



The Boggy Creek Gang, Inc. and Affiliate

**Consolidated Financial Statements
and Supplementary Information**
Years Ended December 31, 2020 and 2019

The report accompanying these financial statements was issued by BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.



The Boggy Creek Gang, Inc. and Affiliate

Consolidated Financial Statements and Supplementary Information
Years Ended December 31, 2020 and 2019

The Boggy Creek Gang, Inc. and Affiliate

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Independent Auditor's Report

The Board of Directors
The Boggy Creek Gang, Inc.
Eustis, Florida

Opinion

We have audited the accompanying consolidated financial statements of The Boggy Creek Gang, Inc. (the Organization) which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, and the related consolidated statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2020 and 2019, and changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated 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 audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 within one year after the date that the consolidated financial statements are issued or available to be issued.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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.

BDO USA, LLP

Certified Public Accountants
July 20, 2021

Consolidated Financial Statements

The Boggy Creek Gang, Inc. and Affiliate
Consolidated Statements of Financial Position

<i>December 31,</i>	2020	2019
Assets		
Cash and cash equivalents	\$ 5,261,360	\$ 4,660,233
Investments	7,273,240	6,819,686
Prepaid expenses and other current assets	274,667	158,634
Contributions receivable, net	222,105	332,124
Property and equipment, net	6,804,435	7,137,299
Endowed investments	23,646,822	22,993,170
Total Assets	\$ 43,482,629	\$ 42,101,146
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 32,962	\$ 68,217
Accrued payroll	139,002	127,353
Paycheck Protection Program loan	498,800	-
Total Liabilities	670,764	195,570
Commitments and Contingencies (Note 10)		
Net Assets		
Without donor restrictions	30,563,176	28,759,093
With donor restrictions	12,248,689	13,146,483
Total Net Assets	42,811,865	41,905,576
Total Liabilities and Net Assets	\$ 43,482,629	\$ 42,101,146

See accompanying notes to consolidated financial statements.

The Boggy Creek Gang, Inc. and Affiliate

Consolidated Statements of Activities

Year ended December 31,

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support, Revenues, and Gains						
Contributions, net	\$ 2,041,720	\$ 160,955	\$ 2,202,675	\$ 3,178,423	\$ 321,897	\$ 3,500,320
Special events	642,730	-	642,730	1,006,424	-	1,006,424
In-kind contributions	115,471	-	115,471	411,733	-	411,733
Net investment income	2,389,669	115,760	2,505,429	4,905,212	-	4,905,212
Merchandise sales, net	2,359	-	2,359	5,046	-	5,046
Net assets released from restrictions	1,174,509	(1,174,509)	-	279,677	(279,677)	-
Total Support, Revenues, and Gains	6,366,458	(897,794)	5,468,664	9,786,515	42,220	9,828,735
Expenses						
Program services:						
Camp activities	1,120,395	-	1,120,395	1,451,353	-	1,451,353
Facilities	936,297	-	936,297	1,091,623	-	1,091,623
Food service	157,444	-	157,444	516,202	-	516,202
Infirmary	679,746	-	679,746	962,982	-	962,982
Total Program Services	2,893,882	-	2,893,882	4,022,160	-	4,022,160
Supporting services:						
Administrative and general	718,565	-	718,565	759,009	-	759,009
Fundraising	949,928	-	949,928	1,200,999	-	1,200,999
Total Supporting Services	1,668,493	-	1,668,493	1,960,008	-	1,960,008
Total Expenses	4,562,375	-	4,562,375	5,982,168	-	5,982,168
Change in Net Assets	1,804,083	(897,794)	906,289	3,804,347	42,220	3,846,567
Net Assets, beginning of year	28,759,093	13,146,483	41,905,576	24,954,746	13,104,263	38,059,009
Net Assets, end of year	\$ 30,563,176	\$ 12,248,689	\$ 42,811,865	\$ 28,759,093	\$ 13,146,483	\$ 41,905,576

See accompanying notes to consolidated financial statements.

The Boggy Creek Gang, Inc. and Affiliate

Consolidated Statements of Cash Flows

<i>Year ended December 31,</i>	2020	2019
Cash Flows from Operating Activities		
Change in net assets	\$ 906,289	\$ 3,846,567
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	490,227	440,600
Loss on disposal of property and equipment	-	2,371
Net realized and unrealized gain on investments	(1,745,573)	(4,261,413)
Cash restricted for capital projects	-	(115,000)
Cash provided by (used in):		
Contributions receivable	110,019	149,060
Prepaid expenses and other current assets	(116,033)	(24,437)
Accounts payable and accrued expenses	(35,255)	(264,572)
Accrued payroll	11,649	25,371
Net Cash Used in Operating Activities	(378,677)	(201,453)
Cash Flows from Investing Activities		
Purchases of property and equipment	(157,363)	(851,290)
Proceeds from sale of investments	1,577,445	1,318,450
Purchases of investments	(1,529,667)	(1,229,932)
Net Cash Used in Investing Activities	(109,585)	(762,772)
Cash Flows from Financing Activities		
Proceeds from sale of endowment investments	3,039,782	3,587,082
Purchases of endowed investments	(2,449,193)	(3,407,694)
Proceeds from Paycheck Protection Program loan	498,800	-
Contributions restricted for capital projects	-	115,000
Net Cash Provided by Financing Activities	1,089,389	294,388
Net Increase (Decrease) in Cash and Cash Equivalents	601,127	(669,837)
Cash and Cash Equivalents, beginning of year	4,660,233	5,330,070
Cash and Cash Equivalents, end of year	\$ 5,261,360	\$ 4,660,233

See accompanying notes to consolidated financial statements.

The Boggy Creek Gang, Inc. and Affiliate
Consolidated Statement of Functional Expenses

Year ended December 31, 2020

	Program Services				Supporting Services		Total
	Camp Activities	Facilities	Food Service	Infirmary	Administrative and General	Fundraising	
Salaries and payroll taxes	\$ 638,709	\$ 367,341	\$ -	\$ 547,420	\$ 556,834	\$ 560,042	\$ 2,670,346
Depreciation expense	216,950	57,480	31,582	81,920	41,832	60,463	490,227
Utilities	34,970	252,279	1,456	3,354	9,766	6,097	307,922
Insurance	140,510	2,151	-	9,319	25,315	8,317	185,612
Supplies	3,596	79,808	15,010	9,133	1,082	58,777	167,406
Maintenance	-	160,855	-	-	-	-	160,855
Professional fees	11,832	11,456	39,599	5,999	51,050	14,736	134,672
Office and computer equipment/maintenance	24,715	1,506	10,528	11,468	16,340	62,767	127,324
Special events catering and entertainment	-	-	-	-	-	94,739	94,739
Printing, publications, and postage	-	-	-	-	-	69,880	69,880
Employee relations	3,129	-	42,310	44	7,913	155	53,551
Office supplies/memberships	9,276	3,421	-	10,001	6,293	13,305	42,296
Program and volunteer activities	34,833	-	-	-	-	-	34,833
Food	-	-	16,692	-	-	-	16,692
Travel/meetings/education	1,575	-	267	1,088	1,284	650	4,864
Miscellaneous	300	-	-	-	856	-	1,156
	\$ 1,120,395	\$ 936,297	\$ 157,444	\$ 679,746	\$ 718,565	\$ 949,928	\$ 4,562,375

See accompanying notes to consolidated financial statements.

The Boggy Creek Gang, Inc. and Affiliate
Consolidated Statement of Functional Expenses

Year ended December 31, 2019

	Program Services				Supporting Services		Total
	Camp Activities	Facilities	Food Service	Infirmary	Administrative and General	Fundraising	
Salaries and payroll taxes	\$ 926,912	\$ 382,454	\$ -	\$ 669,296	\$ 525,843	\$ 629,835	\$ 3,134,340
Depreciation expense	149,626	44,349	51,704	92,104	42,876	59,941	440,600
Utilities	38,861	362,346	2,998	5,051	9,634	8,298	427,188
Professional fees	26,998	16,823	38,060	122,879	114,977	17,799	337,536
Special events catering and entertainment	-	-	-	-	-	249,842	249,842
Supplies	29,028	73,253	43,841	33,980	-	65,539	245,641
Employee relations	12,735	1,545	197,816	665	10,911	3,310	226,982
Maintenance	-	205,371	-	15	-	-	205,386
Insurance	137,462	1,881	5,938	10,011	24,347	6,419	186,058
Food	-	-	165,188	-	-	-	165,188
Office and computer equipment/maintenance	28,295	1,313	10,040	13,880	14,035	45,060	112,623
Program and volunteer activities	82,681	-	-	-	-	-	82,681
Printing, publications, and postage	-	-	-	-	-	67,707	67,707
Office supplies/memberships	13,029	2,246	-	9,929	9,154	13,878	48,236
Miscellaneous	428	42	-	177	1,168	28,702	30,517
Travel/meetings/education	5,298	-	617	4,995	6,064	4,669	21,643
	\$ 1,451,353	\$ 1,091,623	\$ 516,202	\$ 962,982	\$ 759,009	\$ 1,200,999	\$ 5,982,168

See accompanying notes to consolidated financial statements.

The Boggy Creek Gang, Inc. and Affiliate

Notes to Consolidated Financial Statements

1. Nature of Organization

The Boggy Creek Gang, Inc. (the Organization) is a nonprofit organization that was established to provide residential camping experiences for children with serious illnesses and their families. Its mission is to foster a spirit of joy by creating a free, safe, and medically sound camp environment that enriches the lives of children with serious illnesses and their families. Its services include eight summer camp sessions and 17 family retreat weekends. The Organization is a member of the SeriousFun Children's Network.

Mitchell Central Property, LLC was organized on October 22, 2009 to acquire, maintain, and manage real property. The sole member is the Organization.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include Mitchell Central Property, LLC, a sole member of the Organization. All significant intercompany accounts and transactions have been eliminated in consolidation.

Basis of Accounting

The consolidated financial statements of the Organization are prepared under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Liquidity

Assets are presented in the accompanying consolidated statements of financial position according to their nearness of conversion to cash, and liabilities according to their nearness of their maturity and resulting use of cash.

Cash and Cash Equivalents

The Organization considers all highly liquid investments purchased with an original maturity date of three months or less to be cash equivalents.

Investments

Investments are recorded at fair value based upon quoted market prices, except for two investments, which are valued at net asset value (NAV). Investment income or loss (including realized and unrealized gains and losses on investments and interest and dividends) is included in the consolidated statements of activities. Investment expenses are netted against interest and dividend income, net in the accompanying consolidated financial statements.

The Organization's Investment Committee employs professional advisors and applies fund objectives that combine both capital growth and income return. Goldman Sachs manages assets in investment categories consistent with Investment Committee approval.

The Boggy Creek Gang, Inc. and Affiliate

Notes to Consolidated Financial Statements

The Organization's endowment portfolio consists of multiple independent investment funds established with a variety of investment objectives. Risk is mitigated through diversification of investments, balance of fixed income/equity mix, and disciplined review of fund manager performance. The investment portfolio is benchmarked against a blend of indices that is comparable to its asset mix. Portfolio performance, as measured by investment results, must meet or exceed the relevant benchmarks over the course of the investment cycle. Diversification by security and asset class should enhance portfolio returns on a risk-adjusted basis while reducing portfolio volatility.

The long-term goal of the Organization is to maintain the value of the portfolio, in real terms, net of spending. Investments in the account will be benchmarked against indices of a comparable asset mix. The portfolio performance, as measured by investment results, is expected to meet or exceed these benchmarks over the course of the investment cycle.

Fair Value of Financial Instruments

The Organization reports its financial instruments at fair value using a three-tier hierarchy, which prioritizes the inputs used in measuring 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).

The three levels of the fair value hierarchy are described below:

Level 1 - Valuation is based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Valuation is based on observable quoted prices for similar assets and liabilities in active markets.

Level 3 - Valuation is based on inputs that are unobservable and are supported by little or no market activity, therefore requiring management's best estimate of what market participants would use as fair value.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management. The respective carrying values of certain financial instruments approximate their fair values due to the short-term nature of these instruments. These financial instruments include cash and cash equivalents, contributions due in one year or less, accounts payable and accrued expenses, and the Paycheck Protection Program (PPP) loan. Contributions due beyond one year are recorded at their net present value using a risk-free interest rate available on U.S. Treasury issues at the date the pledge was made with an equivalent term approximately equal to the number of years over which the pledge will be paid (see Note 4), which approximates fair value.

The Organization's Level 1 financial instruments consist of investments, as identified in Note 3, and are valued based on quoted market prices. There were no Level 2 or 3 financial assets or liabilities.

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Notes to Consolidated Financial Statements

The Organization owns two investments that are fair valued using NAV, which are not required to be evaluated using the Level 1 through 3 fair value hierarchy and are summarized as follows:

- BCP VI Private Investors Offshore, LP (the Fund) is a limited partnership organized as an offshore conduit with a sole purpose to invest in Blackstone VI, a Delaware limited partnership, and interests in any alternative investment vehicles established under the Blackstone VI agreement. The fund is expected to have the same eleven-year term as Blackstone VI provided that (i) the term of the Fund may be extended for up to two additional one-year periods, and (ii) the Fund may earlier dissolve in accordance with the provisions of its agreement or by operation of law. Withdrawal of contributed capital is not permitted.
- Private Equity & Credit Opportunities Select Fund, LP (the Select Fund) is a limited partnership formed for the purpose of investing substantially all of its available assets in a diversified portfolio of funds sponsored by The Blackstone Group, which include investments in secured debt, subordinated debt, mezzanine securities, distressed debt, preferred stock, and private equity. The Select Fund includes closed investment vehicles with no redemption options. The Select Fund will dissolve or terminate no later than one year following the later of the liquidation of the last investment fund to liquidate or termination of the fund, which is expected to be approximately ten years from the date of its last new commitment to an investment fund. Withdrawal of contributed capital is not permitted.

Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentration of credit risk consist principally of cash and cash equivalents, investments, and contributions receivable.

The Organization places its cash and cash equivalents with high-quality financial institutions and has not experienced any losses on such accounts. At December 31, 2020, insurance coverage amounted to \$250,000 per depositor at each financial institution.

The Organization also has significant investments that are subject to concentrations of credit risk. Investments are made by investment managers in accordance with the Organization's investment policy and are monitored for the Organization by these same managers. Although the market value of investments is subject to fluctuations on a day-to-day basis, management believes the investment policy is prudent for the long-term welfare of the Organization.

As of December 31, 2020, two donors accounted for 62% of contributions receivable.

As of December 31, 2019, three donors accounted for 62% of contributions receivable.

Property and Equipment

Property and equipment are recorded at cost, if purchased, and at fair market value on the date received, if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and building improvements	10-20 years
Furniture and office equipment	3-10 years
Vehicles	5 years

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Notes to Consolidated Financial Statements

Impairment of Long-Lived Assets

The Organization reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. There were no impairment losses recorded during the years ended December 31, 2020 and 2019.

Contributions Receivable

Contributions receivable are unconditional promises to give and are recorded when the promises to contribute are made. Conditional promises to give are recognized when the conditions on which they depend are subsequently met. 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 fair value, which is measured as the present value of future cash flows. The discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are to be received. Amortization of discounts is included in contribution revenue. The Organization provides an allowance for uncollectible contributions based on historical write-offs. Management determined no allowance was needed at December 31, 2020 or 2019.

Paycheck Protection Program (PPP) Loan and Forgiveness

The Organization accounted for its PPP loan in accordance with Accounting Standards Codification (ASC) 470, *Debt*. Under this model, the liability is derecognized upon repayment to the creditor or upon legal release under ASC 405-20, *Extinguishments of Liabilities*. Legal release occurs upon confirmation of forgiveness from the Small Business Administration (SBA), at which time the liability will be released and recorded as income.

Contributions and Donor-Imposed Restrictions

The Organization records unconditional promises to give as contribution revenue when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give—that is, those with a measurable performance barrier or other barrier, and a right of return—are not recognized until the conditions on which they depend have been met. The Organization did not have any conditional contributions at December 31, 2020 and 2019.

Unconditional contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or are restricted by the donor for specific purposes or restricted in perpetuity are reported as with donor restrictions, creating increases in that net asset class. Contributions of assets other than cash are recorded at their estimated fair value on the date received.

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 to net assets without donor restrictions and are reported in the consolidated statements of activities as net assets without

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Notes to Consolidated Financial Statements

donor restrictions. If a temporary restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as without donor restrictions.

Special event revenues are considered contributions, with the exception of the exchange portion (if any), which is recognized as revenue when the event takes place.

Contributions Restricted for Investment in Property and Equipment

Contributions restricted for investment in property and equipment are recorded as contributions with donor restrictions and are included in net assets with donor restrictions. When the asset is placed in service, net assets with donor restrictions are released and reported in the consolidated statements of activities as net assets released from restrictions.

In-Kind Contributions

Contributions of donated supplies and services are recorded at their estimated fair market value at the date of receipt and are reflected as in-kind contributions in the accompanying consolidated statements of activities. Contributions of services are recognized only if such services create or enhance nonfinancial assets, would have been purchased if not provided by donation, require specialized skills, and are provided by individuals possessing such specialized skills. The Organization recorded in-kind physician services of \$267 and \$115,200 during the years ended December 31, 2020 and 2019, respectively, which are included in in-kind contributions and professional fees expense in the accompanying consolidated financial statements.

Historically, there have been approximately 2,000 people participating in the Organization's volunteer program annually. Due to the cancellation of in-person summer camps as a result of COVID-19 pandemic, there were no in-person volunteers participating in this program during the fiscal 2020 year. With the exception of specialty medical physicians, which are recognized as in-kind contributions, these volunteer services are not valued or recognized in the accompanying consolidated financial statements, as these services do not meet the criteria for recognition. However, 71,602 volunteer hours were provided to the Organization during the year ended December 31, 2019.

Income Taxes

The Organization is exempt from federal income tax under provisions of Section 501(c)(3) of the Internal Revenue Code and from state income taxes under similar provisions of the Florida Income Tax Code. Mitchell Central Property, LLC was incorporated under the Florida Revised Limited Liability Company Act and is considered a disregarded entity for federal and state income tax purposes. Therefore, no provision for income taxes has been included in the accompanying consolidated financial statements.

The Organization identifies and evaluates uncertain tax positions, if any, and recognizes the impact of uncertain tax positions for which there is a less than more-likely-than-not probability of the position being upheld when reviewed by the relevant taxing authority. Such positions are deemed to be unrecognized tax benefits and a corresponding liability is established on the consolidated statements of financial position. The Organization has not recognized a liability for uncertain tax positions. If there were an unrecognized tax benefit, the Organization would recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating

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Notes to Consolidated Financial Statements

expenses. The Organization's open tax years subject to examination by the Internal Revenue Service generally remain open for three years from the date of filing.

Functional Expenses

The salary of the President/CEO is allocated among functional categories based on the proportion of time spent relative to each function. Depreciation is allocated based on the functional category in which the related property and equipment is used. All other expenses are directly charged to the functional category to which they relate.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounting Pronouncements Issued but Not Yet Adopted

Leases

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases* (Topic 842). This ASU requires a lessee to record, for all leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset for the lease term and a liability to make lease payments. For leases with a lease term of 12 months or less, a practical expedient is available whereby a lessee may elect, by class of underlying asset, not to recognize a right-of-use asset or lease liability. A lessee making this accounting policy election would recognize lease expense over the term of the lease, generally in a straight-line pattern. This guidance is effective for financial statements issued for fiscal years beginning after December 15, 2021. Early adoption is permitted. In transition, a lessee and a lessor will recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. The modified retrospective approach includes a number of optional practical expedients. These practical expedients relate to identifying and classifying leases that commenced before the effective date, initial direct costs for leases that commenced before the effective date, and the ability to use hindsight in evaluating lessee options to extend or terminate a lease or to purchase the underlying asset. ASU 2018-11 was issued in June 2018 and also permits entities to choose to initially apply ASU 2016-02 at the adoption date and recognize a cumulative-effect adjustment to the opening balance of net assets in the period of adoption. Management is currently evaluating the impact of this ASU on its consolidated financial statements.

Credit Losses

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses* (Topic 326). The ASU changes the impairment model for most financial assets that are measured at amortized cost and certain other instruments from an incurred loss model to an expected loss model. Entities will be required to estimate credit losses over the entire contractual term of an instrument. The ASU includes financial assets recorded at amortized cost basis such as pledges, trade, and certain other receivables, as well as certain off-balance sheet credit exposures such as loan commitments and financial guarantees. The ASU does not apply to financial assets measured at fair value, and loans and receivables between entities under common control. The ASU is effective for fiscal years

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Notes to Consolidated Financial Statements

beginning after December 15, 2022. Early adoption may be selected for fiscal years beginning after December 15, 2018. An entity must apply the amendments in the ASU through a cumulative-effect adjustment to net assets as of the beginning of the first reporting period in which the guidance is effective except for certain exclusions. Management is currently evaluating the impact of this ASU on its consolidated financial statements.

Contributed Nonfinancial Assets

In September 2020, the FASB issued ASU 2020-07 *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which amends guidance for not-for-profit entities that receive contributed nonfinancial assets. The update requires not-for-profits to present contributed nonfinancial assets as a separate line item in the statement of activities, and to disclose information regarding each type of contributed nonfinancial asset. The update is to be applied on a retrospective basis and is effective for annual reporting periods beginning after June 15, 2021, and for interim reporting periods beginning after June 15, 2022. The Organization is currently evaluating the effect the update will have on its consolidated financial statements

Reclassifications

Certain items have been reclassified in the 2019 consolidated financial statements to conform to the 2020 presentation. These reclassifications did not have an impact on change in net assets.

3. Investments

The fair value of investments consists of the following:

<i>December 31,</i>	2020	2019
Cash and Cash Equivalents	\$ 115,745	\$ 70,870
Level 1 Investments		
Investment-grade fixed income	2,642,936	2,746,151
Other fixed income	349,788	540,142
U.S. equity	3,201,995	2,462,768
Non-U.S. equity, emerging markets	926,776	999,755
Total Level 1 Investments	7,157,495	6,748,816
	\$ 7,273,240	\$ 6,819,686

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The Boggy Creek Gang, Inc. and Affiliate

Notes to Consolidated Financial Statements

The fair value of endowed investments consists of the following:

<i>December 31,</i>	2020	2019
Cash and Cash Equivalents	\$ 1,334,956	\$ 2,022,484
Level 1 investments		
Investment-grade fixed income	4,074,622	4,308,447
Other fixed income	1,178,774	1,443,917
U.S. equity	11,150,964	9,166,484
Non-U.S. equity, emerging markets	4,458,534	4,548,059
Total Level 1 Investments	20,862,894	19,466,907
Investments at Net Asset Value		
BCP VI Private Investors Offshore, LP	347,285	411,579
Private Equity & Credit Opportunities Select Fund, LP	1,101,687	1,092,200
Total Investments at Net Asset Value	1,448,972	1,503,779
	\$ 23,646,822	\$ 22,993,170

Net investment income is stated net of fees of \$177,227 and \$159,679 for the years ended December 31, 2020 and 2019, respectively.

4. Contributions Receivable

Contributions receivable consist of unconditional promises to give and are due as follows:

<i>December 31,</i>	2020	2019
Less than one year	\$ 201,838	\$ 223,513
One to five years	38,000	123,250
	239,838	346,763
Discount to present value (1.08% - 1.17%)	(17,733)	(14,639)
	\$ 222,105	\$ 332,124

The Organization's gross contributions receivable include amounts due from founders/directors of approximately \$0 and \$75,000 as of December 31, 2020 and 2019, respectively. Collections on contributions from founders/directors during the years ended December 31, 2020 and 2019 amounted to \$75,000 and \$75,000, respectively.

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The Boggy Creek Gang, Inc. and Affiliate

Notes to Consolidated Financial Statements

5. Property and Equipment

Property and equipment consists of the following:

<i>December 31,</i>	2020	2019
Land	\$ 2,456,398	\$ 2,456,398
Buildings and building improvements	22,528,363	21,613,579
Furniture and office equipment	3,505,941	3,383,429
Vehicles	334,404	334,404
Construction in progress	-	879,935
	28,825,106	28,667,745
Less: accumulated depreciation	(22,020,671)	(21,530,446)
	\$ 6,804,435	\$ 7,137,299

Construction in progress was completed in January 2020 and represents the Staff Lodge project. Depreciation expense was \$490,227 and \$440,600 for the years ended December 31, 2020 and 2019, respectively.

6. Net Assets Without Donor Restrictions

Net assets without donor restrictions consist of the following:

<i>December 31,</i>	2020	2019
Available for operations	\$ 4,894,125	\$ 3,748,624
Investment in property and equipment	6,804,435	7,137,299
Board-designated for operating reserve	4,800,338	4,694,769
Board-designated for capital reserve	2,472,902	2,124,917
Board-designated for endowment (Note 8)	11,591,376	11,053,484
	\$ 30,563,176	\$ 28,759,093

7. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods, as follows:

<i>December 31,</i>	2020	2019
Restricted for:		
Equestrian, sports, and theater programs	\$ 87,259	\$ 4,000
Summer camps	65,501	-
Equipment	17,440	-
Specified time	138,803	246,257
Building construction	-	956,540
Total Subject to Expenditure for Specified Purpose or Period	309,003	1,206,797
Endowment funds restricted in perpetuity (Note 8)	11,939,686	11,939,686
Total	\$ 12,248,689	\$ 13,146,483

The Boggy Creek Gang, Inc. and Affiliate

Notes to Consolidated Financial Statements

Net assets were released from donor-imposed restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

<i>Year ended December 31,</i>	2020	2019
Equestrian, sports, and theater programs	\$ 2,000	\$ 4,666
Specified time	203,808	140,763
Building construction	968,701	134,248
	\$ 1,174,509	\$ 279,677

8. Permanent and Board-Designated Endowment Funds

The Organization holds donor-restricted endowment funds for which the earnings are unrestricted or restricted for programs. The principal of the donor-restricted endowment funds is recorded as net assets with donor restrictions and must be maintained permanently and not used up, expended, or otherwise exhausted. The Organization also maintains a board-designated endowment fund to further its mission, which includes unrestricted investment income earned on the donor-restricted and board-designated endowment funds and is classified as without donor restrictions on the consolidated statements of financial position (see Note 6).

The Organization's Board of Directors has established an investment sub-committee to oversee the funds management with the primary objective to provide long-term growth and capital preservation of all endowment funds. Each year, a portion of the return on the endowment funds may be used to fund general operating expenditures. The amount of that spending portion will be reviewed annually and the distribution recommended by the Finance Committee will be approved by the Board of Directors. The amount shall be equal to a sum no greater than 5% of the average market value of the endowment fund at fiscal year-end for the quarter ending balances for the preceding 12 quarters.

The Organization's endowment net assets consist of the following:

December 31, 2020

	Net Assets Without Donor Restrictions	Net Assets with Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 12,055,446	\$ 12,055,446
Board-designated endowment funds	11,591,376	-	11,591,376
	\$ 11,591,376	\$ 12,055,446	\$ 23,646,822

December 31, 2019

	Net Assets Without Donor Restrictions	Net Assets with Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 11,939,686	\$ 11,939,686
Board-designated endowment funds	11,053,484	-	11,053,484
	\$ 11,053,484	\$ 11,939,686	\$ 22,993,170

The Boggy Creek Gang, Inc. and Affiliate

Notes to Consolidated Financial Statements

The Organization's changes in endowment net assets for the years ended December 31, 2020 and 2019 are as follows:

	Net Assets Without Donor Restrictions	Net Assets with Donor Restrictions	Total
Endowment Net Assets, December 31, 2018	\$ 7,981,336	\$ 11,939,686	\$ 19,921,022
Interest and dividends	573,494	-	573,494
Net realized gain on investments	758,027	-	758,027
Net unrealized gain on investments	2,605,073	-	2,605,073
Investment fees	(133,150)	-	(133,150)
Amounts appropriated for expenditure	(731,296)	-	(731,296)
Endowment Net Assets, December 31, 2019	11,053,484	11,939,686	22,993,170
Interest and dividends	448,378	115,760	564,138
Net realized gain on investments	738,204	-	738,204
Net unrealized gain on investments	562,521	-	562,521
Investment fees	(151,984)	-	(151,984)
Amounts appropriated for expenditure	(1,059,227)	-	(1,059,227)
Endowment Net Assets, December 31, 2020	\$ 11,591,376	\$ 12,055,446	\$ 23,646,822

The Board of Directors of the Organization has interpreted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) 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 classifies as net assets with donor restrictions: (a) the original value of the gift 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. In accordance with FUPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund.
- The purposes of the Organization and the donor-restricted endowment fund.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation of investment.
- Other resources of the Organization.
- The investment policies of the Organization.

The Boggy Creek Gang, Inc. and Affiliate

Notes to Consolidated Financial Statements

9. Financial Assets and Liquidity Resources

The Organization's financial assets available within one year of the consolidated statements of financial position date for general expenditure are as follows:

<i>December 31,</i>	2020	2019
Cash and cash equivalents	\$ 5,261,360	\$ 4,660,233
Investments	30,920,062	29,812,856
Current portion of contributions receivable	201,838	223,513
Total Financial Assets Available Within One Year	36,383,260	34,696,602
Less: investments restricted or board designated:		
Restricted for specified purpose or period	(309,003)	(1,206,797)
Board-designated for operating reserve	(4,800,338)	(4,694,769)
Board-designated for capital reserve	(2,472,902)	(2,124,917)
Board-designated for endowment	(11,591,376)	(11,053,484)
Restricted into perpetuity by donor endowment	(12,055,446)	(11,939,686)
Net Financial Assets and Liquidity Resources Available Within One Year	\$ 5,154,195	\$ 3,676,949

The Organization's endowment funds consist of board-designated and donor-restricted endowments. The board-designated endowment consists of excess operational funds and related earnings set aside for endowment by the Board and unrestricted earnings on donor-restricted endowments. The Board has approved a spending formula that addresses the manner in which endowment earnings shall be used to fund operations and capital improvements. A portion of endowment earnings, no greater than 5% of the average market value of the endowment fund at fiscal year-end for the quarter ending balances for the preceding 12 quarters, is approved each year to fund operational or capital expenditures in the following fiscal year. The Board has established an investment policy focused on preservation of capital over time and seeking appropriate returns to fund at or in excess of the spend rate.

The Organization also maintains an Operating Reserve Fund and Capital Reserve Fund. These funds are available to fund operations and/or capital improvements, respectively, on an as-needed basis pending Board approval. Reserves are invested with the objective of preserving capital and liquidity while seeking an appropriate level of investment return.

Excess cash generated by operations is also placed in appropriate short-term vehicles to maintain capital, liquidity, and diversification.

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The Boggy Creek Gang, Inc. and Affiliate

Notes to Consolidated Financial Statements

10. Commitments and Contingencies

Operating Leases

The Organization has entered into various operating leases for equipment that expire in 2025. Future minimum lease payments due under operating leases having an initial or remaining non-cancelable term of more than one year at December 31, 2020 are approximated as follows:

Year ending December 31,

2021	\$	18,000
2022		27,000
2023		25,000
2024		25,000
Thereafter		25,000
	\$	120,000

Total rent expense was \$21,708 and \$31,925 for the years ended December 31, 2020 and 2019, respectively, and is included in office and computer equipment/maintenance on the accompanying consolidated statements of functional expenses.

Unfunded Commitments

The Organization has a total commitment of \$540,627 to an investment in two private-equity funds (see Note 2) that was unfunded as of December 31, 2020.

Cyber Event

In August 2020, the Organization was made aware of a Blackbaud, Inc. (Blackbaud) ransomware attack on certain donor database information maintained by Blackbaud on behalf of the Organization. Management conducted an investigation to identify the impact, which included consultation with outside legal counsel and a cybersecurity insurance agency. The Organization determined the name and date of birth of donors residing in two states were compromised in the breach. The individuals were contacted immediately. As of the date of this report, no significant financial impact is expected from this breach.

11. Related-Party Transactions

The Organization obtains its general liability, automobile, director and officer, and property insurance through a company whose owner is also a member of the Board of Directors. Amounts paid to this company were \$185,612 and \$186,058 for the years ended December 31, 2020 and 2019, respectively. Details of all related-party transactions that meet applicable reporting requirements can be found in Internal Revenue Service Form 990, which the Organization files annually.

12. COVID-19 and CARES Act

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the COVID-19 outbreak) and the risks to the international community as the virus spread globally beyond its point of origin. In

The Boggy Creek Gang, Inc. and Affiliate

Notes to Consolidated Financial Statements

March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The pandemic represents a market risk factor that has caused significant volatility in U.S. and international markets.

This pandemic has adversely affected global economic activity and greatly contributed to significant deterioration and instability in financial markets. Because the values of the Organization's individual investments have and will fluctuate in response to changing market conditions, the amount of losses that will be recognized in subsequent periods, if any, and the related impact on the Organization's liquidity cannot be determined at this time. During 2020, the Organization replaced in-person camp with a virtual camp program. In-person camp sessions are being held with COVID-19 modifications during the summer 2021. As such, the Organization's financial condition and liquidity may be negatively impacted for the fiscal year 2021 and beyond.

CARES Act

On March 27, 2020, former President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act). The CARES Act, among other things, includes provisions relating to refundable payroll tax credits and deferment of employer-side social security payments. It also appropriated funds for the SBA PPP loans that are forgivable in certain situations to promote continued employment, as well as Economic Injury Disaster Loans to provide liquidity to small businesses harmed by COVID-19.

The Organization applied for, and received, funds under the PPP in the amount of \$498,800 in April 2020. This loan bears interest at a rate of 1% per annum and monthly payments of principal plus interest are scheduled to begin in September 2021 if the loan is not forgiven. The application for these funds requires the Organization to, in good faith, certify that the current economic uncertainty made the loan request necessary to support the ongoing operations of the Organization. This certification further requires the Organization to take into account its current business activity and its ability to access other sources of liquidity sufficient to support ongoing operations in a manner that is not significantly detrimental to the business. The receipt of these funds, and the forgiveness of the loan attendant to these funds, is dependent on the Organization having initially qualified for the loan and qualifying for the forgiveness of such loan based on its future adherence to the forgiveness criteria. The Organization believes it has used the funds in the manner and timing required for full forgiveness and therefore expects the loan to be fully forgiven. On March 12, 2021, the Organization received forgiveness of the PPP loan for \$498,800 (see Note 2) from its lender and the SBA.

On December 27, 2020, former President Trump signed the Consolidated Appropriations Act, 2021 (the Act), which includes \$900 billion in stimulus relief as a result of the COVID-19 pandemic. The Organization has applied for, and has received, funds under the expanded PPP under the Act on February 26, 2021 in the amount of \$411,790. The application for these funds requires the Organization to, in good faith, certify that the current economic uncertainty made the loan request necessary to support the ongoing operations of the Organization. This certification further requires the Organization to take into account their current business activity and ability to access other sources of liquidity sufficient to support ongoing operations in a manner that is not significantly detrimental to the business. The receipt of these funds, and the forgiveness of the loan attendant to these funds, is dependent on the Organization having initially qualified for the loan and qualifying for the forgiveness of such loan based on its future adherence to the forgiveness criteria.

The Boggy Creek Gang, Inc. and Affiliate

Notes to Consolidated Financial Statements

On March 11, 2021, President Biden signed the American Rescue Plan Act (the Act), which includes \$1.9 trillion in funding for critical resources to respond to the public health and economic crisis as a result of the COVID-19 pandemic. The Organization is currently evaluating the impact of the Act.

13. Subsequent Events

The Organization has evaluated events and transactions occurring subsequent to December 31, 2020 as of July 20, 2021, which is the date the consolidated financial statements were available to be issued. Subsequent events occurring after July 20, 2021 have not been evaluated by management. No material events have occurred since December 31, 2020 that require recognition or disclosure in the consolidated financial statements, except as follows:

The Organization received forgiveness of the PPP loan for \$498,800 (see Note 12) from its lender and the SBA on March 12, 2021.

The Organization received a PPP loan of \$411,790 (see Note 12) from its lender on February 26, 2021.

Supplementary Information



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Independent Auditor's Report on Supplementary Information

The Board of Directors
The Boggy Creek Gang, Inc.
Eustis, Florida

Our audits of the consolidated financial statements included in the preceding section of this report were conducted for the purpose of forming an opinion on those statements as a whole. The supplementary information presented in the following section of this report is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

BDO USA, LLP

July 20, 2021

The Boggy Creek Gang, Inc. and Affiliate

Consolidating Schedule of Financial Position

December 31, 2020

	The Boggy Creek Gang, Inc.	Mitchell Central Property, LLC	Eliminations	Total
Assets				
Cash and cash equivalents	\$ 5,261,360	\$ -	\$ -	\$ 5,261,360
Investments	7,273,240	-	-	7,273,240
Prepaid expenses and other current assets	274,667	-	-	274,667
Contributions receivable, net	222,105	-	-	222,105
Due from affiliate	46,430	1,031,465	(1,077,895)	-
Property and equipment, net	6,804,435	-	-	6,804,435
Endowed investments	23,646,822	-	-	23,646,822
	\$ 43,529,059	\$ 1,031,465	\$ (1,077,895)	\$ 43,482,629
Liabilities and Net Assets				
Liabilities				
Accounts payable and accrued expenses	\$ 32,962	\$ -	\$ -	\$ 32,962
Accrued payroll	139,002	-	-	139,002
Paycheck Protection Program loan	498,800	-	-	498,800
Due to affiliate	1,031,465	46,430	(1,077,895)	-
Total Liabilities	1,702,229	46,430	(1,077,895)	670,764
Net Assets				
Without donor restrictions	29,578,141	985,035	-	30,563,176
With donor restrictions	12,248,689	-	-	12,248,689
Total Net Assets	41,826,830	985,035	-	42,811,865
	\$ 43,529,059	\$ 1,031,465	\$ (1,077,895)	\$ 43,482,629

See accompanying independent auditor's report on supplementary information.

The Boggy Creek Gang, Inc. and Affiliate

Consolidating Schedule of Activities

Year ended December 31, 2020

	The Boggy Creek Gang, Inc.			Mitchell Central Property, LLC	
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	Total
Support, Revenues, and Gains					
Contributions, net	\$ 2,041,720	\$ 160,955	\$ 2,202,675	\$ -	\$ 2,202,675
Special events	642,730	-	642,730	-	642,730
In-kind contributions	115,471	-	115,471	-	115,471
Net investment income	2,389,669	115,760	2,505,429	-	2,505,429
Merchandise sales, net	2,359	-	2,359	-	2,359
Net assets released from restrictions	1,174,509	(1,174,509)	-	-	-
Total Support, Revenues, and Gains	6,366,458	(897,794)	5,468,664	-	5,468,664
Expenses					
Program services:					
Camp activities	1,120,395	-	1,120,395	-	1,120,395
Facilities	936,297	-	936,297	-	936,297
Food service	157,444	-	157,444	-	157,444
Infirmary	679,746	-	679,746	-	679,746
Total Program Services	2,893,882	-	2,893,882	-	2,893,882
Supporting services:					
Administrative and general	718,565	-	718,565	-	718,565
Fundraising	949,928	-	949,928	-	949,928
Total Supporting Services	1,668,493	-	1,668,493	-	1,668,493
Total Expenses	4,562,375	-	4,562,375	-	4,562,375
Change in Net Assets	1,804,083	(897,794)	906,289	-	906,289
Net Assets, beginning of year	27,774,058	13,146,483	40,920,541	985,035	41,905,576
Net Assets, end of year	\$ 29,578,141	\$ 12,248,689	\$ 41,826,830	\$ 985,035	\$ 42,811,865

See accompanying independent auditor's report on supplementary information.