on July 1, 2019. No cumulative-effect adjustment in net assets was recorded because the adoption of ASU 2014-09 did not significantly impact the Organization's reported historical revenue.

**CAMP FIRE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 3 LIQUIDITY AND AVAILABILITY**

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents, investments, pledges receivable, grants receivable, and a line of credit.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Refer to the statement of cash flows which identifies the sources and uses of the Organization's cash.

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 of the following:

	2021	2020
Cash and Cash Equivalents	\$ 892,422	\$ 887,278
Investments	347,216	602,420
Charter Fees Receivable, Current Portion	133,777	86,360
Pledges Receivable	42,022	85,350
Grants Receivable, Net	-	6,058
Accounts Receivable	40,136	9,814
Total Financial Assets	<u>1,455,573</u>	<u>1,677,280</u>
Contractual or Donor Imposed Restrictions:		
Cash Restricted to Specific Uses	290,203	557,225
Time Related Restrictions:		
Long-Term Pledges Receivable	<u>18,552</u>	<u>36,390</u>
Total Restriction Imposed	<u>308,755</u>	<u>593,615</u>
Board Designations:		
Operating Reserve	347,216	602,420
Charter Fee Relief	-	212,871
Council Dissolution Funds	-	3,535
Total Board Designations	<u>347,216</u>	<u>818,826</u>
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	<u>\$ 799,602</u>	<u>\$ 264,839</u>

In addition, the Organization had available borrowing on its line of credit of \$300,000 at June 30, 2021 and 2020. The Organization's board designated operating reserve could be made available for expenditures with board approval.

Time related restrictions associated with Pledges Receivable of \$-0- and \$48,960 at June 30, 2021 and 2020, respectively, have not been included in the restrictions imposed on financial assets as the amounts are expected to be collected within one year.

**CAMP FIRE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 4 FAIR VALUE OF FINANCIAL INSTRUMENTS**

In determining fair value, the Organization uses various valuation approaches within the ASC 820 fair value measurement framework. Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability.

ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs, by requiring that the most observable inputs be used when available. ASC 820 defines levels within the hierarchy based on the reliability of inputs as follows:

*Level 1* – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets; and

*Level 2* – Valuations based on quoted prices for similar assets or liabilities, or identical assets or liabilities in less active markets, such as dealer or broker markets; and

*Level 3* – Valuations derived from valuation techniques in which one or more significant inputs, or significant value drivers, are unobservable, such as pricing models, discounted cash flow models, and similar techniques not based on market, exchange, dealer, or broker-traded transactions.

Following is a description of the valuation methodologies used for instruments measured at fair value and their classifications in the valuation hierarchy.

**Equity and Fixed Income Mutual Funds**

Fair value of equity and fixed income mutual funds is determined based on quoted market prices. These are classified as investments valued using Level 1 inputs within the valuation hierarchy.

**Beneficial Interest in Perpetual Trust**

The value of the beneficial interest in perpetual trust represents an irrevocable right to receive distributions in perpetuity from a trust that is managed by a third-party. The fair value of interests in perpetual trusts was determined by calculating the Organization's proportional share of the underlying assets held in trust, as determined by the trustee, and is classified as an investment using Level 3 inputs within the valuation hierarchy.

**CAMP FIRE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 4 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**

Fair values of assets and liabilities measured on a recurring basis, as of June 30, 2021 and 2020 are as follows:

	June 30, 2021			
	Total	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Inputs (Level 3)
Mutual Funds:				
Equity	\$ 209,514	\$ 209,514	\$ -	\$ -
Fixed Income	133,984	133,984	-	-
Beneficial Interest in Perpetual Trust	1,054,989	-	-	1,054,989
Total	\$ 1,398,487	\$ 343,498	\$ -	\$ 1,054,989

	June 30, 2020			
	Total	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Inputs (Level 3)
Mutual Funds:				
Equity	\$ 362,194	\$ 362,194	\$ -	\$ -
Fixed Income	232,914	232,914	-	-
Beneficial Interest in Perpetual Trust	828,683	-	-	828,683
Total	\$ 1,423,791	\$ 595,108	\$ -	\$ 828,683

The following is a reconciliation of the beginning and ending balance of assets and liabilities measured at fair value on a recurring basis using significant unobservable (Level 3) inputs during the years ended June 30, 2021 and 2020:

	<b>Beneficial Interest in Perpetual Trust</b>
<b>BALANCE - JUNE 30, 2019</b>	\$ 876,249
Unrealized Losses	(47,566)
<b>BALANCE - JUNE 30, 2020</b>	828,683
Unrealized Gains	226,306
<b>BALANCE - JUNE 30, 2021</b>	\$ 1,054,989

**CAMP FIRE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 5 INVESTMENTS**

Investments at June 30, 2021 are as follows:

	Original Cost or Basis	Fair Market Value	Excess of Market Over Cost
Cash and Cash Equivalents	\$ 3,718	\$ 3,718	\$ -
Equity and Fixed Income Mutual Funds	277,876	343,498	65,622
Total	<u>\$ 281,594</u>	<u>\$ 347,216</u>	<u>\$ 65,622</u>

Investment returns for the year ended June 30, 2021 consist of the following:

Investment Income	\$ 9,145
Net Realized Gain	120,234
Investment Fees	(5,471)
Investment Income - Net	123,908
Net Unrealized Loss	(61)
Total Investment Return	<u>\$ 123,847</u>

Investments at June 30, 2020 are as follows:

	Original Cost or Basis	Fair Market Value	Excess of Market Over Cost
Cash and Cash Equivalents	\$ 7,312	\$ 7,312	\$ -
Equity and Fixed Income Mutual Funds	529,425	595,108	65,683
Total	<u>\$ 536,737</u>	<u>\$ 602,420</u>	<u>\$ 65,683</u>

Investment returns for the year ended June 30, 2020 consist of the following:

Investment Income	\$ 13,364
Net Realized Gain	5,769
Investment Fees	(5,443)
Investment Income - Net	13,690
Net Unrealized Gain	15,930
Total Investment Return	<u>\$ 29,620</u>

**CAMP FIRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 6 PLEDGES AND UNITED WAY RECEIVABLE**

Pledges and United Way receivable include the following:

	<u>2021</u>	<u>2020</u>
Annual Fund Campaign	\$ 43,470	\$ 88,960
Total Pledges and United Way Receivable	43,470	88,960
Less: Unamortized Discount	1,448	3,610
Net Pledges and United Way Receivable	42,022	85,350
Less: Current Portion	23,470	48,960
Pledges and United Way Receivable, Long Term (Net)	<u>\$ 18,552</u>	<u>\$ 36,390</u>

An imputed discount rate of 4% was used in discounting long-term pledges.

Pledges and United Way Receivable are due in future years as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 23,470
2023	20,000
Total	<u>\$ 43,470</u>

The Organization has been notified that it is designated as a beneficiary of certain wills and trusts. The present value of will and trust amounts that are irrevocable are recognized as income, and reflected as long-term wills and trusts, at the point that the amount can be reasonably estimated. Those wills and trusts that are revocable are not recognized within the accompanying financial statements due to their conditional nature; additionally, these amounts cannot be readily estimated by management due to the lack of support obtained by donors.

**NOTE 7 GRANTS RECEIVABLE**

Grants receivable include the following:

	<u>2021</u>	<u>2020</u>
Other	\$ -	\$ 6,058
Total Grants Receivable	-	6,058
Less: Unamortized Discount	-	-
Net Grants Receivable	-	6,058
Less: Current Portion (Net)	-	6,058
Grants Receivable, Long Term (Net)	<u>\$ -</u>	<u>\$ -</u>

**CAMP FIRE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 8 OPERATING LEASES**

The Organization leased office and warehouse space during 2021 and 2020 under noncancelable operating leases. The leases expire at various dates through August 2026. The Organization entered into a new office lease effective February 2016. Total lease expense was \$183,566 in 2021 and \$199,585 in 2020. Future minimum lease commitments for these leases as of June 30, 2021 are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 175,860
2023	176,191
2024	180,161
2025	184,132
2026	188,102
Thereafter	23,823
Total	<u>\$ 928,269</u>

A portion of the leased office space is leased to an unaffiliated organization. The above lease expense is expected to be offset by payments due under the sublease as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 79,394
2023	81,224
2024	83,054
2025	84,885
2026	86,715
Thereafter	10,982
Total	<u>\$ 426,254</u>

Total rental income from subleases was \$72,457 and \$78,142 in 2021 and 2020, respectively. In addition, the Organization received an additional \$34,125 related to an oil and gas lease during the year ended June 30, 2021.

**NOTE 9 INTANGIBLE ASSETS**

Intangible assets consist of software development, corporate branding, and program curriculum. Amortization expense on the assets was \$28,461 and \$19,359 during 2021 and 2020, respectively.

**NOTE 10 RETIREMENT PLAN**

The Organization maintains a defined contribution 401(k) retirement plan (the Plan) which provides benefits upon retirement, death, or disability for all employees who have reached age 18 and completed one year of service. Annual employer contributions are based on a match of employee contributions up to 4% of each individual's salary. Retirement expense for the Plan was \$31,780 in 2021 and \$22,422 in 2020.



**CAMP FIRE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 11 RELATED PARTY TRANSACTIONS**

**Charter Fees Receivable**

Charter fees are due from chartered councils and community partners, and consisted of the following as of June 30:

	2021	2020
Charter Fees Receivable	\$ 457,777	\$ 424,360
Less: Allowance for Doubtful Accounts	266,000	292,000
Net Collectible Charter Fees Receivable	191,777	132,360
Less: Unamortized Discount	7,467	7,047
Charter Fees Receivable, Net	184,310	125,313
Less: Current Portion	133,777	86,360
Long-Term Charter Fees Receivable, Net	<u>\$ 50,533</u>	<u>\$ 38,953</u>

Amounts due in future years and expected to be collected as of June 30, 2021:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 133,777
2023	22,960
2024	6,479
2025	6,579
2026	4,782
Thereafter	17,200
Total	<u>\$ 191,777</u>

An imputed discount rate of 4% was used in discounting long-term charter fees receivable.

There were no long-term charter fees receivable that were considered past due by the Organization's policy, as discussed in Note 1, at June 30, 2021 or 2020.

**Accounts Payable**

At June 30, 2021 and 2020, the Organization had accounts payable due to Councils totaling \$1,847 and \$1,901, respectively.

**Payable to Other Organizations**

At June 30, 2021 and 2020, the Organization held cash for the benefit of the Camp Fire Heartland council totaling \$55,789 and \$-0-, respectively.

**CAMP FIRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 12 CONTRIBUTED GOODS AND SERVICES**

Contribution revenue was recognized for certain goods and services received at the following fair values for the years ended June 30:

	<u>2021</u>	<u>2020</u>
Professional Services	\$ -	\$ 19,750
Miscellaneous	-	65
Total Contributed Goods and Services	<u>\$ -</u>	<u>\$ 19,815</u>

**NOTE 13 NET ASSETS WITHOUT DONOR RESTRICTIONS**

Net assets without donor restrictions as of June 30 consist of the following:

	<u>2021</u>	<u>2020</u>
Board-Designated:		
Operating Reserve	\$ 347,216	\$ 602,420
Council Dissolution Funds	-	3,535
Charter Fee Relief	-	212,871
Total Board-Designated Net Assets	<u>347,216</u>	<u>818,826</u>
General Operating	<u>390,637</u>	<u>(461,352)</u>
Total Net Assets Without Donor Restriction	<u>\$ 737,853</u>	<u>\$ 357,474</u>

At June 30, 2020, the value of the assets underlying the Organization's general operating net assets without donor restrictions was less than the level required to fund the liabilities committed by those funds. Accordingly, the general operating net assets without donor restrictions were being supported by drawing upon the Organization's net assets without donor restrictions designated by the board of directors. At June 30, 2021, general operating net assets without donor restrictions are positive and are no longer being supported by designated net assets.

**CAMP FIRE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 14 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following purposes:

	2021	2020
Time Related Restrictions:		
Heartland Council Receivables	\$ -	\$ 33,048
Pledges Receivable	42,022	75,350
Total Net Assets with Time Related Restrictions	\$ 42,022	\$ 108,398
Purpose Related Restrictions:		
Heartland Council	\$ -	\$ 32,478
Capacity Building	-	174,363
Camp Diversity and Inclusion	287,703	362,911
Youth Leadership Expansion	2,500	19,951
Total Net Assets With Donor Purpose Related Restrictions	\$ 290,203	\$ 589,703

During the years ended June 30, 2021 and 2020, net assets of \$705,228 and \$2,552,183, respectively, were released from donor restrictions by satisfying the time or purpose restrictions as stipulated by the donors.

Net assets with donor restrictions perpetual in nature consist of the following as of June 30:

	2021	2020
James Humphrey Wilkinson Perpetual Trust	\$ 1,054,989	\$ 828,683
Total Net Assets With Donor Restrictions Perpetual in Nature	\$ 1,054,989	\$ 828,683

**NOTE 15 LINE OF CREDIT AND LONG-TERM DEBT**

**Line of Credit**

The Organization had a secured line of credit during the current year that allows for borrowings of up to \$300,000, maturing January 23, 2022. The line was collateralized by a lien on the Organization's investments and accounts receivable. Interest was charged at a variable rate, which was The Wall Street Journal Prime Rate plus .25% prior to the January 2020 renewal and Prime Rate plus 0% subsequently (3.25% and 3.25% at June 30, 2021 and 2020, respectively). As of June 30, 2021 and 2020, there were no outstanding borrowings under the line of credit.

**Long-Term Debt**

The Organization took out a note payable to Central Bank of the Midwest in the amount of \$450,000 during the year ending June 30, 2017. The note was secured by a lien on an investment account. The note was payable in monthly installments of \$3,330, including interest at 3.95%, maturing November 2021 when the remaining balance is due. The note was paid off early leaving the outstanding principal at June 30, 2021 and 2020 of \$0- and \$365,620, respectively.

**CAMP FIRE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 15 LINE OF CREDIT AND LONG-TERM DEBT (CONTINUED)**

**Long-Term Debt (Continued)**

In April 2020, the Organization was granted a Paycheck Protection Program (the “PPP Loan”) note through the Small Business Administration (SBA) established by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) signed into federal law on March 29, 2020, facilitated through Central Bank of the Midwest, totaling \$337,800 to fund payroll, rent, utilities and interest on mortgages and existing debt. The original loan agreement was written prior to the PPP Flexibility Act of 2020 (June 5) and was due over 24 months, deferred for six months. The PPP Loan bears interest at a fixed rate of 1.0% per annum, with the first six months of interest deferred, has a term of two years, and is unsecured and guaranteed by the U.S. Small Business Administration. This PPP Loan was forgiven in February 2021.

In February 2021, the Organization was granted a Paycheck Protection Program (the “PPP Loan”) note through the Small Business Administration (SBA) established by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) signed into federal law on March 29, 2020, facilitated through Central Bank of the Midwest, totaling \$337,800 to fund payroll, rent, utilities and interest on mortgages and existing debt. The PPP Loan bears interest at a fixed rate of 1.0% per annum, and is unsecured and guaranteed by the U.S. Small Business Administration. Payment of principal and interest is deferred until the date on which the amount of forgiveness is remitted to the lender or, if the Organization fails to apply for forgiveness within 10 months after the covered period, then payment of principal and interest shall begin on that date. These amounts may be forgiven subject to compliance and approval based on the timing and use of these funds in accordance with the program. To the extent that all or part of the PPP Loans are not forgiven, the Organization will be required to pay interest on the PPP Loan at a rate of 1.0% per annum, and commencing in June 2022, principal and interest payments will be required through the maturity.

In 2020, the Organization made a grant to assist a Camp Fire council with the cost of the removal of buildings and a pool at a now unused camp to restore it to its original condition as required by the original lease of the land. The total grant liability accrued was \$50,000 payable beginning in January 2021 at a rate of \$833 per month over five years, with the final payment made in December 2025. The obligation is discounted at 4% and the outstanding balance at June 30, 2021 and 2020 was \$42,069 and \$45,591, respectively.

Scheduled maturities of long-term debt are as follows as of June 30, 2021:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 13,215
2023	98,127
2024	100,301
2025	101,524
2026	66,702
Total	<u>\$ 379,869</u>

The Organization incurred interest expense of \$11,864 and \$25,368 for the years ended June 30, 2021 and 2020, respectively.

**CAMP FIRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 16 CONCENTRATIONS OF RISK**

At June 30, 2021, three councils made up 80% of the \$184,310 net charter fees receivable. At June 30, 2020, three councils made up 92% of the \$125,313 net charter fees receivable.

The Organization maintains cash in commercial banks located in the United States. The balances on deposit are insured by the Federal Deposit Insurance Corporation (FDIC) up to specified limits. Balances in excess of FDIC limits are uninsured. There was approximately \$488,543 and \$500,626 in excess of FDIC limits at June 30, 2021 and June 30, 2020, respectively.

**NOTE 17 CONTRIBUTION OF NET ASSETS**

The Organization records net proceeds received from dissolved councils as Contribution of Net Assets. Contribution of net assets was \$-0- and \$6,450 for the years ended June 30, 2021 and 2020, respectively.

**NOTE 18 CHARTER FEE REVENUE**

Operating revenues are earned primarily through charter fees. Each Camp Fire council is required to sign a charter agreement, which grants the authority to operate and administer Camp Fire programs within a specific geographic territory. Councils have the right to identify as a Camp Fire council, which includes the permission to use the Camp Fire name, service marks, insignias, program curricula and marketing materials. The agreement further allows the use of Camp Fire's 501(c)(3) group federal tax exemption. Once signed by the appropriate parties, the charter agreement is effective and has no termination date.

The fees are assessed annually to the councils and may be paid on an annual, quarterly, or monthly basis, and are reported net of discounts. Discounts are offered to annual payers in the amount of 5%, and an additional discount of 2% is offered to councils that pay through the Automated Clearing House (ACH). Discounts totaled \$18,121 for the year ended June 30, 2021. The performance obligations connected with the charter contract are recognized over time, over the course of the annual charter fee period. The Organization believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation.

The initial estimate of the charter fee amount is determined based on certain items within the individual council's financial statements. If financial statements for the latest period are not available at the time of assessment, the Organization will determine the charter fee based on the latest available financial statements. Subsequent changes to the estimate of the charter fee are generally recorded as adjustments to revenue in the period of the change.

**CAMP FIRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 18 CHARTER FEE REVENUE (CONTINUED)**

The following table provides information about significant changes in the charter fee deferred revenue for the year ended June 30, 2021

Deferred Revenue, Beginning of Year	\$ 130,492
Collections of Charter Fees	116,756
Charter Fee Revenue Recognized	<u>(179,813)</u>
Deferred Revenue, End of Year	<u><u>\$ 67,435</u></u>

**NOTE 19 BENEFICIAL INTEREST IN PERPETUAL TRUST**

In 1976, the Organization was named as a beneficiary of a perpetual trust. Under the terms of the trust, the Organization is designated to receive 2.5% of the annual income of the trust with no corresponding transfer of trust assets. The Organization received trust income, the use of which is without donor restrictions, of \$46,250 in 2021 and \$40,000 in 2020.

At the time the Organization was notified of the trust, its share of the fair value of the trust assets was \$538,080 and was reflected in the statements of activities as a permanently restricted contribution. Changes in the fair value of the Organization's interest in the trust assets are reflected as unrealized gains or losses in the statements of activities in the year in which they take place. The gain on this trust amounted to \$226,306 and a loss of \$47,566 for the years ended June 30, 2021 and 2020, respectively. The Organization's share in the trust had a value of \$1,054,989 and \$828,683 at June 30, 2021 and 2020, respectively.

**NOTE 20 HALL FAMILY FOUNDATION GIFT**

In 2005, the Hall Family Foundation pledged \$500,000 to the Greater Kansas City Community Foundation, with the Organization named as a conditional beneficiary of the fund's earnings. The Organization is eligible to receive a portion of the earnings on the investment equal to 5% for supplemental funding of its rent expense as long as it is headquartered in downtown Kansas City, Missouri. In 2021 and 2020, the Organization received \$24,619 and \$23,926, respectively, which is included as contributions and grants revenue.

**NOTE 21 CONTINGENCIES**

The Organization's investment portfolio is subject to significant fluctuations in its value. Because the values of individual investments fluctuate with market conditions, the amount of investment gains or losses that the Organization will recognize in its future financial statements, if any, cannot be determined.

**CAMP FIRE  
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**NOTE 21 CONTINGENCIES (CONTINUED)**

The Organization has legal actions that arise in the ordinary course of business and are now pending against the Organization. It is the opinion of management, after reviewing such actions with counsel that the outcome of any lawsuit or claim which is pending should either be covered by insurance, or would not result in a material settlement.

**NOTE 22 DISCONTINUED OPERATIONS**

Effective July 1, 2020, the Organization officially spun off operations of the Camp Fire Heartland council. Several years ago, a Heartland council dissolved and ceased to operate as a going concern. Some years later, the Organization began the process of rebuilding the Heartland council operation under its full control. With the formal establishment of a new corporation and a separate governing board, Camp Fire Heartland is now operating autonomously. Amounts associated with the discontinued operations have been reclassified in the financial statements for the year ended June 30, 2020.

Assets of the Heartland council consisted primarily of cash, United Way receivable, and other receivables. These assets have been recorded at their net realizable values and carried as a current asset under the caption "Current Assets of Discontinued Operations" in the accompanying statements of financial position. Liabilities consisted of accounts payable and are carried as a current liability under the caption "Current Liabilities of Discontinued Operations" in the accompanying statements of financial position.

A summary of the results of operations of the discontinued operations are as follows:

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES, GAINS, AND PUBLIC SUPPORT</b>						
Contributions and Grants	\$ -	\$ -	\$ -	\$ 2,385	\$ -	\$ 2,385
United Way Contributions	-	-	-	910	39,658	40,568
Designated Contributions and Grants	-	-	-	15,000	36,250	51,250
Contractual Services	-	-	-	76,545	-	76,545
Conferences and Program Services	-	-	-	26,230	-	26,230
Net Assetst Released from Restrictions	65,527	(65,527)	-	10,381	(10,381)	-
Total Revenues, Gains, and Public Support	65,527	(65,527)	-	131,451	65,527	196,978
<b>EXPENSES</b>						
Program Services:						
Programs for Youth	-	-	-	64,153	-	64,153
Services to Councils	124,350	-	124,350	-	-	-
Community Relations	-	-	-	5,056	-	5,056
Fundraising	-	-	-	201	-	201
Management and General	-	-	-	3,218	-	3,218
Total Expenses	124,350	-	124,350	72,628	-	72,628
<b>CHANGE IN NET ASSETS FROM DISCONTINUED OPERATIONS</b>	<u>\$ (58,823)</u>	<u>\$ (65,527)</u>	<u>\$ (124,350)</u>	<u>\$ 58,823</u>	<u>\$ 65,527</u>	<u>\$ 124,350</u>

**CAMP FIRE**  
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**NOTE 23 CONTRACTUAL SERVICES**

The Organization has contracted with service providers, engaging in a co-employment relationship with the Organization. The service providers administer personnel management services relative to the Organization's employees including payment of salaries, wages, payroll taxes, employee benefits, and procurement of workers' compensation insurance. This agreement shall remain in force until either the service providers or the Organization terminate the agreement by giving 30 days prior written notice. The Organization is required to pay service fees based on a percentage of gross salaries, which cover services rendered to each employee. The service provider's service fee percentage may be adjusted annually. The Organization paid \$1,185,566 and \$1,729,416 to the service providers for the years ended June 30, 2021 and 2020, respectively, for salaries and payroll related costs. In addition, the Organization paid \$12,800 and \$19,103 to service providers for the years ended June 30, 2021 and 2020, respectively, for service fees.

**NOTE 24 SUBSEQUENT EVENTS**

Management evaluated subsequent events through October 5, 2021, the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2021, but prior to October 5, 2021, that provided additional evidence about conditions that existed at June 30, 2021, have been recognized in the 2021 financial statements.

In August 2021, the Organization received forgiveness on the full balance of its Paycheck Protection Program note through the Small Business Administration facilitated through Central Bank of the Midwest totaling \$337,800.



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