

TEXAS LIONS CAMP, INC.

FINANCIAL STATEMENTS
FOR THE YEARS ENDED
SEPTEMBER 30, 2021 AND 2020
AND SUPPLEMENTAL SCHEDULE

INDEPENDENT AUDITORS' REPORT

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
Statements of Financial Position	3
Statements of Activities	4
Statement of Functional Expense	5
Statements of Net Assets	6
Statements of Cash Flows	7
Notes to the Financial Statements	8
Supplemental Schedule of Budgeted and Budgetary Actual Sources and Uses of Funds	27

DAVIDSON • FREEDLE
ESPENHOVER & OVERBY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Texas Lions Camp, Inc.
Kerrville, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of Texas Lions Camp, Inc. (a nonprofit organization), which comprise the statements of financial position as of September 30, 2021 and 2020, and the related statements of activities, statements of functional expenses, statements of net assets, and statements of cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the 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

Patrick L. Freedle, CPA • Greg Espenhover, CPA • Kerwin L. Overby, CPA
Sherrie E. Gold, CPA • Mandy Langbein, CPA • Keith A. Theis, CPA

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 Texas Lions Camp, Inc. as of September 30, 2021 and 2020, and the changes in its activities, its functional expenses, 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.

Other Matter

Our audits were conducted for purpose of forming an opinion on the financial statements as a whole. The accompanying Supplemental Schedule of Budgeted and Budgetary Actual Sources and Uses of Funds for the year ended September 30, 2021 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information, except for that portion marked "budget" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Davidson, Freedle, Eschenhaver + Oberly, P.C.

Kerrville, Texas
January 26, 2022

TEXAS LIONS CAMP, INC.STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>	<u>Change</u>
ASSETS			
CASH	\$ 4,754,394	\$ 2,971,816	\$ 1,782,578
ACCOUNTS RECEIVABLE - Dues and other	71,026	109,555	(38,529)
INVESTMENTS	21,276,652	18,838,669	2,437,983
OTHER ASSETS	82,057	90,640	(8,583)
UNCONDITIONAL PROMISES TO GIVE, NET - with donor restrictions	146,247	65,580	80,667
INVESTMENTS - with donor restrictions	7,833,221	4,574,093	3,259,128
PROPERTY AND EQUIPMENT, net of accumulated depreciation of \$10,637,512 and \$10,576,247	5,230,043	5,000,840	229,203
UNCONDITIONAL PROMISES TO GIVE, NET - with donor restrictions, held in perpetuity	7,640	7,640	-
BENEFICIAL INTERESTS IN TRUSTS - with donor restrictions	2,396,908	2,876,444	(479,536)
LONG-TERM ENDOWMENT INVESTMENTS - with donor restrictions	9,082,550	8,971,870	110,680
TOTAL	<u>\$ 50,880,738</u>	<u>\$ 43,507,147</u>	<u>\$ 7,373,591</u>
LIABILITIES AND NET ASSETS			
LIABILITIES:			
Accounts payable	\$ 592,315	\$ 24,632	\$ 567,683
Annuity payable	62,932	68,129	(5,197)
Total Liabilities	<u>655,247</u>	<u>92,761</u>	<u>562,486</u>
NET ASSETS:			
With donor restrictions, held in perpetuity			
Endowment fund	9,090,190	8,979,510	110,680
With donor restrictions			
Operations and capital expenditures	1,784,906	858,692	926,214
Time restricted designated as Trust funds	2,396,908	2,876,444	(479,536)
Unappropriated endowment fund appreciation	6,194,562	3,780,981	2,413,581
Without donor restrictions:			
Designated as Trust funds	19,463,830	16,843,753	2,620,077
Designated for land and buildings	4,966,138	4,657,455	308,683
Undesignated	6,328,957	5,417,551	911,406
Total Net Assets	<u>50,225,491</u>	<u>43,414,386</u>	<u>6,811,105</u>
TOTAL	<u>\$ 50,880,738</u>	<u>\$ 43,507,147</u>	<u>\$ 7,373,591</u>

TEXAS LIONS CAMP, INC.STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>	<u>Change</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS			
Support:			
Lions membership dues	\$ 438,996	\$ 497,143	\$ (58,147)
Lions Century Club	191,001	202,185	(11,184)
Lions 100% participation	162,751	195,695	(32,944)
Contributions	436,209	173,740	262,469
Other support	869,960	807,434	62,526
Non-Lion donations	31,036	96,946	(65,910)
Total support without donor restrictions	<u>2,129,953</u>	<u>1,973,143</u>	<u>156,810</u>
Revenue:			
Other program fees	172,561	184,095	(11,534)
Sale of promotional items	18,042	21,908	(3,866)
Investment income - mineral	202,454	383,280	(180,826)
Investment income including net unrealized gains and losses	3,024,870	1,495,041	1,529,829
Total revenue without donor restrictions	<u>3,417,927</u>	<u>2,084,324</u>	<u>1,333,603</u>
Net assets released from donor restrictions	<u>1,012,405</u>	<u>442,731</u>	<u>569,674</u>
TOTAL SUPPORT AND REVENUE WITHOUT DONOR RESTRICTIONS	<u>6,560,285</u>	<u>4,500,198</u>	<u>2,060,087</u>
PROGRAM SERVICE EXPENSES	<u>2,046,433</u>	<u>1,925,908</u>	<u>120,525</u>
SUPPORTING SERVICES EXPENSES			
General administration	512,715	541,288	(28,573)
Fund raising	160,971	178,492	(17,521)
Total supporting services expenses	<u>673,686</u>	<u>719,780</u>	<u>(46,094)</u>
TOTAL EXPENSES	<u>2,720,119</u>	<u>2,645,688</u>	<u>74,431</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>3,840,166</u>	<u>1,854,510</u>	<u>1,985,656</u>
DONOR RESTRICTED NET ASSETS			
Contributions	1,018,065	2,289,908	(1,271,843)
Net endowment investment income (loss)	2,566,840	748,807	1,818,033
Net investment income beneficial interests in trusts	287,759	82,452	205,307
Net assets released from donor restrictions	<u>(1,012,405)</u>	<u>(442,731)</u>	<u>(569,674)</u>
CHANGE IN DONOR RESTRICTED NET ASSETS	<u>2,860,259</u>	<u>2,678,436</u>	<u>181,823</u>
DONOR RESTRICTED NET ASSETS-HELD IN PERPETUITY			
Endowment fund contributions	<u>110,680</u>	<u>64,501</u>	<u>46,179</u>
CHANGE IN DONOR RESTRICTED NET ASSETS-HELD IN PERPETUITY	<u>110,680</u>	<u>64,501</u>	<u>46,179</u>
CHANGE IN TOTAL NET ASSETS	<u>\$ 6,811,105</u>	<u>\$ 4,597,447</u>	<u>\$ 2,213,658</u>

TEXAS LIONS CAMP, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	2021				2020			
	Program Services	Supporting Services	Fundraising	Total Expenses	Program Services	Supporting Services	Fundraising	Total Expenses
Accounting and legal	\$ 6,559	\$ 19,677	\$ -	\$ 26,236	\$ 6,527	\$ 19,581	\$ -	\$ 26,108
Advertising	23,885	228	-	24,113	5,409	150	-	5,560
Bad debt expense	-	-	-	-	-	-	-	-
Bank fees	2,647	6,534	-	9,181	1,277	2,645	-	3,922
Board meeting expenses	6,894	20,683	-	27,577	5,241	15,722	-	20,963
Camp activities	70,239	-	-	70,239	45,444	-	-	45,444
Computer services	5,350	16,050	-	21,400	3,680	11,040	-	14,720
Depreciation	441,165	53,155	-	494,320	455,335	55,078	-	510,413
Development expenses	15,455	-	46,376	61,831	22,885	-	70,557	93,442
Dining hall food and supplies	59,815	-	-	59,815	18,932	-	-	18,932
Dues / Subscriptions	17,358	14,609	-	31,967	13,953	15,798	-	29,751
Employee benefits	141,492	74,972	-	216,464	133,876	70,905	-	204,781
Equestrian expenses	47,524	-	-	47,524	47,044	-	-	47,044
Insurance and licenses	183,950	39,860	-	223,810	137,878	35,654	-	173,532
Janitorial	17,720	-	-	17,720	9,690	-	-	9,690
Laundry and linens	8,416	-	-	8,416	-	-	-	-
Medical expense and supplies	238	-	-	238	12,408	-	-	12,408
Miscellaneous	5,735	32,798	-	38,533	15,537	42,007	-	57,544
Office supplies and expense	6,674	3,167	-	9,841	9,305	6,557	-	15,862
Payroll service fees	25,399	10,885	-	36,284	18,211	7,805	-	26,016
Payroll taxes	51,929	12,728	7,990	72,647	43,836	15,010	7,529	66,375
Postage and delivery	8,894	7,475	-	16,369	29,619	10,280	-	39,899
Printing	9,541	2,080	-	11,621	9,715	5,804	-	15,519
Repairs and maintenance	124,126	15,979	-	140,105	124,745	15,476	-	140,221
Salaries	649,992	163,233	106,605	919,830	653,448	197,424	100,406	951,278
Store inventory	14,442	-	-	14,442	22,694	-	-	22,694
Taxes	1,107	288	-	1,395	745	423	-	1,168
Training / Certifications	9,208	-	-	9,208	270	-	-	270
Travel	3,112	-	-	3,112	14,913	-	-	14,913
Utilities	80,339	18,314	-	98,653	61,671	13,929	-	75,600
Work weekend	7,228	-	-	7,228	1,620	-	-	1,620
	<u>\$ 2,046,433</u>	<u>\$ 512,715</u>	<u>\$ 160,971</u>	<u>\$ 2,720,119</u>	<u>\$ 1,925,908</u>	<u>\$ 541,288</u>	<u>\$ 178,492</u>	<u>\$ 2,645,688</u>

TEXAS LIONS CAMP, INC.

STATEMENTS OF NET ASSETS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	TOTAL	WITHOUT DONOR RESTRICTIONS - UNDESIGNATED	WITHOUT DONOR RESTRICTIONS - DESIGNATED FOR CERTAIN LAND AND BUILDINGS	WITHOUT DONOR RESTRICTIONS - DESIGNATED AS TRUST FUNDS	WITH DONOR RESTRICTIONS - OPERATIONS AND CAPITAL EXPENDITURES	WITH DONOR RESTRICTIONS - TIME RESTRICTED DESIGNATED AS TRUST FUNDS	WITH DONOR RESTRICTIONS - ENDOWMENT FUND EARNINGS AND NET APPRECIATION	WITH DONOR RESTRICTIONS - HELD IN PERPETUITY
NET ASSETS - SEPTEMBER 30, 2019	\$ 38,816,939	\$ 4,745,959	\$ 4,838,027	15,480,263	\$ 510,189	\$ 1,089,710	\$ 3,237,782	\$ 8,915,009
CHANGE IN NET ASSETS	<u>4,597,447</u>	<u>671,592</u>	<u>(180,572)</u>	<u>1,363,490</u>	<u>348,503</u>	<u>1,786,734</u>	<u>543,199</u>	<u>64,501</u>
NET ASSETS - SEPTEMBER 30, 2020	43,414,386	5,417,551	4,657,455	16,843,753	858,692	2,876,444	3,780,981	8,979,510
CHANGE IN NET ASSETS	<u>6,811,105</u>	<u>911,406</u>	<u>308,683</u>	<u>2,620,077</u>	<u>926,214</u>	<u>(479,536)</u>	<u>2,413,581</u>	<u>110,680</u>
NET ASSETS - SEPTEMBER 30, 2021	<u>\$ 50,225,491</u>	<u>\$ 6,328,957</u>	<u>\$ 4,966,138</u>	<u>\$ 19,463,830</u>	<u>\$ 1,784,906</u>	<u>\$ 2,396,908</u>	<u>\$ 6,194,562</u>	<u>\$ 9,090,190</u>

TEXAS LIONS CAMP, INC.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 6,811,105	\$ 4,597,447
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	494,320	510,413
(Recovery) Provision for uncollectible promises to give	3,851	(377)
Discount on promises to give	985	(4,292)
Amortization of annuity	7,304	6,967
Donated materials and services	(1,166)	(32,452)
Net (gain) loss on disposal of assets	32,798	42,007
Realized and unrealized investment (gains) losses	(5,241,736)	(1,767,112)
Decrease (Increase) in other accounts receivable	38,530	135,805
Decrease (Increase) in unconditional promises to give	(85,501)	8,200
Decrease (Increase) in other assets	(32,669)	23,205
Decrease (Increase) in beneficial interests in trusts	479,536	(1,786,734)
(Decrease) Increase in accounts payable	567,683	(33,321)
Contributions restricted for long-term investment	(110,680)	(64,501)
Contributions restricted for investment in property, equipment, and other	<u>(1,496,441)</u>	<u>(261,524)</u>
Net cash provided by operating activities	<u>1,467,919</u>	<u>1,373,730</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net (increase) decrease in investments	(653,704)	(567,122)
Purchase of property and equipment	<u>(713,909)</u>	<u>(315,537)</u>
Net cash used by investing activities	<u>(1,367,613)</u>	<u>(882,659)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contributions received restricted to investment in endowment	110,680	64,501
Contributions received restricted to investment in property, equipment, and other	1,496,441	261,524
Payments on annuity payable	<u>(12,501)</u>	<u>(12,502)</u>
Net cash provided by financing activities	<u>1,594,620</u>	<u>313,523</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,694,926	804,594
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>3,684,181</u>	<u>2,879,587</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 5,379,107</u>	<u>\$ 3,684,181</u>

TEXAS LIONS CAMP, INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business description – The Texas Lions Camp, Inc. (the “Camp”) was incorporated on April 4, 1949. The Camp was formed to support, maintain, and conduct without charge a children's camp as authorized by the Texas Non-Profit Corporation Act.

Basis of accounting – The Camp prepares its financial statements on the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when the obligations are incurred.

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB), Accounting Standards Codification (ASC) 958, and the provisions of the American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide for Not for Profit Organizations (“the Guide”).

Under provisions of the Guide, net assets are revenues and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Camp and changes therein are classified 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 Camp. The Camp’s board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Camp or by the passage of time. Other donor restrictions are perpetual in nature where by the donor has stipulated the funds be maintained in perpetuity.

Fund accounting – The accounts of the Camp are maintained in accordance with the principles of fund accounting. Under fund accounting, resources are classified for accounting purposes into various funds established according to their nature and purpose. The financial statements of the Camp have been prepared utilizing the accrual basis of accounting.

Contributions – Contributions received, including unconditional promises to give, are recorded with donor restrictions or without donor restrictions depending on the existence and/or nature of any donor-imposed restrictions. Amounts received that are designated for future periods are reported support with donor restrictions that increases net assets with donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor upon satisfaction of the time or purpose restrictions.

Annuity Payable –An annuity payable is recorded at the present value of expected future payments based on the life expectancy of the donor and the prevailing interest rate. Payments are made quarterly.

Beneficial Interests in Trusts –The Camp is the beneficiary of several split interest arrangements. Contributions of trust interest that are unconditional and irrevocable are recognized as contribution revenue using the fair market value of the gift based on the expected future cash flows of the gift when sufficient information is available to measure the beneficial interest. Changes in the value of the trusts are reported in the statement of activities as increases/(decreases) in donor restricted net assets.

Donated property and labor – Donated property, marketable securities and other non-cash donations are recorded as contributions at their estimated market value at the date of donation. Volunteers contribute time to the activities of the Camp without compensation. Unless the criteria for recognition of such volunteer effort under ASC 958-605-25-16 has been satisfied, the financial statements do not reflect the value of those contributed services because, although clearly beneficial, no reliable basis exists for determining an appropriate amount to be associated with certain volunteer services rendered. Contributed services are recognized according to ASC 958-605-25-16 when the services received create or enhance nonfinancial assets or require specialized skills that would need to be purchased if not provided by donation.

Investments – Investments are carried at fair market value. Investment income gains and losses are reported as increases or decreases in net assets without donor restrictions or with donor restrictions based on the nature of the original investment.

New Accounting Pronouncements – On October 1, 2020, the Camp adopted Accounting Standard Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606). Topic 606 supersedes the revenue recognition requirements in FASB ASC 605, Revenue Recognition, and requires the recognition of the revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services.

Most of the Camp's revenue is generated from contributions, grants, and investments which do not come under the scope of this standard. However, the Camp Store revenue does fall within the scope of the standard. Camp Store revenue is generated through the sales of souvenirs and other camp related products. These sales contain a single delivery

element and revenue is recognized at a single point in time when ownership, risks and rewards transfer. The Camp used the modified retrospective method and there was no effect to opening net assets without donor restrictions or opening net assets with donor restrictions as of October 1, 2020. In comparison to the year ended September 30, 2020, there was no effect of adopting the new accounting principle in 2021. Accordingly, no adjustment was necessary.

On October 1, 2020, the Camp also adopted ASU 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement. This update improves the effectiveness of disclosures about fair value measurements required under Topic 820. There was no effect of adopting the new accounting principle on nets assets.

Property and equipment – are stated at cost except for donated equipment that is stated at fair market value at date of receipt. The cost of major renewal and betterments are capitalized. Expenditures for maintenance and repairs and for minor renewals and betterments are charged to expenses.

Income taxes – The Camp is a 501(c)(3) organization exempt from federal income tax as provided under the Internal Revenue Code and therefore has no provision for federal income taxes. The Camp has no material unrecognized tax positions due to uncertainties in income tax positions as of September 30, 2021 and 2020. If the Camp incurs any interest or penalties related to taxes, they are included in tax expense in the period incurred. For federal income tax purposes, the returns essentially remain open for possible examination for a period of three years after the respective filing deadlines for those returns.

Cash and cash equivalents – For purposes of reporting cash flows, cash equivalents include time deposits, and all highly liquid debt instruments with original maturities of three months or less which are not restricted for long-term purposes (see note 2). The following table provides a reconciliation of cash, cash equivalents and restricted cash reported on the statement of financial position that sum to the total of the same such amount on the statement of cash flows as of September 30, 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Cash	\$ 4,754,394	\$ 2,971,816
Money market investment accounts	624,713	712,365
Cash and cash equivalents	<u>\$ 5,379,107</u>	<u>\$ 3,684,181</u>

Promises to give – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue.

The Camp uses the allowance method to determine uncollectible promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made. Changes in the allowance for uncollectible promises to give are recorded against contribution revenue in the year of the change.

Use of estimates – 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 and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses – The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activity. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Date of Management's Review - Management has evaluated subsequent events through January 26, 2022, which is the date the financial statements were available to be issued.

2. INVESTMENTS

The Camp carries investments at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

The Camp's investments at September 30, 2021 and 2020, consist of securities held at J. P. Morgan and U.S. Trust and certain other investments and are categorized as follows:

	2021		2020	
	Cost	Value	Cost	Value
Money Market	\$ 1,060,421	\$ 1,060,421	\$ 1,266,882	\$ 1,266,882
Debt Securities	7,432,951	9,604,838	7,394,816	8,809,480
Equity Securities	15,342,202	21,819,803	15,039,905	17,856,084
Other	4,617,708	5,707,361	3,528,368	4,452,186
Total	<u>\$ 28,453,282</u>	<u>\$ 38,192,423</u>	<u>\$ 27,229,971</u>	<u>\$ 32,384,632</u>

Of the investments listed above, \$9,082,550 and \$8,971,870 are net assets with donor restrictions-held in perpetuity (endowment fund) and \$7,833,221 and \$4,574,093 are net assets with donor restrictions as of September 30, 2021 and 2020, respectively.

The following schedule summarizes the investment returns and classification in the Statement of Activities for the year ended September 30, 2021.

	2021		
	Without donor restrictions	With donor restrictions	Total
Interest and dividends	\$ 340,615	\$ 225,605	\$ 566,220
Oil and gas income	202,454	-	202,454
Realized gains (losses)	436,594	296,124	732,718
Unrealized gains (losses)	2,391,561	2,117,458	4,509,019
Investment fees	(143,900)	(72,347)	(216,247)
	<u>\$ 3,227,324</u>	<u>\$ 2,566,840</u>	<u>\$ 5,794,164</u>

The following schedule summarizes the investment returns and classification in the Statement of Activities for the year ended September 30, 2020.

	2020		
	Without donor restrictions	With donor restrictions	Total
Interest and dividends	\$ 407,332	\$ 262,894	\$ 670,226
Oil and gas income	383,280	-	383,280
Realized gains (losses)	13,943	1,446	15,389
Unrealized gains (losses)	1,209,970	541,753	1,751,723
Investment fees	(136,204)	(57,286)	(193,490)
Total	<u>\$ 1,878,321</u>	<u>\$ 748,807</u>	<u>\$ 2,627,128</u>

3. BENEFICIAL INTERESTS IN TRUSTS

The Camp has been named as a beneficiary in several split interest agreements including charitable remainder trusts and charitable lead trusts. During fiscal years 2020 and 2021, the Camp obtained all the necessary information to record the beneficial interest in trusts and donor restricted contributions related to these agreements.

The Camp is a remainder beneficiary of two charitable remainder trusts, which were established with a bank trust department upon the death of the trust settlors. Two income beneficiaries are to receive a set annuity each year equal to a percentage of the net fair market value of the trust assets as of the date of the trust's creation. Upon the death of each beneficiary, fifty percent of the remaining principal is to be distributed to the Camp. On an

annual basis, the Camp revalues the asset based on applicable mortality tables and current market conditions. Changes in the value of the trusts have been reported in the statement of activities as increases in donor restricted net assets.

The Camp is named as a percentage beneficiary of three perpetual charitable trusts. The trusts were established with bank trust departments upon the death of the trust settlors. The Camp is receiving quarterly or annual payments from the trusts in perpetuity. An asset for the beneficial interest in the trusts is being recognized at the present value of the expected cash flow payments discounted at rates from 2% to 6.5%. The distributions received from the trusts have been reported in the statement of activities as investment income and the change in the value of the trusts have been reported as gains and losses - donor restricted.

The Camp is named as a thirty percent beneficiary of a charitable lead trust. The trust was established with a bank trust department upon the death of the trust settlor. The beneficiaries of the trust, including the Camp, received quarterly distributions from the trust. In 2021, the last non charity beneficiary died and per the trust agreement, the trust terminated. The Camp received a final distribution of \$699,382 in 2021.

The Camp is named as a forty percent beneficiary of a charitable lead trust. The trust was established with a bank trust department upon the death of the trust settlor. The beneficiaries of the trust, including the Camp, will receive distributions. However, the remaining beneficiary died in 2019. The Trust will operate for five years from that date and then distribute forty percent to the Camp. An asset for the beneficial interest in the trust is being recognized at the present value of the trust assets less the present value of the expected annuity payments discounted at a rate of 1.3%. The fair value of the Camp's interest in the trust is estimated at \$1,709,452 which is recorded on September 30, 2020. Future distributions received from the trust will be recorded as a reduction in the value of the beneficial interest in the trust and a corresponding reclassification from donor restricted to without donor restricted net assets. The change in the value of the trust is reported in the statement of activities as a change in value of beneficial interests in trusts.

Beneficial interests in trusts are as follows:

	2021	2020
Charitable remainder trusts	\$ 346,667	\$ 260,114
Beneficial interests in perpetual trusts	202,707	337,899
Beneficial interest in charitable lead trust	1,847,534	2,278,431
Beneficial interests in trusts end of year	<u>\$ 2,396,908</u>	<u>\$ 2,876,444</u>

Statement of Activities:

	2021	2020
Contributions-donor restricted	\$ -	\$ 1,709,452
Distributions reported as investment income	10,112	11,344
Change in value of beneficial interests-donor restricted	422,950	49,328
Gain (loss) of beneficial interests-donor restricted	(135,191)	33,124
Income from beneficial interests in trusts	<u>\$ 297,870</u>	<u>\$ 1,803,248</u>

4. FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board Accounting Standards Codification, *Fair Value Measurements and Disclosures* (FASB ASC 820), establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Various inputs are used in determining fair value. The three levels inputs of the fair value hierarchy under FASB ASC 820 are described below:

Level 1- Quoted prices for identical assets or liabilities in active markets that the Camp has the ability to access.

Level 2- Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.) If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Significant, unobservable inputs (including the Camp’s own assumptions in determining the fair value of investments).

The asset’s or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any 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.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at September 30, 2021 and 2020.

Level 1 Measurements

Money market funds, debt securities, equity securities, and other investments consist of investments in individual assets of the types noted as well as investments in mutual funds and other investment vehicles that invest in assets of certain types. The individual securities and the other investment vehicles are valued at the closing price reported on the active market on which the individual securities are traded. Mutual funds are valued at the quoted net asset value (“NAV”) of shares held by the plan at year end.

Level 3 Measurements

Certain other investment assets are comprised of mineral interests and beneficial interests in trusts. Mineral interests are valued at the estimated present value of future net royalty income which approximates fair value and investment property that is valued at donated cost which approximates fair value. Beneficial interests in trusts are valued at the net present value of their income streams which approximates fair value. The Camp considers the measurement of its beneficial interests in the trust to be a level 3 measurement within the fair value hierarchy because the Camp does not have the ability to direct the trustee on management of the trust assets or redemption. See Note 3 for quantitative information about this level 3 fair value measurement.

Unrealized gains and losses on level 3 assets are reported in the accompanying statement of activities as a component of investment income in support and revenue without donor restrictions. For the mineral interest, total unrealized gains / (losses) totaled (\$543,678) and \$419,140 in 2021 and 2020, respectively, and there were no transfers, purchases, issues sales or settlements. For the beneficial interest in trusts, total unrealized gains / (losses) for the beneficial interest in trusts totaled \$287,759 and \$82,452 in 2021 and 2020, respectively. In 2021, there were no transfers in and \$767,295 transferred out. In 2020, there was a transfer in of \$1,709,452 and a transfer out of \$5,170.

The following table sets forth by level, within fair value hierarchy, the Camp's assets at fair value:

Assets at Fair Value as of September 30, 2021:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)	Total
<u>Recurring fair value measurements:</u>			
Money market funds	\$ 1,060,421		\$ 1,060,421
Debt securities	9,604,838		9,604,838
Equity securities	21,819,804		21,819,804
Beneficial interests in trusts		\$ 2,396,908	2,396,908
Other	5,102,103	605,257	5,707,361
Total	<u>\$ 37,587,166</u>	<u>\$ 3,002,165</u>	<u>\$ 40,589,331</u>

Assets at Fair Value as of September 30, 2020:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)	Total
<u>Recurring fair value measurements:</u>			
Money market funds	\$ 1,266,882		\$ 1,266,882
Debt securities	8,809,480		8,809,480
Equity securities	17,856,083		17,856,084
Beneficial interests in trusts		\$ 2,876,444	2,876,444
Other	3,303,252	1,148,935	4,452,187
Total	<u>\$ 31,235,697</u>	<u>\$ 4,025,379</u>	<u>\$ 35,261,076</u>

4. PROMISES TO GIVE

Unconditional promises to give at September 30, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Dues and other receivables	\$ 71,026	\$ 109,555
Capital and other pledges		
with donor restrictions, net of allowance		
of \$6,998 in 2021 and \$3,150 in 2020	148,503	66,850
Endowment pledges with donor restrictions-		
held in perpetuity, net of allowance of		
\$360 in 2021 and \$360 in 2020	<u>7,640</u>	<u>7,640</u>
Unconditional promises to give before		
unamortized discount	227,169	184,085
Less unamortized discount –		
With donor restrictions-capital and other		
pledges	<u>(2,256)</u>	<u>(1,270)</u>
Net unconditional promises to give	<u>\$ 224,913</u>	<u>\$ 182,775</u>

Unconditional promises to give as of
September 30, 2021 due in:

Less than one year	\$ 141,777
One to five years	<u>92,750</u>
Subtotal	234,527
Less: Unamortized discount	(2,256)
Allowance for uncollectible pledges	<u>(7,358)</u>
	<u>\$ 224,913</u>

For the years ended September 30, 2021 and 2020, the discount rate applied to promises to give that are expected to be collected in future years was approximately 0.46%.

5. PROPERTY AND EQUIPMENT

For the fiscal years ended September 30, 2021 and 2020, the Camp recorded depreciation expense in the amount of \$494,320 and \$510,413, respectively. Depreciation is computed on a straight-line basis over the estimated useful lives of the property and equipment.

The cost and estimated useful lives as of September 30, 2021 and 2020 are as follows:

	2021 Cost or Donated Value	2020 Cost or Donated Value	Estimated Useful Life In Years
Construction in progress	\$ 1,248,823	\$ 545,007	
Land	87,488	87,488	
Land improvements	1,254,291	1,254,291	10 - 33
Buildings	8,491,511	8,893,193	33 - 39
Campsites, roads, walks and other ground improvements	2,933,525	2,923,683	15 - 33
Furniture and fixtures	356,820	357,551	10
Equipment	802,409	803,909	10
Computer equipment	130,105	117,289	6
Vehicles	562,563	594,676	5
Total	<u>15,867,555</u>	<u>15,577,087</u>	
Less: Accumulated depreciation	<u>(10,637,512)</u>	<u>(10,576,247)</u>	
Net	<u>\$ 5,230,023</u>	<u>\$ 5,000,840</u>	

6. LINE OF CREDIT

In June 2021, the Camp obtained a \$7,550,000 line of credit from Bank of America to help finance construction of new facilities at the Camp. This line is collateralized by the Camp's trust investment accounts held by Bank of America. Interest is payable monthly at an interest rate of 1.1% over the Bloomberg Short-Term Bank Yield Index Floating Rate. No borrowings occurred during 2021 and none have occurred through the date of the independent auditors' report.

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of cash, beneficial interests in trusts, and unconditional promises to give at September 30, 2021 and 2020.

Subject to expenditure for specified purpose:	2021	2020
Expenditures for operations	\$ 59,698	\$ 45,933
Capital improvements	1,725,208	812,759
	<u>1,784,906</u>	<u>858,692</u>
Subject to the passage of time:		
For periods after September 30, 2021	<u>2,396,908</u>	<u>2,876,444</u>
Subject to the Camp's spending policy and appropriation:		
Unappropriated endowment earnings	<u>6,194,562</u>	<u>3,780,981</u>
Total net assets with donor restrictions	<u>\$ 10,376,376</u>	<u>\$ 7,516,117</u>

The time restricted beneficial interests in trust are Board designated testamentary gifts received by the Camp, not specifically designated for any other purpose and are deemed to have been received by the Trust fund. See Note 9.

Releases from donor restricted net assets for the years ended September 30, 2021 and 2020, are as follows:

	2021	2020
Expenditures for operations	\$ 91,851	\$ 12,651
Capital improvements	-	5,602
Appropriated endowment earnings	153,259	205,608
Paycheck protection program ("PPP") loan	-	209,200
Donated materials	-	4,500
Trust distribution	767,295	5,170
Total net assets with donor restrictions released	<u>\$ 1,012,405</u>	<u>\$ 442,731</u>

8. NET ASSETS - ENDOWMENT FUND

The Camp is subject to the State of Texas' Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) and ASC 958-205-45-28, *Endowments of Not-for Profit organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowed Funds*. The Board of Directors has determined that some of its net assets are endowment funds as defined by UPMIFA. Most contributions are subject to the Texas Lions Camp Governing Instrument. Certain contributions are received subject to other trust instruments, or are subject to specific agreements with the Camp.

Under the terms of the of the Governing Instrument, the Board of Directors has the ability to distribute so much of the corpus of any trust or separate gift, devise, bequest, or fund as the Board shall determine.

In accordance with UPMIFA, the organization considers the following factors in making determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund.
2. The purposes of the organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and appreciation of investments
6. Other resources of the organization
7. The investment policies of the organization

Contributions that are subject to other gift instruments may be recorded with donor restrictions or without donor restrictions, depending on the specific terms of the agreement. Generally, if the corpus of the contribution will at some future time become available for spending it is recorded with donor restrictions, if the corpus never becomes available for spending it will be reported with donor restrictions-held in perpetuity. In addition, contributions that are promised to be given in a future period are presented with donor restrictions until the payments are due.

The Camp has the objective to maintain the purchasing power of its endowments over time while generating income for operations. The Camp's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes.

The current spending policy calls for the appropriation and expenditure of the net income of the endowment investments, exclusive of the net realized and unrealized appreciation. Upon authorization of the Board, any realized and unrealized appreciation can be appropriated.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Camp to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America, deficiencies of this nature are reported as net assets without donor restrictions. There are no such deficiencies as of September 30, 2021 and 2020.

Changes in endowed assets for the year ended September 30, 2021 were as follows:

	With donor restrictions	With donor restrictions- held in perpetuity	Total
Net endowed assets, beginning of year	\$ 3,780,981	\$ 8,979,510	\$ 12,760,491
Interest and dividends	225,605		225,605
Investment fees	(72,346)		(72,346)
Net realized and unrealized appreciation	2,413,581		2,413,581
Contributions		110,680	110,680
Amounts appropriated for expenditure	<u>(153,259)</u>		<u>(153,259)</u>
Changes in endowed assets	<u>2,413,581</u>	<u>110,680</u>	<u>2,524,261</u>
Net endowed assets, end of year	<u>\$ 6,194,562</u>	<u>\$ 9,090,190</u>	<u>\$ 15,284,752</u>

Changes in endowed assets for the year ended September 30, 2020 were as follows:

	With donor restrictions	With donor restrictions- held in perpetuity	Total
Net endowed assets, beginning of year	\$ 3,237,782	\$ 8,915,009	\$ 12,152,791
Interest and dividends	262,894		262,894
Investment fees	(57,286)		(57,286)
Net realized and unrealized depreciation	543,199		543,199
Contributions		64,501	64,501
Amounts appropriated for expenditure	<u>(205,608)</u>		<u>(205,608)</u>
Changes in endowed assets	<u>543,199</u>	<u>64,501</u>	<u>607,700</u>
Net endowed assets, end of year	<u>\$ 3,780,981</u>	<u>\$ 8,979,510</u>	<u>\$ 12,760,491</u>

The Endowment fund's net assets with donor restrictions-held in perpetuity consist of the following:

	<u>2021</u>	<u>2020</u>
Receivables due in one to five years, net of discount and allowance	\$ 7,640	\$ 7,640
Investments (at amount of original contribution)	<u>9,082,550</u>	<u>8,971,870</u>
	<u>\$ 9,090,190</u>	<u>\$ 8,979,510</u>

9. NET ASSETS WITHOUT DONOR RESTRICTIONS

The Board has designated testamentary gifts received by the Camp, not specifically designated for any other purpose, shall be deemed to have been received by the Trust fund. Also, the Board has designated net gains (both realized and unrealized) on such funds are to be reinvested in the Trust fund. Net income generated by the Trust fund may be used for operations upon authorization by the Board. The principal of the Trust fund may be used for acquisition and replacement of real property and major equipment upon approval by a 2/3 vote by the Board. If the principal of the Trust fund is to be used for any other purpose, a 4/5 vote of the Board is needed. As of September 30, 2021 and 2020, the amount of such funds designated as Trust funds in the accompanying financial statements is \$19,463,830 and \$16,843,753, respectively.

Activity without donor or time restrictions in the Trust fund during the years ended September 30, 2021 and 2020 was as follows:

	<u>2021</u>	<u>2020</u>
Trust fund balance at beginning of year	\$ 16,843,753	\$ 15,226,526
Contributions	436,209	121,267
Net realized and unrealized investment income (loss) designated for reinvestment	3,224,244	1,861,941
Net investment income used for operations	<u>(1,040,376)</u>	<u>(619,718)</u>
Trust fund balance at end of year	<u>\$ 19,463,830</u>	<u>\$ 16,843,753</u>

The Board has also designated net assets for the net book value of certain land, buildings and improvements that by their nature are not disposable by the Camp as long as it maintains its operations of the summer camp. These assets at September 30, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Construction in progress	\$ 1,248,822	\$ 545,007
Land	53,340	53,340
Land improvements	1,254,291	1,254,291
Buildings	8,491,511	8,893,193
Campsites, roads, walks and other improvements	<u>2,933,525</u>	<u>2,923,683</u>
Total	13,981,489	13,562,055
Less: Accumulated depreciation	(9,015,331)	(9,012,039)
Net	<u>\$ 4,966,138</u>	<u>\$ 4,657,475</u>

10. 401(k) PROFIT-SHARING PLAN

The Camp has a 401(k) profit sharing plan covering substantially all employees over the age of 21 with one year of service or more. The Company may contribute a discretionary percentage of the amount of an employee's elected salary deferrals and other discretionary contributions. Total contributions to the plan for the years ended September 30, 2021 and 2020 were \$42,943 and \$38,049, respectively.

11. CONCENTRATIONS OF CREDIT AND MARKET RISK

In September 30, 2021 and 2020, the Camp received approximately 48% and 51%, respectively, of its support and revenues from Lions in the State of Texas. As of September 30, 2021 and 2020, approximately 99% of unconditional promises to give were from Lions in the State of Texas.

Deposits at FDIC-insured institutions are insured up to \$250,000. The balances in the Camp accounts were in excess of these federally insured limits as of September 30, 2021.

12. INSURANCE PROCEEDS AND CONTINGENT LIABILITY

In fiscal year 2020, two bunkhouses at the Camp sustained significant damage due to storms. The Camp settled with its insurance company in the year under audit for a total of \$297,000. Proceeds of \$261,000 and \$36,000 were recorded in Other Support for 2021 and 2020, respectively.

On May 25, 2021, with the consent of the Board of Directors, the President and CEO executed a contract for the construction of two bunkhouses and 12 prefabricated cabins and all associated utilities, hardscape, minimal landscape and base material parking lot. The Camp incurred a line of credit (see Note 6) to help pay for construction but as of September 30, 2021, it had not drawn on the line. The budget for this construction project is approximately \$8 million and the project is expected to be completed in May 2022. Construction costs of approximately \$600,000 were expended at September 30, 2021.

13. RISKS AND UNCERTAINTIES

The Camp utilizes various investment instruments which are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the financial statements.

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of many businesses and restrictions on travel and public gatherings. The Camp cancelled its on-site 2020 camp season and held a scaled down Camp in 2021 to reduce the risk of Covid among its campers. As the Camp relies on donations and fundraising, the Camp's operations may be adversely affected. However, the financial impact cannot be estimated at this time.

14. LIQUIDITY

The Camp's financial assets available within one year of the balance sheet date for general expenditures are as follows:

	<u>2021</u>	<u>2020</u>
Cash, without donor restrictions	\$ 4,754,394	\$ 2,971,816
Contributions receivable, time restricted, due within one year	71,026	109,555
Investments, without donor restrictions	1,812,822	1,994,916
Inventory	33,195	41,128
Prepaid expenses	<u>22,071</u>	<u>16,814</u>
Total financial asset available to meet cash needs	<u>6,693,508</u>	<u>\$ 5,134,229</u>

The Camp's financial assets have been reduced by amounts not available for general use because of donor imposed restrictions within one year of the balance sheet date.

The Camp's working capital and cash flows during the year are attributable to the annual cash receipts from Lions' Clubs membership dues, investment income, and foundation grants without restrictions.

The Camp carries no material debt but has an unused line of credit of \$7,550,000 that is designated for the construction of new bunkhouses. It is not available to be used for general operations and it is collateralized by the Camp's Trust fund.

The Camp does not intend to spend from its Trust fund for operational purposes. However, the Camp could potentially use amounts in excess of what is needed for the collateralization of the line of credit if made available with 4/5 vote of the Board.

15. METHODS USED FOR ALLOCATION OF EXPENSES FROM MANAGEMENT AND GENERAL ACTIVITIES

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Camp. Such allocations are determined by management on an equitable basis. The following expenses are allocated based on time and effort: salaries and wages, employee benefits, accounting and legal fees, Board costs, bank fees, computer services, dues and subscriptions, payroll fees, postage, printing, insurance, office expenses, utilities, and other miscellaneous expenses. Vehicle expense is allocated based on mileage. Depreciation and non-vehicle repairs and maintenance are allocated based on an asset's purpose.

16. PAYCHECK PROTECTION PROGRAM LOAN

In April 2020, the Camp received loan proceeds in the amount of \$209,200 under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable when used within a defined time frame and for eligible purposes, including payroll, benefits, rent and utilities, and the Camp needs to maintain its payroll levels.

Per review of the Association of International Certified Professional Accountants’ (AICPA) Technical Question and Answer (TQA) 3200.18, *Borrower Accounting for a Forgivable Loan Received Under the Small Business Administration Paycheck Protection Program*, a not-for-profit organization may treat the PPP loan as a conditional contribution if they expect to meet the PPP’s eligibility criteria for forgiveness.

At September 30, 2020, management believed the Camp had substantially met its eligibility requirements for loan forgiveness and recognized the entire loan amount of \$209,200 as a governmental grant in that fiscal year. In fiscal year 2021, the loan was forgiven and no additional PPP loans were received.

TEXAS LIONS CAMP, INC.

SUPPLEMENTAL SCHEDULE OF BUDGETED AND BUDGETARY ACTUAL SOURCES AND USES OF FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2021 (SEE NOTE AT PAGE 31)

	2021	("Unaudited")	BUDGET	VARIANCE	PERCENTAGE
SOURCES OF FUNDS					
CENTURY CLUB	\$ 191,001	\$ 225,000	\$ 225,000	(33,999)	(15.11)
LIFE MEMBERSHIP	110,075	25,000	25,000	85,075	340.30
MEMORIALS	56,724	65,000	65,000	(8,276)	(12.73)
INTEREST INCOME	1,358	12,000	12,000	(10,642)	(88.68)
MEMBERSHIP DUES	438,996	515,000	515,000	(76,005)	(14.76)
DONATIONS	8,819	75,000	75,000	(66,181)	(88.24)
LIONS GENERAL DONATIONS	133,241	200,000	200,000	(66,759)	(33.38)
100% PARTICIPATION	162,751	235,000	235,000	(72,249)	(30.74)
OUTSIDE DONATIONS	29,876	150,000	150,000	(120,124)	(80.08)
FOUNDATION GRANTS	84,604	150,000	150,000	(65,396)	(43.60)
CORPORATE SPONSORSHIP	-	50,000	50,000	(50,000)	(100.00)
CORPORATE MATCHING	-	2,500	2,500	(2,500)	(100.00)
SALE OF PROMOTIONAL ITEMS	18,042	75,000	75,000	(56,958)	(75.94)
CHRISTMAS APPEAL	105,710	125,000	125,000	(19,290)	(15.43)
VENDING INCOME	-	500	500	(500)	(100.00)
LEASE GROUPS	1,000	40,000	40,000	(39,000)	(97.50)
SERVICE REVENUE	-	187,500	187,500	(187,500)	(100.00)
GOLF TOURNAMENT PROCEEDS	143,884	100,000	100,000	43,884	43.88
FUNDRAISING	27,677	-	-	27,677	-
CAMP PICTURES	-	1,500	1,500	(1,500)	(100.00)
MATERIAL/SERVICE CONTRIBUTION	1,160	-	-	1,160	-
CONTRIBUTIONS - JACK WIECH	82,676	65,000	65,000	17,676	27.19
OTHER INCOME	10,198	188,000	188,000	(177,802)	(94.58)
INCOME FROM SALE OF ASSET	6,344	5,000	5,000	1,344	26.89
INSURANCE REFUNDS	15,500	10,000	10,000	5,500	55.00
COUNSELOR SCHOLARSHIPS	-	2,000	2,000	(2,000)	(100.00)
LICENSE PLATE INCOME	-	15,000	15,000	(15,000)	(100.00)
SPECIAL PROJECTS	-	10,000	10,000	(10,000)	(100.00)
DIVIDEND INCOME	1,722	6,000	6,000	(4,278)	(71.29)
DESIGNATED REVENUE	1,018,065	40,000	40,000	978,065	2,445.16
TRANSFER FROM ENDOWMENT	153,259	150,000	150,000	3,259	2.17
TRANSFER FROM TRUST FUND	385,977	425,000	425,000	(39,023)	(9.18)
TOTAL SOURCES OF FUNDS	3,188,659	3,150,000	3,150,000	38,659	1.23
USES OF FUNDS					
CAMP:					
ARCHERY	1,669	1,000	1,000	669	66.87
ARTS & CRAFTS	1,567	1,650	1,650	(83)	(5.03)
AQUATICS	1,762	4,500	4,500	(2,738)	(60.85)
AWARDS	1,265	2,000	2,000	(735)	(36.75)
BANQUET	1,900	8,500	8,500	(6,600)	(77.65)

See independent auditors' report and notes to the financial statements.

TEXAS LIONS CAMP, INC.

SUPPLEMENTAL SCHEDULE OF BUDGETED AND BUDGETARY ACTUAL SOURCES AND USES OF FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2021 (SEE NOTE AT PAGE 31)

	2021	BUDGET	VARIANCE	PERCENTAGE VARIANCE
		("Unaudited")		
BARN YARD/PETTING ZOO	1,538	2,000	(462)	(23.09)
CAMPER PROVISIONS	10	500	(490)	(98.00)
CAMPER PICTURES	334	2,200	(1,866)	(84.82)
CERAMICS	-	500	(500)	(100.00)
CERTIFICATION	9,208	12,000	(2,792)	(23.27)
COUNSELOR SCHOLARSHIPS	-	2,000	(2,000)	(100.00)
DUES & SUBSCRIPTIONS	14,346	6,000	8,346	139.09
DIRECTORS TRAINING	-	10,000	(10,000)	(100.00)
WORK WEEKEND	7,228	15,000	(7,772)	(51.82)
FIREWORKS	159	1,000	(841)	(84.14)
FINE ARTS	49	500	(451)	(90.22)
DINING HALL:				
FOOD	54,579	165,000	(110,421)	(66.92)
PAPER PRODUCTS	4,317	14,000	(9,683)	(69.16)
SALARIES	36,164	65,000	(28,836)	(44.36)
PAYROLL TAXES	3,326	5,687	(2,361)	(41.52)
GREENHOUSE	509	500	9	1.74
INSURANCE CAMPERS	282	3,800	(3,518)	(92.57)
LAUNDRY	7,467	29,812	(22,345)	(74.95)
LINENS	949	-	949	-
MUSIC	286	500	(214)	(42.76)
NATURE CRAFTS	2,005	1,200	805	67.10
WORKSHOP	878	2,000	(1,122)	(56.10)
OFFICE SUPPLIES	4,586	4,916	(330)	(6.72)
CSI	-	750	(750)	(100.00)
POSTAGE	3,775	5,000	(1,225)	(24.50)
PRINTING	8,847	10,000	(1,153)	(11.53)
PHOTOGRAPHY	227	1,500	(1,273)	(84.86)
RECREATION	852	900	(49)	(5.39)
ROPES COURSE	2,592	2,500	92	3.69
SPECIAL ACTIVITIES	1,413	3,500	(2,087)	(59.63)
STORE INVENTORY	14,442	40,000	(25,558)	(63.90)
SALES AND OTHER TAXES	1,107	4,000	(2,893)	(72.32)
SECURITY RECORD CHECK	1,045	4,000	(2,955)	(73.88)
TRAVEL	3,112	40,000	(36,888)	(92.22)
UNIFORMS	1,555	18,000	(16,445)	(91.36)
UNIT ACTIVITIES	1,306	250	1,056	422.34
VENDING	919	3,000	(2,081)	(69.38)
EMPLOYEE RELATIONS	2,512	3,500	(988)	(28.24)
INFORMARY:				
SUPPLIES	122	4,000	(3,878)	(96.95)
OUTSIDE MEDICAL FEES	-	3,000	(3,000)	(100.00)
SALARIES	10,170	55,000	(44,830)	(81.51)

See independent auditors' report and notes to the financial statements.

TEXAS LIONS CAMP, INC.
 SUPPLEMENTAL SCHEDULE OF BUDGETED AND BUDGETARY ACTUAL SOURCES AND USES OF FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2021 (SEE NOTE AT PAGE 31)

	2021	BUDGET	VARIANCE	PERCENTAGE
		("Unaudited")		
PAYROLL TAXES	928	4,675	(3,747)	(80.16)
EQUESTRIAN:				
DUES & SUBS	113	500	(387)	(77.42)
FARRIER	3,925	2,800	1,125	40.18
HORSE FEED	29,651	25,000	4,651	18.60
MEDICAL COST	5,570	3,000	2,570	85.66
RIDING SUPPLIES	405	500	(95)	(18.93)
RANCH SUPPLIES	4,592	2,600	1,992	76.62
WILDLIFE MANAGEMENT	3,380	2,500	880	35.21
JANITORIAL	17,720	5,000	12,720	254.40
SALARIES:				
PROGRAM STAFF	235,107	268,200	(33,093)	(12.34)
PROGRAM STAFF PAYROLL TAXES	18,370	21,420	(3,050)	(14.24)
SUMMER STAFF	60,921	300,000	(239,079)	(79.69)
SUMMER STAFF PAYROLL TAXES	5,578	25,500	(19,922)	(78.12)
DIABETIC CAMP:				
MEDICAL GRANT	116	63,000	(62,884)	(99.82)
OUTSIDE MEDICAL FEES	5,736	25,110	(19,373)	(77.15)
CAMP SUBTOTAL	602,522	1,310,470	(707,948)	(54.02)
ADMINISTRATION DEPARTMENT:				
AUDIT FEE	23,700	25,500	(1,800)	(7.06)
BAD DEBT EXPENSE	0	-	-	-
BANK CHARGES	8,399	10,000	(1,601)	(16.01)
ACH CHARGES	781	2,000	(1,219)	(60.94)
PAYROLL SERVICE CHARGES	36,284	30,000	6,284	20.95
BOARD MEETING COST	27,577	25,000	2,577	10.31
DUES & SUBSCRIPTIONS	2,733	5,000	(2,267)	(45.34)
LEASE GROUP EXPENSES	0	-	-	-
LEGAL FEES	2,536	3,500	(964)	(27.53)
OFFICE SUPPLIES	3,085	10,000	(6,915)	(69.15)
POSTAGE	1,471	3,500	(2,029)	(57.98)
PRINTING	95	1,000	(905)	(90.50)
COMPUTER SERVICES & SUPPLIES	21,400	40,000	(18,600)	(46.50)
SALARIES	165,355	287,554	(122,199)	(42.50)
PAYROLL TAXES	12,931	20,776	(7,845)	(37.76)
EMPLOYEE RELATIONS	222	1,000	(778)	(77.81)
ADMINISTRATION SUBTOTAL	306,569	464,830	(158,261)	(34.05)
DEVELOPMENT:				
DUES & SUBSCRIPTIONS	14,775	2,500	12,275	491.01
PRINTING	612	5,000	(4,388)	(87.76)
PRODUCTION PROGRAMS	2,066	50,000	(47,934)	(95.87)

See independent auditors' report and notes to the financial statements.

TEXAS LIONS CAMP, INC.

SUPPLEMENTAL SCHEDULE OF BUDGETED AND BUDGETARY ACTUAL SOURCES AND USES OF FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2021 (SEE NOTE AT PAGE 31)

	2021	BUDGET	VARIANCE	PERCENTAGE VARIANCE
		("Unaudited")		
FUNDRAISING EXPENSE	0	-	-	-
POSTAGE	7,961	10,000	(2,039)	(20.39)
CHRISTMAS CARD POSTAGE	30	14,000	(13,970)	(99.79)
GOLF	15,958	-	15,958	-
SUPPLIES	1,508	2,000	(492)	(24.59)
CAMPAIGN - VISION 2020	1,560	-	1,560	-
SALARIES	142,140	164,000	(21,860)	(13.33)
PAYROLL TAXES	10,653	13,940	(3,287)	(23.58)
RECOGNITION EMBLEMS	44,283	65,000	(20,717)	(31.87)
DEVELOPMENT SUBTOTAL	241,547	326,440	(84,893)	(26.01)
MAINTENANCE:				
VEHICLES - FUEL	10,225	12,000	(1,775)	(14.79)
VEHICLES - MAINTENANCE	7,857	5,500	2,357	42.85
VEHICLES - PARTS	8,357	5,000	3,357	67.14
VEHICLES - REGISTRATION	2,481	2,000	481	24.06
VEHICLES - REPAIRS	15,713	5,000	10,713	214.26
REPAIRS & MAINTENANCE	25,458	40,000	(14,542)	(36.36)
EQUIPMENT	20,382	20,000	382	1.91
FURNITURE & FIXTURES	1,760	1,000	760	75.96
GENERAL	30,964	20,000	10,964	54.82
LAND	5,269	4,000	1,269	31.72
MAINTENANCE CONTRACTS	9,840	18,000	(8,160)	(45.34)
MANITORIAL SUPPLIES	1,801	8,000	(6,199)	(77.49)
MAINTENANCE SALARIES	188,512	175,000	13,512	7.72
MAINTENANCE PAYROLL TAXES	14,571	14,875	(304)	(2.05)
MAINTENANCE SUBTOTAL	343,188	330,375	12,813	3.88
MARKETING & PUBLIC RELATIONS EXPENSES:				
SALARIES	81,461	171,000	(89,539)	(52.36)
PAYROLL TAX	6,290	11,135	(4,845)	(43.51)
ADVERTISING AND PROMOTION	22,560	5,000	17,560	351.20
DUES & SUBSCRIPTIONS	0	1,000	(1,000)	(100.00)
MEDIA	1,234	2,500	(1,266)	(50.64)
POSTAGE	3,161	5,000	(1,839)	(36.77)
PRINTING	0	8,500	(8,500)	(100.00)
PUBLIC RELATIONS	285	2,000	(1,715)	(85.76)
OFFICE SUPPLIES	662	500	162	32.46
MARKETING & PR SUBTOTAL	115,654	206,635	(90,981)	(44.03)
ACCIDENT	350	3,000	(2,650)	(88.33)

See independent auditors' report and notes to the financial statements.

TEXAS LIONS CAMP, INC.

**SUPPLEMENTAL SCHEDULE OF BUDGETED AND BUDGETARY ACTUAL SOURCES AND USES OF FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021 (SEE NOTE AT PAGE 31)**

	2021	("Unaudited") BUDGET	VARIANCE	PERCENTAGE VARIANCE
AUTO	26,583	16,000	10,583	66.14
BUILDINGS	159,086	93,000	66,086	71.06
BOND	200	1,000	(800)	(80.00)
EQUIPMENT	20,052	20,000	52	0.26
EMPLOYEE HEALTH	170,787	185,000	(14,213)	(7.68)
EMPLOYEE RETIREMENT	42,943	43,000	(57)	(0.13)
WORKERS COMPENSATION	12,314	25,000	(12,686)	(50.75)
DIRECTORS & OFFICERS	5,226	8,000	(2,774)	(34.68)
INSURANCE SUBTOTAL	437,541	394,000	43,541	11.05
<u>UTILITIES:</u>				
ELECTRICITY	61,321	75,000	(13,679)	(18.24)
GARBAGE	3,047	5,000	(1,953)	(39.05)
GAS	6,341	8,500	(2,159)	(25.40)
TELEPHONE	9,195	9,000	195	2.17
T.V.	9,645	8,500	1,145	13.47
WATER	9,104	10,000	(896)	(8.96)
PROPERTY TAXES-TRUST	288	1,250	(962)	(76.97)
UTILITIES SUBTOTAL	98,941	117,250	(18,309)	(15.62)
TOTAL USES	2,145,963	3,150,000	(1,004,037)	(31.87)
NET INCREASE/(DECREASE)	<u>\$ 1,042,697</u>	<u>\$ 0.00</u>	<u>\$ 1,042,697</u>	*****
DEPRECIATION	<u>494,320</u>	<u>\$ -</u>	<u>\$ 494,320</u>	*****

NOTE: THIS STATEMENT IS PRESENTED FOR PURPOSES OF COMPARISON OF THE BUDGETARY ACTUAL SOURCES AND USES OF CERTAIN FUNDS TO THOSE AMOUNTS BUDGETED. IT IS NOT INTENDED TO PRESENT ALL SOURCES AND USES OF FUNDS, AS DUE TO THEIR NATURE, NOT ALL SOURCES AND USES ARE BUDGETED BY MANAGEMENT.