

CAMP FIRE
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023 AND 2022



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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, 2023 and 2022, 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, 2023 and 2022, 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

Kansas City, Missouri
November 7, 2023

**CAMP FIRE
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023 AND 2022**

ASSETS	2023	2022
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 708,280	\$ 1,092,790
Investments	229,566	308,764
Charter Fees Receivable, Net	9,180	19,854
Pledges Receivable	5,000	22,385
Grants Receivable, Net	725,000	600,000
Merchandise Inventory, Net	1,082	1,126
Prepaid Expenses	22,448	15,967
Other Receivables	40,500	71,330
Total Current Assets	1,741,056	2,132,216
PROPERTY AND EQUIPMENT		
Monument	25,000	25,000
Building Improvements	7,805	7,805
Furniture, Fixtures, and Equipment	28,792	245,879
Total, at Cost	61,597	278,684
Less: Accumulated Depreciation	34,210	250,523
Total Property and Equipment, Net	27,387	28,161
OTHER ASSETS		
Long-Term Charter Fees Receivable, Net	14,751	30,945
Long-Term Grants Receivable, Net	-	378,376
Beneficial Interest in Perpetual Trust	914,424	855,024
Total Other Assets	929,175	1,264,345
Total Assets	\$ 2,697,618	\$ 3,424,722

See accompanying Notes to Financial Statements.

**CAMP FIRE
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
JUNE 30, 2023 AND 2022**

	2023	2022
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 15,115	\$ 16,322
Accrued Liabilities	84,682	80,893
Current Portion of Note Payable	25,000	10,000
Deferred Revenues	90,125	89,194
Total Current Liabilities	214,922	196,409
LONG-TERM LIABILITIES		
Note Payable, Less Current Portion	-	23,269
Total Liabilities	214,922	219,678
NET ASSETS		
Without Donor Restrictions		
General Operating	407,767	405,509
Board-Designated	229,566	308,764
Total Without Donor Restrictions	637,333	714,273
With Donor Restrictions		
Time Restrictions	5,000	22,385
Purpose Restrictions	925,939	1,613,362
Perpetual in Nature	914,424	855,024
Total With Donor Restrictions	1,845,363	2,490,771
Total Net Assets	2,482,696	3,205,044
Total Liabilities and Net Assets	\$ 2,697,618	\$ 3,424,722

See accompanying Notes to Financial Statements.

CAMP FIRE
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2023 AND 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, LOSSES, AND PUBLIC SUPPORT						
Contributions and Grants	\$ 61,206	\$ -	\$ 61,206	\$ 81,564	\$ 21,748	\$ 103,312
Designated Contributions and Grants	50,931	346,624	397,555	32,249	1,778,376	1,810,625
Contribution of Net Assets, Net of Losses	-	-	-	2,440	-	2,440
Contractual Services	49,110	-	49,110	25,000	-	25,000
Contributed Goods, Services, and Travel	19	-	19	49	-	49
Royalties and License Fees	20,655	-	20,655	13,661	-	13,661
Charter Fees	1,077,600	-	1,077,600	1,126,012	-	1,126,012
Conferences and Program Services	3,326	5,000	8,326	-	-	-
Sales of Inventory, Net of Cost of Sales of \$195 for 2023 and \$410 for 2022	220	-	220	354	-	354
Investment Income - Net	6,273	496	6,769	41,249	357	41,606
Investment Income - Perpetual Trust	40,000	-	40,000	40,000	-	40,000
Unrealized Gain (Loss) on Investments, Net	13,769	-	13,769	(80,765)	-	(80,765)
Change in Value of Beneficial Interest in Perpetual Trust	-	59,400	59,400	-	(199,965)	(199,965)
Rental Income	87,559	-	87,559	74,129	-	74,129
Loan Forgiveness	-	-	-	337,800	-	337,800
Impairment Loss on Intangibles	-	-	-	(39,231)	-	(39,231)
Other Income	496	-	496	355	-	355
Net Assets Released from Restrictions	1,056,928	(1,056,928)	-	496,959	(496,959)	-
Total Revenues, Gains, Losses, and Public Support	2,468,092	(645,408)	1,822,684	2,151,825	1,103,557	3,255,382
EXPENSES						
Program Services						
Programs for Youth	794,739	-	794,739	654,506	-	654,506
Services to Councils	857,137	-	857,137	714,025	-	714,025
Community Relations	315,034	-	315,034	254,128	-	254,128
Total Program Services	1,966,910	-	1,966,910	1,622,659	-	1,622,659
Support Services						
Fundraising	243,775	-	243,775	224,562	-	224,562
Management and General Administration	334,347	-	334,347	328,184	-	328,184
Total Support Services	578,122	-	578,122	552,746	-	552,746
Total Expenses	2,545,032	-	2,545,032	2,175,405	-	2,175,405
CHANGES IN NET ASSETS	(76,940)	(645,408)	(722,348)	(23,580)	1,103,557	1,079,977
Net Assets - Beginning of Year	714,273	2,490,771	3,205,044	737,853	1,387,214	2,125,067
NET ASSETS - END OF YEAR	<u>\$ 637,333</u>	<u>\$ 1,845,363</u>	<u>\$ 2,482,696</u>	<u>\$ 714,273</u>	<u>\$ 2,490,771</u>	<u>\$ 3,205,044</u>

See accompanying Notes to Financial Statements.

**CAMP FIRE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023**

	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	\$ 424,332	\$ 250,308	\$ 147,365	\$ 822,005	\$ 153,947	\$ 186,997	\$ 340,944	\$ 1,162,949
Benefits	55,911	30,595	20,150	106,656	13,179	18,763	31,942	138,598
Payroll Taxes	38,160	22,123	12,100	72,383	10,409	15,444	25,853	98,236
Total Salaries and Related Expenses	518,403	303,026	179,615	1,001,044	177,535	221,204	398,739	1,399,783
Payments and Products to Councils	23,757	288,576	-	312,333	-	-	-	312,333
Professional Fees and Contract Services	85,736	140,124	78,378	304,238	41,810	46,581	88,391	392,629
Travel, Conferences, and Meetings	30,671	10,540	2,062	43,273	-	1,912	1,912	45,185
Telephone and Other Communication	13,162	8,416	4,039	25,617	2,132	5,603	7,735	33,352
Occupancy	99,666	69,200	33,342	202,208	14,258	45,090	59,348	261,556
Depreciation and Amortization	297	206	99	602	42	130	172	774
Equipment Rental and Maintenance	901	626	301	1,828	129	394	523	2,351
Supplies and Office Expenses	8,046	5,007	1,953	15,006	309	2,145	2,454	17,460
Publications and Printing	444	-	10,467	10,911	-	-	-	10,911
Postage and Shipping	1,232	398	73	1,703	93	459	552	2,255
Insurance	10,750	7,464	3,596	21,810	1,538	4,694	6,232	28,042
Interest Expense and Bank Fees	7	9	-	16	397	4,311	4,708	4,724
Membership Dues and Subscriptions	1,667	3,474	1,109	6,250	5,532	1,630	7,162	13,412
Bad Debt	-	20,000	-	20,000	-	-	-	20,000
Donated Goods and Services	-	-	-	-	-	19	19	19
Miscellaneous	-	71	-	71	-	175	175	246
Total Functional Expenses	\$ 794,739	\$ 857,137	\$ 315,034	\$ 1,966,910	\$ 243,775	\$ 334,347	\$ 578,122	\$ 2,545,032

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	\$ 654,506	\$ 714,025	\$ 254,128	\$ 1,622,659	\$ 224,562	\$ 328,184	\$ 552,746	\$ 2,175,405

See accompanying Notes to Financial Statements.

**CAMP FIRE
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2023 AND 2022**

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in Net Assets	\$ (722,348)	\$ 1,079,977
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	774	774
Amortization	-	78,462
Bad Debt Expense	20,000	147,227
Impairment Loss on Intangibles	-	39,231
Income on Investments and Trust, Net	(6,769)	(41,606)
Unrealized Loss on Investments, Net	(13,769)	80,765
Change in Value of Trust	(59,400)	199,965
Noncash Grant to Council	1,731	1,200
Loan Forgiveness	-	(337,800)
Effects of Changes in Operating Assets and Liabilities:		
Charter Fees Receivable, Net	6,868	(13,716)
Pledges Receivable, Net	17,406	18,930
Grants Receivable, Net	253,376	(978,376)
Other Receivables	30,830	(31,194)
Merchandise Inventory, Net	44	110
Prepaid Expenses	(6,481)	(8,495)
Accounts Payable and Accrued Liabilities	2,582	(46,845)
Deferred Revenues	931	21,759
Net Cash Provided (Used) by Operating Activities	(474,225)	210,368
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Investments	99,715	-
Net Cash Provided by Investing Activities	99,715	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Note Payable	(10,000)	(10,000)
Net Cash Used by Financing Activities	(10,000)	(10,000)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(384,510)	200,368
Cash and Cash Equivalents - Beginning of Year	1,092,790	892,422
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 708,280	\$ 1,092,790
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid for Interest	\$ -	\$ 10
Loss on Liquidation of Contributed Securities	\$ (21)	\$ 707
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Noncash Long-Term Obligation to Council	\$ 1,731	\$ 1,200

See accompanying Notes to Financial Statements.

CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

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:

1. We are inclusive.
2. We get outdoors.
3. We honor the power of young people.
4. We prioritize relationships.
5. We are learners.
6. We take action.
7. We are responsive.
8. We pursue impact.

CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nature of Operations (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; 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, 2023 AND 2022

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 (FASB) Accounting Standards Codification (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, 2023 AND 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants Receivable

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

Contributions and Pledge Receivables

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

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

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

Program Service Revenue

Exchange transaction revenue from program services, including contractual 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, 2023 AND 2022**

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, 2023 AND 2022**

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, 2023 AND 2022**

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 2023 or 2022 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 Accounting Standards Update (ASU) 2016-02 *Leases (Topic 842)*. This new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Organization adopted the requirements of the guidance effective July 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption.

The Organization has elected to adopt the package of practical expedients available in the year of adoption. The Organization has not elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of the Organization's ROU assets.

The adoption of the standard did not have a material impact on the Organization's financial statements, and therefore, ROU assets and liabilities have not been recorded as of June 30, 2023.

**CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

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.

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:

	2023	2022
Cash and Cash Equivalents	\$ 708,280	\$ 1,092,790
Investments	229,566	308,764
Charter Fees Receivable, Current Portion	9,180	19,854
Pledges Receivable	5,000	22,385
Grants Receivable, Net	725,000	978,376
Accounts Receivable	40,500	71,330
Total Financial Assets	<u>1,717,526</u>	<u>2,493,499</u>
Contractual or Donor Imposed Restrictions:		
Cash Restricted to Specific Uses	200,939	634,986
Grants Receivable	725,000	978,376
Total Restriction Imposed	<u>925,939</u>	<u>1,613,362</u>
Board Designations		
Operating Reserve	229,566	308,764
Total Board Designations	<u>229,566</u>	<u>308,764</u>
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	<u>\$ 562,021</u>	<u>\$ 571,373</u>

In addition, the Organization had available borrowing on its line of credit of \$300,000 at June 30, 2023 and 2022. The Organization's board-designated operating reserve could be made available for expenditures with board approval.

Time related restrictions associated with receivable of \$5,000 and \$22,385 at June 30, 2023 and 2022, respectively, have not been included in the restrictions imposed on financial assets as the amounts are expected to be collected within one year.

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.

**CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

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.

Fair values of assets and liabilities measured on a recurring basis, as of June 30, 2023 and 2022 are as follows:

	June 30, 2023			
	Total	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Leve 2)	Significant Other Inputs (Leve 3)
Mutual Funds				
Equity	\$ 138,486	\$ 138,486	\$ -	\$ -
Fixed Income	77,296	77,296	-	-
Beneficial Interest in Perpetual Trust	914,424	-	-	914,424
Total	<u>\$ 1,130,206</u>	<u>\$ 215,782</u>	<u>\$ -</u>	<u>\$ 914,424</u>

**CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

	June 30, 2022			
	Total	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Leve 2)	Significant Other Inputs (Leve 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

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, 2023 and 2022:

	Beneficial Interest in Perpetual Trust
Balance - June 30, 2021	\$ 1,054,989
Unrealized Losses	(199,965)
Balance - June 30, 2022	855,024
Unrealized Gains	59,400
Balance - June 30, 2023	\$ 914,424

NOTE 4 INVESTMENTS

Investments at June 30, 2023 are as follows:

	Original Cost or Basis	Fair Market Value	Excess of Cost Over Market
Cash and Cash Equivalents	\$ 13,784	\$ 13,784	\$ -
Equity and Fixed Income Mutual Funds	217,156	215,782	(1,374)
Total	\$ 230,940	\$ 229,566	\$ (1,374)

CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 4 INVESTMENTS (CONTINUED)

Investment returns for the year ended June 30, 2023 consist of the following:

Investment Income	\$ 7,065
Net Realized Gain	2,663
Investment Fees	<u>(2,959)</u>
Investment Income - Net	6,769
Net Unrealized Gain	<u>13,769</u>
Total Investment Return	<u><u>\$ 20,538</u></u>

Investments at June 30, 2022 are as follows:

	Original Cost or Basis	Fair Market Value	Excess of Market Over Cost
Cash and Cash Equivalents	\$ 15,593	\$ 15,593	\$ -
Equity and Fixed Income Mutual Funds	<u>308,314</u>	<u>293,171</u>	<u>(15,143)</u>
Total	<u><u>\$ 323,907</u></u>	<u><u>\$ 308,764</u></u>	<u><u>\$ (15,143)</u></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	<u>(3,292)</u>
Investment Income - Net	41,606
Net Unrealized Loss	<u>(80,765)</u>
Total Investment Return	<u><u>\$ (39,159)</u></u>

NOTE 5 PLEDGES RECEIVABLE

Pledges receivable include the following:

	2023	2022
Annual Fund Campaign	<u>\$ 5,000</u>	<u>\$ 22,385</u>
Total Pledges Receivable	5,000	22,385
Less: Unamortized Discount	<u>-</u>	<u>-</u>
Net Pledges Receivable	5,000	22,385
Less: Current Portion	<u>5,000</u>	<u>22,385</u>
Pledges Receivable, Long Term (Net)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 5 PLEDGES RECEIVABLE (CONTINUED)

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:

	2023	2022
Camp Accessibility, Meaningful Participation, and Equal Representation (CAMPER)	\$ 650,000	\$ 1,000,000
Imagine Science Pilot	75,000	-
Total Grants Receivable	725,000	1,000,000
Less: Unamortized Discount	-	21,624
Net Grants Receivable	725,000	978,376
Less: Current Portion (Net)	725,000	600,000
Grants Receivable, Long-Term (Net)	\$ -	\$ 378,376

NOTE 7 OPERATING LEASES

The Organization leased office and warehouse space during 2023 and 2022 under noncancelable operating leases. The lease expires in 2024 and is a short-term lease under ASC 842, and therefore no right of use assets or lease liabilities have been presented on the statement of financial position. Total lease expense was \$259,614 in 2023 and \$188,399 in 2022.

Total rental income from subleases was \$87,559 and \$74,129 in 2023 and 2022, respectively.

NOTE 8 INTANGIBLE ASSETS

Intangible assets consist of software development, corporate branding, and program curriculum. Amortization expense on the assets was \$78,462 during 2022. 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.

**CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

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 \$43,032 in 2023 and \$38,784 in 2022.

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:

	<u>2023</u>	<u>2022</u>
Charter Fees Receivable	\$ 448,679	\$ 455,854
Less: Allowance for Doubtful Accounts	419,000	399,000
Net Collectible Charter Fees Receivable	<u>29,679</u>	<u>56,854</u>
Less: Unamortized Discount	5,748	6,055
Charter Fees Receivable, Net	<u>23,931</u>	<u>50,799</u>
Less: Current Portion	9,180	19,854
Long-Term Charter Fees Receivable, Net	<u><u>\$ 14,751</u></u>	<u><u>\$ 30,945</u></u>

Amounts due in future years and expected to be collected as of June 30, 2023:

<u>Year Ending June 30,</u>	<u>Amount</u>
2024	\$ 9,180
2025	6,479
2026	3,681
2027	4,700
2028	4,800
Thereafter	<u>839</u>
Total	<u><u>\$ 29,679</u></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, at June 30, 2023 or 2022.

Accounts Payable

At June 30, 2023 and 2022, the Organization had accounts payable due to Councils totaling \$49 and \$1,847, respectively.

**CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

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:

	2023	2022
Miscellaneous	\$ 19	\$ 49
Total Contributed Goods and Services	\$ 19	\$ 49

NOTE 12 NET ASSETS WITHOUT DONOR RESTRICTIONS

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

	2023	2022
Board-Designated		
Operating Reserve	\$ 229,566	\$ 308,764
Total Board-Designated Net Assets	229,566	308,764
General Operating	407,767	405,509
Total Net Assets Without Donor Restriction	\$ 637,333	\$ 714,273

NOTE 13 NET ASSETS WITH DONOR RESTRICTIONS

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

	2023	2022
Time Related Restrictions		
Pledges Receivable	\$ -	\$ 22,385
Sponsorship	5,000	-
Total Net Assets with Time Related Restrictions	\$ 5,000	\$ 22,385
Purpose Related Restrictions		
Imagine Science Pilot	\$ 75,000	\$ -
Camp Diversity and Inclusion	850,939	1,613,362
Total Net Assets With Donor Purpose Related Restrictions	\$ 925,939	\$ 1,613,362

During the years ended June 30, 2023 and 2022, net assets of \$1,056,928 and \$496,959, respectively, were released from donor restrictions by satisfying the time or purpose restrictions as stipulated by the donors.

**CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 13 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

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

	2023	2022
James Humphrey Wilkinson Perpetual Trust	\$ 914,424	\$ 855,024
Total Net Assets With Donor Restrictions Perpetual in Nature	\$ 914,424	\$ 855,024

NOTE 14 LINE OF CREDIT AND LONG-TERM DEBT

Line of Credit

The Organization has a secured line of credit that allows for borrowings of up to \$300,000, maturing January 23, 2024. The line is 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 (8.25% and 4.75% at June 30, 2023 and 2022, respectively). As of June 30, 2023 and 2022, there were no outstanding borrowings under the line of credit.

Long-Term Debt

In February 2021, the Organization was granted a Paycheck Protection Program (the PPP Loan) note through the U.S. 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 SBA. 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.

The SBA 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.

**CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

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

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, 2023 and 2022 was \$25,000 and \$33,269, respectively. The note was paid off in full on July 5, 2023.

The Organization incurred interest expense of \$-0- and \$10 for the years ended June 30, 2023 and 2022, respectively.

NOTE 15 CONCENTRATIONS OF RISK

At June 30, 2023, two councils made up 85% of the \$29,748 net charter fees receivable. At June 30, 2022, three councils made up 81% of the \$50,799 net charter fees receivable.

During the year ended June 30, 2023, one donor made up 54% of the total contribution revenue. There were no concentrations in contribution revenue for the year ended June 30, 2022.

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 \$469,046 and \$878,956 in excess of FDIC limits at June 30, 2023 and 2022, 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 \$-0- and \$2,440 for the years ended June 30, 2023 and 2022, respectively.

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.

**CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 17 CHARTER FEE REVENUE (CONTINUED)

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 \$25,386 and \$26,247 for the years ended June 30, 2023 and 2022, respectively. The performance obligations connected with the charter contract are recognized over time, over the course of the annual charter fee period.

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:

	2023	2022
Deferred Revenue, Beginning of Year	\$ 89,194	\$ 67,435
Collections of Charter Fees	180,250	186,315
Charter Fee Revenue Recognized	(179,319)	(164,556)
Deferred Revenue, End of Year	\$ 90,125	\$ 89,194

NOTE 18 CONTRACTUAL SERVICES

The Organization may provide consulting services on a contract basis to affiliated councils. Revenues are earned over time as the service is provided, and are billed monthly, at the beginning of each month. There are no discounts provided in the agreement, and services may be terminated without penalty by either party. The Organization believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation. There are no deferred revenues or receivables recognized for the services at either the beginning or end of the years ended June 30, 2023 or 2022.

CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 19 BENEFICIAL INTEREST IN PERPETUAL TRUST

In 1976, the Organization was named as a beneficiary of a perpetual trust. Under the terms of the trust, the Organization is designated to receive 2.5% of the annual income of the trust with no corresponding transfer of trust assets. The Organization received trust income, the use of which is without donor restrictions, of \$40,000 in 2023 and 2022.

At the time the Organization was notified of the trust, its share of the fair value of the trust assets was \$538,080 and was reflected in the statements of activities as a permanently restricted contribution. Changes in the fair value of the Organization's interest in the trust assets are reflected as unrealized gains or losses in the statements of activities in the year in which they take place. The gain on this trust amounted to \$59,400 and a loss of \$199,965 for the years ended June 30, 2023 and 2022, respectively. The Organization's share in the trust had a value of \$914,424 and \$855,024 at June 30, 2023 and 2022, respectively.

NOTE 20 HALL FAMILY FOUNDATION GIFT

In 2005, the Hall Family Foundation pledged \$500,000 to the Greater Kansas City Community Foundation, with the Organization named as a conditional beneficiary of the fund's earnings. The Organization is eligible to receive a portion of the earnings on the investment equal to 5% for supplemental funding of its rent expense as long as it is headquartered in downtown Kansas City, Missouri. In 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 2023 and 2022, the Organization received \$25,931 and \$26,619, respectively, which is included as contributions and grants revenue.

NOTE 21 CONTINGENCIES

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

A lawsuit was filed against the Organization and a formerly affiliated council in March 2023. No conclusion has been formed as to whether an unfavorable outcome in this matter could be either probable or remote, nor can an estimate of a potential loss, if any, be currently formed.

**CAMP FIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 22 CO-EMPLOYMENT 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 \$1,380,365 and \$1,192,313 to the service providers for the years ended June 30, 2023 and 2022, respectively, for salaries and payroll related costs. In addition, the Organization paid \$25,869 and \$19,667 to service providers for the years ended June 30, 2023 and 2022, respectively, for service fees.

NOTE 23 SUBSEQUENT EVENTS

Management evaluated subsequent events through November 7, 2023, the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2023, but prior to November 7, 2023, that provided additional evidence about conditions that existed at June 30, 2023, have been recognized in the 2023 financial statements.

NOTE 24 RECLASSIFICATIONS

Certain reclassifications have been made to the 2022 financial statements to conform to the presentation utilized in the 2023 financial statements. This has not resulted in any changes in the previously reported net assets or changes in net assets.



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