

**FRATERNAL ORDER OF POLICE
ANDREW JACKSON LODGE NO. 5 AND AFFILIATES**

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

DECEMBER 31, 2021 AND 2020

FRATERNAL ORDER OF POLICE
ANDREW JACKSON LODGE NO. 5 AND AFFILIATES

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Independent Auditor's Report

To the Board of Directors
Fraternal Order of Police
Andrew Jackson Lodge No. 5 and Affiliates
Nashville, Tennessee

Opinion

We have audited the accompanying consolidated financial statements of the Fraternal Order of the Police Andrew Jackson Lodge No. 5 and Affiliates (a nonprofit organization, collectively the "Organization"), which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, and the related consolidated statements of activities and functional expenses, and cash flows 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, 2021 and 2020, 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 audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 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 available to be issued.



Auditor's Responsibilities for the Audit of the 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 generally accepted auditing standards 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 generally accepted auditing standards, 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.



Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position as of December 31, 2021 and 2020 and the consolidating statements of activities and functional expenses for the years then ended 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 audit 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.

Crosslin, PUC

Nashville, Tennessee
September 19, 2022

FRATERNAL ORDER OF POLICE
ANDREW JACKSON LODGE NO. 5 AND AFFILIATES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

	<u>ASSETS</u>	
	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 2,389,487	\$ 2,123,698
Investments	537,186	492,957
Prepaid expenses	-	7,852
Total current assets	<u>2,926,673</u>	<u>2,624,507</u>
Land	67,503	67,503
Building and improvements	1,155,408	1,103,989
Furniture and equipment	373,459	337,761
Property and equipment, at cost	<u>1,596,370</u>	<u>1,509,253</u>
Less: accumulated depreciation	<u>(1,122,348)</u>	<u>(1,048,649)</u>
Property and equipment, net	<u>474,022</u>	<u>460,604</u>
Total assets	<u><u>\$ 3,400,695</u></u>	<u><u>\$ 3,085,111</u></u>
<u>LIABILITIES</u>		
Accounts payable and accrued expenses	<u>\$ 44,086</u>	<u>\$ 40,968</u>
Total liabilities	<u>44,086</u>	<u>40,968</u>
<u>NET ASSETS</u>		
Without donor restrictions	3,356,609	2,992,082
With donor restrictions	<u>-</u>	<u>52,061</u>
Total net assets	<u>3,356,609</u>	<u>3,044,143</u>
Total liabilities and net assets	<u><u>\$ 3,400,695</u></u>	<u><u>\$ 3,085,111</u></u>

See notes to consolidated financial statements.

FRATERNAL ORDER OF POLICE
ANDREW JACKSON LODGE NO. 5 AND AFFILIATES
CONSOLIDATED STATEMENT OF ACTIVITIES AND FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT:			
Membership dues - active members	\$ 864,635	\$ -	\$ 864,635
Membership dues - associate members	25,150	-	25,150
Contributions	631,650	-	631,650
Investment income	45,991	-	45,991
Rental and other income	3,663	-	3,663
Net assets released from restrictions - satisfaction of donor stipulations and reclassifications	52,061	(52,061)	-
TOTAL REVENUES AND SUPPORT	1,623,150	(52,061)	1,571,089
EXPENSES:			
Program services:			
Building Maintenance & Supplies	13,951	-	13,951
Camper Clothing	3,003	-	3,003
Depreciation	70,115	-	70,115
Equipment Maintenance	5,730	-	5,730
Food and Kitchen Supplies	22,951	-	22,951
Legal and Professional	151,074	-	151,074
Organizational Events	93,321	-	93,321
Other Costs	169,714	-	169,714
Payroll	83,255	-	83,255
Political Activites	800	-	800
Public Relations & Community Involvement	84,454	-	84,454
Telephone	777	-	777
Utilities	44,118	-	44,118
Total program services	743,263	-	743,263
Supporting services:			
Management and general:			
Building Maintenance & Supplies	1,424	-	1,424
Depreciation	3,584	-	3,584
Equipment Maintenance	3,736	-	3,736
Food and Kitchen Supplies	1,945	-	1,945
Insurance	23,960	-	23,960
Legal and Professional	65,164	-	65,164
Office Expenses	66,483	-	66,483
Other Costs	18,367	-	18,367
Payroll	19,677	-	19,677
Political Activites	200	-	200
Taxes and License	102,597	-	102,597
Telephone	3,108	-	3,108
Utilities	4,954	-	4,954
Total management and general	315,199	-	315,199
Fundraising:			
Payroll	200,161	-	200,161
Total fundraising	200,161	-	200,161
Total supporting services	515,360	-	515,360
TOTAL EXPENSES	1,258,623	-	1,258,623
CHANGE IN NET ASSETS	364,527	(52,061)	312,466
NET ASSETS - BEGINNING OF YEAR	2,992,082	52,061	3,044,143
NET ASSETS - END OF YEAR	\$ 3,356,609	\$ -	\$ 3,356,609

See notes to consolidated financial statements.

FRATERNAL ORDER OF POLICE
ANDREW JACKSON LODGE NO. 5 AND AFFILIATES
CONSOLIDATED STATEMENT OF ACTIVITIES AND FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT:			
Membership dues - active members	\$ 862,115	\$ -	\$ 862,115
Membership dues - associate members	25,966	-	25,966
Contributions	517,071	125,000	642,071
Investment loss	54,929	-	54,929
Rental and other income	15,560	-	15,560
Net assets released from restrictions - satisfaction of donor stipulations	91,080	(91,080)	-
TOTAL REVENUES AND SUPPORT	1,566,721	33,920	1,600,641
EXPENSES:			
Program services:			
Building Maintenance & Supplies	17,407	-	17,407
Depreciation	68,315	-	68,315
Equipment Maintenance	841	-	841
Food and Kitchen Supplies	4,214	-	4,214
Legal and Professional	110,788	-	110,788
Organizational Events	45,916	-	45,916
Other Costs	196,076	-	196,076
Payroll	78,664	-	78,664
Political Activities	8,500	-	8,500
Public Relations & Community Involvement	117,808	-	117,808
Telephone	918	-	918
Utilities	31,122	-	31,122
Total program services	680,569	-	680,569
Supporting services:			
Management and general:			
Building Maintenance & Supplies	2,029	-	2,029
Depreciation	4,450	-	4,450
Equipment Maintenance	5,832	-	5,832
Food and Kitchen Supplies	1,087	-	1,087
Insurance	31,973	-	31,973
Legal and Professional	52,239	-	52,239
Office Expenses	12,763	-	12,763
Other Costs	27,923	-	27,923
Payroll	18,721	-	18,721
Taxes and License	85,622	-	85,622
Telephone	3,670	-	3,670
Utilities	4,594	-	4,594
Total management and general	250,903	-	250,903
Fundraising:			
Payroll	166,121	-	166,121
Total fundraising	166,121	-	166,121
Total supporting services	417,024	-	417,024
TOTAL EXPENSES	1,097,593	-	1,097,593
CHANGE IN NET ASSETS	469,128	33,920	503,048
NET ASSETS - BEGINNING OF YEAR	2,522,954	18,141	2,541,095
NET ASSETS - END OF YEAR	\$ 2,992,082	\$ 52,061	\$ 3,044,143

See notes to consolidated financial statements.

FRATERNAL ORDER OF POLICE
ANDREW JACKSON LODGE NO. 5 AND AFFILIATES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Cash received from memberships	\$ 907,012	\$ 895,865
Cash received from contributions	631,650	642,071
Interest received	1,762	3,860
Rental and other income received	3,663	15,560
Cash paid for program expenses	(662,178)	(627,441)
Cash paid for management expenses	(311,615)	(246,453)
Cash paid for fundraising expenses	<u>(200,161)</u>	<u>(166,121)</u>
Net cash provided by operating activities	<u>370,133</u>	<u>517,341</u>
Cash flows from investing activities:		
(Purchases) sales of investments, net	(17,227)	(7,784)
Purchases of property and equipment	<u>(87,117)</u>	<u>(29,732)</u>
Net cash used in investing activities	<u>(104,344)</u>	<u>(37,516)</u>
Net change in cash	265,789	479,825
Cash, beginning of year	<u>2,123,698</u>	<u>1,643,873</u>
Cash, end of year	<u><u>\$ 2,389,487</u></u>	<u><u>\$ 2,123,698</u></u>
Reconciliation of change in net assets to cash provided by operating activities:		
Change in net assets	\$ 312,466	\$ 503,048
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	73,699	72,765
Realized and unrealized gains on investments	(27,002)	(43,285)
Decrease (increase):		
Prepaid expenses	7,852	(172)
Decrease in:		
Accounts payable and accrued expenses	<u>3,118</u>	<u>(15,015)</u>
Net cash provided by operating activities	<u><u>\$ 370,133</u></u>	<u><u>\$ 517,341</u></u>

See notes to consolidated financial statements.

FRATERNAL ORDER OF POLICE
ANDREW JACKSON LODGE NO. 5 AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

A. GENERAL

The Fraternal Order of Police Andrew Jackson Lodge No. 5 (the “Lodge”) was formed as a non-profit 501(c)(8) organization for the purpose of establishing a fraternal society of police officers employed at the Metropolitan Government of Nashville and Davidson County, Tennessee. The Lodge’s primary purpose is to improve the working conditions of law enforcement officers and the safety of those they serve through education, legislation, community involvement, and employee representation.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Consolidated Financial Statement Presentation

The accompanying consolidated financial statements present the financial position and changes in net assets of the Fraternal Order of Police Andrew Jackson Lodge No. 5 (the “Lodge”), the Andrew Jackson Police Youth Camp (the “Youth Camp”), the Friends of Police (FOP), Andrew Jackson Lodge, Political Action Committee (the “PAC”) and the Nashville Fraternal Order of Police Foundation (the “Foundation”), (collectively, the “Organization”) on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”). Under generally accepted accounting principles, the Organization demonstrates controls and economic interest in these entities, and therefore, the Organization’s financial statements are presented on a consolidated basis. All significant intercompany receivables and payables and income and expenses among consolidated entities have been eliminated upon consolidation, where applicable.

The Youth Camp was established by the as a section 501(c)(3) organization to build community involvement with Nashville’s underprivileged youth in a safe environment.

The PAC was established by the Lodge to support lobbying efforts of the Organization, to support issues that promote quality public safety, and seek out qualified candidates for public office where appropriate. The PAC is an unincorporated Political Action Committee.

The Foundation is a public benefit foundation used to improve and secure the quality of life, public safety and environment of the city of Nashville, its businesses, institutions and visitors by recognizing that the Fraternal Order of Police, its members, and the law enforcement officers of the greater Nashville area are a key and critical component in successfully accomplishing these objectives.

FRATERNAL ORDER OF POLICE
ANDREW JACKSON LODGE NO. 5 AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Basis of Presentation

For reporting purposes, the Organization's consolidated financial statements have been prepared to focus on the Organization as a whole. Resources are classified into two net asset categories based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

Net Assets With Donor Restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. As of December 31, 2021 and 2020, the Organization had no funds that were required to be maintained in perpetuity.

Contributions

Contributions received are recorded as without donor restrictions and with donor restrictions depending on the existence and/or nature of any donor restrictions. Contributions receivable are recorded at their estimated fair value and reflect discounts for payment terms greater than one year and allowances for uncollectible amounts. There were no contributions receivable as of December 31, 2021 and 2020.

Unconditional promises to give are recognized as revenues or gains in the period received as assets, decreases in liabilities or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Membership Revenue

Membership dues are recognized evenly over the applicable membership period. There are no advance collections recorded as membership dues are collected throughout the year consistent with the members' pay periods.

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ANDREW JACKSON LODGE NO. 5 AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Cash and Cash Equivalents

For financial statement purposes, the Organization considers all cash and all highly liquid investments not held for long-term investment, and which have original maturities of three months or less, to be cash equivalents.

Investment Valuation and Income Recognition

Investments are reported at 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.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investment return in excess of amounts designated for current operations includes the Organization's gains and losses on investments bought and sold as well as held during the year. Investment income is presented on the consolidated financial statements net of associated investment fees.

Property and Equipment

Property and equipment are stated at cost. Donated property and equipment are recorded at estimated market value at the date of the gift. Depreciation and amortization are provided over the assets' estimated useful lives using the straight-line method. The Youth Camp land and buildings were originally donated to the Organization for the sole purpose, designated by the donor, of being a youth camp. As such, the Organization is restricted from changing the primary use of the property. The net book value of the property was \$253,726 and \$227,433 at December 31, 2021 and 2020, respectively.

Expenditures for maintenance and repairs are expensed when incurred. Expenditures for purchases or improvements are capitalized for items exceeding \$1,000. When property and equipment is retired or sold, the cost and the related accumulated depreciation are removed from the accounts, and the resulting gain or loss is included in operations.

The estimated useful lives of depreciable property and equipment are as follows:

Buildings and improvements	5 to 30 years
Furniture and equipment	5 to 15 years

Depreciation expense for the years ended December 31, 2021 and 2020 was \$73,699 and \$72,765, respectively.

FRATERNAL ORDER OF POLICE
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Income Tax Status

The Fraternal Order of Police Andrew Jackson Lodge No. 5 qualifies as a not-for-profit organization exempt from federal income taxes under Section 501(c)(8) of the Internal Revenue Code. The Andrew Jackson Police Youth Camp and the Nashville Fraternal Order of Police Foundation qualify as not-for-profit organizations exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for taxes has been made in the consolidated financial statements.

The Friends of Police (FOP), Andrew Jackson Lodge, Political Action Committee is unincorporated and subject to income tax. Income taxes are immaterial related to the PAC.

The Organization accounts for the effect of any uncertain tax positions based on a *more likely than not* threshold to the recognition of the tax positions being sustained based on the technical merits of the position under examination by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a *cumulative probability assessment* that aggregates the estimated tax liability for all uncertain tax positions. Tax positions for the Organization include, but are not limited to, the tax-exempt status and determination of whether income is subject to unrelated business income tax; however, the Organization has determined that such tax positions do not result in an uncertainty requiring recognition.

Fair Value Measurements

Assets recorded at fair value in the statement of financial position are categorized based on the level of judgment associated with the inputs used to measure their fair value. Level inputs, as defined by the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 820, *Fair Value Measurements and Disclosures*, are as follows:

Level 1 - Values are unadjusted quoted prices for identical assets in active markets accessible at the measurement date.

Level 2 - Inputs include quoted prices for similar assets in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Level 3 - Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Organization's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

An asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

Advertising

Advertising costs are charged to expense as incurred. During the years ended December 31, 2021 and 2020, the Organization incurred advertising costs in the amounts of \$-0- and \$174, respectively.

Donated Services

A substantial number of volunteers have donated significant amounts of their time to the Organization's program services and fundraising activities; however, no amounts have been shown in the accompanying consolidated financial statements for donated services by volunteers since there is no objective basis by which to measure the value of such services.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States 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. Management believes that such estimates have been made on reasonable assumptions that such estimates are adequate. Actual results could differ from those estimates.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Functional Allocation of Expenses

The Organization's costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and functional expenses. Directly identifiable expenses are charged to programs. Supporting services expenses include those expenses that are not directly identifiable with any other specific function, but provide for the overall support and direction of the Organization. Accordingly, costs have been allocated to the appropriate functions based upon management's estimates.

Reclassifications

During fiscal year 2020, the Organization established the Foundation with one of its purposes is to receive and record funds designated for the Caring Police Respond ("CPR") program. As a result, funds totaling \$52,061 were transferred from the Youth Camp to the Foundation during fiscal year 2020 for such purposes. This transfer is included in the net assets released from restrictions - satisfaction of donor restrictions and reclassifications line item in the 2020 consolidating statement of activities and functional expenses.

C. LIQUIDITY AND AVAILABILITY OF RESOURCES

The table below represents financial assets available for general expenditures within one year at December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Financial assets at year-end:		
Cash and cash equivalents	\$2,389,487	\$ 2,123,698
Investments	<u>537,186</u>	<u>492,957</u>
Total financial assets	<u>2,926,673</u>	<u>2,616,655</u>
Less amounts not available to be used for general expenditures within one year:		
Net assets with donor restrictions	<u>-</u>	<u>(52,061)</u>
Financial assets not available to be used within one year	<u>-</u>	<u>(52,061)</u>
Financial assets available to be used for general expenditures within one year	<u>\$2,926,673</u>	<u>\$ 2,564,594</u>

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C. LIQUIDITY AND AVAILABILITY OF RESOURCES - Continued

The Organization receives membership dues from member payroll withholdings throughout the year. The Organization has significant assets to be available as its general expenditures, liabilities, and other obligations come due. As discussed in Note B, the Organization has also created a foundation in order to solicit additional donations.

D. INVESTMENTS AND FAIR VALUE MEASUREMENTS

Disclosures concerning the estimated fair value of financial instruments are presented below. The estimated fair value amounts have been determined based on the Organization's assessment of available market information and appropriate valuation methodologies. The following table summarizes required fair value disclosures and measurements at December 31, 2021 and 2020, for assets measured at fair value on a recurring basis under ASC 820, *Fair Value Measurements and Disclosures*:

2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
Cash and cash equivalents	\$ 33,766	\$ -	\$ -	\$ 33,766
Mutual funds	489,252	-	-	489,252
Equities and options	<u>14,168</u>	<u>-</u>	<u>-</u>	<u>14,168</u>
Total	<u>\$537,186</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$537,186</u>

2020:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
Cash and cash equivalents	\$ 25,100	\$ -	\$ -	\$ 25,100
Mutual funds	456,671	-	-	456,671
Equities and options	<u>11,186</u>	<u>-</u>	<u>-</u>	<u>11,186</u>
Total	<u>\$492,957</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$492,957</u>

FRATERNAL ORDER OF POLICE
ANDREW JACKSON LODGE NO. 5 AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

D. INVESTMENTS AND FAIR VALUE MEASUREMENTS - Continued

The following is a description of the valuation methodology used for assets measured at fair value on a recurring basis:

Investments - The fair value of mutual funds, equities, and options are determined using primarily Level 1 inputs in accordance with ASC 820.

Other - The fair values of financial instruments for which estimated fair value amounts have not been specifically presented are estimated to approximate the related book values, primarily based on the short-term nature of these instruments.

The following schedule summarizes the investment income in the consolidated statements of activities and functional expenses for the years ended December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Interest and dividend income (including interest on cash and cash equivalents)	\$ 23,377	\$ 15,600
Realized gains on investments	17,050	2,162
Unrealized gains on investments	9,952	41,123
Less: Investment management fees	<u>(4,388)</u>	<u>(3,956)</u>
	<u>\$ 45,991</u>	<u>\$ 54,929</u>

E. NET ASSETS WITH DONOR RESTRICTIONS AND NET ASSETS RELEASED FROM RESTRICTIONS

Net assets with donor restrictions at December 31, 2021 and 2020 are temporary in nature for purposes to be fulfilled in the subsequent year. Net assets with donor restrictions totaled \$-0- and \$52,061 at December 31, 2021 and 2020, respectively, and are for the donor designated purpose of being used for the Caring Police Respond (“CPR”) Program. Net assets with donor restrictions totaling \$-0- and \$125,000 were received in 2021 and 2020, respectively, with donor-imposed restrictions. In 2021 and 2020, net assets of \$52,061 and \$91,080, respectively, were released from donor restrictions by incurring expenses that satisfied the donor’s restrictions.

FRATERNAL ORDER OF POLICE
ANDREW JACKSON LODGE NO. 5 AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

F. CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash accounts at financial institutions whose accounts are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to statutory limits. The Organization’s cash balances generally exceed statutory limits; however, these balances are protected by an internal sweep function through the banking institution.

The Organization invests in various investment securities that are exposed to risks such as interest rate, market and credit risks. Because of the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Organization’s consolidated financial statements.

G. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through September 19, 2022, which is the date the consolidated financial statements were available for issuance, and has determined that there were no subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION

FRATERNAL ORDER OF POLICE
ANDREW JACKSON LODGE NO. 5 AND AFFILIATES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

	Fraternal Order of Police Andrew Jackson Lodge No. 5	The Andrew Jackson Police Youth Camp, Inc.	Friends of Police (FOP), Andrew Jackson Lodge, Political Action Committee	Nashville FOP Foundation	Consolidating Entries	Total
ASSETS						
Cash and cash equivalents	\$ 1,049,035	\$ 1,155,505	\$ 125,937	\$ 59,010	\$ -	\$ 2,389,487
Investments	537,186	-	-	-	-	537,186
Due (to)/due from	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
Total current assets	<u>1,586,221</u>	<u>1,155,505</u>	<u>125,937</u>	<u>59,010</u>	<u>-</u>	<u>2,926,673</u>
Land	48,000	19,503	-	-	-	67,503
Building and improvements	595,376	560,032	-	-	-	1,155,408
Furniture and equipment	137,167	203,202	-	33,090	-	373,459
Property and equipment, at cost	780,543	782,737	-	33,090	-	1,596,370
Less: accumulated depreciation	(622,418)	(495,553)	-	(4,377)	-	(1,122,348)
Property and equipment, net	<u>158,125</u>	<u>287,184</u>	<u>-</u>	<u>28,713</u>	<u>-</u>	<u>474,022</u>
Total assets	<u>\$ 1,744,346</u>	<u>\$ 1,442,689</u>	<u>\$ 125,937</u>	<u>\$ 87,723</u>	<u>\$ -</u>	<u>\$ 3,400,695</u>
LIABILITIES						
Accounts payable and accrued expenses	\$ 20,581	\$ 23,505	\$ -	\$ -	\$ -	\$ 44,086
Total liabilities	<u>20,581</u>	<u>23,505</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,086</u>
NET ASSETS						
Without donor restrictions	1,723,765	1,419,184	125,937	87,723	-	3,356,609
With donor restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net assets	<u>1,723,765</u>	<u>1,419,184</u>	<u>125,937</u>	<u>87,723</u>	<u>-</u>	<u>3,356,609</u>
Total liabilities and net assets	<u>\$ 1,744,346</u>	<u>\$ 1,442,689</u>	<u>\$ 125,937</u>	<u>\$ 87,723</u>	<u>\$ -</u>	<u>\$ 3,400,695</u>

See independent auditor's report.

FRATERNAL ORDER OF POLICE
ANDREW JACKSON LODGE NO. 5 AND AFFILIATES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020

	Fraternal Order of Police Andrew Jackson Lodge No. 5	The Andrew Jackson Police Youth Camp, Inc.	Friends of Police (FOP), Andrew Jackson Lodge, Political Action Committee	Nashville FOP Foundation	Consolidating Entries	Total
ASSETS						
Cash and cash equivalents	\$ 909,426	\$ 1,040,061	\$ 84,645	\$ 89,566	\$ -	\$ 2,123,698
Investments	492,957	-	-	-	-	492,957
Due (to)/due from	-	(52,061)	-	52,061	-	-
Prepaid expenses	7,852	-	-	-	-	7,852
Total current assets	<u>1,410,235</u>	<u>988,000</u>	<u>84,645</u>	<u>141,627</u>	<u>-</u>	<u>2,624,507</u>
Land	48,000	19,503	-	-	-	67,503
Building and improvements	595,376	508,613	-	-	-	1,103,989
Furniture and equipment	137,167	200,594	-	-	-	337,761
Property and equipment, at cost	780,543	728,710	-	-	-	1,509,253
Less: accumulated depreciation	(604,496)	(444,153)	-	-	-	(1,048,649)
Property and equipment, net	<u>176,047</u>	<u>284,557</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>460,604</u>
Total assets	<u>\$ 1,586,282</u>	<u>\$ 1,272,557</u>	<u>\$ 84,645</u>	<u>\$ 141,627</u>	<u>\$ -</u>	<u>\$ 3,085,111</u>
LIABILITIES						
Accounts payable and accrued expenses	\$ 16,891	\$ 24,077	\$ -	\$ -	\$ -	\$ 40,968
Total liabilities	<u>16,891</u>	<u>24,077</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,968</u>
NET ASSETS						
Without donor restrictions	1,569,391	1,248,480	84,645	89,566	-	2,992,082
With donor restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,061</u>	<u>-</u>	<u>52,061</u>
Total net assets	<u>1,569,391</u>	<u>1,248,480</u>	<u>84,645</u>	<u>141,627</u>	<u>-</u>	<u>3,044,143</u>
Total liabilities and net assets	<u>\$ 1,586,282</u>	<u>\$ 1,272,557</u>	<u>\$ 84,645</u>	<u>\$ 141,627</u>	<u>\$ -</u>	<u>\$ 3,085,111</u>

See independent auditor's report.

FRATERNAL ORDER OF POLICE
ANDREW JACKSON LODGE NO. 5 AND AFFILIATES
CONSOLIDATING STATEMENT OF ACTIVITIES AND FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Fraternal Order of Police Andrew Jackson Lodge No. 5 (Without Donor Restrictions)	The Andrew Jackson Police Youth Camp, Inc. (Without Donor Restrictions)	The Andrew Jackson Police Youth Camp, Inc. (With Donor Restrictions)	Friends of Police (FOP), Andrew Jackson Lodge, Political Action Committee (Without Donor Restrictions)	Nashville FOP Foundation (Without Donor Restrictions)	Nashville FOP Foundation (With Donor Restrictions)	Consolidating Entries	Total
REVENUES AND SUPPORT:								
Membership dues - active members	\$ 864,635	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 864,635
Membership dues - associate members	25,150	-	-	-	-	-	-	25,150
Contributions	12,639	617,074	-	43,842	44,945	-	(86,850)	631,650
Investment income	44,883	1,108	-	-	-	-	-	45,991
Rental and other income	1,475	2,188	-	-	-	-	-	3,663
Net assets released from restrictions - satisfaction of donor stipulations & reclassifications	-	-	-	-	52,061	(52,061)	-	-
TOTAL REVENUES AND SUPPORT	948,782	620,370	-	43,842	97,006	(52,061)	(86,850)	1,571,089
EXPENSES:								
Program services:								
Building Maintenance & Supplies	5,694	8,257	-	-	-	-	-	13,951
Camper Clothing	-	3,003	-	-	-	-	-	3,003
Depreciation	14,338	51,400	-	-	4,377	-	-	70,115
Equipment Maintenance	-	5,730	-	-	-	-	-	5,730
Food and Kitchen Supplies	7,337	15,614	-	-	-	-	-	22,951
Legal and Professional	151,074	-	-	-	-	-	-	151,074
Organizational Events	136,157	-	-	-	172	-	(43,008)	93,321
Other Costs	165,037	10,345	-	160	38,014	-	(43,842)	169,714
Payroll	60,509	22,746	-	-	-	-	-	83,255
Political Activities	800	-	-	-	-	-	-	800
Public Relations & Community Involvement	12,256	72,198	-	-	-	-	-	84,454
Telephone	625	152	-	-	-	-	-	777
Utilities	19,823	24,295	-	-	-	-	-	44,118
Total program services	573,650	213,740	-	160	42,563	-	(86,850)	743,263
Supporting services:								
Management and general:								
Building Maintenance & Supplies	1,424	-	-	-	-	-	-	1,424
Depreciation	3,584	-	-	-	-	-	-	3,584
Equipment Maintenance	3,736	-	-	-	-	-	-	3,736
Food and Kitchen Supplies	1,945	-	-	-	-	-	-	1,945
Insurance	9,831	12,674	-	-	1,455	-	-	23,960
Legal and Professional	49,545	11,077	-	2,350	2,192	-	-	65,164
Office Expenses	8,797	5,246	-	-	52,440	-	-	66,483
Other Costs	18,028	100	-	40	199	-	-	18,367
Payroll	15,128	4,549	-	-	-	-	-	19,677
Political Activities	200	-	-	-	-	-	-	200
Taxes and License	101,085	1,512	-	-	-	-	-	102,597
Telephone	2,501	607	-	-	-	-	-	3,108
Utilities	4,954	-	-	-	-	-	-	4,954
Total management and general	220,758	35,765	-	2,390	56,286	-	-	315,199
Fundraising:								
Payroll	-	200,161	-	-	-	-	-	200,161
Total fundraising	-	200,161	-	-	-	-	-	200,161
Total supporting services	220,758	235,926	-	2,390	56,286	-	-	515,360
TOTAL EXPENSES	794,408	449,666	-	2,550	98,849	-	(86,850)	1,258,623
CHANGE IN NET ASSETS	154,374	170,704	-	41,292	(1,843)	(52,061)	-	312,466
NET ASSETS - BEGINNING OF YEAR	1,569,391	1,248,480	-	84,645	89,566	52,061	-	3,044,143
NET ASSETS - END OF YEAR	\$ 1,723,765	\$ 1,419,184	\$ -	\$ 125,937	\$ 87,723	\$ -	\$ -	\$ 3,356,609

See independent auditor's report.

FRATERNAL ORDER OF POLICE
ANDREW JACKSON LODGE NO. 5 AND AFFILIATES
CONSOLIDATING STATEMENT OF ACTIVITIES AND FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Fraternal Order of Police Andrew Jackson Lodge No. 5 (Without Donor Restrictions)	The Andrew Jackson Police Youth Camp, Inc. (Without Donor Restrictions)	The Andrew Jackson Police Youth Camp, Inc. (With Donor Restrictions)	Friends of Police (FOP), Andrew Jackson Lodge, Political Action Committee (Without Donor Restrictions)	Nashville FOP Foundation (Without Donor Restrictions)	Nashville FOP Foundation (With Donor Restrictions)	Consolidating Entries	Total
REVENUES AND SUPPORT:								
Membership dues - active members	\$ 854,451	\$ -	\$ -	\$ 7,664	\$ -	\$ -	\$ -	\$ 862,115
Membership dues - associate members	25,966	-	-	-	-	-	-	25,966
Contributions	82,327	401,922	125,000	41,600	92,822	-	(101,600)	642,071
Investment income	51,922	3,007	-	-	-	-	-	54,929
Rental and other income	800	14,760	-	-	-	-	-	15,560
Net assets released from restrictions - satisfaction of donor stipulations & reclassifications	-	91,080	(143,141)	-	-	52,061	-	-
TOTAL REVENUES AND SUPPORT	1,015,466	510,769	(18,141)	49,264	92,822	52,061	(101,600)	1,600,641
EXPENSES:								
Program services:								
Building Maintenance & Supplies	8,112	9,295	-	-	-	-	-	17,407
Depreciation	17,802	50,513	-	-	-	-	-	68,315
Equipment Maintenance	-	841	-	-	-	-	-	841
Food and Kitchen Supplies	4,214	-	-	-	-	-	-	4,214
Legal and Professional	110,788	-	-	-	-	-	-	110,788
Organizational Events	45,916	-	-	-	-	-	-	45,916
Other Costs	237,903	57,212	-	-	2,561	-	(101,600)	196,076
Payroll	59,787	18,877	-	-	-	-	-	78,664
Political Activities	-	-	-	8,500	-	-	-	8,500
Public Relations & Community Involvement	8,272	109,536	-	-	-	-	-	117,808
Telephone	596	322	-	-	-	-	-	918
Utilities	18,378	12,744	-	-	-	-	-	31,122
Total program services	511,768	259,340	-	8,500	2,561	-	(101,600)	680,569
Supporting services:								
Management and general:								
Building Maintenance & Supplies	2,029	-	-	-	-	-	-	2,029
Depreciation	4,450	-	-	-	-	-	-	4,450
Equipment Maintenance	5,832	-	-	-	-	-	-	5,832
Food and Kitchen Supplies	1,087	-	-	-	-	-	-	1,087
Insurance	11,390	20,583	-	-	-	-	-	31,973
Legal and Professional	39,896	9,725	-	2,150	468	-	-	52,239
Office Expenses	8,438	4,098	-	-	227	-	-	12,763
Other Costs	27,923	-	-	-	-	-	-	27,923
Payroll	14,946	3,775	-	-	-	-	-	18,721
Taxes and License	81,568	4,054	-	-	-	-	-	85,622
Telephone	2,384	1,286	-	-	-	-	-	3,670
Utilities	4,594	-	-	-	-	-	-	4,594
Total management and general	204,537	43,521	-	2,150	695	-	-	250,903
Fundraising:								
Payroll	-	166,121	-	-	-	-	-	166,121
Total fundraising	-	166,121	-	-	-	-	-	166,121
Total supporting services	204,537	209,642	-	2,150	695	-	-	417,024
TOTAL EXPENSES	716,305	468,982	-	10,650	3,256	-	(101,600)	1,097,593
CHANGE IN NET ASSETS	299,161	41,787	(18,141)	38,614	89,566	52,061	-	503,048
NET ASSETS - BEGINNING OF YEAR	1,270,230	1,206,693	18,141	46,031	-	-	-	2,541,095
NET ASSETS - END OF YEAR	\$ 1,569,391	\$ 1,248,480	\$ -	\$ 84,645	\$ 89,566	\$ 52,061	\$ -	\$ 3,044,143

See independent auditor's report.