



FINANCIAL STATEMENTS

Year Ended June 30, 2021

with

Independent Auditors' Report

CAMP FIRE COLUMBIA

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CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditors' Report

The Board of Directors
Camp Fire Columbia

Report on the Financial Statements

We have audited the accompanying financial statements of Camp Fire Columbia (the Organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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.

Opinion

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

Report on Summarized Comparative Statements

We have previously audited Camp Fire Columbia's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 21, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Huffman, Stewart & Schmidt, P.C.

Lake Oswego, Oregon
October 21, 2021

CAMP FIRE COLUMBIA
Statement of Financial Position

June 30, 2021 <i>(With Comparative Amounts for 2020)</i>	2021	2020
ASSETS		
Cash and cash equivalents	\$ 1,662,745	\$ 1,362,777
Accounts receivable, net	35,483	7,378
Pledges receivable	22,075	128,138
Government grants and contracts receivable	188,627	12,581
Inventory	12,648	18,836
Prepaid expenses and deposits	46,545	144,639
Investments	1,948,437	1,529,362
Beneficial interest in perpetual trust	253,520	216,643
Property and equipment, net	2,404,478	2,208,502
Total assets	<u>\$ 6,574,558</u>	<u>\$ 5,628,856</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 423,161	\$ 274,442
Refunds payable	114,113	488,403
Deferred revenue	745,298	130,658
Refundable advances	231,280	-
Long-term debt	43,153	50,462
Capital lease obligation	26,345	12,586
Total liabilities	1,583,350	956,551
Net assets:		
Without donor restrictions:		
Undesignated	(44,523)	269,615
Board designated	1,948,437	1,529,362
Net property and equipment	2,378,133	2,195,916
Total without donor restrictions	4,282,047	3,994,893
With donor restrictions	709,161	677,412
Total net assets	<u>4,991,208</u>	<u>4,672,305</u>
Total liabilities and net assets	<u>\$ 6,574,558</u>	<u>\$ 5,628,856</u>

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

CAMP FIRE COLUMBIA

Statement of Activities

Year Ended June 30, 2021 *(With Comparative Totals for 2020)*

	Without Restrictions	With Donor Restrictions	Total	
			2021	2020
Support and revenue:				
Contributions	\$ 299,769	\$ 267,655	\$ 567,424	\$ 655,868
Donated goods and services	16,910	-	16,910	647
Special events, net of direct expenses of \$35,392 and \$69,964, respectively	56,380	-	56,380	65,392
Net assets released from restrictions	272,783	(272,783)	-	-
Total public support	645,842	(5,128)	640,714	721,907
Camping and related fees, net of discounts of \$5,784 and \$23,752, respectively	160,132	-	160,132	940,403
School programs, net of discounts of \$16,065 and \$52,301, respectively	390,431	-	390,431	2,328,149
Government grants and contracts	1,818,496	-	1,818,496	1,124,419
Sales, net of cost of sales of \$11,039 and \$19,768, respectively	423	-	423	15,817
Other revenue	4,049	-	4,049	89,421
Total support and revenue	3,019,373	(5,128)	3,014,245	5,220,116
Operating expenses:				
Program services:				
Camping	907,360	-	907,360	1,185,018
School programs	798,074	-	798,074	2,189,441
Teen programs	688,678	-	688,678	696,816
Total program services	2,394,112	-	2,394,112	4,071,275
Management and general	516,286	-	516,286	752,897
Fundraising	312,970	-	312,970	275,945
Total supporting services	829,256	-	829,256	1,028,842
National charter fees	66,567	-	66,567	59,307
Total operating expenses	3,289,935	-	3,289,935	5,159,424
Increase (decrease) in net assets from operations	(270,562)	(5,128)	(275,690)	60,692
Gain (loss) on disposal of property and equipment	(5,393)	-	(5,393)	10,446
Investment return - net	563,109	36,877	599,986	147,392
Increase in net assets	287,154	31,749	318,903	218,530
Net assets, beginning of year	3,994,893	677,412	4,672,305	4,453,775
Net assets, end of year	\$ 4,282,047	\$ 709,161	\$ 4,991,208	\$ 4,672,305

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

CAMP FIRE COLUMBIA

Statement of Functional Expenses

Year Ended June 30, 2021 *(With Comparative Totals for 2020)*

	<u>Program Services</u>				<u>Supporting Services</u>		<u>Total</u>	
	<u>Camping</u>	<u>School Programs</u>	<u>Teen Programs</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>2021</u>	<u>2020</u>
Salaries and related costs	\$ 418,064	\$ 670,494	\$ 563,430	\$ 1,651,988	\$ 367,736	\$ 276,570	\$ 2,296,294	\$ 3,529,569
Education, conferences, and meetings	5,483	1,262	2,887	9,632	240	385	10,257	44,279
Food	20,212	8,466	24,242	52,920	73	-	52,993	127,157
Horse expenses	13,909	-	-	13,909	-	-	13,909	53,252
Insurance	48,085	27,938	6,903	82,926	3,817	474	87,217	97,408
Maintenance and equipment rental	61,276	-	-	61,276	156	-	61,432	59,589
Occupancy	71,363	20,661	16,863	108,887	22,142	12,582	143,611	232,946
Outside printing and publicity	2,162	-	2,030	4,192	-	1	4,193	38,721
Other operating costs	-	3,658	-	3,658	3,685	55	7,398	25,302
Professional and contract services	12,953	13,824	2,413	29,190	73,780	19,238	122,208	351,010
Supplies	33,938	38,587	54,934	127,459	3,623	-	131,082	222,205
Telephone	13,478	12,624	14,472	40,574	-	3,665	44,239	35,450
Transportation	4,094	560	504	5,158	109	-	5,267	53,942
Donated goods and services	-	-	-	-	-	-	-	647
Depreciation and amortization	202,343	-	-	202,343	38,805	-	241,148	223,643
Interest	-	-	-	-	2,120	-	2,120	4,997
Total expenses allocated on a functional basis	907,360	798,074	688,678	2,394,112	516,286	312,970	3,223,368	5,100,117
Unallocated national charter fees	-	-	-	-	-	-	66,567	59,307
Total expenses	\$ 907,360	\$ 798,074	\$ 688,678	\$ 2,394,112	\$ 516,286	\$ 312,970	\$ 3,289,935	\$ 5,159,424

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

CAMP FIRE COLUMBIA

Statement of Cash Flows

Year Ended June 30, 2021 <i>(With Comparative Totals for 2020)</i>	2021	2020
Cash flows from operating activities:		
Increase in net assets	\$ 318,903	\$ 218,530
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Net realized and unrealized gain on investments	(528,722)	(127,338)
Change in value of beneficial interest in perpetual trust	(36,877)	7,597
Donated equipment	(16,910)	-
Depreciation and amortization	241,148	223,643
(Gain) loss on disposal of property and equipment	5,393	(10,446)
Net changes in:		
Accounts receivable, net	(30,717)	82,142
Pledges receivable	106,063	21,862
Government grants and contracts receivable	(176,046)	83,574
Inventory	6,188	7,570
Prepaid expenses and deposits	98,094	(1,337)
Accounts payable and accrued expenses	123,879	(43,735)
Refunds payable	(374,290)	488,403
Deferred revenue and refundable advances	845,920	(865,600)
Net cash provided by operating activities	582,026	84,865
Cash flows from investing activities:		
Purchase of property and equipment	(372,027)	(436,401)
Proceeds from sale of property and equipment	2,612	7,834
Purchase of investments	(159,429)	(28,583)
Proceeds from sale of investments	269,076	439,077
Net cash used by investing activities	(259,768)	(18,073)
Carried forward	322,258	66,792

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

CAMP FIRE COLUMBIA

Statement of Cash Flows - Continued

Year Ended June 30, 2021 <i>(With Comparative Totals for 2020)</i>	2021	2020
Brought forward	\$ 322,258	\$ 66,792
Cash flows from financing activities:		
Proceeds from long-term debt	-	56,399
Principal payments on long-term debt	(7,309)	(5,937)
Payments on capital lease obligation	(14,981)	(9,889)
Net cash provided (used) by financing activities	(22,290)	40,573
Net increase in cash and cash equivalents	299,968	107,365
Cash and cash equivalents, beginning of year	1,362,777	1,255,412
Cash and cash equivalents, end of year	\$ 1,662,745	\$ 1,362,777
 Supplemental cash flow information:		
Cash paid for interest	\$ 2,120	\$ 4,997
 Supplemental disclosure of non-cash transactions:		
Additions to property and equipment included in accounts payable	\$ 24,840	\$ -
Assets financed via capital lease	28,740	-
Proceeds to be received from sale of equipment	-	2,612

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

CAMP FIRE COLUMBIA

Notes to Financial Statements

1. Nature of Activities

Camp Fire Columbia's (the Organization) mission is to shape engaged, confident, well-rounded youth who can build thriving communities. Their comprehensive programs serve youth K-12, during both the school year and the summer. The Organization utilizes and establishes best practices in after-school programming, mentoring, summer resident camps, and community-based learning activities. It is the Organization's intention to contribute to the achievement of all youth while narrowing the gaps between white students and students of color. Their goal is to address the racial predictability of youth achievement academically, socially, and economically. To achieve this goal, the Organization examines how privilege, oppression, and history affect the practices of the Organization, and apply that learning to their work to effect meaningful change. The Organization's revenues are primarily received through program fees and contributions.

The Organization is affiliated with Camp Fire National Headquarters, and paid charter fees of \$66,567 for the year ended June 30, 2021.

2. Summary of Significant Accounting Policies

Basis of Accounting - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis of Presentation - The Organization reports information regarding its financial position and activities according to the existence or absence of donor-imposed restrictions. Accordingly, the Organization's net assets are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and Board of Directors.

Net assets with donor restrictions - Net assets subject to donor-imposed restrictions.

Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization, or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Use of Estimates - The preparation of the financial statements in accordance with GAAP requires the Organization's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Measure of Operations - The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing activities. Nonoperating activities are limited to resources that generate return from investments and other activities of a more unusual or non-reoccurring nature.

CAMP FIRE COLUMBIA

Notes to Financial Statements - Continued

2. Summary of Significant Accounting Policies - Continued

Cash and Cash Equivalents - The Organization considers all highly liquid investment securities purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable - Accounts receivable are recorded at estimated net realizable value as the related revenues are earned. Receivables are written off when the Organization determines an account is uncollectible. Past due status is determined based on how recently payments have been received. An allowance for uncollectible accounts receivable is provided based on management's judgement and totaled \$4,076 at June 30, 2021.

Pledges Receivable - Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period the Organization is notified of the commitment. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Bequests are recorded as revenue at the time the Organization has an established right to the bequest and the proceeds are measurable. An allowance for uncollectible contributions receivable is provided based on management's judgement, including such factors as prior collections history, type of contribution, and nature of fundraising activity. Pledges expected to be received over a period exceeding one year are discounted to present value, if material. At June 30, 2021, all outstanding pledges receivable were expected to be collected within one year.

Inventory - Inventory consists primarily of items available for sale at the camp store, and is carried at the lower of cost or net realizable value.

Investments - Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value. The investment in a limited partnership is reported at net asset value as a practical expedient to estimate fair value. Realized and unrealized gains and losses are included in the statement of activities.

Fair Value of Financial Instruments - The Organization's financial instruments, none of which are held for trading purposes, include cash equivalents, accounts receivable, pledges receivable, government contracts receivable, investments, and accounts payable. The Organization estimates that the fair value of all these non-derivative financial instruments at June 30, 2021, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

CAMP FIRE COLUMBIA

Notes to Financial Statements - Continued

2. Summary of Significant Accounting Policies - Continued

Property and Equipment - Land, buildings, and equipment with a minimum cost of \$5,000 are capitalized. Property and equipment purchased are recorded at cost. Donated property and equipment are reflected as contributions at their estimated values on the date received. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets beginning at the date the asset is placed in service.

Asset Type:	Depreciable Life:
Land improvements	5 years
Building and leasehold improvements	3-20 years
Furniture and equipment	3-15 years

Maintenance and repairs are charged to expense as incurred and betterments and major renewals are capitalized. Amortization of leasehold improvements is provided using the straight-line method over the estimated useful lives of the assets or the lease term, whichever is shorter. When land, buildings, and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation and amortization account are relieved, and any gain or loss is included in the statement of activities.

Revenue Recognition - The Organization’s major sources of revenue and support and related recognition policies are summarized as follows:

Contributions - Contributions are recorded when cash or unconditional promises to give cash or other assets have been received or ownership of donated assets is transferred. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. 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, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized.

Donated Goods and Services - Gifts of property and equipment are recorded as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

CAMP FIRE COLUMBIA

Notes to Financial Statements - Continued

2. Summary of Significant Accounting Policies - Continued Revenue Recognition - Continued

The Organization recognizes donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Volunteers also provide program leader, fundraising, and administration services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Camping and Related Fees, School Programs, Sales, and Other Revenue - The Organization recognizes revenue from camping and related fees and school programs during the year in which the related services are provided to participants. The performance obligation of providing camp and school program services is simultaneously received and consumed by participants; therefore the revenue is recognized ratably over the course of the camp or school program term. Discounts provided to participants are recorded as a reduction of posted camp and school program rates at the time the revenue is recognized. Payments for camping and related fees and school programs received in advance of being earned are recorded as deferred revenue.

Sales and other revenue is recognized at the time goods or services are provided. At June 30, 2021 and 2020, contract liabilities consisting entirely of deferred revenue totaled \$745,298 and \$130,658, respectively.

Government Grants and Contract Revenue - Government grants and contract revenue is accounted for as a conditional contribution and is recognized as earned based on the provisions contained in the underlying agreements. Government grants and contracts receivable are all expected to be collected within one year. Such revenue is conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received prior to incurring qualifying expenses, if any, are reported as refundable advances in the statement of financial position. Conditional government grants and contracts whose conditions are satisfied in the same reporting period in which the funding is received are reported as an increase in net assets without donor restrictions. Government grants and contracts receivable are all expected to be collected within one year.

As of June 30, 2021, the Organization had received cost reimbursable government grants and contracts of \$1,416,221 that have not been recognized as revenue for the year ended June 30, 2021, as qualifying expenses have not been incurred.

CAMP FIRE COLUMBIA

Notes to Financial Statements - Continued

2. Summary of Significant Accounting Policies - Continued

Income Taxes - The Organization is a nonprofit corporation exempt from federal and state income tax under section 501(c)(3) of the Internal Revenue Code and applicable state law as it is included in a group ruling issued to Camp Fire National Headquarters. No provision for income taxes is made in the accompanying financial statements. In any year in which the Organization has gross receipts from unrelated business activities of \$1,000 or more, it must file Form 990-T with the Internal Revenue Service (IRS) and pay tax on such income less any related deductions. The Organization is not a private foundation.

The Organization follows the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 740-10, *Accounting for Uncertainty in Income Taxes*. Management has evaluated the Organization's tax positions and concluded that there are no uncertain tax positions that require adjustment to the financial statements to comply with provisions of the Topic.

Unemployment Insurance - The Organization is self-insured for unemployment and makes periodic payments to a trust company in an amount equal to estimated future claims. Deposits to the trust are recorded as prepaid expense. Unemployment claims paid reduce the trust asset and are expensed. Unpaid claims outstanding at year-end represent a liability of the Organization.

Functional Allocation of Expenses - The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The statement of functional expenses report certain categories of expenses that are attributable to more than one program and supporting service function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The primary expenses that require allocation are salaries and related costs, which is allocated using estimates of time and effort, depreciation and amortization, which is allocated based on estimated use of the underlying property and equipment, and occupancy, which is allocated based on estimated square footage.

Summarized Financial Information for 2020 - The accompanying financial statements include certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

Subsequent Events - Management has evaluated subsequent events through October 21, 2021, the date the financial statements were available to be issued.

CAMP FIRE COLUMBIA

Notes to Financial Statements - Continued

3. Liquidity and Availability of Resources

The Organization's financial assets available for general expenditure within one year of the statement of financial position date consist of the following at June 30:

	2021	2020
Cash and cash equivalents	\$ 1,662,745	\$ 1,362,777
Accounts receivable - net	35,483	7,378
Pledges receivable	22,075	128,138
Government contracts receivable	188,627	12,581
Investments	1,922,294	1,459,793
Beneficial interest in perpetual trust	<u>253,520</u>	<u>216,643</u>
Total financial assets	4,084,744	3,187,310
Less:		
Amounts unavailable for general expenditure within one year, due to:		
Net assets with donor restrictions	709,161	677,412
Board designated net assets	<u>1,922,294</u>	<u>1,459,793</u>
Total amounts unavailable	<u>2,631,455</u>	<u>2,137,205</u>
Total financial assets available to meet general expenditures over the next twelve months	<u><u>\$ 1,453,289</u></u>	<u><u>\$ 1,050,105</u></u>

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations become due. The Organization excludes alternative investments, which have restrictions limiting their use and redemption, from the calculation of available financial assets.

To help manage unanticipated liquidity needs, the Organization has secured a line of credit through Columbia Bank. At June 30, 2021, \$300,000 was available. Additionally, the Board reserves the funds held in investments as Board designated to support general operations as needed.

CAMP FIRE COLUMBIA

Notes to Financial Statements - Continued

4. Fair Value Measurements and Investments

The Organization follows FASB ASC Topic 820, *Fair Value Measurement*. This Topic applies to all assets and liabilities that are being measured and reported on a fair value basis and requires disclosure that establishes a framework for measuring fair value under GAAP, and expands disclosure about fair value measurements. This Topic enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. The Topic requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets the Organization has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs derived principally from, or corroborated by, observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement valuation techniques used, need to maximize the use of observable inputs, and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2021.

Mutual funds: Valued at the closing price reported on the active market on which the funds are traded.

Beneficial interest in perpetual trust: Valued at the amount of the underlying investments, which approximates fair value.

Investment value at net asset value: Quoted market prices are not available for the Organization's investment in a limited partnership. This investment is measured at net asset value (NAV) as a practical expedient. Investments that are measured at fair value using NAV as a practical expedient are not classified within the fair value hierarchy.

CAMP FIRE COLUMBIA

Notes to Financial Statements - Continued

4. Fair Value Measurements and Investments - Continued

Investment value at net asset value - Continued: The Organization’s investment in a limited partnership is based on the Organization’s ownership interests in the partners’ capital, and includes assumptions and methods that were prepared by the general partners and managers of the limited partnership, and were reviewed by the Organization’s management. The reported NAV may differ from the value that would be used had the quoted market price existed. The Organization believes that the reported amount for these investments is a reasonable estimate of fair value at June 30, 2021.

The limited partnership in which the Organization invests focuses on growth in equity, buyout opportunities, and distressed debt. The investment is not readily redeemable; however a secondary market does exist. Distributions normally are received through the liquidation of the underlying assets in the fund.

Fair value of assets measured on a recurring basis were as follows at June 30, 2021:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Bond funds	\$ 442,492	\$ -	\$ -	\$ 442,492
Domestic equity	1,071,374	-	-	1,071,374
International equity	408,428	-	-	408,428
Total investments	1,922,294	-	-	1,922,294
Beneficial interest in perpetual trust	-	-	253,520	253,520
Total investments and beneficial interest in perpetual trust, at fair value	\$ 1,922,294	-	\$ 253,520	2,175,814
Investments measured at NAV				26,143
Total investments and beneficial interest in perpetual trust				\$ 2,201,957

During the year ended June 30, 2021, the Organization received distributions totaling \$11,801 from its beneficial interest in the perpetual trust. There were no transfers into or out of Level 3 investments during the year ended June 30, 2021.

CAMP FIRE COLUMBIA

Notes to Financial Statements - Continued

5. Beneficial Interest in Perpetual Trust

The Organization has a 20 percent beneficial interest in perpetual trust that is held and administered by a third-party trustee. Under the terms of the agreement, the Organization receives periodic distributions from the trustee and retains an irrevocable right to such future distributions. The Organization has recorded its 20 percent interest in this trust as a component of net assets with donor restrictions, since the Organization does not have access to the principal of the trust. Any change in the value is recorded and reported in the statement of activities as a revaluation gain or loss in net assets with donor restrictions. In accordance with the trust agreement, distributions from the trust are restricted for use in specific Organization programs. See *Note 4* for fair value disclosure.

6. Property and Equipment, Net

Property and equipment consist of the following at June 30:

	2021	2020
Land	\$ 91,035	\$ 91,035
Land improvements	423,493	312,415
Buildings and leasehold improvements	4,487,062	4,256,215
Furniture and equipment	749,374	693,929
	<u>5,750,964</u>	<u>5,353,594</u>
Less accumulated depreciation and amortization	<u>(3,385,986)</u>	<u>(3,193,385)</u>
	2,364,978	2,160,209
Construction in progress	39,500	48,293
	<u>\$ 2,404,478</u>	<u>\$ 2,208,502</u>

At June 30, 2021, the Organization was in the preliminary stages of renovations of certain cabins and outdoor gather space used in the Organization's camping program.

CAMP FIRE COLUMBIA

Notes to Financial Statements - Continued

7. Long-term Debt

In August 2019, the Organization entered into a loan agreement with Columbia State Bank to finance the purchase of equipment. The loan is payable in monthly installments of \$786, including interest at 4.45 percent per annum. The loan matures in August 2026 and is secured by equipment with a carrying value of \$32,900 at June 30, 2021.

Future principal maturities are as follows at June 30, 2021:

Years Ending June 30,	Amount
2022	\$ 7,657
2023	8,004
2024	8,368
2025	8,748
2026	9,145
2027	1,231
	<hr/>
	<u>\$ 43,153</u>

8. Line of Credit

The Organization has a line of credit with a bank up to \$300,000, which matures in May 2022. Amounts under this agreement will accrue interest at the prime rate plus one percent (4.25 percent at June 30, 2021). The line is secured by approximately \$500,000 of investments held in accounts at a separate financial institution. There was no outstanding balance on the line of credit at June 30, 2021 and 2020.

CAMP FIRE COLUMBIA

Notes to Financial Statements - Continued

9. Capital Lease

The Organization is the lessee of office equipment under a capital lease, expiring in January 2026. The asset and liability under the capital lease are recorded at the lower of the present value of the minimum lease payments or the fair value of the asset. The asset is amortized over its estimated useful life. Amortization of the asset under a capital lease is included in depreciation and amortization expense and totaled \$2,395 for the year ended June 30, 2021.

Following is a summary of office equipment held under a capital lease and included in *Note 6* above as of June 30, 2021:

Furniture and equipment	\$ 28,740
Less accumulated amortization	<u>(2,395)</u>
	<u><u>\$ 26,345</u></u>

Minimum future lease payments under the capital lease are as follows:

Years Ending June 30,	Amount
2022	\$ 5,748
2023	5,748
2024	5,748
2025	5,748
2026	<u>3,353</u>
	<u><u>\$ 26,345</u></u>

Due to the interest portion being insignificant, management has recorded the liability as the full amount of payments due under the terms of the lease and no amount has been recorded for interest.

CAMP FIRE COLUMBIA

Notes to Financial Statements - Continued

10. Operating Lease

The Organization leases its office space under an operating lease agreement through April 2024 with current base monthly rent of \$8,174, subject to annual increases of three percent. Rent expense for the year ended June 30, 2021, totaled \$88,459.

Minimum future lease payments under this lease are as follows:

Years Ending June 30,	Amount
2022	\$ 98,583
2023	101,541
2024	<u>86,722</u>
	<u><u>\$ 286,846</u></u>

11. Investment Return - Net

Net investment return consists of the following at June 30:

	2021	2020
Interest and dividend income	\$ 34,387	\$ 27,651
Realized and unrealized gains	528,722	127,338
Change in value of beneficial interest in perpetual trust	<u>36,877</u>	<u>(7,597)</u>
	<u><u>\$ 599,986</u></u>	<u><u>\$ 147,392</u></u>

CAMP FIRE COLUMBIA

Notes to Financial Statements - Continued

12. Designated and Restricted Net Assets

Board Designated Net Assets - It is the practice of the Board of Directors of the Organization to review its plans for operations and designate appropriate sums of net assets without donor restrictions to assure adequate funding of programs and operations. Net assets designated by the Board are called Board Designated. Net assets not designated by the Board are available for the general operations of the Organization.

Net Assets with Donor Restrictions - Net assets with donor restrictions are comprised of the following at June 30:

	2021	2020
Subject to expenditure for specified purpose:		
Property improvement	\$ 10,352	\$ 170,108
Camperships	12,596	12,628
Camp Namanu	172,481	168,358
Teen programs	<u>260,212</u>	<u>109,675</u>
	455,641	460,769
Perpetual in nature, distributions from which are available for operations:		
Beneficial interest in perpetual trust	<u>253,520</u>	<u>216,643</u>
Total net assets with donor restrictions	<u>\$ 709,161</u>	<u>\$ 677,412</u>

During the year ended June 30, 2021, net assets of \$272,783 were released from restriction, either due to the passage of time or specific program accomplishments.

13. Retirement Plan

The Organization has established a 401(k) plan and may make matching contributions at the discretion of management of the Organization. Contributions made by the Organization to this plan totaled \$41,703 for the year ended June 30, 2021.

CAMP FIRE COLUMBIA

Notes to Financial Statements - Continued

14. Contingencies

Amounts received or receivable from various contracting and granting agencies are subject to audit and potential adjustment by the contracting agencies. Any disallowed claims, including amounts already collected, would become a liability of the Organization if so determined in the future. It is management's belief that no significant amounts received or receivable will be required to be returned in the future.

15. Concentrations of Credit Risk

The Organization maintains its cash balances in one financial institution. Balances in this institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The balances, at times, may exceed the federally insured limit. The Organization has not experienced any losses in such accounts and has taken adequate measures to limit exposure to any significant risk on cash and cash equivalents.

The Organization's investments described in *Note 4* are exposed to various risks, such as interest rate, market, and credit risk. The value, liquidity, and related income of these investments are sensitive to changes in economic conditions, and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates. Due to the level of risk associated with certain investment securities, it is at least reasonable that possible changes in the values of investment securities will occur in the near term, and such changes could materially affect account balances and amounts reported in the financial statements.

During the year ended June 30, 2021, contributions from one donor accounted for approximately 30 percent of total contributions.

For the year ended June 30, 2021, 70 percent of government grants and contracts revenue was derived from three agencies. At June 30, 2021, 97 percent of government grants and contracts receivable was due from two agencies.

CAMP FIRE COLUMBIA

Notes to Financial Statements - Continued

16. Paycheck Protection Program

On April 15, 2020, the Organization received loan proceeds of \$630,627 from PayPal under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) provides for full or partial loan forgiveness if loan proceeds are used for qualifying expenses and certain other conditions are satisfied.

The Organization elected to account for the loan as a government grant that is recognized as revenue as qualifying expenses are incurred. Between April 15, 2020 and June 30, 2020, the Organization incurred qualifying expenses in excess of the PPP loan amount. As such, the entire PPP loan was recognized as government grant and contract revenue for the year ended June 30, 2020, in the accompanying statement of activities. The loan was forgiven in full by the Small Business Administration (SBA) in June 2021.

On January 23, 2021, the Organization received proceeds of \$665,012 from a Paycheck Protection Program Second Draw loan (Second Draw) from the SBA under the Consolidated Appropriations Act of 2021 (the Act). The Second Draw will have substantially the same terms as the PPP loan received during 2020. If the Organization meets certain criteria under the Act, all or a portion of the Second Draw may be forgiven.

The Organization has accounted for the Second Draw as a government grant similar to the accounting for the PPP. Between January 23, 2021 and June 30, 2021, the Organization incurred qualifying expenses in excess of the amount of the Second Draw proceeds received, and accordingly, recognized the proceeds of the Second Draw as a component of government grant and contract revenue in the accompanying statement of activities for the year ended June 30, 2021. The Organization anticipates the Second Draw being forgiven by the SBA during the year ending June 30, 2022.