

**TEXAS LIONS CAMP, INC.**

FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
SEPTEMBER 30, 2019 AND 2018  
AND SUPPLEMENTAL SCHEDULE

INDEPENDENT AUDITORS' REPORT

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**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, 2019 and 2018, and the related statements of activities, statements of net assets, and statements of cash flows for the years then ended, the related notes to the financial statements and the statement of functional expenses for the year then ended September 30, 2019.

**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

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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, 2019 and 2018, and the changes in its activities, its net assets and its cash flows for the years then ended and its functional expenses for the year ended September 30, 2019 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, 2019 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, Espenhever & Orby, P.C.*

Kerrville, Texas  
January 24, 2020

**TEXAS LIONS CAMP, INC.**STATEMENTS OF FINANCIAL POSITION  
SEPTEMBER 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>	<u>Change</u>
<b>ASSETS</b>			
CASH	\$ 2,523,129	\$ 2,240,253	\$ 282,876
ACCOUNTS RECEIVABLE - Dues and other	245,360	158,132	87,228
INVESTMENTS	17,108,259	15,675,024	1,433,235
OTHER ASSETS	81,568	115,772	(34,204)
UNCONDITIONAL PROMISES TO GIVE, NET - with donor restrictions	72,738	2,400	70,338
INVESTMENTS - with donor restrictions	3,675,233	3,648,151	27,082
PROPERTY AND EQUIPMENT, net of accumulated depreciation of \$10,236,017 and \$9,862,596	5,237,550	5,271,866	(34,316)
UNCONDITIONAL PROMISES TO GIVE, NET - with donor restrictions, held in perpetuity	4,010	76,777	(72,767)
BENEFICIAL INTERESTS IN TRUSTS - with donor restrictions	1,089,710	-	1,089,710
LONG-TERM ENDOWMENT INVESTMENTS - with donor restrictions	8,910,999	8,780,734	130,265
<b>TOTAL</b>	<u>\$ 38,948,556</u>	<u>\$ 35,969,109</u>	<u>\$ 2,979,447</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>LIABILITIES:</b>			
Accounts payable	\$ 57,953	\$ 74,121	\$ (16,168)
Annuity payable	73,664	79,459	(5,795)
<b>Total Liabilities</b>	<u>131,617</u>	<u>153,580</u>	<u>(21,963)</u>
<b>NET ASSETS:</b>			
With donor restrictions, held in perpetuity			
Endowment fund	8,915,009	8,857,511	57,498
With donor restrictions			
Operations and capital expenditures	510,189	442,526	67,663
Time restricted designated as Trust funds	1,089,710	-	1,089,710
Unappropriated endowment fund appreciation	3,237,782	3,208,025	29,757
Without donor restrictions:			
Designated as Trust funds	15,480,263	15,226,526	253,737
Designated for land and buildings	4,838,027	4,803,848	34,179
Undesignated	4,745,959	3,277,093	1,468,866
<b>Total Net Assets</b>	<u>38,816,939</u>	<u>35,815,529</u>	<u>3,001,410</u>
<b>TOTAL</b>	<u>\$ 38,948,556</u>	<u>\$ 35,969,109</u>	<u>\$ 2,979,447</u>

**TEXAS LIONS CAMP, INC.**STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED SEPTEMBER 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>	<u>Change</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>			
Support:			
Lions membership dues	\$ 457,238	\$ 514,031	\$ (56,793)
Lions Century Club	185,787	226,354	(40,567)
Lions 100% participation	211,006	235,582	(24,576)
Contributions	604,109	48,074	556,035
Other support - mineral	255,115	184,351	70,764
Other support	739,968	954,514	(214,546)
Non-Lion donations	245,275	297,914	(52,639)
Total support without donor restrictions	<u>2,698,498</u>	<u>2,460,820</u>	<u>237,678</u>
Revenue:			
Other program fees	483,983	328,494	155,489
Sale of promotional items	111,670	77,054	34,616
Investment income - mineral	396,651	28,704	367,947
Investment income including net unrealized gains and losses	966,417	930,885	35,532
Total revenue without donor restrictions	<u>1,958,721</u>	<u>1,365,137</u>	<u>593,584</u>
Net assets released from donor restrictions	<u>501,060</u>	<u>204,820</u>	<u>296,240</u>
TOTAL SUPPORT AND REVENUE WITHOUT DONOR RESTRICTIONS	<u>5,158,279</u>	<u>4,030,777</u>	<u>1,127,502</u>
PROGRAM SERVICE EXPENSES	<u>2,662,898</u>	<u>2,314,816</u>	<u>348,082</u>
SUPPORTING SERVICES EXPENSES			
General administration	562,682	713,419	(150,737)
Fund raising	175,917	153,848	22,069
Total supporting services expenses	<u>738,599</u>	<u>867,267</u>	<u>(128,667)</u>
TOTAL EXPENSES	<u>3,401,497</u>	<u>3,182,083</u>	<u>219,414</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>1,756,782</u>	<u>848,694</u>	<u>908,088</u>
<b>DONOR RESTRICTED NET ASSETS</b>			
Contributions	1,386,523	105,651	1,280,872
Net endowment investment income (loss)	253,555	652,627	(399,072)
Net investment income beneficial interest in trusts	48,112	-	48,112
Net assets released from donor restrictions	<u>(501,060)</u>	<u>(204,820)</u>	<u>(296,240)</u>
CHANGE IN DONOR RESTRICTED NET ASSETS	<u>1,187,130</u>	<u>553,458</u>	<u>633,672</u>
<b>DONOR RESTRICTED NET ASSETS-HELD IN PERPETUITY</b>			
Endowment fund contributions	<u>57,498</u>	<u>167,532</u>	<u>(110,034)</u>
CHANGE IN DONOR RESTRICTED NET ASSETS-HELD IN PERPETUITY	<u>57,498</u>	<u>167,532</u>	<u>(110,034)</u>
CHANGE IN TOTAL NET ASSETS	<u>\$ 3,001,410</u>	<u>\$ 1,569,684</u>	<u>\$ 1,431,726</u>

**TEXAS LIONS CAMP, INC.**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Program Services</u>	<u>Supporting Services</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Accounting and legal	\$ 9,590	\$ 28,770	\$ -	\$ 38,360
Advertising	4,839	179	-	5,018
Bad debt expense	-	7,064	-	7,064
Bank fees	2,396	3,450	-	5,846
Board meeting expenses	10,683	32,050	-	42,733
Camp activities	59,378	-	-	59,378
Computer services	3,663	10,990	-	14,653
Depreciation	468,695	64,430	-	533,125
Development expenses	23,516	-	76,683	100,199
Dining hall food and supplies	186,994	-	-	186,994
Dues / Subscriptions	26,053	21,979	-	48,032
Employee benefits	128,498	67,594	-	196,092
Equestrian expenses	36,975	-	-	36,975
Insurance and licenses	107,656	26,011	-	133,667
Janitorial	11,988	-	-	11,988
Laundry and linens	49,859	-	-	49,859
Medical expense and supplies	63,533	-	-	63,533
Miscellaneous	18,408	28,334	-	46,742
Office supplies and expense	12,546	5,031	-	17,577
Payroll service fees	24,516	7,323	-	31,839
Payroll taxes	60,380	14,539	6,984	81,903
Postage and delivery	9,123	7,512	-	16,635
Printing	14,127	7,559	-	21,686
Repairs and maintenance	133,046	16,164	-	149,210
Salaries	1,008,950	193,077	92,250	1,294,277
Store inventory	42,934	-	-	42,934
Taxes	4,997	591	-	5,588
Training / Certifications	10,555	-	-	10,555
Travel	24,139	-	-	24,139
Utilities	93,051	20,035	-	113,086
Work weekend	11,810	-	-	11,810
	<u>\$ 2,662,898</u>	<u>\$ 562,682</u>	<u>\$ 175,917</u>	<u>\$ 3,401,497</u>

TEXAS LIONS CAMP, INC.

STATEMENTS OF NET ASSETS  
FOR THE YEARS ENDED SEPTEMBER 30, 2019 AND 2018

	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, 2017	\$ 34,245,845	\$ 2,425,349	\$ 5,142,325	14,891,099	\$ 389,529	\$ -	\$ 2,707,564	\$ 8,689,979
CHANGE IN NET ASSETS	<u>1,569,684</u>	<u>851,744</u>	<u>(338,477)</u>	<u>335,427</u>	<u>52,997</u>	<u>-</u>	<u>500,461</u>	<u>167,532</u>
NET ASSETS - SEPTEMBER 30, 2018	35,815,529	3,277,093	4,803,848	15,226,526	442,526	-	3,208,025	8,857,511
CHANGE IN NET ASSETS	<u>3,001,410</u>	<u>1,468,866</u>	<u>34,179</u>	<u>253,737</u>	<u>67,663</u>	<u>1,089,710</u>	<u>29,757</u>	<u>57,498</u>
NET ASSETS - SEPTEMBER 30, 2019	<u>\$ 38,816,939</u>	<u>\$ 4,745,959</u>	<u>\$ 4,838,027</u>	<u>\$ 15,480,263</u>	<u>\$ 510,189</u>	<u>\$ 1,089,710</u>	<u>\$ 3,237,782</u>	<u>\$ 8,915,009</u>

See notes to the financial statements.



**TEXAS LIONS CAMP, INC.**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED SEPTEMBER 30, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 3,001,410	\$ 1,569,684
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	533,125	529,924
(Recovery) Provision for uncollectible promises to give	(7)	(1,600)
Discount on promises to give	(3,597)	(322)
Amortization of annuity	6,706	4,603
Donated materials and services	(20,131)	(27,377)
Net (gain) loss on disposal of assets	28,334	(5,389)
Realized and unrealized investment (gains) losses	(662,255)	(1,193,383)
Decrease (Increase) in other accounts receivable	158,132	(73,176)
Decrease (Increase) in unconditional promises to give	(239,324)	34,680
Decrease (Increase) in other assets	26,966	(26,369)
Decrease (Increase) in beneficial interests in trusts	(1,089,710)	-
(Decrease) Increase in accounts payable	(16,168)	39,711
Contributions restricted for long-term investment	(57,498)	(167,532)
Contributions restricted for investment in property, equipment, and other	<u>(276,682)</u>	<u>(78,274)</u>
Net cash provided by operating activities	<u>1,389,301</u>	<u>605,180</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Net (increase) decrease in investments	(1,137,308)	(304,660)
Purchase of property and equipment	<u>(499,774)</u>	<u>(244,674)</u>
Net cash used by investing activities	<u>(1,637,082)</u>	<u>(549,334)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Contributions received restricted to investment in endowment	57,498	167,532
Contributions received restricted to investment in property, equipment, and other	276,682	78,274
Payments on annuity payable	<u>(12,501)</u>	<u>(9,376)</u>
Net cash provided by financing activities	<u>321,679</u>	<u>236,430</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>73,898</b>	<b>292,276</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR</b>	<b><u>2,805,689</u></b>	<b><u>2,513,413</u></b>
<b>CASH AND CASH EQUIVALENTS, END OF THE YEAR</b>	<b><u>\$ 2,879,587</u></b>	<b><u>\$ 2,805,689</u></b>

## TEXAS LIONS CAMP, INC.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED SEPTEMBER 30, 2019 AND 2018

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#### 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 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide for Not for Profit Organizations (“the Guide”). ASC 958-205 was effective January 1, 2018.

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 pronouncement – On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities effective for fiscal years beginning after December 15, 2017. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Camp has adjusted the presentation of these statements accordingly.

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, 2019 and 2018. 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 3 months or less which are not restricted for long-term purposes (see note 2). Cash and cash equivalents as of September 30, 2019 and 2018 are as follows:

	<u>2019</u>	<u>2018</u>
Cash	\$ 2,523,129	\$ 2,240,253
Money market investment accounts	356,458	565,436
Cash and cash equivalents	<u>\$ 2,879,587</u>	<u>\$ 2,805,689</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.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Date of Management’s Review - Management has evaluated subsequent events through January 24, 2020, 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, 2019 and 2018, consist of securities held at J. P. Morgan and U.S. Trust and certain other investments and are categorized as follows:

	2019		2018	
	Cost	Value	Cost	Value
Money Market	\$ 596,409	\$ 596,409	\$ 832,072	\$ 832,072
Debt Securities	8,559,792	9,964,360	6,861,850	8,019,593
Equity Securities	13,519,037	14,928,739	12,796,803	15,289,141
Other	3,698,155	4,204,983	3,849,914	3,963,103
Total	<u>\$26,373,392</u>	<u>\$29,694,491</u>	<u>\$ 24,340,639</u>	<u>\$ 28,103,909</u>

Of the investments listed above, \$8,910,999 and \$8,780,734 are net assets with donor restrictions-held in perpetuity (endowment fund) and \$3,675,233 and \$3,648,151 are net assets with donor restrictions as of September 30, 2019 and 2018, respectively.

The following schedule summarizes the investment returns and classification in the Statement of Activities for the year ended September 30, 2019.

	2019		
	Without donor restrictions	With donor restrictions	Total
Interest and dividends	\$ 423,398	\$ 279,437	\$ 702,835
Oil and gas income	396,651		396,651
Realized gains (losses)	331,857	363,524	695,381
Unrealized gains (losses)	300,640	(333,767)	(33,127)
Investment fees	(89,478)	(55,639)	(145,117)
	<u>\$ 1,363,068</u>	<u>\$ 253,555</u>	<u>\$ 1,616,623</u>

The following schedule summarizes the investment returns and classification in the Statement of Activities for the year ended September 30, 2018.

	2018		
	Without donor restrictions	With donor restrictions	Total
Interest and dividends	\$ 317,146	\$ 206,651	\$ 523,797
Oil and gas income	28,704		28,704
Realized gains (losses)	347,567	218,797	566,364
Unrealized gains (losses)	345,354	281,665	627,019
Investment fees	(79,182)	(54,486)	(133,668)
Total	<u>\$ 959,589</u>	<u>\$ 652,627</u>	<u>\$ 1,612,216</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 year 2019, 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. An

asset for the charitable remainder trusts has been recognized October 1, 2018 at the present value of the trust's assets less the present value of the expected annuity payments discounted at a rate of 2.1%. The expected future cash flow of \$264,280 represents the Camp's share of the fair market value of the trust principal at October 1, 2018. 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 fair value of the Camp's interest in the trusts is estimated at \$285,924 which is recorded on October 1, 2018. 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, are receiving quarterly distributions from the trust. At the time of death of the last non charity beneficiary, the trust will terminate, and the remaining assets of the trust will be distributed to the charities. 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 2.6%. The fair value of the Camp's interest in the trust is estimated at \$497,199 which is recorded on October 1, 2018. The distributions received from the trusts have been 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:

	2019	2018
Charitable remainder trusts	\$ 276,553	\$ -
Beneficial interests in perpetual trusts	304,775	-
Beneficial interest in charitable lead trust	508,382	-
Beneficial interests in trusts end of year	<u>\$ 1,089,710</u>	<u>\$ -</u>

Statement of Activities:

	2019	2018
Contributions-donor restricted	\$ 1,047,403	\$ -
Change in value of beneficial interests-donor restricted	29,261	-
Gain (loss) of beneficial interests-donor restricted	18,851	-
Income from beneficial interests in trusts	<u>\$ 1,095,515</u>	<u>\$ -</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, 2019 and 2018.



### 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.

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, 2019:

	<u>Level 1</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 596,409		\$ 596,409
Debt securities	9,964,360		9,964,360
Equity securities	14,928,739		14,928,739
Beneficial interests in trusts		\$ 1,089,710	1,089,710
Other	3,475,189	729,795	4,204,984
Total	<u>\$ 28,964,697</u>	<u>\$ 1,819,505</u>	<u>\$ 30,784,202</u>

#### Assets at Fair Value as of September 30, 2018:

	<u>Level 1</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 832,072		\$ 832,072
Debt securities	8,019,593		8,019,593
Equity securities	15,289,141		15,289,141
Other	3,784,611	\$ 178,492	3,963,103
Total	<u>\$ 27,925,417</u>	<u>\$ 178,492</u>	<u>\$ 28,103,909</u>

The table below sets forth a summary of changes in the fair value of the Camp's level 3 assets:

	Level 3 Assets Other investments	
Balance, September 30, 2017	\$	150,584
Unrealized gain		27,908
Balance, September 30, 2018		178,492
Contributions-beneficial interest in trusts		1,047,403
Other gains		42,307
Unrealized gain		551,303
Balance, September 30, 2019	\$	1,819,505

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.

#### 4. PROMISES TO GIVE

Unconditional promises to give at September 30, 2019 and 2018 consist of the following:

	<u>2019</u>	<u>2018</u>
Dues and other receivables	\$ 245,360	\$ 158,132
Capital and other pledges with donor restrictions, net of allowance of \$3,700 in 2019 and \$100 in 2018	78,300	2,400
Endowment pledges with donor restrictions- held in perpetuity, net of allowance of \$190 in 2019 and \$3,800 in 2018	4,010	80,374
Unconditional promises to give before unamortized discount	327,670	240,906
Less unamortized discount – With donor restrictions-capital and other pledges	(5,562)	-
With donor restrictions-held in perpetuity	-	(3,597)
Net unconditional promises to give	<u>\$ 322,108</u>	<u>\$ 237,309</u>

Unconditional promises to give as of  
September 30, 2019 due in:

Less than one year	\$	259,560
One to five years		50,000
Over five years		<u>22,000</u>
Subtotal		331,560
Less: Unamortized discount		(5,562)
Allowance for uncollectible pledges		<u>(3,890)</u>
	\$	<u><u>322,108</u></u>

For the years ended September 30, 2019 and 2018, the discount rate applied to promises to give that are expected to be collected in future years was approximately 1.55%.

#### 5. PROPERTY AND EQUIPMENT

For the fiscal years ended September 30, 2019 and 2018, the Camp recorded depreciation expense in the amount of \$533,125 and \$529,924, 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, 2019 and 2018 are as follows:

	2019 Cost or Donated Value	2018 Cost or Donated Value	Estimated Useful Life In Years
Construction in progress	\$ 321,335	\$ 89,530	
Land	87,488	87,488	
Land improvements	1,254,291	1,208,669	10 - 33
Buildings	9,042,096	9,039,681	33 - 39
Campsites, roads, walks and other ground improvements	2,890,993	2,800,199	15 - 33
Furniture and fixtures	356,591	359,615	10
Equipment	813,824	836,686	10
Computer equipment	112,990	113,753	6
Vehicles	<u>593,959</u>	<u>598,841</u>	5
Total	15,473,568	15,134,462	
Less: Accumulated depreciation	<u>(10,236,017)</u>	<u>(9,862,596)</u>	
Net	<u><u>\$ 5,237,550</u></u>	<u><u>\$ 5,271,866</u></u>	

## 6. 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, 2019 and 2018.

Subject to expenditure for specified purpose:	2019	2018
Expenditures for operations	\$ 44,879	\$ 85,429
Capital improvements	465,310	357,097
	<u>510,189</u>	<u>442,526</u>
Subject to the passage of time:		
For periods after September 30, 2019	<u>1,089,710</u>	<u>-</u>
Subject to the Camp's spending policy and appropriation:		
Unappropriated endowment earnings	<u>3,237,782</u>	<u>3,208,025</u>
Total net assets with donor restrictions	<u>\$ 4,837,681</u>	<u>\$ 3,650,551</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 8.

Releases from donor restricted net assets for the years ended September 30, 2019 and 2018, are as follows:

	2019	2018
Expenditures for operations	\$ 187,924	\$ 37,639
Capital improvements	89,338	15,017
Appropriated endowment earnings	<u>223,798</u>	<u>152,164</u>
Total net assets with donor restrictions released	<u>\$ 501,060</u>	<u>\$ 204,820</u>

## 7. NET ASSETS - ENDOWMENT FUND

The State of Texas adopted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) effective September 1, 2007. The Camp adopted 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* during the year ended September 30, 2009. 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, 2019 and 2018.

Changes in endowed assets for the year ended September 30, 2019 were as follows:

	With donor restrictions	With donor restrictions- held in perpetuity	Total
Net endowed assets, beginning of year	\$ 3,208,025	\$ 8,857,511	\$ 12,065,536
Interest and dividends	279,437		279,437
Investment fees	(55,639)		(55,639)
Net realized and unrealized appreciation	29,757		29,757
Contributions		57,498	57,498
Amounts appropriated for expenditure	(223,798)		(223,798)
Changes in endowed assets	<u>29,757</u>	<u>57,498</u>	<u>87,255</u>
Net endowed assets, end of year	<u>\$ 3,237,782</u>	<u>\$ 8,915,009</u>	<u>\$ 12,152,791</u>

Changes in endowed assets for the year ended September 30, 2018 were as follows:

	With donor restrictions	With donor restrictions- held in perpetuity	Total
Net endowed assets, beginning of year	\$ 2,707,564	\$ 8,689,979	\$ 11,397,543
Interest and dividends	206,651		206,651
Investment fees	(54,486)		(54,486)
Net realized and unrealized depreciation	500,461		500,461
Contributions		167,532	167,532
Amounts appropriated for expenditure	(152,165)		(152,165)
Changes in endowed assets	<u>500,461</u>	<u>167,532</u>	<u>667,993</u>
Net endowed assets, end of year	<u>\$ 3,208,025</u>	<u>\$ 8,857,511</u>	<u>\$ 12,065,536</u>

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

	<u>2019</u>	<u>2018</u>
Receivables due in one to five years, net of discount and allowance	\$ 4,010	\$ 76,777
Investments (at amount of original contribution)	<u>8,910,999</u>	<u>8,780,734</u>
	<u>\$ 8,915,009</u>	<u>\$ 8,857,511</u>

#### 8. NET ASSETS WITHOUT DONOR RESTRICTIONS

The Board has designated that 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 that 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, 2019 and 2018, the amount of such funds designated as Trust funds in the accompanying financial statements is \$15,480,263 and \$15,226,526, respectively.

Activity without donor or time restrictions in the Trust fund during the years ended September 30, 2019 and 2018 was as follows:

	<u>2019</u>	<u>2018</u>
Trust fund balance at beginning of year	\$ 15,226,526	\$ 14,891,099
Contributions	604,109	45,902
Net realized and unrealized investment income (loss) designated for reinvestment	1,341,224	939,820
Net investment income used for operations	<u>(1,691,596)</u>	<u>(650,295)</u>
Trust fund balance at end of year	<u>\$ 15,480,263</u>	<u>\$ 15,226,526</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, 2019 and 2018 are as follows:

	<u>2019</u>	<u>2018</u>
Construction in progress	\$ 321,335	\$ 89,530
Land	53,340	53,340
Land improvements	1,254,291	1,208,669
Buildings	9,042,096	9,039,681
Campsites, roads, walks and other improvements	<u>2,890,993</u>	<u>2,800,199</u>
Total	13,562,055	13,191,419
Less: Accumulated depreciation	(8,724,028)	(8,387,571)
Net	<u>\$ 4,838,027</u>	<u>\$ 4,803,848</u>

#### 9. 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, 2019 and 2018 were \$35,803 and \$32,167, respectively.

#### 10. CONCENTRATIONS OF CREDIT AND MARKET RISK

In September 30, 2019 and 2018, the Camp received approximately 57% and 64%, respectively, of its support and revenues from Lions in the State of Texas. As of September 30, 2019 and 2018, 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, 2019.

#### 11. 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.

## 12. LIQUIDITY

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

Cash, without donor restrictions	\$ 2,523,129
Contributions receivable, time restricted, due within one year	245,360
Investments, without donor restrictions	1,627,996
Inventory	30,257
Prepaid expenses	<u>24,672</u>
Total financial asset available to meet cash needs	<u>\$ 4,451,414</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 that can be drawn upon if needed. Additionally, in the event of an unanticipated liquidity need, the Camp has a Trust fund of \$15.5 million. Although the Camp does not intend to spend from its Trust fund other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from the Trust can be made available with 4/5 vote of the Board.

## 13. 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.

**TEXAS LIONS CAMP, INC.**SUPPLEMENTAL SCHEDULE OF BUDGETED AND BUDGETARY ACTUAL SOURCES AND USES OF FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019 (SEE NOTE AT PAGE 28)

SOURCES OF FUNDS	2019	("Unaudited") BUDGET	VARIANCE	PERCENTAGE VARIANCE
CENTURY CLUB	\$ 185,787	\$ 225,000	\$ (39,213)	(17.43)
LIFE MEMBERSHIP	10,402	25,000	(14,598)	(58.39)
MEMORIALS	69,904	65,000	4,904	7.54
INTEREST INCOME	21,844	2,000	19,844	992.19
MEMBERSHIP DUES	457,238	525,000	(67,762)	(12.91)
DONATIONS	14,650	75,000	(60,350)	(80.47)
LIONS GENERAL DONATIONS	255,362	125,000	130,362	104.29
100% PARTICIPATION	211,006	240,000	(28,994)	(12.08)
OUTSIDE DONATIONS	225,144	125,000	100,144	80.12
FOUNDATION GRANTS	132,200	200,000	(67,800)	(33.90)
CORPORATE SPONSORSHIP	-	50,000	(50,000)	(100.00)
CORPORATE MATCHING	1,000	5,000	(4,000)	(80.00)
SALE OF PROMOTIONAL ITEMS	73,101	75,000	(1,899)	(2.53)
CHRISTMAS APPEAL	139,214	100,000	39,214	39.21
VENDING INCOME	566	500	66	13.19
LEASE GROUPS	27,110	40,000	(12,890)	(32.23)
SERVICE REVENUE PHYSICAL DISBABILITY	185,471	175,000	10,471	5.98
GOLF TOURNAMENT PROCEEDS	252,507	75,000	177,507	236.68
FUNDRAISING	18,895	-	18,895	-
CAMP PICTURES	4,840	1,500	3,340	222.67
MATERIAL/SERVICE CONTRIBUTION	20,131	-	20,131	-
CONTRIBUTIONS - JACK WIECH	71,072	50,000	21,072	42.14
OTHER INCOME	263,897	10,000	253,897	2,538.97
INCOME FROM SALE OF ASSET	(28,334)	2,500	(30,834)	(1,233.36)
INSURANCE REFUNDS	36,666	10,000	26,666	266.66
COUNSELOR SCHOLARSHIPS	-	2,000	(2,000)	(100.00)
LICENSE PLATE INCOME	33,728	15,000	18,728	124.86
SPECIAL PROJECTS	150	2,000	(1,850)	(92.50)
DIVIDEND INCOME	-	10,000	(10,000)	(100.00)
DESIGNATED REVENUE	1,386,523	80,000	1,306,523	1,633.15
TRANSFER FROM ENDOWMENT	223,798	150,000	73,798	49.20
TRANSFER FROM TRUST FUND	698,302	425,000	273,302	64.31
TOTAL SOURCES OF FUNDS	4,992,174	2,885,500	2,106,674	73.01

**USES OF FUNDS****CAMP:**

ARCHERY	345	1,000	(655)	(65.51)
ARTS & CRAFTS	1,525	1,650	(125)	(7.55)
AQUATICS	4,957	4,500	457	10.16
AWARDS	3,706	2,000	1,706	85.28
BANQUET	9,513	8,500	1,013	11.92
BARN YARD/PETTING ZOO	4,767	2,000	2,767	138.34

**TEXAS LIONS CAMP, INC.**SUPPLEMENTAL SCHEDULE OF BUDGETED AND BUDGETARY ACTUAL SOURCES AND USES OF FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019 (SEE NOTE AT PAGE 28)

	2019	("Unaudited") BUDGET	VARIANCE	PERCENTAGE VARIANCE
CAMPER PROVISIONS	200	500	(300)	(60.09)
CAMPER PICTURES	2,219	2,200	19	0.88
CERAMICS	0	500	(500)	(100.00)
CERTIFICATION	10,068	12,000	(1,932)	(16.10)
COUNSELOR SCHOLARSHIPS	0	2,000	(2,000)	(100.00)
DUES & SUBSCRIPTIONS	20,240	6,000	14,240	237.33
DIRECTORS TRAINING	486	10,000	(9,514)	(95.14)
WORK WEEKEND	11,810	15,000	(3,190)	(21.27)
FIREWORKS	1,739	1,000	739	73.92
FINE ARTS	519	500	19	3.86
DINING HALL:				
FOOD	169,432	165,000	4,432	2.69
PAPER PRODUCTS	16,021	14,000	2,021	14.44
SALARIES	57,620	65,000	(7,380)	(11.35)
PAYROLL TAXES	3,929	5,687	(1,758)	(30.91)
GREENHOUSE	0	500	(500)	(100.00)
INSURANCE CAMPERS	0	3,800	(3,800)	(100.00)
LAUNDRY	48,521	29,812	18,709	62.76
LINENS	1,338	-	1,338	-
MUSIC	244	500	(256)	(51.21)
NATURE CRAFTS	1,765	1,200	565	47.06
WORKSHOP	217	2,000	(1,783)	(89.13)
OFFICE SUPPLIES	9,954	4,916	5,038	102.47
CSI	230	750	(520)	(69.37)
POSTAGE	3,397	5,000	(1,603)	(32.07)
PRINTING	4,433	10,000	(5,567)	(55.67)
PHOTOGRAPHY	399	1,500	(1,101)	(73.40)
RECREATION	840	900	(60)	(6.71)
ROPES COURSE	1,227	2,500	(1,273)	(50.94)
SPECIAL ACTIVITIES	7,581	3,500	4,081	116.61
STORE INVENTORY	42,934	40,000	2,934	7.34
SALES AND OTHER TAXES	4,997	4,000	997	24.93
TRAVEL	24,139	40,000	(15,861)	(39.65)
UNIFORMS	13,689	18,000	(4,311)	(23.95)
UNIT ACTIVITIES	3,696	250	3,446	1,378.50
VENDING	1,540	3,000	(1,460)	(48.66)
EMPLOYEE RELATIONS	3,090	500	2,590	517.96
INFIRMARY:				
SUPPLIES	4,772	4,000	772	19.30
OUTSIDE MEDICAL FEES	5,325	3,000	2,325	77.50
SALARIES	43,607	55,000	(11,393)	(20.71)
PAYROLL TAXES	3,580	4,675	(1,095)	(23.42)
EQUESTRIAN:				
DUES & SUBS	264	500	(236)	(47.20)

**TEXAS LIONS CAMP, INC.**SUPPLEMENTAL SCHEDULE OF BUDGETED AND BUDGETARY ACTUAL SOURCES AND USES OF FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019 (SEE NOTE AT PAGE 28)

	2019	("Unaudited") BUDGET	VARIANCE	PERCENTAGE VARIANCE
FARRIER	4,397	2,800	1,597	57.04
HORSE FEED	25,804	25,000	804	3.21
MEDICAL COST	1,839	3,000	(1,161)	(38.71)
RIDING SUPPLIES	816	500	316	63.21
RANCH SUPPLIES	3,358	2,600	758	29.16
WILDLIFE MANAGEMENT	761	2,500	(1,739)	(69.56)
JANITORIAL	11,988	5,000	6,988	139.76
SALARIES:				
PROGRAM STAFF	215,403	207,500	7,903	3.81
PROGRAM STAFF PAYROLL TAXES	16,398	17,638	(1,240)	(7.03)
SUMMER STAFF	379,022	300,000	79,022	26.34
SUMMER STAFF PAYROLL TAXES	12,727	25,500	(12,773)	(50.09)
DIABETIC CAMP:				
MEDICAL GRANT	53,436	63,000	(9,564)	(15.18)
OUTSIDE MEDICAL FEES	4,763	6,000	(1,237)	(20.61)
CAMP SUBTOTAL	1,281,587	1,219,878	61,709	5.06
<b>ADMINISTRATION DEPARTMENT:</b>				
AUDIT FEE	24,250	22,000	2,250	10.23
BAD DEBT EXPENSE	7,064	-	7,064	-
BANK CHARGES	3,769	10,000	(6,231)	(62.31)
ACH CHARGES	2,077	2,000	77	3.87
PAYROLL SERVICE CHARGES	31,838	30,000	1,838	6.13
BOARD MEETING COST	42,733	25,000	17,733	70.93
DUES & SUBSCRIPTIONS	13,369	5,000	8,369	167.38
LEASE GROUP EXPENSES	13,646	-	13,646	-
LEGAL FEES	14,110	3,500	10,610	303.15
OFFICE SUPPLIES	5,434	10,000	(4,566)	(45.66)
POSTAGE	4,274	3,500	774	22.11
PRINTING	31	1,000	(969)	(96.90)
COMPUTER SERVICES & SUPPLIES	14,654	40,000	(25,346)	(63.37)
SALARIES	197,167	284,175	(87,008)	(30.62)
PAYROLL TAXES	14,812	24,154	(9,342)	(38.68)
EMPLOYEE RELATIONS	108	1,000	(892)	(89.23)
ADMINISTRATION SUBTOTAL	389,336	461,329	(71,993)	(15.61)
<b>DEVELOPMENT:</b>				
DUES & SUBSCRIPTIONS	14,040	2,500	11,540	461.62
PRINTING	2,123	5,000	(2,877)	(57.54)
PRODUCTION PROGRAMS	6,132	5,000	1,132	22.64
POSTAGE	5,293	10,000	(4,707)	(47.07)
CHRISTMAS CARD POSTAGE	15,339	14,000	1,339	9.57
GOLF	14,503	-	14,503	-
SUPPLIES	1,792	2,000	(208)	(10.39)

**TEXAS LIONS CAMP, INC.**SUPPLEMENTAL SCHEDULE OF BUDGETED AND BUDGETARY ACTUAL SOURCES AND USES OF FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019 (SEE NOTE AT PAGE 28)

	2019	("Unaudited") BUDGET	VARIANCE	PERCENTAGE VARIANCE
CAMPAIGN - VISION 2020	17,500	-	17,500	-
SALARIES	123,000	116,000	7,000	6.03
PAYROLL TAXES	9,312	9,860	(548)	(5.56)
RECOGNITION EMBLEMS	52,858	65,000	(12,142)	(18.68)
DEVELOPMENT SUBTOTAL	261,892	229,360	32,532	14.18
<b><u>MAINTENANCE:</u></b>				
VEHICLES - FUEL	14,111	12,000	2,111	17.59
VEHICLES - MAINTENANCE	4,591	5,500	(909)	(16.52)
VEHICLES - PARTS	6,973	5,000	1,973	39.46
VEHICLES - REGISTRATION	2,123	2,000	123	6.16
VEHICLES - REPAIRS	6,980	5,000	1,980	39.60
REPAIRS & MAINTENANCE				
BUILDINGS	54,237	40,000	14,237	35.59
EQUIPMENT	21,808	20,000	1,808	9.04
FURNITURE & FIXTURES	2,098	1,000	1,098	109.80
GENERAL	14,511	20,000	(5,489)	(27.44)
LAND	8,105	4,000	4,105	102.62
MAINTENANCE CONTRACTS	13,130	18,000	(4,870)	(27.05)
JANITORIAL SUPPLIES	543	8,000	(7,457)	(93.21)
MAINTENANCE SALARIES	162,750	169,500	(6,750)	(3.98)
MAINTENANCE PAYROLL TAXES	12,376	14,408	(2,032)	(14.11)
MAINTENANCE SUBTOTAL	324,336	324,408	(72)	(0.02)
<b><u>MARKETING &amp; PUBLIC RELATIONS EXPENSES:</u></b>				
SALARIES	115,708	115,000	708	0.62
PAYROLL TAX	8,770	9,775	(1,005)	(10.29)
ADVERTISING AND PROMOTION	3,825	5,000	(1,175)	(23.50)
DUES & SUBSCRIPTIONS	119	1,000	(881)	(88.10)
MEDIA	915	2,500	(1,585)	(63.42)
POSTAGE	3,671	5,000	(1,329)	(26.57)
PRINTING	8,967	8,500	467	5.49
PUBLIC RELATIONS	279	2,000	(1,721)	(86.06)
OFFICE SUPPLIES	396	500	(104)	(20.72)
MARKETING & PR SUBTOTAL	142,650	149,275	(6,625)	(4.44)
<b><u>INSURANCE:</u></b>				
ACCIDENT	0	3,000	(3,000)	(100.00)
AUTO	16,782	16,000	782	4.89
BUILDINGS	94,937	93,000	1,937	2.08
BOND	2,882	1,000	1,882	188.20
EQUIPMENT	10,780	10,000	780	7.80
EMPLOYEE HEALTH	157,091	185,000	(27,909)	(15.09)
EMPLOYEE RETIREMENT	35,803	43,000	(7,197)	(16.74)

**TEXAS LIONS CAMP, INC.**

SUPPLEMENTAL SCHEDULE OF BUDGETED AND BUDGETARY ACTUAL SOURCES AND USES OF FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019 (SEE NOTE AT PAGE 28)

	2019	("Unaudited") BUDGET	VARIANCE	PERCENTAGE VARIANCE
WORKERS COMPENSATION	3,670	25,000	(21,330)	(85.32)
DIRECTORS & OFFICERS	4,616	8,000	(3,384)	(42.30)
INSURANCE SUBTOTAL	326,561	384,000	(57,439)	(14.96)
<b><u>UTILITIES:</u></b>				
ELECTRICITY	75,821	75,000	821	1.09
GARBAGE	5,067	5,000	67	1.34
GAS	5,135	8,500	(3,365)	(39.59)
TELEPHONE	8,674	9,000	(326)	(3.62)
T.V.	7,364	8,500	(1,136)	(13.36)
WATER	11,024	10,000	1,024	10.24
PROPERTY TAXES-TRUST	591	1,250	(659)	(52.74)
UTILITIES SUBTOTAL	113,676	117,250	(3,574)	(3.05)
TOTAL USES	2,840,038	2,885,500	(45,462)	(1.58)
NET INCREASE/(DECREASE)	<u>\$ 2,152,135</u>	<u>\$ -</u>	<u>\$ 2,152,135</u>	*****
DEPRECIATION	<u>533,125</u>	<u>\$ -</u>	<u>\$ 533,125</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.