

**Nebraska Lutheran Outdoor Ministries, Inc.  
and Affiliate**

Ashland, Nebraska

**Consolidated Financial Statements and Supplementary Information  
December 31, 2022 and 2021**

**Together with Independent Auditor's Report**

**Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate**

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CPAs & BUSINESS ADVISORS

## Independent Auditor's Report

To the Board of Directors of  
Nebraska Lutheran Outdoor Ministries, Inc.  
and Affiliate  
Ashland, Nebraska:

### Report on the Audit of the Consolidated Financial Statements

#### **Opinion**

We have audited the consolidated financial statements of Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate (the Organization), which comprise the consolidated statement of financial position as of December 31, 2022, and the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

We conducted our audit 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 of the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Other Matter**

The financial statements of the Organization as of and for the year ended December 31, 2021, were audited by Seim Johnson, LLP, who joined Eide Bailly LLP on July 25, 2022, and whose report dated June 16, 2022, contained an unmodified opinion on those statements and contained an opinion that the accompanying supplementary information as of and for the year ended December 31, 2021, was fairly stated in all material respects in relation to the 2021 financial statements as a whole.

#### **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 the Organization's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

#### **Auditor's 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 there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 the Organization'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.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating information included in Exhibits 1 – 2 as of and for the year ended December 31, 2022 is presented for the 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 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Omaha, Nebraska.  
June 15, 2023

## Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

### Consolidated Statements of Financial Position December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 2,208,060	1,726,407
Receivables:		
Contributions	155,292	77,542
Bequests	350,000	359,000
Other	33,072	20,542
Prepaid expenses	24,191	24,653
Inventory	<u>32,202</u>	<u>40,579</u>
Total current assets	2,802,817	2,248,723
Investments, primarily assets limited as to use	3,524,012	3,729,681
Property and equipment, net	8,419,597	8,497,076
Beneficial interest in perpetual trusts	652,780	792,134
Beneficial interest in charitable trust	<u>--</u>	<u>372,780</u>
Total assets	<u>\$ 15,399,206</u>	<u>15,640,394</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable and other accrued liabilities	\$ 72,607	51,437
Accrued salaries, vacation, and benefits	70,524	56,225
Deferred revenue	<u>140,478</u>	<u>128,294</u>
Total current liabilities	<u>283,609</u>	<u>235,956</u>
Net assets:		
Without donor restrictions:		
Undesignated	10,187,458	10,041,100
Designated by Board for endowments	<u>2,196,017</u>	<u>2,415,850</u>
Total without donor restrictions	12,383,475	12,456,950
With donor restrictions	<u>2,732,122</u>	<u>2,947,488</u>
Total net assets	<u>15,115,597</u>	<u>15,404,438</u>
Total liabilities and net assets	<u>\$ 15,399,206</u>	<u>15,640,394</u>

*See notes to consolidated financial statements*

## Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

### Consolidated Statement of Activities For the Year Ended December 31, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE AND OTHER SUPPORT:			
Camp fees and retreats	\$ 1,246,931	--	1,246,931
Individual, group and congregational gifts	1,069,101	888,371	1,957,472
In-kind contributions	120,370	--	120,370
Nebraska Synod of the Evangelical Lutheran Church in America	63,097	--	63,097
Investment loss	(118,419)	(38,890)	(157,309)
Change in value of beneficial interest in perpetual trusts	--	(139,354)	(139,354)
Change in value of beneficial interest in charitable trust	--	44,192	44,192
Special events	482,988	--	482,988
Store sales and vending	21,695	--	21,695
Rental income	11,904	--	11,904
Gain on sale of property and equipment	6,931	--	6,931
Miscellaneous	6,951	--	6,951
Net assets released from restrictions	969,685	(969,685)	--
	<u>3,881,234</u>	<u>(215,366)</u>	<u>3,665,868</u>
Total revenue and other support			
EXPENSES:			
Program services -			
Programs	714,270	--	714,270
Guest services	868,313	--	868,313
Buildings and grounds	1,129,617	--	1,129,617
Administration	510,157	--	510,157
Fundraising -			
Development	359,140	--	359,140
Marketing	373,212	--	373,212
	<u>3,954,709</u>	<u>--</u>	<u>3,954,709</u>
Total expenses			
CHANGE IN NET ASSETS	(73,475)	(215,366)	(288,841)
NET ASSETS, beginning of year	<u>12,456,950</u>	<u>2,947,488</u>	<u>15,404,438</u>
NET ASSETS, end of year	<u>\$ 12,383,475</u>	<u>2,732,122</u>	<u>15,115,597</u>

*See notes to consolidated financial statements*

## Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

### Consolidated Statement of Activities For the Year Ended December 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE AND OTHER SUPPORT:			
Camp fees and retreats	\$ 831,404	--	831,404
Individual, group and congregational gifts	1,013,314	1,004,292	2,017,606
In-kind contributions	81,850	--	81,850
Nebraska Synod of the Evangelical Lutheran Church in America	66,867	--	66,867
Government grants, primarily Paycheck Protection Program loan forgiveness	501,639	--	501,639
Investment income	83,978	103,309	187,287
Change in value of beneficial interest in perpetual trusts	--	57,774	57,774
Change in value of beneficial interest in charitable trust	--	58,398	58,398
Special events	415,388	--	415,388
Store sales and vending	20,995	--	20,995
Rental income	42,151	--	42,151
Gain on sale of property and equipment	11,679	--	11,679
Gain on sale of real estate held for sale	143,060	--	143,060
Miscellaneous	39,226	--	39,226
Net assets released from restrictions	<u>2,828,678</u>	<u>(2,828,678)</u>	<u>--</u>
Total revenue and other support	<u>6,080,229</u>	<u>(1,604,905)</u>	<u>4,475,324</u>
EXPENSES:			
Program services -			
Programs	510,039	--	510,039
Guest services	622,563	--	622,563
Buildings and grounds	919,776	--	919,776
Administration	386,823	--	386,823
Fundraising -			
Development	311,637	--	311,637
Marketing	<u>364,741</u>	<u>--</u>	<u>364,741</u>
Total expenses	<u>3,115,579</u>	<u>--</u>	<u>3,115,579</u>
CHANGE IN NET ASSETS	2,964,650	(1,604,905)	1,359,745
NET ASSETS, beginning of year	<u>9,492,300</u>	<u>4,552,393</u>	<u>14,044,693</u>
NET ASSETS, end of year	<u>\$ 12,456,950</u>	<u>2,947,488</u>	<u>15,404,438</u>

See notes to consolidated financial statements

## Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

### Consolidated Statements of Cash Flows For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (288,841)	1,359,745
Adjustments to reconcile the change in net assets to net cash provided by operating activities -		
Depreciation	386,928	358,812
Forgiveness of Paycheck Protection Program loan	--	(501,639)
Realized and unrealized (gains) losses on investments, net	341,363	(95,093)
Change in cash surrender value of life insurance policies	(5,317)	1,197
Change in value of beneficial interest in perpetual trusts	139,354	(57,774)
Change in value of beneficial interest in charitable trust	(44,192)	(58,398)
Contributions restricted for long-term purposes	(449,424)	(29,924)
Gain on disposal of property and equipment	(6,931)	(11,679)
Gain on sale of real estate held for sale	--	(143,060)
(Increase) decrease in current assets:		
Receivables:		
Contributions	(77,750)	31,336
Bequests	9,000	611,000
Other	(12,530)	(12,816)
Prepaid expenses	462	(17,044)
Inventory	8,377	(21,372)
Increase (decrease) in current liabilities:		
Accounts payable and other accrued liabilities	21,170	(158,500)
Accrued salaries, vacation, and benefits	14,299	7,831
Deferred revenue	12,184	(57,213)
Net cash provided by operating activities	<u>48,152</u>	<u>1,205,409</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	46,000	46,200
Purchases of investments	(176,377)	(2,238,194)
Proceeds from sale of property and equipment	6,931	16,000
Proceeds from sale of real estate held for sale	--	1,543,060
Purchases of property and equipment	(309,449)	(1,267,136)
Net cash used in investing activities	<u>(432,895)</u>	<u>(1,900,070)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contributions restricted for endowment	86,924	29,924
Contributions restricted for capital improvements	362,500	--
Proceeds from termination of beneficial interest in charitable trust	416,972	--
Proceeds from issuance of Paycheck Protection Program loan	--	501,639
Net cash provided by financing activities	<u>866,396</u>	<u>531,563</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	481,653	(163,098)
CASH AND CASH EQUIVALENTS, beginning of year	<u>1,726,407</u>	<u>1,889,505</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 2,208,060</u>	<u>1,726,407</u>
SUPPLEMENTAL DISCLOSURE OF NON-CASH TRANSACTIONS:		
Donated securities	\$ --	102,760

See notes to consolidated financial statements



# Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

## Notes to Consolidated Financial Statements December 31, 2022 and 2021

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### (1) Organization, Principles of Consolidation and Summary of Significant Accounting Policies

The following indicates principles of consolidation and summary of significant accounting policies of the Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate (together "the Organization"). These policies are in accordance with accounting principles generally accepted in the United States of America (GAAP).

#### A. *Organization and Principles of Consolidation*

The financial statements of the Organization include the accounts of the following:

- Nebraska Lutheran Outdoor Ministries, Inc. (NLOM)
- Nebraska Lutheran Outdoor Ministries Foundation, Inc. (Foundation)

NLOM is called by the Nebraska Synod of the Evangelical Lutheran Church in America (Synod) to provide site facilities and programs for the camping and retreating needs of the Synod and its friends. As the camping and retreating ministry of the Synod, the call is to provide a place set apart for people of all ages to grow in Christ.

The Foundation's purpose is to manage and distribute funds, solicited from the statewide Lutheran constituency and the general public, in order to further the services of NLOM.

All significant intercompany accounts and transactions have been eliminated in consolidation.

#### B. *Basis of Accounting and Presentation*

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with GAAP. Financial statement presentation follows the recommendations of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*. Under FASB ASC 958-205, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

- Net assets without donor restrictions include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by contract or by board designation.
- Net assets with donor restrictions are those net assets whose use by the Organization has been limited by donors to later periods of time or after specified dates, or to specified purposes. Other donor imposed restrictions are perpetual in nature that stipulate resources be maintained permanently, but permits the Organization to use or expend part or all of the income (or economic benefits) derived from the donated assets. 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.

#### C. *Use of Estimates*

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements. Actual results could differ from those estimates.

#### D. *Cash and Cash Equivalents*

Cash and cash equivalents include investments in highly liquid debt instruments with original maturities of three months or less, excluding cash and cash equivalents held in investments.

# Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

## Notes to Consolidated Financial Statements December 31, 2022 and 2021

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### *E. Bequests Receivable*

Bequests receivable are acknowledged based upon information provided by trustees of donor estates and are recognized when the Organization is made aware of the promise to give and the fair value of the promise can be estimated. All bequests are expected to be collected within one year. An allowance for doubtful accounts is maintained at a balance which, in the opinion of management, is adequate to reflect bequests receivable at their net realizable value. Bequests receivable are written off when deemed uncollectible. Recoveries of bequests receivable previously written off are recognized when received. No allowances were established at December 31, 2022 and 2021.

The Organization has been named a beneficiary in a number of wills and trust agreements, the assets of which have not been recognized in the accompanying financial statements. Such amounts are recognized when a will is declared valid by probate court, or the rights to the assets otherwise become irrevocable, and the proceeds are measureable.

### *F. Real Estate Held for Sale*

In 2018, the Organization received a gift of real estate which was recognized at appraised value at the date of donation, which approximated fair value. The real estate was sold during 2021. The Organization recognized a gain on sale of property of \$143,060, which is included in the consolidated statement of activities for the year ended December 31, 2021.

### *G. Investments*

All investments are measured at fair value in the consolidated statements of financial position. Investment income or loss (including gains and losses on investments, interest and dividends) is included in revenue and other support without donor restrictions unless the income or loss is restricted by donor or law.

### *H. Assets Limited as to Use*

Assets limited as to use primarily include assets with donor restrictions and designated assets set aside by the Board of Directors for specific purposes, over which the Board retains control and may at its discretion subsequently use for other purposes.

### *I. Property and Equipment, Net*

Property and equipment acquisitions are reported at cost. Effective June 2022, the Organization maintains a capitalization policy of \$10,000. Prior to June 2022, the Organization's policy was \$2,500. Depreciation is computed using the straight-line method based upon useful lives of each class of depreciable asset as follows:

Building and improvements	5 – 40 years
Challenge course	20 years
Equipment and furnishings	3 – 15 years
Vehicles	5 years

Gifts and transfers of long-lived assets such as land, buildings or equipment are reported as support without donor restrictions, unless explicit donor stipulations specify how the donated assets must be used. Gifts and transfers of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed into service.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is expensed as incurred; significant renewals and betterments are capitalized.

# Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

## Notes to Consolidated Financial Statements December 31, 2022 and 2021

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### J. *Beneficial Interest in Perpetual Trusts*

The Organization has been named as an irrevocable beneficiary of several perpetual trusts held and administered by independent trustees, and annually receives income from these trusts. The beneficial interest is reported at fair value and the income from the trusts is reported as investment income in the consolidated statements of activities. Changes in the value of the beneficial interest in the perpetual trusts are included in net assets with donor restrictions.

### K. *Beneficial Interest in Charitable Trust*

The Organization was named as an irrevocable partial beneficiary of a non-perpetual charitable remainder unitrust held by a third-party trustee. The trust was created independently of the Organization and is neither in the possession nor under the control of the Organization. The trust is administered by a third-party trustee as designated by the donor. The Organization reported its partial interest in the trust at fair value as measured by the present value of the estimated future distributions to be received by the Organization over the term of the agreement, discounted at the rates commensurate with the risks involved.

Beneficial interests in charitable trusts are recognized as revenue when the Organization is notified that it has been named as an irrevocable beneficiary and has sufficient information to make a reasonable estimate of the fair value of its interest. The value of the beneficial interest in charitable trust is adjusted annually for the change in fair value. The changes in value are reported as changes in net assets with donor restrictions. Upon the termination date specified by the trust, the partial interest in trust assets will be distributed to the Organization by the trustee under the provisions of the trust agreement and the net assets will be reclassified from those with donor restrictions to those without donor restrictions. In 2022, the trust was terminated and the Organization received a final distribution of trust assets.

### L. *Deferred Revenue*

Deferred revenue consists primarily of revenue received in advance of camp and retreat services. Deferred revenue at December 31, 2022 and 2021 consists of the following:

	<u>2022</u>	<u>2021</u>
Retreat fees	\$ 131,783	118,811
Camp fees	<u>8,695</u>	<u>9,483</u>
	<u>\$ 140,478</u>	<u>128,294</u>

### M. *Camp Fees and Retreats*

Camp fees and retreats are recognized in revenue in the year in which the camp or retreat is held. Fees collected, but not yet earned, are reported as deferred revenue.

### N. *Government Grants and Contributions*

Unconditional promises to give cash and other assets to the Organization are recognized at fair value at the date the promise is received or given. 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. Indications of intentions to give are recognized at fair value at the date the gift is received. The gifts are reported as an increase in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

## Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

### Notes to Consolidated Financial Statements December 31, 2022 and 2021

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Certain government grants are conditional upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific terms of the grants. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the consolidated statements of financial position. The Organization had no refundable advances at December 31, 2022 and 2021, respectively.

Unconditional promises to give that are expected to be collected within one year are reported at net realizable value. Unconditional promises to give that are expected to be collected in future years are reported at the present value of their estimated future cash flows. The discounts on those amounts are computed using an interest rate commensurate with risk applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Donated property is reported at fair market value on the date it is received or pledged. It is then carried at the lower of donated or current market value. All contributions receivable at December 31, 2022 and 2021 are expected to be collected within one year.

The Organization received contributions totaling \$200,000 conditional on meeting specified matching contributions. \$95,000 and \$30,000 was recognized as revenue in 2022 and 2021, respectively. The remaining \$75,000 is expected to be recognized in equal \$25,000 increments from 2023 through 2025.

#### O. *In-Kind Contributions*

In-kind contributions include donated professional services, donated equipment, and other in-kind contributions which are recognized at the respective fair value of the goods or services received (Note 9). The Organization does not sell donated gifts-in-kind. In addition to in-kind contributions, volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the consolidated financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recognized at fair value at the date of donation.

#### P. *Functional Expenses*

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. Note 10 presents the natural classification detail of expenses by function. Expenses are directly assigned to expenses based on the program or activities they support.

#### Q. *Income Taxes*

NLOM is exempt from Federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code as a religious organization by virtue of their inclusion in a group exemption ruling issued to the Evangelical Lutheran Church in America.

The Foundation is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code. The Foundation has received a determination letter stating that it is exempt from Federal income taxes on related income pursuant to Section 501(a) of the Internal Revenue Code. The Internal Revenue Service has established standards to be met to maintain tax-exempt status.

The Organization accounts for uncertainties in accounting for income tax assets and liabilities using guidance included in FASB ASC 740, *Income Taxes*. The Organization recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. At December 31, 2022 and 2021, the Organization had no uncertain tax positions accrued.

# Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

## Notes to Consolidated Financial Statements December 31, 2022 and 2021

### R. *Risks and Uncertainties*

*Credit Risk* – The Organization maintains its cash in bank deposit accounts which exceed federal insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. At December 31, 2022 and 2021, the Organization had approximately \$919,000 and \$455,000, respectively, in excess of FDIC-insured limits. Management believes the risk relating to these excess deposits is minimal.

*Investment Risk* – Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

### S. *Adoption of Accounting Standard*

In September 2020, the FASB issued Accounting Standards Update (ASU) 2020-07, Not-for-Profit Entities (Topic 958), *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, to increase transparency of contributed nonfinancial assets for not-for-profit entities through enhancements in presentation and disclosure requirements. Not-for-profit entities are now required to present contributed nonfinancial assets as a separate line item in the consolidated statement of activities and additional disclosures are required related to the nature of the gifts. The Organization has adjusted the presentation in the financial statements accordingly. This standard was applied retrospectively to all periods presented. See Note 9 for additional disclosures of the Organization's contributed nonfinancial assets.

### T. *Subsequent Events*

The Organization considered events occurring through June 15, 2023 for recognition or disclosure in the financial statements as subsequent events. That date is the date the financial statements were available to be issued.

## (2) **Liquidity and Availability**

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

	<u>2022</u>	<u>2021</u>
Financial assets, at year-end:		
Cash and cash equivalents	\$ 2,208,060	1,726,407
Receivables:		
Contributions	155,292	77,542
Bequests	350,000	359,000
Other	33,072	20,542
Investments, primarily assets limited as to use	3,524,012	3,729,681
Beneficial interest in perpetual trusts	652,780	792,134
Beneficial interest in charitable trust	--	372,780
	<u>6,923,216</u>	<u>7,078,086</u>
Less those unavailable for general expenditures within one year, due to:		
Donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions	(2,079,342)	(2,155,354)
Investments in perpetual trusts	(652,780)	(792,134)
Board designations:		
General endowment	<u>(2,196,017)</u>	<u>(2,415,850)</u>
Total financial assets available for general expenditure	<u>\$ 1,995,077</u>	<u>1,714,748</u>

## Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

### Notes to Consolidated Financial Statements December 31, 2022 and 2021

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The Organization is substantially supported by donor contributions, a significant portion of which require resources to be used in a particular manner or in a future period. Thus, financial assets may not be available for general expenditure within one year. The Board of Directors has designated certain assets for the Organization's general endowment, and although the Organization does not intend to spend from the board designated endowment, these amounts could be made available if necessary.

#### (3) Investments, Primarily Assets Limited as to Use

The composition of investments, primarily assets limited as to use, at December 31, 2022 and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
Cash surrender value of life insurance policies	\$ 81,055	75,738
Assets limited as to use -		
By donor	1,246,940	1,238,093
By Board	<u>2,196,017</u>	<u>2,415,850</u>
	<u>3,442,957</u>	<u>3,653,943</u>
Total investments, primarily assets limited as to use	\$ <u>3,524,012</u>	<u>3,729,681</u>

Investment return (loss) for the years ended December 31, 2022 and 2021 is summarized as follows:

	<u>2022</u>	<u>2021</u>
Interest and dividends	\$ 149,978	66,224
Distributions from beneficial interest in perpetual trusts	28,759	27,167
Change in cash surrender value	5,317	(1,197)
Realized and unrealized gains (losses), net	<u>(341,363)</u>	<u>95,093</u>
Total	\$ <u>(157,309)</u>	<u>187,287</u>
Investment income (loss), without donor restrictions	\$ (118,419)	83,978
Investment income (loss), with donor restrictions	<u>(38,890)</u>	<u>103,309</u>
Total	\$ <u>(157,309)</u>	<u>187,287</u>

#### (4) Fair Value

##### Fair Value Hierarchy

The Fair Value Measurements and Disclosures Topic of the FASB ASC defines fair value, and establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy, and descriptions of the valuation methodologies used, are as follows:

Level 1 inputs – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level 2 Inputs – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly through either corroboration or observable market data.

Level 3 Inputs – Inputs are unobservable for the asset or liability. Therefore, unobservable inputs shall reflect the Organization's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk) developed based on the best information available in the circumstances.

# Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

## Notes to Consolidated Financial Statements December 31, 2022 and 2021

The following methods and assumptions were used to estimate the fair value for each class of financial instrument measured at fair value:

*Cash and cash equivalents* – Valued at cost which approximates fair value.

*Fixed income securities* – Investments in corporate debt securities, U.S. Treasury securities and other fixed income securities are classified as Level 2 based on multiple sources of information, which may include market data and/or quoted market prices from either markets that are not active or are for the same or similar assets in active markets.

*Equity securities* – The fair value of equity securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker-dealers.

*Mutual funds and exchange traded funds* – The fair value is based on quoted market prices.

*Beneficial interest in perpetual trusts* – The fair value of the beneficial interest in perpetual trust is classified as level 3 as the beneficial interest is valued based on the trust's underlying assets held by the third-party trust, which are unobservable to market participants and the Organization will never receive the perpetual trust's assets.

*Beneficial interest in charitable trust* – The valuation of the beneficial interest in charitable trust is classified as level 3 as there are no significant observable inputs, as they trade infrequently or not at all. The trust valuation is based on assumptions about the present value of distributions to be received from the trust, which generally includes the current market value of the underlying assets using observable market inputs based on its beneficial interest in the trust discounted for present value using market rates.

For the years ended December 31, 2022 and 2021, the application of valuation techniques applied to similar assets and liabilities has been consistent.

### Fair Value on a Recurring Basis

The table below presents the balances of assets and liabilities measured at fair value on a recurring basis.

	<b>December 31, 2022</b>			
	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Cash and cash equivalents, at cost	\$ 46,067	--	--	--
Fixed income	528,455	--	528,455	--
Equity securities	1,214,446	1,214,446	--	--
Exchange traded funds	1,049,642	1,049,642	--	--
Mutual funds	604,347	604,347	--	--
Beneficial interest in perpetual trusts	652,780	--	--	652,780
Total assets at fair value	<u>\$ 4,095,737</u>	<u>2,868,435</u>	<u>528,455</u>	<u>652,780</u>
		<b>December 31, 2021</b>		
	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Cash and cash equivalents, at cost	\$ 173,199	--	--	--
Fixed income	207,813	--	207,813	--
Equity securities	1,138,175	1,138,175	--	--
Exchange traded funds	1,076,679	1,076,679	--	--
Mutual funds	1,058,077	1,058,077	--	--
Beneficial interest in perpetual trusts	792,134	--	--	792,134
Beneficial interest in charitable trust	372,780	--	--	372,780
Total assets at fair value	<u>\$ 4,818,857</u>	<u>3,272,931</u>	<u>207,813</u>	<u>1,164,914</u>

There were no transfers, purchases or issuances of Level 3 assets for the years ended December 31, 2022 and 2021, respectively.

## Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

### Notes to Consolidated Financial Statements December 31, 2022 and 2021

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#### (5) Property and Equipment, Net

A summary of property and equipment at December 31, 2022 and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
Land	\$ 475,600	475,600
Building and improvements:		
Living Water Retreat Center	407,710	407,710
Monke Lodge	636,302	636,302
Sjogren Center	1,650,926	1,650,926
Swanson Center	4,463,833	4,463,833
Western Town	1,868,241	1,868,241
Bartling Pavilion	134,793	134,793
Hazel Dillon Lodge	2,842,337	2,634,685
Other	4,559,602	4,457,805
Challenge Course	248,885	248,885
Equipment and furnishings	671,305	671,305
Vehicles	<u>307,548</u>	<u>307,548</u>
Total	18,267,082	17,957,633
Less: Accumulated depreciation	<u>(9,847,485)</u>	<u>(9,460,557)</u>
Total property and equipment, net	<u>\$ 8,419,597</u>	<u>8,497,076</u>

Depreciation expense of \$386,928 and \$358,812 in 2022 and 2021, respectively, is included in the consolidated statements of activities.

#### (6) Beneficial Interest in Perpetual Trusts

The Organization has beneficial interests in several perpetual trusts (Trusts). The Trusts provide income distributions to the Organization by the Trusts' executors with no corresponding transfer of trust assets to the Organization. Distributions from the Trusts to the Organization amounted to \$28,759 and \$27,167 for the years ended December 31, 2022 and 2021, respectively, and are included in investment income (loss) in the consolidated statements of activities. The assets of the Trusts comprised primarily of ELCA Endowment Pooled Trust investments in 2022 and 2021 are held in trust in perpetuity. Accordingly, the Organization has reported its beneficial interest in the fair market value of the Trusts as restricted support in the accompanying financial statements. The Organization is also a named beneficiary of additional trusts to which the values were not readily determinable. These additional trusts have not been included in the financial statements. Management does not believe the value of the additional trusts to be material to the financial statements.



# Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

## Notes to Consolidated Financial Statements December 31, 2022 and 2021

### (7) Net Assets With Donor Restrictions

The following is a roll-forward of net assets with donor restrictions, excluding those with perpetuity restrictions, for the years ended December 31, 2022 and 2021:

	December 31, 2021	Contributions, Investment Income	Restrictions Released	December 31, 2022
Subject to expenditure for specified purpose:				
Facilities and Maintenance	251,010	149,205	(17,000)	383,215
Sustaining Sacred Spaces	\$ --	340,000	(6,736)	333,264
Seminary Scholarship	115,004	78,821	--	193,825
Special Populations	63,249	(8,639)	--	54,610
SMT Salaries	30,000	36,211	(30,000)	36,211
Sullivan Hills	33,560	31,360	(31,150)	33,770
Technology Project	111,066	--	(81,248)	29,818
Giving Tuesday	30,095	--	(3,300)	26,795
Carol Joy Holling Camp	21,197	25,207	(21,197)	25,207
Faithfully Forward	12,124	35,056	(27,008)	20,172
Gala	26,000	10,500	(26,000)	10,500
Golf Tournament	3,000	7,875	(3,000)	7,875
Trailhead	120,691	40,993	(157,727)	3,957
Capital Administration	--	45,641	(45,641)	--
	<u>816,996</u>	<u>792,230</u>	<u>(450,007)</u>	<u>1,159,219</u>
Subject to the passage of time:				
Camp Scholarships	182,000	--	(46,000)	136,000
Charitable Remainder Trust	372,780	44,192	(416,972)	--
	<u>554,780</u>	<u>44,192</u>	<u>(462,972)</u>	<u>136,000</u>
Subject to endowment spending policy and appropriation:				
Endowments - Undistributed Earnings	196,044	(29,673)	(56,706)	109,665
Total net assets with donor restrictions, excluding those with perpetuity restrictions	<u>\$ 1,567,820</u>	<u>806,749</u>	<u>(969,685)</u>	<u>1,404,884</u>
	<u>December 31, 2020</u>	<u>Contributions, Investment Income</u>	<u>Restrictions Released</u>	<u>December 31, 2021</u>
Subject to expenditure for specified purpose:				
Facilities and Maintenance	\$ 221,100	32,735	(2,825)	251,010
Seminary Scholarship	76,795	39,209	(1,000)	115,004
Special Populations	60,602	2,647	--	63,249
SMT Salaries	--	30,000	--	30,000
Sullivan Hills	36,731	32,215	(35,386)	33,560
Technology Project	--	125,000	(13,934)	111,066
Giving Tuesday	--	30,095	--	30,095
Carol Joy Holling Camp	--	21,197	--	21,197
Faithfully Forward	44,021	6,505	(38,402)	12,124
Gala	--	26,000	--	26,000
Golf Tournament	--	3,000	--	3,000
Trailhead	2,117,812	566,712	(2,563,833)	120,691
Capital Administration	--	65,473	(65,473)	--
Other	689	--	(689)	--
	<u>2,557,750</u>	<u>980,788</u>	<u>(2,721,542)</u>	<u>816,996</u>
Subject to the passage of time:				
Camp Scholarships	227,200	--	(45,200)	182,000
Charitable Remainder Trust	314,382	58,398	--	372,780
	<u>541,582</u>	<u>58,398</u>	<u>(45,200)</u>	<u>554,780</u>
Subject to endowment spending policy and appropriation:				
Endowments - Undistributed Earnings	161,091	96,889	(61,936)	196,044
Total net assets with donor restrictions, excluding those with perpetuity restrictions	<u>\$ 3,260,423</u>	<u>1,136,075</u>	<u>(2,828,678)</u>	<u>1,567,820</u>

## Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

### Notes to Consolidated Financial Statements December 31, 2022 and 2021

Net assets with donor restrictions also have been restricted by donors to be maintained in perpetuity. Net assets of the Organization with perpetuity restrictions at December 31, 2022 and 2021 are restricted to:

	<u>2022</u>	<u>2021</u>
Endowments:		
NLOM general endowment	\$ 109,457	109,457
Sullivan Hills endowment	267,003	267,003
Fenster Sullivan Hills Campership Fund endowment	20,000	20,000
O'Connor endowment	10,000	10,000
Jay Novicki program endowment	46,395	46,395
Dave and Karen Coker Campership Fund endowment	40,974	40,974
Meyer Family Campership Fund	35,055	34,855
Hauptmeier Endowment Fund	30,000	30,000
Cecil and Dr. Loseka Bykerk Endowment Fund	52,500	12,500
Paul and Kathy Ahrendt Endowment Fund	26,550	16,350
Dempsey Akerson Memorial Endowment Fund	36,524	--
	<u>674,458</u>	<u>587,534</u>
Perpetual trusts:		
Hansen Living Memorial endowment	145,092	175,326
R Lohmeyer Memorial endowment	178,886	216,163
A Lohmeyer Memorial endowment	72,626	87,760
Wallander Memorial endowment	22,942	27,722
Hartung Memorial endowment	37,156	44,899
Harlan G Syring Memorial endowment	109,366	132,155
Wilson & Lillian Schollman endowment	86,712	108,109
	<u>652,780</u>	<u>792,134</u>
Total net assets with perpetuity restrictions	<u>\$ 1,327,238</u>	<u>1,379,668</u>

#### (8) Endowment

The Nebraska Uniform Prudent Management of Institutional Funds Act (NUPMIFA) was enacted April 4, 2007. NUPMIFA sets out guidelines to be considered when managing and investing donor restricted endowment funds. The Organization applies the provisions of FASB ASC Topic 958, Subtopic 205 related to accounting and disclosing endowments.

The Organization's endowment consists of various individual funds and interests in irrevocable trusts established for a variety of purposes. Its endowment includes donor restricted and board designated endowment funds. As required by GAAP, net assets associated with endowment funds, including funds designated by the governing board to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

The Organization has interpreted NUPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not retained in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by NUPMIFA.

## Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

### Notes to Consolidated Financial Statements December 31, 2022 and 2021

In accordance with NUPMIFA, the Organization considers the following factors in making a 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 the appreciation of investments.
6. Other resources of the Organization.
7. The investment policies of the Organization.

Endowment net asset composition consists of the following as of December 31, 2022 and 2021:

	<b>December 31, 2022</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Board designated endowment funds	\$ 2,196,017	--	2,196,017
Donor restricted endowment funds	--	784,123	784,123
	<u>\$ 2,196,017</u>	<u>784,123</u>	<u>2,980,140</u>

	<b>December 31, 2021</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Board designated endowment funds	\$ 2,415,850	--	2,415,850
Donor restricted endowment funds	--	783,578	783,578
	<u>\$ 2,415,850</u>	<u>783,578</u>	<u>3,199,428</u>

Changes in endowment net assets for the year ended December 31, 2022 and 2021 is as follows:

	<b>2022</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment net assets December 31, 2021	\$ 2,415,850	783,578	3,199,428
Additions to endowment	93	86,924	87,017
Investment return:			
Interest and dividends	90,000	30,604	120,604
Net depreciation	(219,926)	(86,379)	(306,305)
Total investment return	(129,926)	(55,775)	(185,701)
Appropriation of endowment assets for expenditure	(90,000)	(30,604)	(120,604)
Endowment net assets, December 31, 2022	<u>\$ 2,196,017</u>	<u>784,123</u>	<u>2,980,140</u>

## Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

### Notes to Consolidated Financial Statements December 31, 2022 and 2021

		2021		Total
		Without Donor Restrictions	With Donor Restrictions	
Endowment net assets December 31, 2020	\$	218,577	718,701	937,278
Additions to endowment		2,161,063	29,924	2,190,987
Investment return:				
Interest and dividends		28,639	36,806	65,445
Net appreciation		36,210	34,953	71,163
Total investment return		64,849	71,759	136,608
Appropriation of endowment assets for expenditure		(28,639)	(36,806)	(65,445)
Endowment net assets, December 31, 2021	\$	2,415,850	783,578	3,199,428

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 Organization has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At December 31, 2022, funds with original gift values of \$221,604, fair values of \$208,471 and deficiencies of \$13,133 were reported in net assets with donor restrictions. At December 31, 2021, funds with original gift values of \$1,740,823, fair values of \$1,606,433 and deficiencies of \$134,390 were reported as net assets without donor restrictions. These deficiencies resulted from unfavorable market fluctuations that occurred during 2022 and continued appropriation for the designated programs that was deemed prudent by the Board of Directors of the Organization.

#### Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets. Those policies attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which is consistent with the level of risk undertaken. Endowment assets are invested in a well-diversified asset mix, which follow the following guidelines:

Equity securities	30% - 70%
Fixed income securities	25% - 60%
Real assets	5% - 30%
Alternative investments	0% - 20%

#### Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

#### Appropriation Policy and How the Investment Objectives Relate to Appropriation Policy

The Organization has a policy of appropriating for distribution each year a target of 5% of the previous year's average of quarterly values of both restricted and unrestricted funds. Over the long-term, the net investment return of the portfolio plus net fundraising dollars is expected to be greater than the amount distributed, with the excess return being reinvested. The Organization expects the reinvested portion to be sufficient to cover expected future inflation and investment management fees so that the real value of the Organization's assets is preserved and increased over time.

## Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

### Notes to Consolidated Financial Statements December 31, 2022 and 2021

#### (9) In-Kind Contributions

For the year ended December 31, 2022 and 2021, in-kind contributions recognized within the consolidated statements of activities included the following:

	<u>2022</u>	<u>2021</u>
Horse boarding	\$ 54,200	54,200
Supplies	43,650	10,130
Professional fees	12,000	12,000
Vehicle	5,000	--
Other services	5,520	5,520
Total	<u>\$ 120,370</u>	<u>81,850</u>

Horses are boarded with numerous individuals during portions of the year when the horses are not utilized for camp activities. Horse boarding services are used in program services and are recognized at fair value based on daily market rates for such services.

Contributed professional fees are provided by the Organization's volunteer chief financial officer who advises the Organization on various accounting and reporting matters throughout the year. Contributed professional fees are used for management and general activities and are recognized at fair value based on time spent using current rates for similar accounting services.

Contributed supplies, vehicle and other services are valued using estimated market prices of identical or similar products or services considering the goods' condition and utility for use at the time of the contribution. Contributed supplies, vehicle and other services are used in program services.

All gifts-in-kind received during the years ended December 31, 2022 were included as net assets without donor restrictions.

#### (10) Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis as follows:

	<u>For the year ended December 31, 2022</u>						
	<u>PROGRAM SERVICES</u>				<u>FUNDRAISING</u>		<u>TOTAL</u>
	<u>GUEST PROGRAMS</u>	<u>BUILDINGS SERVICES</u>	<u>AND GROUNDS</u>	<u>ADMINI- STRATION</u>	<u>DEVELOP- MENT</u>	<u>MARKETING</u>	
Camper services	\$ 137,397	280,703	39,979	17,706	10,951	14,536	501,272
Contracted services	9,535	350	8,285	60,506	32,672	--	111,348
Depreciation	--	--	386,928	--	--	--	386,928
Dues, fees, and permits	15,883	16,958	2,366	12,394	13,975	4,184	65,760
Employee benefits	1,243	2,850	3,743	104,177	--	2,591	114,604
Miscellaneous	11,585	5,458	216	8,031	40,793	354	66,437
Occupancy	--	--	272,586	85,481	--	--	358,067
Payroll taxes	29,773	33,719	21,615	14,603	14,796	12,612	127,118
Postage and printing	12,678	--	--	--	--	44,833	57,511
Repairs and maintenance	--	--	92,241	--	--	--	92,241
Salaries	399,714	458,257	291,118	197,387	226,921	172,211	1,745,608
Supplies	85,492	66,294	549	3,079	447	119,004	274,865
Travel	10,970	3,724	9,991	6,793	18,585	2,887	52,950
Total	<u>\$ 714,270</u>	<u>868,313</u>	<u>1,129,617</u>	<u>510,157</u>	<u>359,140</u>	<u>373,212</u>	<u>3,954,709</u>

## Nebraska Lutheran Outdoor Ministries, Inc. and Affiliate

### Notes to Consolidated Financial Statements December 31, 2022 and 2021

For the year ended December 31, 2021							
	PROGRAM SERVICES				FUNDRAISING		TOTAL
	PROGRAMS	GUEST SERVICES	BUILDINGS AND GROUNDS	ADMINI-STRATION	DEVELOP-MENT	MARKETING	
Camper services	\$ 124,743	169,484	23,391	20,570	13,202	11,582	362,972
Contracted services	12,095	--	10,425	50,335	19,720	--	92,575
Depreciation	--	--	358,812	--	--	--	358,812
Dues, fees, and permits	13,451	13,014	2,181	8,709	17,572	5,684	60,611
Employee benefits	900	2,750	9,781	18,332	--	4,250	36,013
Miscellaneous	9,014	2,534	653	6,986	17,716	5,044	41,947
Occupancy	--	--	244,826	70,746	--	--	315,572
Payroll taxes	22,452	26,150	22,247	14,398	14,136	12,774	112,157
Postage and printing	--	--	--	--	--	59,549	59,549
Repairs and maintenance	--	--	14,301	--	--	--	14,301
Salaries	297,456	351,369	225,841	190,134	217,657	169,665	1,452,122
Supplies	27,086	54,643	--	1,777	49	95,135	178,690
Travel	2,842	2,619	7,318	4,836	11,585	1,058	30,258
Total	\$ 510,039	622,563	919,776	386,823	311,637	364,741	3,115,579

#### (11) Paycheck Protection Program Loan Forgiveness

During the year ended December 31, 2021, the Organization applied for and was granted a loan for \$501,639 under the Paycheck Protection Program (PPP) administered by a Small Business Administration (SBA) approved partner. The loan was uncollateralized and was fully guaranteed by the Federal government. The Organization was eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The Organization took measures to maximize the loan forgiveness and received notification from SBA that the loan was forgiven. The funds were recognized and are included in government grants on the consolidated statement of activities for the year ended December 31, 2021.

**Consolidating Statement of Financial Position**  
**December 31, 2022**  
**See Independent Auditor's Report**

	<u>NLOM</u>	<u>Foundation</u>	<u>Eliminations</u>	<u>Consolidated</u>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 2,180,895	27,165	--	2,208,060
Receivables:				
Contributions	154,392	900	--	155,292
Bequests	350,000	--	--	350,000
Other	33,072	--	--	33,072
Prepaid expenses	24,191	--	--	24,191
Inventory	32,202	--	--	32,202
	<u>2,774,752</u>	<u>28,065</u>	<u>--</u>	<u>2,802,817</u>
Total current assets	2,774,752	28,065	--	2,802,817
Investments, primarily assets limited as to use	--	3,524,012	--	3,524,012
Property and equipment, net	8,419,597	--	--	8,419,597
Beneficial interest in perpetual trusts	86,712	566,068	--	652,780
	<u>86,712</u>	<u>566,068</u>	<u>--</u>	<u>652,780</u>
Total assets	<u>\$ 11,281,061</u>	<u>4,118,145</u>	<u>--</u>	<u>15,399,206</u>
<b>LIABILITIES AND NET ASSETS</b>				
Current liabilities:				
Accounts payable and other accrued liabilities	\$ 72,607	--	--	72,607
Accrued salaries, vacation, and benefits	70,524	--	--	70,524
Deferred revenue	140,478	--	--	140,478
	<u>140,478</u>	<u>--</u>	<u>--</u>	<u>140,478</u>
Total current liabilities	<u>283,609</u>	<u>--</u>	<u>--</u>	<u>283,609</u>
Net assets:				
Without donor restrictions				
Undesignated	9,999,955	187,503	--	10,187,458
Designated by Board for endowments	--	2,196,017	--	2,196,017
	<u>9,999,955</u>	<u>2,196,017</u>	<u>--</u>	<u>12,195,975</u>
Total without donor restrictions	9,999,955	2,383,520	--	12,383,475
With donor restrictions	997,497	1,734,625	--	2,732,122
	<u>997,497</u>	<u>1,734,625</u>	<u>--</u>	<u>2,732,122</u>
Total net assets	<u>10,997,452</u>	<u>4,118,145</u>	<u>--</u>	<u>15,115,597</u>
Total liabilities and net assets	<u>\$ 11,281,061</u>	<u>4,118,145</u>	<u>--</u>	<u>15,399,206</u>

**Consolidating Statement of Activities - Net Assets Without Donor Restrictions**  
**For the Year Ended December 31, 2022**  
**See Independent Auditor's Report**

	<u>NLOM</u>	<u>Foundation</u>	<u>Eliminations</u>	<u>Consolidated</u>
REVENUE AND OTHER SUPPORT:				
Camp fees and retreats	\$ 1,246,931	--	--	1,246,931
Individual, group and congregational gifts	1,071,651	(2,550)	--	1,069,101
In-kind contributions	120,370	--	--	120,370
Nebraska Synod of the Evangelical Lutheran Church in America	63,097	--	--	63,097
Investment income (loss)	30,866	(149,285)	--	(118,419)
Special events	482,988	--	--	482,988
Store sales and vending	21,695	--	--	21,695
Rental income	11,904	--	--	11,904
Gain on sale of property and equipment	6,931	--	--	6,931
Miscellaneous	6,951	--	--	6,951
Net assets released from restrictions	866,976	102,709	--	969,685
	<u>3,930,360</u>	<u>(49,126)</u>	<u>--</u>	<u>3,881,234</u>
Total revenue and other support				
EXPENSES:				
Program services -				
Program	714,270	--	--	714,270
Guest services	868,313	--	--	868,313
Buildings and grounds	1,129,617	--	--	1,129,617
Administration	510,157	--	--	510,157
Fundraising -				
Development	329,627	29,513	--	359,140
Marketing	373,212	--	--	373,212
	<u>3,925,196</u>	<u>29,513</u>	<u>--</u>	<u>3,954,709</u>
Total expenses				
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	5,164	(78,639)	--	(73,475)
TRANSFERS (TO) FROM AFFILIATE	185,373	(185,373)	--	--
NET ASSETS WITHOUT DONOR RESTRICTIONS, beginning of year	9,809,418	2,647,532	--	12,456,950
NET ASSETS WITHOUT DONOR RESTRICTIONS, end of year	\$ 9,999,955	2,383,520	--	12,383,475