

CAMP BLODGETT

AUDITED FINANCIAL STATEMENTS

Years Ended December 31, 2021 and 2020

Goodlander, Swett & Rybicki
Certified Public Accountants

CONTENTS

INDEPENDENT AUDITORS' REPORT.....	1-2
STATEMENTS OF FINANCIAL POSITION.....	3-4
STATEMENTS OF ACTIVITIES.....	5-6
STATEMENTS OF FUNCTIONAL EXPENSES.....	7-8
STATEMENTS OF CASH FLOWS.....	9
NOTES TO FINANCIAL STATEMENTS.....	10-21

GOODLANDER, SWETT & RYBICKI

CERTIFIED PUBLIC ACCOUNTANTS
4462 PLAINFIELD AVE., N.E. • GRAND RAPIDS, MI 49525
PHONE (616) 361-1896 • (616) 364-4000
FAX (616) 361-0276

INDEPENDENT AUDITORS' REPORT

Camp Blodgett
Grand Rapids, MI

Report on the Financial Statements

Opinion

We have audited the financial statements of Camp Blodgett, which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Camp Blodgett as of December 31, 2021 and 2020, and the results of its operations 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Camp Blodgett 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, and for 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 Blodgett's ability to continue as a going concern for the next year.

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 auditor's 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these 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 Blodgett'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 Blodgett'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.



Goodlander, Swett & Rybicki
Certified Public Accountants
April 27, 2022

Camp Blodgett
Statements of Financial Position

<i>December 31,</i>	2021	2020
Assets		
Current Assets		
Cash	\$ 402,321	\$ 289,516
Pledges receivable	144,869	76,269
Accounts receivable	47,147	47,100
Prepaid expenses	26,357	22,214
Total Current Assets	620,694	435,099
Property and Equipment		
Land and land improvements	234,248	228,768
Buildings	3,438,106	3,432,262
Equipment	283,607	275,842
	3,955,961	3,936,872
Less accumulated depreciation	(2,422,063)	(2,291,966)
Net Property and Equipment	1,533,898	1,644,906
Other Assets		
Beneficial interest in assets held by community foundation	122,433	110,137
Endowment investments	2,528,005	2,403,521
	2,650,438	2,513,658
Total Assets	\$ 4,805,030	\$ 4,593,663

See Notes to Financial Statements.

Camp Blodgett
Statements of Financial Position

	2021	2020
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 805	\$ 417
Accrued expenses	13,603	10,307
Rental deposits	80,988	83,370
Deferred income	9,031	9,031
Paycheck Protection Program Loan	-	69,000
Total Current Liabilities	104,427	172,125
Total Liabilities	104,427	172,125
Net Assets		
Without donor restrictions		
Undesignated	3,154,178	3,030,564
Designated by the Board for endowment	849,340	810,334
With donor restrictions		
Purpose restrictions	352,397	264,086
Perpetual in nature	344,688	316,554
Total Net Assets	4,700,603	4,421,538
Total Liabilities and Net Assets	\$ 4,805,030	\$ 4,593,663

See Notes to Financial Statements.

Camp Blodgett
Statement of Activities

<i>Year ended December 31, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
United Way	\$ 22,887	\$ 91,000	\$ 113,887
Other contributions and grants	244,341	264,225	508,566
In-kind donations	-	-	-
Babies Welfare Guild	2,905	-	2,905
Paycheck Protection Program loan forgiveness	174,563	-	174,563
Federal grants	13,078	-	13,078
Rentals	249,482	-	249,482
Camp fees	21,490	-	21,490
Net investment return	216,154	28,134	244,288
Fundraising net of expenses of \$27,385	22,414	-	22,414
Miscellaneous income	1,247	-	1,247
Net assets released from restrictions	266,914	(266,914)	-
Total Support and Revenue	1,235,475	116,445	1,351,920
Expenses			
Program services:			
Camping Program	466,501	-	466,501
Camp Occupancy	236,378	-	236,378
Camp Blodgett STEM Academy	124,884	-	124,884
Young Leaders	10,897	-	10,897
Year-Round Programs	13,119	-	13,119
Supporting services:			
Management and general	137,760	-	137,760
Fundraising	83,316	-	83,316
Total Expenses	1,072,855	-	1,072,855
Change in Net Assets	162,620	116,445	279,065
Net Assets, beginning of year	3,840,898	580,640	4,421,538
Net Assets, end of year	\$ 4,003,518	\$ 697,085	\$ 4,700,603

See Notes to Financial Statements.

Camp Blodgett
Statement of Activities

<i>Year ended December 31, 2020</i>	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
United Way	\$ 23,982	\$ 91,000	\$ 114,982
Other contributions and grants	101,166	206,690	307,856
In-kind donations	7,730	-	7,730
Babies Welfare Guild	57,642	-	57,642
Paycheck Protection Program loan forgiveness	-	-	-
Federal grants	-	-	-
Rentals	78,631	-	78,631
Camp fees	440	-	440
Net investment return	277,612	27,792	305,404
Fundraising net of expenses of \$2,318	31,512	-	31,512
Miscellaneous income	2,110	-	2,110
Net assets released from restrictions	268,889	(268,889)	-
Total Support and Revenue	849,714	56,593	906,307
Expenses			
Program services:			
Camping Program	268,665	-	268,665
Camp Occupancy	205,011	-	205,011
Camp Blodgett STEM Academy	81,937	-	81,937
Young Leaders	-	-	-
Year-Round Programs	-	-	-
Supporting services:			
Management and general	126,994	-	126,994
Fundraising	69,404	-	69,404
Total Expenses	752,011	-	752,011
Change in Net Assets	97,703	56,593	154,296
Net Assets, beginning of year	3,743,195	524,047	4,267,242
Net Assets, end of year	\$ 3,840,898	\$ 580,640	\$ 4,421,538

See Notes to Financial Statements.

Camp Blodgett
Statement of Functional Expenses

<i>Year ended December 31, 2021</i>	Program Services					Supporting Services		Total
	Summer Camp and General	STEM	Young Leaders	Year-Round Programs	Camp Occupancy	Management and General	Fund Raising	
Compensation:								
Salaries and wages	\$ 213,808	\$ 70,437	\$ 7,944	\$ 12,453	\$ 113,302	\$ 80,321	\$ 63,005	561,270
Employee benefits	22,844	7,430	309	423	15,958	11,173	8,770	66,907
Occupancy:								
Utilities	1,025	-	-	-	35,788	1,026	-	37,839
Telephone	2,616	553	-	-	1,637	1,750	-	6,556
Rent	13,723	-	-	-	-	13,722	-	27,445
Cleaning and Maintenance	4,245	6,254	348	-	38,853	1,987	360	52,047
Food and kitchen supplies	36,613	1,922	191	-	461	373	2,819	42,379
Other supplies and miscellaneous	19,940	19,528	260	243	10,664	6,894	29,152	86,681
Training	1,880	882	1,753	-	399	570	125	5,609
Professional services	375	16,010	-	-	828	14,053	4,754	36,020
Administration:								
Postage and mailing	376	91	-	-	58	639	1,065	2,229
Insurance	14,858	-	92	-	18,085	1,539	624	35,198
Travel and vehicle expense	7,805	1,777	-	-	345	10	27	9,964
Depreciation	126,393	-	-	-	-	3,703	-	130,096
Total expenses by function	\$ 466,501	\$ 124,884	\$ 10,897	\$ 13,119	\$ 236,378	\$ 137,760	\$ 110,701	\$ 1,100,240
Less expenses included with revenues on the statement of activities:								
Fundraising expense	-	-	-	-	-	-	(27,385)	(27,385)
Total expenses included in the expense section of the statement of activities	\$ 466,501	\$ 124,884	\$ 10,897	\$ 13,119	\$ 236,378	\$ 137,760	\$ 83,316	\$ 1,072,855

See Notes to Financial Statements.

Camp Blodgett
Statement of Functional Expenses

<i>Year ended December 31, 2020</i>	Program Services					Supporting Services		Total
	Summer Camp and General	STEM	Young Leaders	Year-Round Programs	Camp Occupancy	Management and General	Fund Raising	
Compensation:								
Salaries and wages	\$ 83,032	\$ 61,745	\$ -	\$ -	\$ 94,272	\$ 81,672	\$ 62,414	383,135
Employee benefits	14,336	7,387	-	-	14,890	7,666	4,014	48,293
Occupancy:								
Utilities	-	-	-	-	28,950	1,858	-	30,808
Telephone	429	-	-	-	2,306	3,816	-	6,551
Rent	13,350	-	-	-	-	13,350	-	26,700
Cleaning and Maintenance	4,898	-	-	-	19,612	1,014	-	25,524
Food and kitchen supplies	2,653	-	-	-	-	-	850	3,503
Other supplies and miscellaneous	2,965	8,823	-	-	12,488	7,129	4,104	35,509
Training	88	-	-	-	-	485	-	573
Professional services	-	3,300	-	-	18,500	6,284	-	28,084
Administration:								
Postage and mailing	465	-	-	-	234	424	341	1,464
Insurance	10,310	-	-	-	13,706	1,120	-	25,136
Travel and vehicle expense	780	682	-	-	53	26	-	1,541
Depreciation	135,359	-	-	-	-	2,150	-	137,509
Total expenses by function	\$ 268,665	\$ 81,937	\$ -	\$ -	\$ 205,011	\$ 126,994	\$ 71,722	\$ 754,329
Less expenses included with revenues on the statement of activities:								
Fundraising expense	-	-	-	-	-	-	(2,318)	(2,318)
Total expenses included in the expense section of the statement of activities	\$ 268,665	\$ 81,937	\$ -	\$ -	\$ 205,011	\$ 126,994	\$ 69,404	\$ 752,011

See Notes to Financial Statements.

Camp Blodgett
Statements of Cash Flows

<i>Year Ended December 31,</i>	2021	2020
Cash Flows From Operating Activities		
Increase (Decrease) in net assets	\$ 279,065	\$ 154,296
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	130,096	137,509
Net realized and unrealized loss (gain) in investments	(242,502)	(252,634)
Changes in assets and liabilities:		
Pledges receivable	(68,600)	(61,560)
Accounts receivable	(47)	6,190
Prepaid expenses	(4,143)	1,092
Accounts payable	388	(23,533)
Accrued expenses	3,296	3,227
Deferred income	(71,382)	83,353
Net cash from (for) operating activities	26,171	47,940
Cash Flows for Investing Activities		
Purchases of property and equipment	(19,088)	(160,951)
Purchases of investments	(245,410)	(246,361)
Proceeds from sale of investments	351,132	198,982
Net cash from (for) investing activities	86,634	(208,330)
 Net increase (decrease) in cash	 112,805	 (160,390)
Cash, beginning of year	289,516	449,906
Cash, end of year	\$ 402,321	\$ 289,516
Supplemental Disclosure:		
Cash paid for interest	\$ -	\$ -

See Notes to Financial Statements.

Camp Blodgett

Notes to Financial Statements

December 31, 2021

Note 1 – Significant Accounting Policies

Nature of Activities

Camp Blodgett (the Camp) is a nonprofit organization whose mission is to empower youth in West Michigan through an educational and recreational experience that promotes social responsibility, encourages academic success, and supports the development of healthy self-esteem. The Camp owns property where it operates summer camp and a STEM (science, technology, engineering and math) program primarily for low-income children. It includes a year-round retreat center that allows for rentals to school, church and other groups. In addition, the Camp runs its STEM programming, Young Leaders program, as well as other year-round programming, during after school time and on Saturdays in various locations.

Basis of Presentation

The financial statements of the Camp have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles for nonprofit organizations.

Net assets of the Camp are classified as follows:

Net Assets Without Donor Restrictions – Net assets that are available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment.

Net Assets With Donor Restrictions – Net assets that are subject to donor-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. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. 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.

Functional Allocation of Expenses

The costs to provide the various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Allocation percentages for employee salary/taxes/benefits were determined based on general time study of function tasks. Common costs of occupying the camp facilities are charged to Camp Occupancy Expense.

Camp Blodgett
Notes to Financial Statements
December 31, 2021

Note 1 – Significant Accounting Policies (continued)

Donated Services and In-kind Contributions

Many volunteers donate their time and perform a variety of tasks for the Camp. Camp Blodgett received no contributed services in 2021 and 2020.

Contributed goods valued at greater than \$500 are recorded at fair value at the date of donation. Camp Blodgett received donated goods valued at \$0 in 2021 and \$7,730 in 2020.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Tax Status

Camp Blodgett is exempt under section 501(c)(3) of the Internal Revenue Code of 1986 and has received income tax exemptions in the various jurisdictions where it is required to do so. Camp Blodgett annually files IRS Form 990. Management of Camp Blodgett believes it has no material uncertain tax positions and, accordingly, a liability for unrecognized tax position has not been recorded. The tax returns for 2018 to the present are open and subject to examination by taxing authorities.

Investments

Investments are reported at fair value. Investment return, which consists of interest and dividends earned, and realized and unrealized gains and losses, is included in the change in net assets. Income and gains on investments restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met in the reporting period in which the income and gains are recognized.

Concentrations of Risk

The Camp's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents. The Camp places its cash with high quality financial institutions. At times, cash balances may be in excess of the F.D.I.C. insurance limit. The Camp performs periodic evaluations of the relative credit standing of the financial institutions and limits the amount of credit exposure with any institution.

Camp Blodgett
Notes to Financial Statements
December 31, 2021

Note 1 – Significant Accounting Policies (continued)

Property and Equipment

Land, buildings and equipment are stated at cost at date of acquisition or fair value at date of donation in the case of gifts. Major improvements and renewals are capitalized while ordinary maintenance and repairs are expensed. Management annually reviews these assets to determine whether carrying values have been impaired. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis. Estimated useful lives are as follows:

	Years
Land improvements	20
Buildings	40
Equipment, furniture and fixtures	5-10

Deferred Income

Deferred income consists of facility rents, deposits, and cellular telephone tower rentals received in advance. The Camp received \$18,061 in 2021 and \$18,061 in 2020 of rental payments for a cellular telephone tower. The original agreement was for a ten-year period starting in 1995 and is subject to four additional extensions of ten years each.

Revenue Recognition

In 2020, the Camp adopted Accounting Standards Update (ASU) No. 2014-09 – *Revenue from Contracts with Customers (Topic 606)*, as amended, as management believes the standard improves the usefulness and understandability of the Camp’s financial reporting. Analysis of various provisions of this standard resulted in no significant changes in the way the Camp recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been made in accordance with the standard.

The Camp recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. There were no such promises to give in existence as of December 31, 2021 and 2020.

The Camp recognizes revenue from camps and facility rentals over the length of the event. Camps and rentals typically last from a day up to a week and are paid in advance. Camp and rental deposits are recorded as deferred income.

Camp Blodgett
Notes to Financial Statements
December 31, 2021

Note 2 – Liquidity and Availability

The Camp receives significant contributions and promises-to-give restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Camp manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 402,321
Accounts receivable	47,147
Pledges receivable	144,869
Endowment investments without restrictions	<u>1,456,410</u>
	2,050,747
Less:	
Net assets with donor restrictions	<u>(352,397)</u>
	<u>(352,397)</u>
Net financial assets available for general expenditures	<u>\$ 1,698,350</u>

The Camp also could draw upon \$100,000 of available line of credit (as further discussed in Note 6).

Note 3 – Endowment Investments

Investment income is reported on the Statement of Activities net of any realized or unrealized gains and losses and any investment expenses. Expenses include fund management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund. Management has estimated the embedded fees using expense ratios per fund from annual fund prospectus reports and the annual fair market value of each fund. Total investment fees for embedded and external broker management fees for 2021 and 2020 are \$30,504 and \$29,998 respectively.

The Camp's endowments consist of three funds established by donors to provide annual funding for specific activities and general operations. The endowments also include certain net assets without donor restrictions that have been designated for endowment by the Board of directors.

Camp Blodgett
Notes to Financial Statements
December 31, 2021

Note 3 – Endowment Investments (continued)

The Board of Directors has interpreted the Michigan Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift, as of the gift date of the donor-restricted endowment fund, unless there are explicit donor stipulations to the contrary. At December 31, 2021 and 2020 there were such donor stipulations. From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Board of Directors has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law.

Ruth & Jack Loeks Fund (Without Donor Restrictions): In 2012, a bequest in the amount of \$1,000,000 and an IRA distribution totaling \$13,871 was received from the estate of Ruth Loeks. Per Board vote, long-term debt was paid off and \$903,491 was used to establish the Ruth & Jack Loeks Fund. Fair value of the fund was \$1,456,411 at December 31, 2021 and \$1,386,770 at December 31, 2020.

Anonymous Trust (Perpetual Donor Restricted): In 1998, \$206,000 was received to establish a fund that allows up to 5% to be withdrawn annually for spending. The donor has indicated that the Camp may withdraw the income and principal even if that results in the value of the fund decreasing below the original fair value amount. Due to market declines and appropriations deemed prudent by the board, the fair value of the trust has declined at times below the original gift value. Fair value was \$222,255 at December 31, 2021 and \$206,417 at December 31, 2020.

General Endowment (Without Donor Restrictions – Board Designated): This fund was established in 1994 with an initial investment of \$127,000. It has grown to its current value through market growth, donations made during the Capital Campaign in 1997, an unrestricted bequest from Edith Blodgett in 2012, various memorial donations in 2012, and being combined with the Watson-Glen Trust that was released from restrictions in 2016. The Board has designated that this unrestricted fund should be invested and up to 5% of the value can be withdrawn each year for Camp operations. Fair value of the fund was \$849,340 at December 31, 2021 and \$810,334 at December 31, 2020.

Investments and Investment Return

The Board has a general policy of withdrawing up to 5% of the three-year rolling quarterly market value at December 31 of the preceding year for all investments.

The Camp reports its broker managed endowments and general investments at fair value under generally accepted accounting principles using market values in actively traded markets (Level 1 inputs). The broker managed funds are invested in mutual funds. At December 31, 2021, the cost was \$1,935,106 and the fair value was \$2,528,005. At December 31, 2020, the cost was \$1,865,782 and the fair value was \$2,403,521.

Camp Blodgett
Notes to Financial Statements
December 31, 2021

Note 3 – Endowment Investments (continued)

Endowments at Grand Rapids Community Foundation (Perpetual in Nature)

Phyllis Walther Endowment Fund: In 2001, a gift of \$97,991 was received. The Board voted to use \$32,199 for operations and an endowment of \$65,792 was established at Grand Rapids Community Foundation. Although the principal must remain intact, income may be withdrawn annually.

Camp Blodgett Agency Fund: In 1993, an endowment of \$20,000 was received and an endowment fund was established at Grand Rapids Community Foundation.

In 2005, the two funds were combined into one Camp Blodgett Fund at the Grand Rapids Community Foundation.

The Board of Trustees of the Grand Rapids Community Foundation shall have the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to a specified organization if, in the sole judgment of the Board, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community served. The fair value of the endowment was \$122,433 at December 31, 2021 and \$110,137 at December 31, 2020.

The Grand Rapids Community Foundation also holds individual donations within the Agency Fund that have been made on behalf of Camp Blodgett. The Camp has an unrecorded beneficial interest in these funds in the amount of \$18,506 at December 31, 2021 and \$16,641 at December 31, 2020.

Changes in Endowment net assets for the years ended December 31, 2021 and 2020 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
<u>Year Ended December 31, 2021</u>			
Endowment net assets, beginning of year	\$2,197,104	\$ 316,554	\$2,513,658
Investment return, net	202,040	41,548	243,588
Appropriation of endowment assets			
Pursuant to spending-rate policy	(58,926)	(13,414)	(72,340)
Other Changes:			
Distribution from board-designated Endowment pursuant to distribution policy	(34,468)	-	(34,468)
Endowment net assets, end of year	<u>\$2,305,750</u>	<u>\$ 344,688</u>	<u>\$2,650,438</u>

Camp Blodgett
Notes to Financial Statements
December 31, 2021

Note 3 – Endowment Investments (continued)

	Without Donor Restrictions	With Donor Restrictions	Total
<u>Year Ended December 31, 2020</u>			
Endowment net assets, beginning of year	\$1,924,883	\$ 288,762	\$2,213,645
Investment return, net	272,221	32,487	304,708
Appropriation of endowment assets			
Pursuant to spending-rate policy	-	(4,695)	(4,695)
Other Changes:			
Distribution from board-designated			
Endowment pursuant to distribution policy _____	-	-	-
Endowment net assets, end of year	<u>\$2,197,104</u>	<u>\$ 316,554</u>	<u>\$2,513,658</u>

Without Donor Restrictions amounts include board-designated funds not subject to donor restrictions. All board-designated distributions are listed separately.

Note 4 – Fair Value Measurements

The organization reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

- *Level 1.* Quoted prices for identical assets or liabilities in active markets to which the organization has access at the measurement date.
- *Level 2.* Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:
 - quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets in markets that are not active;
 - observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
 - inputs derived principally from, or corroborated by, observable market data by correlation or by other means.
- *Level 3.* Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

Camp Blodgett
Notes to Financial Statements
December 31, 2021

Note 4 – Fair Value Measurements (continued)

When available, the organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. However, Level 1 inputs are not available for some of the assets and liabilities that the organization is required to measure at fair value (for example, unconditional promises to give and in-kind contributions).

The primary uses of fair value measures in the organization’s financial statements are to measure its investments.

The following tables summarize the levels in the fair value hierarchy of the organization’s investments at December 31, 2021 and 2020:

Year ended December 31, 2021

	Total	Level 1	Level 3
Mutual funds	\$ 2,528,005	\$ 2,528,005	-
Interest in investment fund at Grand Rapids Community Foundation	122,433	-	\$ 122,433
	\$ 2,650,438	\$ 2,528,005	\$ 122,433

Year ended December 31, 2020

	Total	Level 1	Level 3
Mutual funds	\$ 2,403,521	\$ 2,403,521	-
Interest in investment fund at Grand Rapids Community Foundation	110,137	-	\$ 110,137
	\$ 2,513,658	\$ 2,403,521	\$ 110,137

The organization did not have any investments measured using Level 2 inputs.

Camp Blodgett
Notes to Financial Statements
December 31, 2021

Note 4 – Fair Value Measurements (continued)

The following is a reconciliation of the beginning and ending balance of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31, 2021 and 2020:

	<u>Assets Held by Community Foundation</u>
<u>Year Ended December 31, 2021</u>	
Balance at December 31, 2020	\$ 110,137
Purchases/contributions of investments	-
Investment return, net	16,986
Distributions	<u>(4,690)</u>
Balance at December 31, 2021	<u>\$ 122,433</u>
 <u>Year Ended December 31, 2020</u>	
Balance at December 31, 2019	\$ 107,442
Purchases/contributions of investments	-
Investment return, net	7,390
Distributions	<u>(4,695)</u>
Balance at December 31, 2020	<u>\$ 110,137</u>

Note 5 – Risk Management

Camp Blodgett is self-insured for unemployment benefits and reimburses the Michigan Employment Security Commission for benefits paid to former Camp employees. Unemployment expense was \$0 in 2021 and \$171 in 2020.

The Camp manages deposit concentration risk by placing cash, money market accounts, and/or certificates of deposit with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Camp has not experienced losses in any of these accounts. Credit risk associated with accounts receivable and pledges receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts due are from Board members, public agencies, and/or foundations supportive of our mission.

Camp Blodgett
Notes to Financial Statements
December 31, 2021

Note 5 – Risk Management (continued)

Investments are made by investment managers whose performance is monitored by the finance committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the finance committee believes that the investment policies and guidelines are prudent for the long-term welfare of the organization.

Note 6 – Line of Credit

The Camp has a \$100,000 line of credit with a bank. The line of credit expires on August 1, 2022 and bears interest at the prime rate or not less than 4%. The line of credit balance as of December 31, 2021 and 2020 was \$0. The loan is secured by a parcel of Camp Blodgett property (Tax # 70-07-33-100-001) located at 10330 Lakeshore Dr., West Olive, MI 49460. The Camp expects this line of credit to be renewed for another year under similar terms and conditions in July 2022.

Note 7 – Paycheck Protection Program

In May 2020, the Camp received loan proceeds in the amount of \$69,000 under the Paycheck Protection Program (PPP). In January 2021 the Camp received loan proceeds in the amount of \$105,562.50 under the PPP Second Draw. Established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES” Act), the PPP provides for loans to qualifying organizations and businesses in amounts up to 2.5 times their average monthly payroll expenses.

PPP loans and accrued interest are forgivable after a “covered period” (eight or 24 weeks) as long as the borrower maintains its payroll levels and uses the loan proceeds for eligible purposes, including payroll benefits, rent, and utilities. The forgiveness amount may be reduced if the borrower terminates employees or reduces salaries during the covered period. Any unforgiven portion of a PPP loan is payable over two or five years at an interest rate of 1% with deferral of payments for 10 months after the end of the covered period.

The Camp used their PPP loan proceeds for purposes consistent with the PPP loan programs and has applied for forgiveness within 10 months of the end of each covered period. The Camp received forgiveness for the entirety of their PPP loans in February and July 2021. These amounts are recorded as revenue during the year ended December 31, 2021.

Camp Blodgett
Notes to Financial Statements
December 31, 2021

Note 8 – Net Assets with Donor Restrictions Other than Perpetual in Nature

Net assets with donor restrictions are restricted for the following purposes at December 31:

	2021	2020
2021 Event Sponsorships	\$ -	\$ 5,000
STEM Scaling	-	2,075
Grand Rapids Relocation	-	818
STEM Program	281,384	247,246
Deck Renovation	4,244	4,244
Bicycle Drive	27,094	1,113
Young Leaders Program	35,886	-
Logo Design Project	822	-
Emergency Generator	2,967	3,590
	\$ 352,397	\$ 264,086

Note 9 – Related Party

The Camp Blodgett Guild, formerly Camp Blodgett’s Babies’ Welfare Guild, (the Guild) is a separate organization that elects its own board of directors and maintains separate membership. Its primary purpose is the maintenance of Camp Blodgett. It has representatives on, but not a majority of, the board of directors of Camp Blodgett. The Camp may request funds from the Guild for particular purposes, but the Guild determines whether to fund such requests.

The Guild conducts fundraising events for the benefit of the Camp. Funds are remitted to the Camp upon approval by the Guild of a specific request. Guild contributions (including restricted contributions) were \$2,905 in 2021 and \$57,642 in 2020.

Note 10 – Leases

The Camp leases its office space under an operating lease expiring July 31, 2022.

Future minimum lease payments are as follows:

<u>Years Ending December 31,</u>	
2022	<u>16,275</u>
Total minimum lease payments	<u>\$ 16,275</u>

Camp Blodgett
Notes to Financial Statements
December 31, 2021

Note 10 – Leases (continued)

Rent expense was \$27,445 in 2021 and \$26,700 in 2020. During 2017 the Camp's administrative functions moved to a larger office with the help of grants from local foundations.

Note 11 – Subsequent Events

Subsequent events have been evaluated through April 27, 2022, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.