

CAMP FIRE
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021



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**CAMP FIRE
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YEARS ENDED JUNE 30, 2022 AND 2021**

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INDEPENDENT AUDITORS' REPORT

National Board of Trustees
Camp Fire
Kansas City, Missouri

Opinion

We have audited the accompanying financial statements of Camp Fire, which comprise the statements of financial position as of June 30, 2022 and 2021, 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.

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, 2022 and 2021, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Camp Fire and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Camp Fire's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

National Board of Trustees
Camp Fire

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

St. Joseph, Missouri
September 27, 2022

**CAMP FIRE
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021**

ASSETS	2022	2021
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,092,790	\$ 892,422
Investments	308,764	347,216
Charter Fees Receivable, Net	19,854	133,777
Pledges Receivable	22,385	23,470
Grants Receivable, Net	600,000	-
Merchandise Inventory, Net	1,126	1,236
Prepaid Expenses	15,967	7,472
Other Receivables	71,330	40,136
Total Current Assets	2,132,216	1,445,729
PROPERTY AND EQUIPMENT		
Monument	25,000	25,000
Building Improvements	7,805	7,805
Furniture, Fixtures, and Equipment	245,879	245,879
Total, at Cost	278,684	278,684
Less: Accumulated Depreciation	250,523	249,749
Total Property and Equipment, Net	28,161	28,935
OTHER ASSETS		
Long-Term Charter Fees Receivable, Net	30,945	50,533
Long-Term Pledges Receivable, Net	-	18,552
Long-Term Grants Receivable, Net	378,376	-
Intangible Assets, Net	-	117,693
Beneficial Interest in Perpetual Trust	855,024	1,054,989
Total Other Assets	1,264,345	1,241,767
Total Assets	\$ 3,424,722	\$ 2,716,431

See accompanying Notes to Financial Statements.

CAMP FIRE
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
JUNE 30, 2022 AND 2021

	2022	2021
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 16,322	\$ 23,637
Accrued Liabilities	80,893	64,634
Payable to Other Organizations	-	55,789
Current Portion of Note Payable	10,000	13,215
Deferred Revenues	89,194	67,435
Total Current Liabilities	196,409	224,710
LONG-TERM LIABILITIES		
Note Payable, Less Current Portion	23,269	366,654
Total Liabilities	219,678	591,364
NET ASSETS		
Without Donor Restrictions:		
General Operating	405,509	390,637
Board-Designated	308,764	347,216
Total Without Donor Restrictions	714,273	737,853
With Donor Restrictions:		
Time Restrictions	22,385	42,022
Purpose Restrictions	1,613,362	290,203
Perpetual in Nature	855,024	1,054,989
Total With Donor Restrictions	2,490,771	1,387,214
Total Net Assets	3,205,044	2,125,067
Total Liabilities and Net Assets	\$ 3,424,722	\$ 2,716,431

See accompanying Notes to Financial Statements.

CAMP FIRE
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2022 AND 2021

	2022			2021		
	Without Donor	With Donor	Total	Without Donor	With Donor	Total
	Restrictions	Restrictions		Restrictions	Restrictions	
REVENUES, GAINS, LOSSES, AND PUBLIC SUPPORT						
Contributions and Grants	\$ 81,564	\$ 21,748	\$ 103,312	148,278	\$ 4,092	\$ 152,370
Designated Contributions and Grants	32,249	1,778,376	1,810,625	27,482	400,000	427,482
Contribution of Net Assets, Net of Losses	2,440	-	2,440	-	-	-
Contractual Services	25,000	-	25,000	-	-	-
Contributed Goods, Services, and Travel	49	-	49	-	-	-
Royalties and License Fees	13,661	-	13,661	11,426	-	11,426
Charter Fees	1,126,012	-	1,126,012	1,277,427	-	1,277,427
Sales of Inventory, Net of Cost of Sales of \$410 for 2022 and \$397 for 2021	354	-	354	678	-	678
Investment Income - Net	41,249	357	41,606	123,321	587	123,908
Investment Income - Perpetual Trust	40,000	-	40,000	46,250	-	46,250
Unrealized Loss on Investments, Net	(80,765)	-	(80,765)	(61)	-	(61)
Change in Value of Beneficial Interest in Perpetual Trust	-	(199,965)	(199,965)	-	226,306	226,306
Gain on Sale of Property and Equipment	-	-	-	5,979	-	5,979
Rental Income	74,129	-	74,129	106,582	-	106,582
Loan Forgiveness	337,800	-	337,800	337,800	-	337,800
Impairment Loss on Intangibles	(39,231)	-	(39,231)	-	-	-
Other Income	355	-	355	588	-	588
Net Assets Released from Restrictions	496,959	(496,959)	-	705,028	(705,028)	-
Total Revenues, Gains, Losses, and Public Support	2,151,825	1,103,557	3,255,382	2,790,778	(74,043)	2,716,735
EXPENSES						
Program Services:						
Programs for Youth	654,506	-	654,506	711,921	-	711,921
Services to Councils	714,025	-	714,025	908,660	-	908,660
Community Relations	254,128	-	254,128	207,871	-	207,871
Total Program Services	1,622,659	-	1,622,659	1,828,452	-	1,828,452
Support Services:						
Fundraising	224,562	-	224,562	218,968	-	218,968
Management and General Administration	328,184	-	328,184	304,156	-	304,156
Total Support Services	552,746	-	552,746	523,124	-	523,124
Total Expenses	2,175,405	-	2,175,405	2,351,576	-	2,351,576
CHANGE IN NET ASSETS BEFORE DISCONTINUED OPERATIONS	(23,580)	1,103,557	1,079,977	439,202	(74,043)	365,159
DISCONTINUED OPERATIONS	-	-	-	(58,823)	(65,527)	(124,350)
CHANGES IN NET ASSETS	(23,580)	1,103,557	1,079,977	380,379	(139,570)	240,809
Net Assets - Beginning of Year	737,853	1,387,214	2,125,067	357,474	1,526,784	1,884,258
NET ASSETS - END OF YEAR	<u>\$ 714,273</u>	<u>\$ 2,490,771</u>	<u>\$ 3,205,044</u>	<u>\$ 737,853</u>	<u>\$ 1,387,214</u>	<u>\$ 2,125,067</u>

See accompanying Notes to Financial Statements.

**CAMP FIRE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022**

	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	
EXPENSES								
Salaries and Wages	\$ 378,241	\$ 254,176	\$ 131,769	\$ 764,186	\$ 124,911	\$ 174,407	\$ 299,318	\$ 1,063,504
Benefits	51,831	35,642	20,937	108,410	11,284	21,539	32,823	141,233
Payroll Taxes	32,683	21,488	10,379	64,550	7,804	13,438	21,242	85,792
Total Salaries and Related Expenses	462,755	311,306	163,085	937,146	143,999	209,384	353,383	1,290,529
Payments and Products to Councils	46,166	48,701	-	94,867	-	-	-	94,867
Professional Fees and Contract Services	70,403	33,647	31,951	136,001	62,891	40,122	103,013	239,014
Travel, Conferences, and Meetings	17,366	5,277	-	22,643	3,454	572	4,026	26,669
Telephone and Other Communication	10,340	8,191	3,949	22,480	1,160	4,649	5,809	28,289
Occupancy	22,819	62,457	45,735	131,011	4,262	54,458	58,720	189,731
Depreciation and Amortization	283	78,695	98	79,076	41	119	160	79,236
Equipment Rental and Maintenance	1,026	845	356	2,227	150	432	582	2,809
Supplies and Office Expenses	4,478	7,156	409	12,043	105	4,980	5,085	17,128
Publications and Printing	6,951	-	4,140	11,091	90	-	90	11,181
Postage and Shipping	365	305	136	806	91	350	441	1,247
Insurance	10,369	8,534	3,596	22,499	1,517	4,361	5,878	28,377
Interest Expense and Bank Fees	11	-	-	11	443	4,412	4,855	4,866
Membership Dues and Subscriptions	1,079	1,680	673	3,432	6,359	4,296	10,655	14,087
Bad Debt	-	147,227	-	147,227	-	-	-	147,227
Donated Goods and Services	-	-	-	-	-	49	49	49
Miscellaneous	95	4	-	99	-	-	-	99
Total Functional Expenses	<u>\$ 654,506</u>	<u>\$ 714,025</u>	<u>\$ 254,128</u>	<u>\$ 1,622,659</u>	<u>\$ 224,562</u>	<u>\$ 328,184</u>	<u>\$ 552,746</u>	<u>\$ 2,175,405</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
EXPENSES								
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	-	42,872	-	42,872	60	-	60	42,932
Obsolete Merchandise Inventory	-	-	-	-	-	-	-	-
Donated Goods and Services	-	-	-	-	-	-	-	-
Miscellaneous	40	-	-	40	105	-	105	145
Total Functional 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
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021**

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in Net Assets	\$ 1,079,977	\$ 240,809
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Change in Net Assets of Discontinued Operations	-	124,350
Depreciation	774	13,838
Amortization	78,462	28,461
Impairment Loss on Intangibles	39,231	-
Gain on Sale of Property and Equipment	-	(5,979)
Income on Investments and Trust, Net	(41,606)	(123,908)
Unrealized Loss on Investments, Net	80,765	61
Change in Value of Trust	199,965	(226,306)
Noncash Grant to Council	1,200	1,478
Loan Forgiveness	(337,800)	(337,800)
Effects of Changes in Operating Assets and Liabilities:		
Charter Fees Receivable, Net	133,511	(58,997)
Pledges Receivable, Net	18,930	43,328
Grants Receivable, Net	(978,376)	6,058
Other Receivables	(31,194)	(30,322)
Merchandise Inventory, Net	110	128
Prepaid Expenses	(8,495)	5,372
Accounts Payable and Accrued Liabilities	(46,845)	32,921
Deferred Revenues	21,759	(63,057)
Net Cash Provided (Used) by Continuing Operating Activities	210,368	(349,565)
Net Cash Used by Discontinued Operations	-	(69,265)
Net Cash Provided (Used) by Operating Activities	210,368	(418,830)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Property and Equipment	-	8,478
Proceeds from Sale of Investments	-	379,051
Net Cash Provided by Investing Activities	-	387,529
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Long-Term Debt	-	337,800
Payments on Note Payable	(10,000)	(370,620)
Net Cash Used by Financing Activities	(10,000)	(32,820)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	200,368	(64,121)
Cash and Cash Equivalents - Beginning of Year	892,422	956,543
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1,092,790	\$ 892,422

See accompanying Notes to Financial Statements.

**CAMP FIRE
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2022 AND 2021**

	2022	2021
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid for Interest	\$ 10	\$ 11,864
Loss on Liquidation of Contributed Securities	\$ 707	\$ -
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Noncash Long-Term Obligation to Council	\$ 1,200	\$ 1,478

See accompanying Notes to Financial Statements.

CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

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 47 councils in 23 states serve as many as 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, 2022 AND 2021

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, 2022 AND 2021

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.

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, 2022 AND 2021

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 1 to 3 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 is 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, 2022 AND 2021**

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 as a recovery. 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.

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.

**CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

See Note 8 for additional information on an impairment loss recorded on intangible assets during the year ended June 30, 2022.

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, 2022 AND 2021**

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 2022 or 2021 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 ended June 30, 2021. Since then, the effective date has been postponed, making it effective for the year ended June 30, 2023. Management will be evaluating the effects of this new standard.

NOTE 2 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.

CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 2 LIQUIDITY AND AVAILABILITY (CONTINUED)

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:

	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 1,092,790	\$ 892,422
Investments	308,764	347,216
Charter Fees Receivable, Current Portion	19,854	133,777
Pledges Receivable	22,385	42,022
Grants Receivable, Net	978,376	-
Accounts Receivable	71,330	40,136
Total Financial Assets	<u>2,493,499</u>	<u>1,455,573</u>
Contractual or Donor Imposed Restrictions:		
Cash Restricted to Specific Uses	634,986	290,203
Grants Receivable	978,376	-
Time Related Restrictions:		
Long-Term Pledges Receivable	-	18,552
Total Restriction Imposed	<u>1,613,362</u>	<u>308,755</u>
Board Designations:		
Operating Reserve	<u>308,764</u>	<u>347,216</u>
Total Board Designations	<u>308,764</u>	<u>347,216</u>
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	<u>\$ 571,373</u>	<u>\$ 799,602</u>

In addition, the Organization had available borrowing on its line of credit of \$300,000 at June 30, 2022 and 2021. The Organization's board-designated operating reserve could be made available for expenditures with board approval.

Time related restrictions associated with Pledges Receivable of \$22,385 and \$23,470 at June 30, 2022 and 2021, 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, 2022 AND 2021

NOTE 3 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 Organization does not have variance power over the trust's portfolio. 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, 2022 AND 2021**

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair values of assets and liabilities measured on a recurring basis, as of June 30, 2022 and 2021 are as follows:

	June 30, 2022			
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	\$ 167,008	\$ 167,008	\$ -	\$ -
Fixed Income	126,163	126,163	-	-
Beneficial Interest in Perpetual Trust	855,024	-	-	855,024
Total	\$ 1,148,195	\$ 293,171	\$ -	\$ 855,024
	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

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, 2022 and 2021:

	Beneficial Interest in Perpetual Trust
BALANCE - JUNE 30, 2020	\$ 828,683
Unrealized Gains	226,306
BALANCE - JUNE 30, 2021	1,054,989
Unrealized Losses	(199,965)
BALANCE - JUNE 30, 2022	\$ 855,024

CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 4 INVESTMENTS

Investments at June 30, 2022 are as follows:

	Original Cost or Basis	Fair Market Value	Excess of Cost Over Market
Cash and Cash Equivalents	\$ 15,593	\$ 15,593	\$ -
Equity and Fixed Income Mutual Funds	308,314	293,171	(15,143)
Total	<u>\$ 323,907</u>	<u>\$ 308,764</u>	<u>\$ (15,143)</u>

Investment returns for the year ended June 30, 2022 consist of the following:

Investment Income	\$ 6,060
Net Realized Gain	38,838
Investment Fees	(3,292)
Investment Income - Net	41,606
Net Unrealized Loss	(80,765)
Total Investment Return	<u>\$ (39,159)</u>

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>

CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 5 PLEDGES RECEIVABLE

Pledges receivable include the following:

	<u>2022</u>	<u>2021</u>
Annual Fund Campaign	\$ 22,385	\$ 43,470
Total Pledges Receivable	22,385	43,470
Less: Unamortized Discount	-	1,448
Net Pledges Receivable	22,385	42,022
Less: Current Portion	22,385	23,470
Pledges Receivable, Long Term (Net)	<u>\$ -</u>	<u>\$ 18,552</u>

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

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 from donors.

NOTE 6 GRANTS RECEIVABLE

Grants receivable include the following:

	<u>2022</u>	<u>2021</u>
Camp Accessibility, Meaningful Participation, and Equal Representation (CAMPER)	\$ 1,000,000	\$ -
Total Grants Receivable	1,000,000	-
Less: Unamortized Discount	21,624	-
Net Grants Receivable	978,376	-
Less: Current Portion (Net)	600,000	-
Grants Receivable, Long-Term (Net)	<u>\$ 378,376</u>	<u>\$ -</u>

Grants receivable are due in future years as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 600,000
2024	400,000
Total	<u>\$ 1,000,000</u>

CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 7 OPERATING LEASES

The Organization leased office and warehouse space during 2022 and 2021 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 \$188,399 in 2022 and \$183,566 in 2021. Subsequent to June 30, 2022, the lease agreement for office space was amended. The following schedules have been presented to reflect the amendment. Future minimum lease commitments for these leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 109,081
2024	9,368
Total	<u>\$ 118,449</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>
2023	\$ 78,097
2024	6,864
Total	<u>\$ 84,961</u>

Total rental income from subleases was \$74,129 and \$72,457 in 2022 and 2021, respectively.

NOTE 8 INTANGIBLE ASSETS

Intangible assets consist of software development, corporate branding, and program curriculum. Amortization expense on the assets was \$78,462 and \$28,461 during 2022 and 2021, respectively. In 2022, the Organization determined that the intangible assets were no longer being utilized in current programming, and the assets were deemed impaired. The remaining unamortized balance was written off for a loss on impairment in the amount of \$39,231.

NOTE 9 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 \$38,784 in 2022 and \$31,780 in 2021.

**CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 10 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:

	2022	2021
Charter Fees Receivable	\$ 455,854	\$ 457,777
Less: Allowance for Doubtful Accounts	399,000	266,000
Net Collectible Charter Fees Receivable	56,854	191,777
Less: Unamortized Discount	6,055	7,467
Charter Fees Receivable, Net	50,799	184,310
Less: Current Portion	19,854	133,777
Long-Term Charter Fees Receivable, Net	<u>\$ 30,945</u>	<u>\$ 50,533</u>

Amounts due in future years and expected to be collected as of June 30, 2022:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 19,854
2024	4,939
2025	6,479
2026	3,682
2027	4,700
Thereafter	17,200
Total	<u>\$ 56,854</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, 2022 or 2021.

Accounts Payable

At June 30, 2022 and 2021, the Organization had accounts payable due to Councils totaling \$1,847 and \$1,847, respectively.

Payable to Other Organizations

At June 30, 2022 and 2021, the Organization held cash for the benefit of the Camp Fire Heartland council totaling \$-0- and \$55,789, respectively.

CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 11 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:

	2022	2021
Miscellaneous	\$ 49	\$ -
Total Contributed Goods and Services	\$ 49	\$ -

NOTE 12 NET ASSETS WITHOUT DONOR RESTRICTIONS

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

	2022	2021
Board-Designated:		
Operating Reserve	\$ 308,764	\$ 347,216
Total Board-Designated Net Assets	308,764	347,216
General Operating	405,509	390,637
Total Net Assets Without Donor Restriction	\$ 714,273	\$ 737,853

NOTE 13 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of June 30 are available for the following purposes:

	2022	2021
Time Related Restrictions:		
Pledges Receivable	\$ 22,385	\$ 42,022
Total Net Assets with Time Related Restrictions	\$ 22,385	\$ 42,022
Purpose Related Restrictions:		
Camp Diversity and Inclusion	1,613,362	287,703
Youth Leadership Expansion	-	2,500
Total Net Assets With Donor Purpose Related Restrictions	\$ 1,613,362	\$ 290,203

During the years ended June 30, 2022 and 2021, net assets of \$496,959 and \$705,228, 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:

	2022	2021
James Humphrey Wilkinson Perpetual Trust	\$ 855,024	\$ 1,054,989
Total Net Assets With Donor Restrictions Perpetual in Nature	\$ 855,024	\$ 1,054,989

**CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 14 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, 2023. 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 (4.75% and 3.25% at June 30, 2022 and 2021, respectively). As of June 30, 2022 and 2021, 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 ended 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 during the year ended June 30, 2021.

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. This PPP Loan was forgiven in August 2021.

**CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 14 LINE OF CREDIT AND LONG-TERM DEBT (CONTINUED)

The Small Business Administration may review funding eligibility and usage of funds for compliance with program requirements based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on the Organization's financial position.

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 3.25% and the outstanding balance at June 30, 2022 and 2021 was \$33,269 and \$42,069, respectively.

Scheduled maturities of long-term debt are as follows as of June 30, 2022:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 10,000
2024	9,532
2025	9,231
2026	4,506
Total	<u>\$ 33,269</u>

The Organization incurred interest expense of \$10 and \$11,864 for the years ended June 30, 2022 and 2021, respectively.

NOTE 15 CONCENTRATIONS OF RISK

At June 30, 2022, three councils made up 81% of the \$50,799 net charter fees receivable. At June 30, 2021, three councils made up 80% of the \$184,310 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 \$878,956 and \$488,543 in excess of FDIC limits at June 30, 2022 and June 30, 2021, respectively.

NOTE 16 CONTRIBUTION OF NET ASSETS

The Organization records net proceeds received from dissolved councils as Contribution of Net Assets. Contribution of net assets was \$2,440 and \$-0- for the years ended June 30, 2022 and 2021, respectively.

CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 17 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 \$26,247 and \$17,701 for the years ended June 30, 2022 and 2021, respectively. 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.

The following table provides information about significant changes in the charter fee deferred revenue for the years ended June 30:

	2022	2021
Deferred Revenue, Beginning of Year	\$ 67,435	\$ 130,492
Collections of Charter Fees	186,315	116,756
Charter Fee Revenue Recognized	<u>(164,556)</u>	<u>(179,813)</u>
Deferred Revenue, End of Year	<u>\$ 89,194</u>	<u>\$ 67,435</u>

CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 18 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 \$40,000 in 2022 and \$46,250 in 2021.

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 loss on this trust amounted to \$199,965 and a gain of \$226,306 for the years ended June 30, 2022 and 2021, respectively. The Organization's share in the trust had a value of \$855,024 and \$1,054,989 at June 30, 2022 and 2021, respectively.

NOTE 19 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 June 2021, both the Hall Family Foundation and the Greater Kansas City Community Foundation agreed to amend eligibility to include maintaining the Camp Fire national headquarters office in one of the following counties: Jackson, Clay, Platte, or Cass County in Missouri or Wyandotte or Johnson County in Kansas. In 2022 and 2021, the Organization received \$26,619 and \$24,619, respectively, which is included as contributions and grants revenue.

NOTE 20 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
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 21 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. There were no remaining assets or liabilities held by the Organization in relation to the operations at June 30, 2022. Cash totaling \$55,789 was held on behalf of Camp Fire Heartland at June 30, 2021 but was offset by an equal liability.

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

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND PUBLIC SUPPORT						
Net Assets Released from Restrictions	\$ -	\$ -	\$ -	\$ 65,527	\$ (65,527)	\$ -
Total Revenues, Gains, and Public Support	-	-	-	65,527	(65,527)	-
EXPENSES						
Program Services:						
Services to Councils	-	-	-	124,350	-	124,350
Total Expenses	-	-	-	124,350	-	124,350
CHANGE IN NET ASSETS FROM DISCONTINUED OPERATIONS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (58,823)</u>	<u>\$ (65,527)</u>	<u>\$ (124,350)</u>

NOTE 22 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, which cover services rendered to each employee. The service provider's service fee may be adjusted annually. The Organization paid \$1,192,313 and \$1,185,566 to the service providers for the years ended June 30, 2022 and 2021, respectively, for salaries and payroll related costs. In addition, the Organization paid \$19,667 and \$12,800 to service providers for the years ended June 30, 2022 and 2021, respectively, for service fees.

CAMP FIRE
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NOTE 23 SUBSEQUENT EVENTS

Management evaluated subsequent events through September 27, 2022, the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2022, but prior to September 27, 2022, that provided additional evidence about conditions that existed at June 30, 2022, have been recognized in the 2022 financial statements.

In July 2022, the Organization amended its lease agreement for office space. The amendment to the lease restated the lease termination date to July 31, 2023 as opposed to the previous date of August 14, 2026. The Organization paid a lease term reduction fee of \$120,000, \$90,000 of which may be refundable in the form of rent credits. The landlord agrees to pay \$19,800 as a rent credit if the Organization continues to occupy the premises on June 30, 2023. Each month thereafter that the Organization continues to occupy the premises, the landlord will provide a rent credit of \$1,800, not to exceed 39 months. The sublease with an unaffiliated organization was also amended, providing for an early termination option by either party which corresponds with the reduced lease term of the main lease.

NOTE 24 RECLASSIFICATIONS

Certain reclassifications were made to amounts for the year ended June 30, 2021 to conform to the presentation of the financial statements for the year ended June 30, 2022. The reclassifications had no impact on previously presented net assets or change in net assets.



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