

**CAMP TEKAKWITHA RETREAT  
AND CONFERENCE CENTER, INC.  
Green Bay, Wisconsin**

**FINANCIAL STATEMENTS  
December 31, 2015 and 2014**

## TABLE OF CONTENTS

	<b>PAGE</b>
<b>INDEPENDENT AUDITORS' REPORT .....</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
Statements of Financial Position.....	3
Statements of Activities .....	4
Statements of Cash Flows .....	6
Notes to Financial Statements .....	7

## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
Camp Tekakwitha Retreat and Conference Center, Inc.  
Green Bay, Wisconsin

We have audited the accompanying financial statements of Camp Tekakwitha Retreat and Conference Center, Inc. (a Wisconsin corporation), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The Board of Directors  
Camp Tekakwitha Retreat and Conference Center, Inc.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Camp Tekakwitha Retreat and Conference Center, Inc., as of December 31, 2015 and 2014, and the 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.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Oshkosh, Wisconsin  
March 1, 2016

**CAMP TEKAKWITHA RETREAT AND CONFERENCE CENTER, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**December 31, 2015 and 2014**

**ASSETS**

	<u><b>2015</b></u>	<u><b>2014</b></u>
Interest in pooled cash	\$ 38,873	\$ -
Accounts receivable, net of allowance for doubtful accounts of \$0 and \$3,248, respectively	6,938	700
Inventory and prepaid expenses	-	2,841
Interest in investments held by Catholic Foundation	45,603	48,745
Property and equipment, net	<u>1,598,796</u>	<u>1,663,250</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 1,690,210</b></u>	<u><b>\$ 1,715,536</b></u>

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts payable	\$ 8,875	\$ 12,281
Accrued expenses	6,386	202,600
Line of credit - Catholic Diocese of Green Bay, Inc.	-	752,039
Deferred revenue	<u>3,792</u>	<u>-</u>
Total liabilities	<u>19,053</u>	<u>966,920</u>

**NET ASSETS**

Unrestricted	1,635,287	740,356
Temporarily restricted	<u>35,870</u>	<u>8,260</u>
Total net assets	<u>1,671,157</u>	<u>748,616</u>

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>\$ 1,690,210</b></u>	<u><b>\$ 1,715,536</b></u>
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The accompanying notes are an integral part of the financial statements.

**CAMP TEKAKWITHA RETREAT AND CONFERENCE CENTER, INC.**  
**STATEMENT OF ACTIVITIES**  
**Year Ended December 31, 2015**

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>
<b>REVENUES AND SUPPORT</b>			
Registrations	\$ 153,353	\$ -	\$ 153,353
Contributions	1,116,930	76,217	1,193,147
Rental revenue	42,520	-	42,520
Sales	8,134	-	8,134
Net assets released from restrictions	<u>48,607</u>	<u>(48,607)</u>	<u>-</u>
Total revenues and support	<u>1,369,544</u>	<u>27,610</u>	<u>1,397,154</u>
<b>EXPENSES</b>			
Salaries and wages	173,606	-	173,606
Personnel benefits	54,150	-	54,150
Purchased services	108,845	-	108,845
Facilities, buildings, and grounds	113,725	-	113,725
Office	6,696	-	6,696
Other	<u>16,886</u>	<u>-</u>	<u>16,886</u>
Total expenses	<u>473,908</u>	<u>-</u>	<u>473,908</u>
Revenues in excess of expenses	<u>895,636</u>	<u>27,610</u>	<u>923,246</u>
<b>OTHER CHANGES IN NET ASSETS</b>			
Change in interest in investments held by Catholic Foundation	(3,142)	-	(3,142)
Distributions from Catholic Foundation	<u>2,437</u>	<u>-</u>	<u>2,437</u>
Total other changes in net assets	<u>(705)</u>	<u>-</u>	<u>(705)</u>
<b>CHANGE IN NET ASSETS</b>	894,931	27,610	922,541
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>740,356</u>	<u>8,260</u>	<u>748,616</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 1,635,287</u>	<u>\$ 35,870</u>	<u>\$ 1,671,157</u>

The accompanying notes are an integral part of the financial statements.

**CAMP TEKAKWITHA RETREAT AND CONFERENCE CENTER, INC.**  
**STATEMENT OF ACTIVITIES**  
**Year Ended December 31, 2014**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUES AND SUPPORT</b>			
Registrations	\$ 141,595	\$ -	\$ 141,595
Contributions	298,425	31,621	330,046
Rental revenue	64,805	-	64,805
Sales, net of expenses of \$1,652	5,058	-	5,058
Net assets released from restrictions	30,750	(30,750)	-
	<u>540,633</u>	<u>871</u>	<u>541,504</u>
Total revenues and support			
<b>EXPENSES</b>			
Salaries and wages	155,121	-	155,121
Personnel benefits	49,044	-	49,044
Purchased services	100,447	-	100,447
Facilities, buildings, and grounds	110,109	-	110,109
Office	7,304	-	7,304
Other	27,361	-	27,361
	<u>449,386</u>	<u>-</u>	<u>449,386</u>
Total expenses			
Revenues in excess of expenses	<u>91,247</u>	<u>871</u>	<u>92,118</u>
<b>OTHER CHANGES IN NET ASSETS</b>			
Change in interest in investments held by Catholic Foundation	(940)	-	(940)
Distributions from Catholic Foundation	2,360	-	2,360
	<u>1,420</u>	<u>-</u>	<u>1,420</u>
Total other changes in net assets			
<b>CHANGE IN NET ASSETS</b>	92,667	871	93,538
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>647,689</u>	<u>7,389</u>	<u>655,078</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 740,356</u>	<u>\$ 8,260</u>	<u>\$ 748,616</u>

The accompanying notes are an integral part of the financial statements.

**CAMP TEKAKWITHA RETREAT AND CONFERENCE CENTER, INC.**  
**STATEMENTS OF CASH FLOWS**  
**Years Ended December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from contributors	\$ 1,193,147	\$ 330,046
Cash received from registrations and sales	201,561	211,938
Cash received from Catholic Foundation	2,437	2,360
Cash paid to suppliers	(381,267)	(160,546)
Cash paid to and on behalf of employees	<u>(224,966)</u>	<u>(204,640)</u>
Net cash flows provided by operating activities	<u>790,912</u>	<u>179,158</u>
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>		
Net payments on line of credit		
- Catholic Diocese of Green Bay, Inc.	<u>(752,039)</u>	<u>(179,158)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	38,873	-
<b>INTEREST IN POOLED CASH - BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>
<b>INTEREST IN POOLED CASH - END OF YEAR</b>	<u>\$ 38,873</u>	<u>\$ -</u>
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO</b>		
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 922,541	\$ 93,538
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	64,454	64,610
Provision for doubtful accounts	-	3,248
Change in interest in investments held by Catholic Foundation	3,142	940
Changes in certain assets and liabilities:		
Accounts receivable	(6,238)	(2,070)
Inventory and prepaid expenses	2,841	(1,189)
Accounts payable	(3,406)	(1,207)
Deferred revenue	3,792	(2,350)
Accrued expenses	<u>(196,214)</u>	<u>23,638</u>
Net cash flows provided by operating activities	<u>\$ 790,912</u>	<u>\$ 179,158</u>
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Cash paid for interest	\$ 215,856	\$ -

The accompanying notes are an integral part of the financial statements.



**CAMP TEKAKWITHA RETREAT AND CONFERENCE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2015 and 2014**

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**NOTE 1 - NATURE OF OPERATIONS**

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Camp Tekakwitha Retreat and Conference Center, Inc. (Camp Tekakwitha) is a not-for-profit corporation organized under the laws of the state of Wisconsin. The purpose of Camp Tekakwitha (formerly known as Camp Tekawitha Retreat and Conference Center, Inc.) is to provide activities and camping facilities for youth, and retreat and conference operations and facilities for members of the public for the purpose of advancing the interest of the Roman Catholic Church. These activities are in accord with and in support of the mission of the Catholic Diocese of Green Bay and other Catholic entities within the Diocese of Green Bay.

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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*Net Assets*

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Camp Tekakwitha are classified and reported as follows:

***Unrestricted*** – Net assets that are not subject to donor-imposed stipulations.

***Temporarily Restricted*** – Net assets subject to donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of Camp Tekakwitha pursuant to those stipulations.

***Permanently Restricted*** – Net assets subject to donor-imposed stipulations that they be maintained permanently by Camp Tekakwitha. Camp Tekakwitha had no permanently restricted net assets as of December 31, 2015 and 2014.

*Interest in Pooled Cash*

Camp Tekakwitha participates in a pooled cash account with an interdiocesan entity. This account sweeps daily to a zero balance. The total of the pooled cash account, at times, may exceed federally insured limits. Camp Tekakwitha has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

*Accounts Receivable*

The majority of Camp Tekakwitha accounts receivable are from private parties within the region of the Catholic Diocese of Green Bay. Credit is extended based on evaluation of financial condition and financial need, and collateral is generally not required. Accounts receivable are due within 30 days or according to separately stated terms and are stated as amounts due, net of an allowance for doubtful accounts. Camp Tekakwitha provides an allowance for doubtful accounts equal to the estimated uncollectible amounts.

**CAMP TEKAKWITHA RETREAT AND CONFERENCE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2015 and 2014**

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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*Property and Equipment*

Property and equipment are stated at cost if purchased or fair market value at date of the gift if donated. All acquisitions of property in excess of \$5,000 and equipment in excess of \$1,000 and all expenditures for improvements and betterments that materially prolong the useful lives of assets are capitalized. Maintenance, repairs, and minor improvements are expenses as incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income.

Property and equipment are depreciated using the straight-line method over their estimated useful lives, as follows:

	<u>Years</u>
Land improvements	10 - 20
Building and improvements	5 - 40
Furniture and equipment	5 - 10
Vehicles	3 - 5

*Impairment of Long-Lived Assets*

Camp Tekakwitha reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the assets are less than the carrying amount of that asset. To date, there have been no such losses.

*Revenue*

Registrations and rental fees applying to services to be rendered in future periods are recorded as deferred revenue when received and reflected as support in the year when the registrations and rental fees are earned. Registrations are currently shown net of scholarships granted of approximately \$36,000 and \$19,000 for the years ended December 31, 2015 and 2014, respectively.

**CAMP TEKAKWITHA RETREAT AND CONFERENCE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2015 and 2014**

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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*Contribution Recognition*

Contributions are recognized as revenue when they are received or unconditionally pledged. Contributions that are unrestricted by the donor are reported as increases in unrestricted net assets. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying statements of activities as net assets released from restrictions.

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Camp Tekakwitha. A substantial number of unpaid volunteers have made significant contributions of their time to the operations for Camp Tekakwitha. The value of these donated services and time is not recognized in the accompanying financial statements because they do not meet the criteria for recognition.

*Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Income Tax Status*

Camp Tekakwitha has received notification that it qualifies as a tax-exempt organization under Section 501(c)(3) covered by the U.S. Internal Revenue Service group exemption letter of the United States Conference of Catholic Bishops and corresponding provisions of state law and, accordingly, is not subject to federal or state income taxes.

*Reclassifications*

Certain prior year amounts have been reclassified to conform to the current year's presentation. The reclassifications had no impact on previously reported changes in net assets.

*Subsequent Events*

In preparing these financial statements, Camp Tekakwitha has evaluated events and transactions for potential recognition or disclosure through March 1, 2016, the date the financial statements were available to be issued.

**CAMP TEKAKWITHA RETREAT AND CONFERENCE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2015 and 2014**

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**NOTE 3 - FAIR VALUE OF FINANCIAL INSTRUMENTS**

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As defined by current authoritative guidance, 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. In determining fair value, Camp Tekakwitha uses various valuation methods including the market, income, and cost approaches. The assumptions used in the application of these valuation methods are developed from the perspective of market participants pricing the asset or liability. Inputs used in the valuation methods can be either readily observable, market corroborated, or generally unobservable inputs. Whenever possible, Camp Tekakwitha attempts to utilize valuation methods that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation methods, Camp Tekakwitha is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine the fair values. Assets and liabilities measured, reported, and/or disclosed at fair value will be classified and disclosed in one of the following three categories:

- Level 1 - Quoted market prices in active markets for identical assets or liabilities.
- Level 2 - Observable market based inputs or unobservable inputs that are corroborated by market data.
- Level 3 - Unobservable inputs that are not corroborated by market data.

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

	December 31, 2015			
	Total	Level 1	Level 2	Level 3
Interest in investments held by Catholic Foundation	<u>\$ 45,603</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,603</u>
	December 31, 2014			
	Total	Level 1	Level 2	Level 3
Interest in investments held by Catholic Foundation	<u>\$ 48,745</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,745</u>

**CAMP TEKAKWITHA RETREAT AND CONFERENCE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2015 and 2014**

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**NOTE 3 - FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**

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Interest in investments held by the Catholic Foundation is measured at fair value based on information received from the manager of the funds. It is classified as Level 3 as the valuation is not corroborated by market data. The unobservable inputs are the underlying assets at the Catholic Foundation and its investment policy. The Catholic Foundation does not have any restrictions on redemption frequency or a required redemption notice period.

The changes in Level 3 assets measured at fair value on a recurring basis are summarized as follows:

	2015	2014
Balance, January 1	\$ 48,745	\$ 49,685
Change in interest in net investments held by Catholic Foundation	(3,142)	(940)
Balance, December 31	\$ 45,603	\$ 48,745

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**NOTE 4 - INTEREST IN INVESTMENTS HELD BY CATHOLIC FOUNDATION**

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The Catholic Foundation for the Diocese of Green Bay, Inc. (Catholic Foundation) holds funds for the use and future benefit of Camp Tekakwitha. The board of directors of the Catholic Foundation has the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to a specified organization if, in the sole judgment of the Catholic Foundation board, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the organization.

Per the fund agreement, the Catholic Foundation provides an annual distribution based on 5% of the three-year average of December 31<sup>st</sup> market values. Camp Tekakwitha can elect to receive these distributions or have these added to the principal of the fund at the Catholic Foundation. The value of this fund at December 31, 2015 and 2014 is \$45,603 and \$48,745, respectively.

**CAMP TEKAKWITHA RETREAT AND CONFERENCE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2015 and 2014**

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**NOTE 5 - PROPERTY AND EQUIPMENT**

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The major categories of property and equipment at December 31 are summarized as follows:

	<u>2015</u>	<u>2014</u>
Land and improvements	\$ 63,509	\$ 63,509
Buildings and improvements	2,467,086	2,467,086
Furniture and equipment	160,601	160,601
Vehicles	<u>6,800</u>	<u>6,800</u>
Total - at cost	2,697,996	2,697,996
Less accumulated depreciation	<u>(1,099,200)</u>	<u>(1,034,746)</u>
<b>Net property and equipment</b>	<b><u>\$ 1,598,796</u></b>	<b><u>\$ 1,663,250</u></b>

Depreciation expense was recorded on the statements of activities in the following classifications for the years ended December 31:

	<u>2015</u>	<u>2014</u>
Facilities, buildings, and grounds	\$ 63,462	\$ 63,463
Office	<u>992</u>	<u>1,147</u>
<b>Total</b>	<b><u>\$ 64,454</u></b>	<b><u>\$ 64,610</u></b>

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**NOTE 6 - FUNCTIONAL CLASSIFICATION OF EXPENSES**

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The costs of providing program and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Expenses by function for the years ended December 31 are as follows:

	<u>2015</u>	<u>2014</u>
Program services	\$ 448,906	\$ 426,226
Management and general	<u>25,002</u>	<u>23,160</u>
<b>Total</b>	<b><u>\$ 473,908</u></b>	<b><u>\$ 449,386</u></b>

**CAMP TEKAKWITHA RETREAT AND CONFERENCE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2015 and 2014**

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**NOTE 7 - INTERDIOCESAN TRANSACTIONS**

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Camp Tekakwitha was a party to various transactions with other diocesan corporations during the years ended December 31, 2015 and 2014. Total revenues and support from other diocesan corporations were \$1,171,722 and \$311,937 for the years ended December 31, 2015 and 2014, respectively, and relates to donations and grants. Total expenses paid to other diocesan corporations were \$48,817 and \$52,910 for the years ended December 31, 2015 and 2014, respectively, and relates primarily to administrative and support services and interest on the line of credit. At December 31, 2015 and 2014, \$5,907 and \$8,892, respectively, was due to other diocesan corporations.

Camp Tekakwitha has an unsecured line of credit due on demand with the Catholic Diocese of Green Bay, Inc. for \$1,200,000 at December 31, 2015 and 2014. Funds drawn on the line of credit accrue interest at a rate of 3.0% of the average monthly balance. Balances outstanding at December 31, 2015 and 2014 were \$-0- and \$752,039, respectively. Interest expense was \$16,852 and \$24,113 for the years ended December 31, 2015 and 2014, respectively, and accrued interest was \$-0- and \$199,004 at December 31, 2015 and 2014, respectively.

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**NOTE 8 - RETIREMENT PLAN**

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Camp Tekakwitha began participating in the Catholic Diocese of Green Bay Employees' Retirement Plan during the year ended December 31, 2013. The defined contribution retirement plan covers most lay employees. The vesting period of the plan is six months. Contributions are 9% of an employee's current year wage and are made each pay period. Retirement plan expense was \$8,507 and \$8,025 for the years ended December 31, 2015 and 2014, respectively.

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**NOTE 9 - RESTRICTIONS ON NET ASSETS**

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Temporarily restricted net assets are available for the following purposes as of December 31:

	2015	2014
Scholarships	\$ -	\$ 4,000
Other	35,870	4,260
<b>Total</b>	<b>\$ 35,870</b>	<b>\$ 8,260</b>

This information is an integral part of the accompanying financial statements.