

# **Yellowstone Forever**

**Bozeman, Montana**

FINANCIAL STATEMENTS WITH  
INDEPENDENT AUDITORS' REPORT

**February 28, 2025, and February 29, 2024**



K C O E  
I S O M

# Yellowstone Forever

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February 28, 2025, and February 29, 2024

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Yellowstone Forever  
Bozeman, Montana

### ***Opinion***

We have audited the accompanying financial statements of Yellowstone Forever (the Organization), which comprise the statements of financial position as of February 28, 2025, and February 29, 2024; the related statements of activities, functional expenses, and cash flows for the years then ended; and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of February 28, 2025, and February 29, 2024, 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 (GAAP).

### ***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 Auditors' Responsibilities for the Audits 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 financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

## INDEPENDENT AUDITORS' REPORT

(Continued)

### ***Auditors' Responsibilities for the Audits of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

*KCoe Jam, LLP*

June 30, 2025  
Bozeman, Montana

# Yellowstone Forever

## STATEMENTS OF FINANCIAL POSITION

February 29 and February 29

2025

2024

### ASSETS

#### Current Assets

|   |               |               |
|---|---------------|---------------|
| Cash and cash equivalents                   | \$ 47,122,866 | \$ 23,660,575 |
| Accounts receivable                         | 228,396       | 321,834       |
| Dividends receivable                        | -             | 1,792         |
| Current portion of pledges receivable - net | 1,500,206     | 1,442,639     |
| Inventory                                   | 1,339,557     | 1,031,003     |
| Prepaid expenses                            | 335,442       | 175,112       |

|                             |                   |                   |
|-----------------------------|-------------------|-------------------|
| <b>Total Current Assets</b> | <b>50,526,467</b> | <b>26,632,955</b> |
|-----------------------------|-------------------|-------------------|

#### Noncurrent Assets

|  |           |           |
|--|-----------|-----------|
| Investments  | 8,937,700 | 9,021,619 |
| Pledges receivable - net of current portion and discount | 1,407,427 | 1,768,140 |
| Property and equipment - net                             | 9,618,988 | 8,113,665 |
| Intangible assets - net                                  | 23,654    | 29,694    |
| Operating lease right-of-use assets                      | -         | 149,502   |

|                                |                   |                   |
|--------------------------------|-------------------|-------------------|
| <b>Total Noncurrent Assets</b> | <b>19,987,769</b> | <b>19,082,620</b> |
|--------------------------------|-------------------|-------------------|

|                     |                      |                      |
|---------------------|----------------------|----------------------|
| <b>TOTAL ASSETS</b> | <b>\$ 70,514,236</b> | <b>\$ 45,715,575</b> |
|---------------------|----------------------|----------------------|

### LIABILITIES AND NET ASSETS

#### Current Liabilities

|  |              |              |
|--|--------------|--------------|
| Accounts payable and accrued liabilities | \$ 1,051,418 | \$ 1,429,057 |
| Deferred revenue                         | 346,346      | 263,683      |
| Grants payable                           | 13,674       | 14,782       |
| Current portion of operating leases      | -            | 167,206      |

|                          |                  |                  |
|--------------------------|------------------|------------------|
| <b>Total Liabilities</b> | <b>1,411,438</b> | <b>1,874,728</b> |
|--------------------------|------------------|------------------|

#### Net Assets

|                            |            |            |
|----------------------------|------------|------------|
| Without donor restrictions | 26,211,884 | 23,050,970 |
| With donor restrictions    | 42,890,914 | 20,789,877 |

|                         |                   |                   |
|-------------------------|-------------------|-------------------|
| <b>Total Net Assets</b> | <b>69,102,798</b> | <b>43,840,847</b> |
|-------------------------|-------------------|-------------------|

|   |                      |                      |
|---|----------------------|----------------------|
| <b>TOTAL LIABILITIES AND NET ASSETS</b> | <b>\$ 70,514,236</b> | <b>\$ 45,715,575</b> |
|---|----------------------|----------------------|

*The accompanying notes are an integral part of these financial statements.*

# Yellowstone Forever

## STATEMENTS OF ACTIVITIES

| Year Ended February 28, 2025                    | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total         |
|---|-------------------------------|----------------------------|---------------|
| <b>Revenues and Support</b>                     |                               |                            |               |
| Educational product sales - net of discounts    | \$ 7,018,991                  | \$ -                       | \$ 7,018,991  |
| Cost of goods sold                              | (3,329,403)                   | -                          | (3,329,403)   |
| <b>Gross Profit</b>                             | 3,689,588                     | -                          | 3,689,588     |
| Contributions and gifts                         | 6,430,490                     | 27,763,721                 | 34,194,211    |
| In-kind contributions                           | 639,903                       | 157,360                    | 797,263       |
| Educational tuition and fees - net of discounts | 1,694,046                     | -                          | 1,694,046     |
| Investment earnings - net                       | 1,863,578                     | 275,805                    | 2,139,383     |
| Other revenues                                  | 189,335                       | -                          | 189,335       |
| <b>Total Revenues Before Releases</b>           | 14,506,940                    | 28,196,886                 | 42,703,826    |
| Net assets released from restrictions           | 6,095,849                     | (6,095,849)                | -             |
| <b>Total Revenues and Support</b>               | 20,602,789                    | 22,101,037                 | 42,703,826    |
| <b>Expenses</b>                                 |                               |                            |               |
| Program services:                               |                               |                            |               |
| National Park Service support grants            | 6,006,082                     | -                          | 6,006,082     |
| Educational product sales                       | 2,572,394                     | -                          | 2,572,394     |
| Institute                                       | 2,243,861                     | -                          | 2,243,861     |
| <b>Total Program Services</b>                   | 10,822,337                    | -                          | 10,822,337    |
| Supporting services:                            |                               |                            |               |
| Philanthropy                                    | 3,458,216                     | -                          | 3,458,216     |
| Administration                                  | 3,161,322                     | -                          | 3,161,322     |
| <b>Total Supporting Services</b>                | 6,619,538                     | -                          | 6,619,538     |
| <b>Total Expenses</b>                           | 17,441,875                    | -                          | 17,441,875    |
| <b>Change in Net Assets</b>                     | 3,160,914                     | 22,101,037                 | 25,261,951    |
| <b>Net Assets - Beginning of Year</b>           | 23,050,970                    | 20,789,877                 | 43,840,847    |
| <b>Net Assets - End of Year</b>                 | \$ 26,211,884                 | \$ 42,890,914              | \$ 69,102,798 |

*The accompanying notes are an integral part of these financial statements.*

**Yellowstone Forever**  
**STATEMENTS OF ACTIVITIES**  
(Continued)

| Year Ended February 29, 2024                    | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total         |
|---|-------------------------------|----------------------------|---------------|
| <b>Revenues and Support</b>                     |                               |                            |               |
| Educational product sales - net of discounts    | \$ 5,919,941                  | \$ -                       | \$ 5,919,941  |
| Cost of goods sold                              | (2,894,933)                   | -                          | (2,894,933)   |
| <b>Gross Profit</b>                             | 3,025,008                     | -                          | 3,025,008     |
| Contributions and gifts                         | 6,976,131                     | 8,469,961                  | 15,446,092    |
| In-kind contributions                           | 525,627                       | 167,223                    | 692,850       |
| Educational tuition and fees - net of discounts | 1,372,168                     | -                          | 1,372,168     |
| Investment earnings - net                       | 1,301,483                     | 417,190                    | 1,718,673     |
| Other revenues                                  | 106,470                       | -                          | 106,470       |
| <b>Total Revenues Before Releases</b>           | 13,306,887                    | 9,054,374                  | 22,361,261    |
| Net assets released from restrictions           | 5,783,070                     | (5,783,070)                | -             |
| <b>Total Revenues and Support</b>               | 19,089,957                    | 3,271,304                  | 22,361,261    |
| <b>Expenses</b>                                 |                               |                            |               |
| Program services:                               |                               |                            |               |
| National Park Service support grants            | 4,531,722                     | -                          | 4,531,722     |
| Educational product sales                       | 2,445,605                     | -                          | 2,445,605     |
| Institute                                       | 1,996,699                     | -                          | 1,996,699     |
| <b>Total Program Services</b>                   | 8,974,026                     | -                          | 8,974,026     |
| Supporting services:                            |                               |                            |               |
| Philanthropy                                    | 3,220,218                     | -                          | 3,220,218     |
| Administration                                  | 2,864,760                     | -                          | 2,864,760     |
| <b>Total Supporting Services</b>                | 6,084,978                     | -                          | 6,084,978     |
| <b>Total Expenses</b>                           | 15,059,004                    | -                          | 15,059,004    |
| <b>Nonoperating Activities</b>                  |                               |                            |               |
| Endowment withdrawal                            | -                             | (720,045)                  | (720,045)     |
| <b>Change in Net Assets</b>                     | 4,030,953                     | 2,551,259                  | 6,582,212     |
| <b>Net Assets - Beginning of Year</b>           | 19,020,017                    | 18,238,618                 | 37,258,635    |
| <b>Net Assets - End of Year</b>                 | \$ 23,050,970                 | \$ 20,789,877              | \$ 43,840,847 |

*The accompanying notes are an integral part of these financial statements.*

# Yellowstone Forever

## STATEMENTS OF FUNCTIONAL EXPENSES

| Year Ended February 28, 2025                      | Program Services    |                     |                     |                     |                     |                      | Total |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|-------|
|   | National Park       | Educational         | Institute           | Supporting Services |                     |                      |       |
|   | Service             | Product             |                     | Philanthropy        | Administration      |                      |       |
|   | Support Grants      | Sales               |                     |                     |                     |                      |       |
| Advertising and promotion                         | \$ -                | \$ 127,606          | \$ 149,564          | \$ 85,977           | \$ 254,362          | \$ 617,509           |       |
| Bad debt expense                                  | -                   | -                   | -                   | 127,000             | -                   | 127,000              |       |
| Bank and merchant fees                            | -                   | 185,009             | 19,706              | 94,616              | 9,061               | 308,392              |       |
| Board meetings and recognition                    | -                   | -                   | -                   | -                   | 68,712              | 68,712               |       |
| Depreciation and amortization                     | -                   | 129,248             | 87,331              | -                   | 247,120             | 463,699              |       |
| Direct mail, donor engagement,<br>and stewardship | -                   | -                   | -                   | 1,714,221           | -                   | 1,714,221            |       |
| Educational programs                              | -                   | -                   | 154,675             | -                   | -                   | 154,675              |       |
| Events  | -                   | -                   | -                   | 76,719              | -                   | 76,719               |       |
| Fleet and facility expenses                       | -                   | 108,584             | 173,177             | 2,157               | 188,017             | 471,935              |       |
| Grants  | 5,652,166           | 16,205              | 66,171              | 36,357              | -                   | 5,770,899            |       |
| Human resources                                   | -                   | 59,507              | 49,769              | 8,538               | 77,579              | 195,393              |       |
| Information technology                            | -                   | 83,865              | 39,230              | 124,815             | 157,800             | 405,710              |       |
| Office expenses                                   | -                   | 75,303              | 68,858              | 6,677               | 235,567             | 386,405              |       |
| Professional fees                                 | -                   | 18,864              | 8,350               | 32,057              | 94,028              | 153,299              |       |
| Retail and merchandising                          | -                   | 28,403              | -                   | -                   | -                   | 28,403               |       |
| Travel  | -                   | 29,116              | 67,609              | 78,191              | 33,461              | 208,377              |       |
| Wages and benefits                                | 353,916             | 1,710,684           | 1,359,421           | 1,070,891           | 1,795,615           | 6,290,527            |       |
| <b>Total Expenses</b>                             | <b>\$ 6,006,082</b> | <b>\$ 2,572,394</b> | <b>\$ 2,243,861</b> | <b>\$ 3,458,216</b> | <b>\$ 3,161,322</b> | <b>\$ 17,441,875</b> |       |

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



## Yellowstone Forever

### STATEMENTS OF FUNCTIONAL EXPENSES

(Continued)

| Year Ended February 29, 2024                      | Program Services |              |              |                     |                |               | Total |
|---|------------------|--------------|--------------|---------------------|----------------|---------------|-------|
|   | National Park    | Educational  | Institute    | Supporting Services |                |               |       |
|   | Service          | Product      |              | Philanthropy        | Administration |               |       |
|   | Support Grants   | Sales        |              |                     |                |               |       |
| Advertising and promotion                         | \$ -             | \$ 113,215   | \$ 118,205   | \$ 48,588           | \$ 226,310     | \$ 506,318    |       |
| Bad debt expense                                  | -                | -            | -            | 125,000             | -              | 125,000       |       |
| Bank and merchant fees                            | -                | 152,993      | 21,384       | 86,407              | 12,777         | 273,561       |       |
| Board meetings and recognition                    | -                | -            | -            | -                   | 57,281         | 57,281        |       |
| Depreciation and amortization                     | -                | 144,036      | 92,241       | 34,823              | 199,642        | 470,742       |       |
| Direct mail, donor engagement,<br>and stewardship | -                | -            | -            | 1,566,657           | -              | 1,566,657     |       |
| Educational programs                              | -                | -            | 148,111      | -                   | -              | 148,111       |       |
| Events  | -                | -            | -            | 179,292             | 12,096         | 191,388       |       |
| Fleet and facility expenses                       | -                | 123,190      | 153,895      | 1,791               | 158,560        | 437,436       |       |
| Grants  | 4,090,385        | 5,796        | 108,391      | 15,628              | -              | 4,220,200     |       |
| Human resources                                   | -                | 61,625       | 44,977       | 4,332               | 36,689         | 147,623       |       |
| Information technology                            | -                | 198,609      | 27,429       | 104,079             | 210,352        | 540,469       |       |
| Office expenses                                   | -                | 56,042       | 36,883       | 6,258               | 274,318        | 373,501       |       |
| Professional fees                                 | -                | 30,350       | 25,153       | 53,082              | 83,480         | 192,065       |       |
| Retail and merchandising                          | -                | 18,348       | -            | -                   | -              | 18,348        |       |
| Travel  | -                | 7,163        | 68,140       | 82,599              | 25,990         | 183,892       |       |
| Wages and benefits                                | 441,337          | 1,534,238    | 1,151,890    | 911,682             | 1,567,265      | 5,606,412     |       |
| Total Expenses                                    | \$ 4,531,722     | \$ 2,445,605 | \$ 1,996,699 | \$ 3,220,218        | \$ 2,864,760   | \$ 15,059,004 |       |

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

# Yellowstone Forever

## STATEMENTS OF CASH FLOWS

Years Ended February 28 and February 29

**2025**

**2024**

### CASH FLOWS FROM OPERATING ACTIVITIES

|   |               |              |
|---|---------------|--------------|
| Change in net assets  | \$ 25,261,951 | \$ 6,582,212 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: |               |              |
| Depreciation and amortization   | 463,699       | 470,742      |
| Amortization of right-of-use assets   | 149,502       | 156,338      |
| Gain on disposal of property and equipment  | (13,621)      | -            |
| Net realized and unrealized gain on investments   | (592,976)     | (577,692)    |
| Reinvested investment earnings - net of fees  | (271,762)     | (414,287)    |
| Present value adjustment of discount on pledges   | (43,237)      | 112,216      |
| Withdrawals from endowment  | -             | 720,045      |
| Contributions with perpetual donor restrictions   | (61,015)      | (40,000)     |
| Changes in:   |               |              |
| Accounts receivable   | 93,438        | (288,099)    |
| Pledges receivable - net  | 346,383       | (267,722)    |
| Inventory   | (308,554)     | (403,963)    |
| Prepaid expenses  | (160,330)     | (64,080)     |
| Accounts payable and accrued liabilities  | (377,639)     | 375,718      |
| Deferred revenue  | 82,663        | (42,357)     |
| Grants payable  | (1,108)       | (1,535)      |
| Operating lease liabilities   | (167,206)     | (157,427)    |

### NET CASH PROVIDED BY OPERATING ACTIVITIES

24,400,188 6,160,109

### CASH FLOWS FROM INVESTING ACTIVITIES

|                                     |             |              |
|-------------------------------------|-------------|--------------|
| Purchases of property and equipment | (1,962,982) | (607,314)    |
| Purchases of intangible assets      | -           | (30,197)     |
| Purchases of investments            | (65,405)    | (17,132,387) |
| Proceeds from sale of fixed assets  | 13,621      | -            |
| Proceeds from sale of investments   | 1,015,854   | 12,049,612   |

### NET CASH USED IN INVESTING ACTIVITIES

(998,912) (5,720,286)

### CASH FLOWS FROM FINANCING ACTIVITIES

|   |        |           |
|---|--------|-----------|
| Withdrawals from endowment                      | -      | (720,045) |
| Contributions with perpetual donor restrictions | 61,015 | 40,000    |

### NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES

61,015 (680,045)

### Net Change in Cash and Cash Equivalents

23,462,291 (240,222)

### Cash and Cash Equivalents - Beginning of Year

23,660,575 23,900,797

### Cash and Cash Equivalents - End of Year

\$ 47,122,866 \$ 23,660,575

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

### 1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Nature of Operations** Yellowstone Forever (the Organization) is the official nonprofit partner of Yellowstone National Park (the Park). As the official nonprofit partner of the Park, the Organization's mission is to protect, preserve, and enhance the Park through education and philanthropy. The Organization accomplishes its philanthropic purpose by funding priority projects that protect, preserve, and enhance the Park and fundraising for the Organization's educational operations. The Organization's philanthropic efforts focus on three initiatives: protect Yellowstone's ecosystem and wildlife; preserve the Park's heritage, history, and trails; and enhance visitor experiences and education. Wildlife grant funding supports native fish restoration, grizzly bear and cougar research, the Yellowstone Wolf Project, and a variety of species of birds that are critical to the Park's natural ecosystem. Each year, the Park is able to restock its cavy of stock animals, thanks to funding from the Organization. The animals purchased through this project allow backcountry rangers to fulfill their duties. These rangers patrol trails and cross-country routes in the wilderness to check on resource impacts such as illegal fire rings, visitor permits, or trail status. They respond to injured and sick hikers. The Organization works with the Park to enhance visitor experiences and education through financial support of youth education initiatives and the visitor and wildlife safety program.

The Organization also accomplishes this purpose by providing in-kind aid through the operation of the Organization's Institute, the Organization's 11 Park Stores, and 1 U.S. Forest Service Store through the engagement of visitors and communities in and around the Park.

**Financial Statement Presentation** The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America (GAAP), as codified by the Financial Accounting Standards Board. Under GAAP, the Organization reports information regarding its financial position and activities according to two classes: net assets without donor restrictions and net assets with donor restrictions.

Net assets are 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 donor-imposed restrictions. 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.

Revenues are reported as increases in net assets without donor restrictions unless the use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between applicable classes of net assets in the period in which the restrictions are satisfied.

## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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**Use of Estimates** The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, 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. Accordingly, actual results may differ from those estimates.

**Cash and Cash Equivalents** For purposes of the statements of cash flows, the Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents, except for those amounts that are held in the investment portfolio which are invested for long-term purposes.

The Organization deposits cash with several financial institutions. These deposits are guaranteed by the Federal Deposit Insurance Company (FDIC) up to an insured limit of \$250,000 per financial institution. At times, the Organization's cash and cash equivalents may exceed federally insured limits. Although the Organization bears risk on amounts in excess of those insured by the FDIC, it has not experienced, and does not anticipate, any losses due to the quality of the institutions where the deposits are held. At February 28, 2025, and February 29, 2024, the Organization's bank deposits exceeded the insured limits by \$22,188,852 and \$15,837,227, respectively. At February 28, 2025, and February 29, 2024, investment deposits exceeded the \$250,000 FDIC-insured limit by \$8,687,670 and \$8,771,615, respectively.

**Accounts Receivable and Allowance for Credit Losses** Accounts receivable are uncollateralized customer obligations due under normal trade terms generally requiring payment within 30 days from the invoice date. Trade accounts receivable are stated at the amount the Organization expects to collect. The Organization maintains allowances for credit losses for estimated losses resulting from the inability of its customers to make required payments. Management considers the following factors when determining the collectability of specific customer accounts: customer credit worthiness, past transaction history with customer, current economic industry trends, forecast of future events, and changes in customer payment terms. Past due balances of 30 days and other higher risk amounts are reviewed individually for collectability. If the financial condition of the Organization's customers were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management's assessment, the Organization provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Organization has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Management believes the compiled historical-loss information is a reasonable base on which to determine expected credit losses for trade receivables held at February 28, 2025 and February 29, 2024, because the composition of the trade receivables at that date is consistent with that used in developing the historical credit-loss percentages (i.e., the similar risk characteristics of its customers and its lending practices have not changed significantly over time). Management has determined that the current, reasonable, and supportable forecasted economic conditions are similar to the economic conditions included in the historical information.

Accounts receivable at February 28, 2025, February 29, 2024, and February 28, 2023, amounted to \$228,396, \$321,834, and \$33,735, respectively. At February 28, 2025, February 29, 2024, and February 28, 2023, the allowance for credit losses was \$-0-.

## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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**Investments and Endowment Holdings** Investment and endowment holdings are reported at fair value on the accompanying statements of financial position with the annual change in fair value due to realized and unrealized gains and losses recorded in the line item investment earnings - net on the statements of activities. Investment earnings are recorded net of investments fees.

**Fair Value Measurements** Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques should maximize the use of observable inputs and minimize the use of unobservable inputs.

GAAP has established a fair value hierarchy, which prioritizes the valuation inputs into three broad levels:

- Level 1:* Quoted market prices available through public markets for identical assets or liabilities.
- Level 2:* Inputs other than level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3:* Unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that the observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

The following is a description of the valuation methodologies used for investments measured at fair value:

**Mutual Funds:** Assets are valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-ended mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

**Exchange-Traded Funds:** Assets are valued at the NAV reported on the active market on which the securities are traded. The valuation occurs throughout the day based on the market value of the underlying securities, as well as the market supply and demand for the particular exchange-traded fund.

**Fixed-Income Securities:** Valued using pricing models maximizing the use of observable inputs for similar securities.

## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the valuation methodologies used at February 28, 2025, from those valuation methodologies used at February 29, 2024.

***Pledges Receivable*** The Organization has elected to measure pledges receivable at fair value. Pledges receivable that are expected to be collected within one year are recorded as current assets on the statements of financial position. Pledges receivable that are expected to be collected in future years are recorded as noncurrent assets on the statements of financial position. The fair value of the noncurrent pledges receivable is discounted to present value using the Internal Revenue Service Long-Term Applicable Federal Rate (AFR) at the time of the pledge. The AFR ranged from 1.12% to 5.03% for the years ended February 28, 2025, and February 29, 2024.

This measurement of fair value of pledges receivable uses significant unobservable inputs (level 3 inputs), including estimated timing of receipts and collectability. The accretion of the discount in subsequent years is reported as an additional contribution in the net asset class in which the original pledge was recorded. Payments are based on the underlying donor agreement. Uncollectible pledges are written off to bad debt once all attempts at collection have been exhausted. Pledges receivable are presented net of the allowance for uncollectible pledges of \$252,000 and \$125,000 at February 28, 2025, and February 29, 2024, respectively. The allowance for uncollectible pledges is evaluated for adequacy on an ongoing basis.

***Inventory*** Inventory is stated at the lower of cost or net realizable value using the first-in, first-out method of valuation. Inventory consists primarily of books, videos, maps, posters, and other educational products sold in retail outlets, by way of mail/internet sales, or to wholesale dealers. For the years ended February 28, 2025, and February 29, 2024, inventory amounting to \$76,369 and \$69,287 was written off, respectively, due to shrinkage, damage, and declines in market values below cost or net realizable value due to obsolescence of the product. The write-offs are included in the cost of goods sold line item on the statements of activities.

***Functional Allocation of Expenses*** The costs of program and supporting services activities have been summarized on a functional basis on the statements of activities. The statements of functional expenses present the natural classification categories of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited using an appropriate basis consistently applied. These costs include executive management, finance, marketing, technology, fleet, and facilities expenses. Depreciation is allocated based on square footage, and all other costs are allocated based on programs and the amount of time and effort that is associated with those programs.

## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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**Property and Equipment** Property, buildings, furniture, fixtures, equipment, and improvements costing at least \$5,000 with an estimated useful life of over one year are capitalized. Purchased property and equipment are recorded at cost. Donations of property and equipment are recorded at the asset's estimated fair value at the time of the donation. Assets are depreciated on a straight-line basis over their estimated useful lives. Estimated useful lives are estimated as follows:

|                         |                 |
|-------------------------|-----------------|
| Land                    | Not depreciated |
| Land improvements       | 20 years        |
| Buildings               | 40 years        |
| Building improvements   | 15 years        |
| Leasehold improvements  | Up to 20 years  |
| Furniture and equipment | 5 to 10 years   |
| Vehicles                | 5 to 7 years    |

**Intangible Assets** Intangible assets include the costs associated with the implementation of retail software. The Organization has an exclusive right to use the software. Accordingly, the costs of the software funded by the Organization have been recognized as an intangible asset of the Organization. The intangible asset is being amortized on a straight-line basis over five years.

**Advertising and Promotion Costs** Advertising and promotion costs are expensed as incurred.

**Operating Lease Right-of-Use Assets and Liabilities** The Organization obtains the right to control the use of various assets under long-term agreements. The Organization evaluates contracts to determine whether they include a lease, and uses the lessee non-lease component accounting policy election, for all asset classes, to account for the lease and non-lease components separately. Variable lease payments, which are primarily comprised of maintenance, insurance, utilities, and real estate taxes, are recognized in operating expenses in the period in which the obligation for those payments was incurred. Leases are recognized on the statements of financial position as right-of-use (ROU) assets with a corresponding lease liability.

The Organization has elected to use the short-term lease exemption for lease agreements with durations less than 12 months, which allows for the expenses to be recognized on a straight-line basis over the lease term.

## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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**Revenue Recognition** The Organization's significant revenue sources are: (1) educational product sales, (2) contributions and gifts, and (3) educational tuition and fees. For exchange transactions, revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to be received in exchange for those products or services. Revenue is recognized net of any taxes collected from customers, which are subsequently remitted to governmental authorities. The Organization's contracts do not contain significant refund-type provisions.

*Educational Product Sales:* The Organization sells various retail products at its park stores and online. The Organization recognizes revenue on its retail sales at the point of sale. Online orders are shipped free on board shipping point. The Organization has made the accounting policy election to not account for shipping and handling activities as a separate performance obligation. Any shipping and handling charges that are billed to customers are included as a component of revenue. Costs incurred by the Organization for shipping and handling charges are included in cost of goods sold.

*Contributions and Gifts:* Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets as of the date of contribution. The Organization reports gifts of cash and other assets as restricted support if they are received with a donor stipulation that limit the use of the donated assets, or if they are designated as support for future periods. 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 reported on the statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support. Conditional contributions and promises to give are not included as support until such time as the conditions are substantially met.

The Organization reports gifts of goods and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions, which specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations on how those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

The Organization records various types of in-kind support including professional services, instructor fees, fixed assets, and inventory. Contributed professional services are recognized as in-kind support if the services (a) create or enhance long-lived assets or (b) require specialized skills provided by individuals possessing those skills and would typically need to be purchased if not by donations. In accordance with GAAP, the Organization does not record volunteer time as in-kind support.

*Educational Tuition and Fees:* Educational tuition and fees include course tuitions and tour bookings. These revenue streams are recognized upon completion of the course or tour, or when the performance obligation is satisfied.



# Yellowstone Forever

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

**Income Taxes** The Organization is exempt from federal and state income taxes under *Internal Revenue Code* (IRC) 501(c)(3) and has been ruled not to be a private foundation. Additionally, the Organization is recognized as a public charity under IRC 509(a)(1) and 170(b)(1)(A)(vi), meaning it is an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.

**Deferred Revenue** Revenue from course tuition and cabin rentals is reported as revenue in the period earned. Deferred revenue represents advance payments that will be recognized in subsequent periods as revenues when earned. Deferred revenue at February 28, 2025, February 29, 2024, and February 28, 2023, amounted to \$346,346, \$263,683, and \$306,040, respectively.

**Compensated Absences** Permanent employees working at least 15 hours per week accrue paid time off (PTO) based on length of continuous service with the Organization. If an employee's earned but unused PTO reaches this maximum accrued hours as of any date, the employee ceases to accrue additional PTO benefits until the employee uses a sufficient number of PTO hours to fall below the maximum amount.

At February 28, 2025, and February 29, 2024, accrued compensated absences amounted to \$472,763 and \$408,639, respectively. These amounts are included on the accompanying statements of financial position with accounts payable and accrued liabilities.

**Evaluation of Subsequent Events** Management has evaluated subsequent events through June 30, 2025, the date the financial statements were available to be issued.

## 2. INVESTMENTS

The following presents the Organization's investments measured at fair value on a recurring basis:

| February 28, 2025                                     | Level 1             |
|---|---------------------|
| Cash and cash equivalents held by investment managers | \$ 316,980          |
| Mutual funds:   |                     |
| Equity - U.S.   | 1,539,911           |
| Equity - international                                | 761,541             |
| Exchange-traded funds:                                |                     |
| Equity - U.S.   | 1,462,299           |
| Equity - international                                | 593,663             |
| Fixed-income securities                               | 4,263,306           |
| <b>Total</b>  | <b>\$ 8,937,700</b> |

## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

| February 29, 2024                                     | Level 1             |
|---|---------------------|
| Cash and cash equivalents held by investment managers | \$ 321,429          |
| Mutual funds:   |                     |
| Equity - U.S.   | 1,779,576           |
| Equity - international                                | 718,403             |
| Exchange-traded funds:                                |                     |
| Equity - U.S.   | 1,220,650           |
| Equity - international                                | 623,124             |
| Fixed-income securities                               | 4,358,437           |
| <b>Total</b>  | <b>\$ 9,021,619</b> |

Components of investment earnings consisted of the following:

| Years Ended February 28 and February 29 | 2025                | 2024                |
|---|---------------------|---------------------|
| Net realized and unrealized gain        | \$ 592,976          | \$ 577,692          |
| Interest and dividends                  | 1,591,769           | 1,174,981           |
| Investment management fees              | (45,362)            | (34,000)            |
| <b>Total Investment Earnings - Net</b>  | <b>\$ 2,139,383</b> | <b>\$ 1,718,673</b> |

### 3. LIQUIDITY AND AVAILABILITY

The Organization receives significant contributions with donor restrictions to be used in accordance with the associated purpose restrictions. The Organization considers contributions restricted for programs that are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures.

In addition, the Organization receives support without donor restrictions and investment earnings without donor restrictions. The Organization also generates earnings from program activities, such as educational product sales and tuition revenues. These amounts are available to meet cash needs for general expenditures.

## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The following reflects the Organization's financial assets, net of amounts not available for general use within one year of the statement of financial position date:

| February 28 and February 29  | 2025                 | 2024                 |
|--|----------------------|----------------------|
| Financial assets at year-end:  |                      |                      |
| Cash and cash equivalents  | \$ 47,122,866        | \$ 23,660,575        |
| Accounts receivable  | 228,396              | 321,834              |
| Pledges receivable - net of discount and allowance                                       | 2,907,633            | 3,210,779            |
| Investments  | 8,937,700            | 9,021,619            |
| Dividends receivable   | -                    | 1,792                |
| <b>Total Financial Assets</b>  | <b>59,196,595</b>    | <b>36,216,599</b>    |
| Amounts not available for general use within one year:                                   |                      |                      |
| Investments  | (8,937,700)          | (9,021,619)          |
| Pledges receivable to be collected after one year -<br>net of discount                   | (1,407,427)          | (1,768,140)          |
| Yellowstone National Park employee housing project funds                                 | (20,278,325)         | -                    |
| <b>Total Financial Assets Not Available for General Use<br/>Within One Year</b>          | <b>(30,623,452)</b>  | <b>(10,789,759)</b>  |
| <b>Total Financial Assets Available to Meet General<br/>Expenditures Within One Year</b> | <b>\$ 28,573,143</b> | <b>\$ 25,426,840</b> |

As part of the Organization's liquidity management plan, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The Organization also has a committed line of credit in the amount of \$4,000,000, which it could draw upon in the event of an unanticipated liquidity need.

## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

#### 4. PLEDGES RECEIVABLE

Pledges receivable, net of present value discounts, are scheduled to be received in subsequent fiscal years as follows:

Years Ending February 28 and February 29

|                                       |           |                  |
|---------------------------------------|-----------|------------------|
| 2026                                  | \$        | 1,752,206        |
| 2027                                  |           | 824,700          |
| 2028                                  |           | 468,000          |
| 2029                                  |           | 280,000          |
| 2030                                  |           | -                |
| <b>Total Gross Pledges Receivable</b> |           | <b>3,324,906</b> |
| Allowance for uncollectible pledges   |           | (252,000)        |
| Unamortized present value discount    |           | (165,273)        |
| <b>Pledges Receivable - Net</b>       | <b>\$</b> | <b>2,907,633</b> |

The following table represents a reconciliation of the beginning and ending balances on pledges receivable:

|   |           |                  |
|---|-----------|------------------|
| <b>Pledges Receivable - Net - March 1, 2024</b>     | <b>\$</b> | <b>3,210,779</b> |
| New unconditional pledges                           |           | 3,549,560        |
| Payments received on pledges                        |           | (3,768,943)      |
| Change in unamortized discount                      |           | 43,237           |
| Change in allowance for uncollectible pledges       |           | (127,000)        |
| <b>Pledges Receivable - Net - February 28, 2025</b> |           | <b>2,907,633</b> |
| Less: Current portion - net of allowance            |           | 1,500,206        |
| <b>Long-Term Portion - Net of Discount</b>          | <b>\$</b> | <b>1,407,427</b> |
| <b>Pledges Receivable - Net - March 1, 2023</b>     | <b>\$</b> | <b>3,055,273</b> |
| New unconditional pledges                           |           | 2,395,000        |
| Payments received on pledges                        |           | (2,020,612)      |
| Write-off of uncollectible pledges                  |           | (450,000)        |
| Change in unamortized discount                      |           | (112,216)        |
| Change in allowance for uncollectible pledges       |           | 343,334          |
| <b>Pledges Receivable - Net - February 29, 2024</b> |           | <b>3,210,779</b> |
| Less: Current portion - net of allowance            |           | 1,442,639        |
| <b>Long-Term Portion - Net of Discount</b>          | <b>\$</b> | <b>1,768,140</b> |

## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

#### 5. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

| February 28, 2025          | Cost                 | Accumulated<br>Depreciation | Net Book<br>Value   |
|----------------------------|----------------------|-----------------------------|---------------------|
| Land                       | \$ 2,284,844         | \$ -                        | \$ 2,284,844        |
| Land improvements          | 286,438              | (102,919)                   | 183,519             |
| Buildings and improvements | 10,428,815           | (4,496,462)                 | 5,932,353           |
| Leasehold improvements     | 1,575,505            | (1,282,113)                 | 293,392             |
| Furniture and equipment    | 873,841              | (811,088)                   | 62,753              |
| Vehicles                   | 1,414,890            | (891,187)                   | 523,703             |
| Projects in development    | 338,424              | -                           | 338,424             |
| <b>Total</b>               | <b>\$ 17,202,757</b> | <b>\$ (7,583,769)</b>       | <b>\$ 9,618,988</b> |

| February 29, 2024          | Cost                 | Accumulated<br>Depreciation | Net Book<br>Value   |
|----------------------------|----------------------|-----------------------------|---------------------|
| Land                       | \$ 2,284,844         | \$ -                        | \$ 2,284,844        |
| Land improvements          | 286,438              | (89,078)                    | 197,360             |
| Buildings and improvements | 8,971,104            | (4,186,804)                 | 4,784,300           |
| Leasehold improvements     | 1,575,505            | (1,225,854)                 | 349,651             |
| Furniture and equipment    | 870,989              | (832,294)                   | 38,695              |
| Vehicles                   | 1,298,095            | (902,523)                   | 395,572             |
| Projects in development    | 63,243               | -                           | 63,243              |
| <b>Total</b>               | <b>\$ 15,350,218</b> | <b>\$ (7,236,553)</b>       | <b>\$ 8,113,665</b> |

Depreciation expense amounted to \$457,659 and \$470,239 for the years ended February 28, 2025, and February 29, 2024, respectively.

#### 6. INTANGIBLES

Intangibles consisted of the following:

| February 28 and February 29 | 2025             | 2024             |
|-----------------------------|------------------|------------------|
| Software                    | \$ 30,197        | \$ 30,197        |
| Accumulated amortization    | (6,543)          | (503)            |
| <b>Total</b>                | <b>\$ 23,654</b> | <b>\$ 29,694</b> |

Amortization expense amounted to \$6,040 and \$503 for the years ended February 28, 2025, and February 29, 2024, respectively.

## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Amortization expense scheduled for the subsequent years is as follows:

Years Ending February 28 and February 29

|              |           |               |
|--------------|-----------|---------------|
| 2026         | \$        | 6,040         |
| 2027         |           | 6,040         |
| 2028         |           | 6,040         |
| 2029         |           | 5,534         |
| <b>Total</b> | <b>\$</b> | <b>23,654</b> |

## 7. OPERATING LEASES

The Organization entered into a lease effective February 1, 2022, to lease 6,627 square feet of office space from an unrelated party for a period of three years. The lease required monthly payments plus triple net fees amounting to \$12,150 in 2024. The lease expired on December 31, 2024.

Other information related to the lease were as follows:

| Years Ended February 28 and February 29                                 | 2025       | 2024       |
|---|------------|------------|
| Cash paid for amounts included in the measurement of lease liabilities: |            |            |
| Operating cash flows from operating leases                              | \$ 170,093 | \$ 167,332 |
| Weighted-average remaining lease term in years for operating leases     | 0.00       | 0.92       |
| Weighted-average discount rate for operating leases                     | 0.00%      | 4.13%      |

In October 2024, the Organization entered into a new operating lease to rent 6,098 square feet of office space from an unrelated third party effective June 1, 2025, for a period of five years, with the option to extend. The lease requires monthly payments escalating as follows:

|                                   | Monthly<br>Base Rent |
|-----------------------------------|----------------------|
| <b>Lease Term</b>                 |                      |
| June 1, 2025–December 31, 2025    | \$ 12,704            |
| January 1, 2026–December 31, 2026 | \$ 13,085            |
| January 1, 2027–December 31, 2027 | \$ 13,477            |
| January 1, 2028–December 31, 2028 | \$ 13,883            |
| January 1, 2029–May 31, 2029      | \$ 14,230            |

In December 2024, the Organization entered into a four-month lease to rent office space from an unrelated third party effective January 1, 2025. The lease required monthly payments of \$4,600.

## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Additionally, the Organization has entered into various, insignificant leases for storage units, a residential duplex, postage meters, and a digital mailing system. Rent expense also includes small expenditures with no lease agreements for one-time rentals of equipment and month-to-month housing rentals for employees.

The Organization's lease expense was as follows:

| Years Ended February 28 and February 29 | 2025 |         | 2024 |         |
|---|------|---------|------|---------|
| Operating lease expense                 | \$   | 152,389 | \$   | 166,243 |
| Short-term and variable leases          |      | 89,744  |      | 97,646  |
| <b>Totals</b>                           | \$   | 242,133 | \$   | 263,889 |

Effective February 1, 2022, the Organization entered into an agreement to sublease one office space to an unrelated party. The term of the lease was month-to-month for a period of 11 months and required monthly payments of \$445. Total rent revenue received for the sublease for the years ended February 28, 2025, and February 29, 2024, totaled \$5,338 and \$4,875, respectively.

Additionally, the Organization received rent revenue through various, insignificant leases of condos, apartments, and non-educational rentals. Total rent revenue received through these leases for the years ended February 28, 2025, and February 29, 2024, totaled \$96,775 and \$92,744, respectively.

## 8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of the following:

| February 28 and February 29  | 2025 |           | 2024 |           |
|------------------------------|------|-----------|------|-----------|
| Accounts payable             | \$   | 548,803   | \$   | 982,936   |
| Accrued compensated absences |      | 472,763   |      | 408,639   |
| Accrued sales and use taxes  |      | 11,602    |      | 13,895    |
| Miscellaneous                |      | 18,250    |      | 23,587    |
| <b>Totals</b>                | \$   | 1,051,418 | \$   | 1,429,057 |

## 9. LINE OF CREDIT

On December 22, 2021, the Organization established a line of credit up to \$4,000,000 with First Security Bank, matured December 19, 2024, at an interest rate of prime plus 1.00%. The line of credit was extended on February 5, 2025, through April 19, 2025, with the same terms. The line of credit is secured by all inventory, chattel paper, accounts, equipment, general intangibles, and real property located in Gardiner, Montana. At both February 28, 2025, and February 29, 2024, the balance on the line of credit was \$-0-. The line of credit is subject to certain restrictive covenants, including both financial and non-financial requirements. For the year ended February 28, 2025, management believes the Organization was in compliance with all restrictive covenants.

# **Yellowstone Forever**

## **NOTES TO THE FINANCIAL STATEMENTS**

(Continued)

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### **10. EMPLOYEE RETENTION CREDITS**

Under the Coronavirus Aid, Relief, and Economic Security (CARES Act) (H.R. 748, Public Law 116-136), signed into law by the President on March 27, 2020, and the subsequent extension of the CARES Act, the Organization was eligible for a refundable employee retention credit subject to certain criteria. The Organization recognized \$340,770 of employee retention credit for the year ended February 29, 2024. The employee retention credit is included in contributions and gifts revenue on the accompanying statement of activities for the year ended February 29, 2024.

### **11. ENDOWMENT**

The state of Montana adopted the Uniform Prudent Management of Institutional Funds Act 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.

Accordingly, the Organization classifies as net assets with donor restrictions the original value of gifts donated to the permanent endowment and accumulated earnings associated with a specific gift, if required by donors. Although accumulated endowment earnings have not been restricted by the donor, the Organization's Board has designated the earnings for the endowment fund until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by Montana law and the provisions of the endowment policy.

The Organization's endowment includes previously accumulated net assets without donor restrictions for which the Board of Directors has designated for long-term investment. These assets and their appreciation are referred to as the quasi-endowment.

The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- Preservation of the funds;
- Purposes of the Organization and the donor-restricted endowment fund;
- General economic conditions and the possible effect of inflation, deflation, or other economic trends and expected total return from income and appreciation of investments;
- Other resources available to the Organization; and
- Investment policies adopted by the Organization.



## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Endowment net asset composition by type of fund is as follows:

|                                 | Quasi-Endowment<br>(Without<br>Donor<br>Restrictions) |               | Endowment<br>(With<br>Donor<br>Restrictions) |                  | Total<br>Endowment  |
|---------------------------------|---|---------------|--|------------------|---------------------|
| February 28, 2025               |   |               |  |                  |                     |
| Board-designated endowment fund | \$  | 35,633        | \$   | -                | \$ 35,633           |
| Donor-restricted endowment fund |   | -             |  | 1,627,841        | 1,627,841           |
| <b>Total</b>                    | <b>\$</b>   | <b>35,633</b> | <b>\$</b>                                    | <b>1,627,841</b> | <b>\$ 1,663,474</b> |

|                                 | Quasi-Endowment<br>(Without<br>Donor<br>Restrictions) |               | Endowment<br>(With<br>Donor<br>Restrictions) |                  | Total<br>Endowment  |
|---------------------------------|---|---------------|--|------------------|---------------------|
| February 29, 2024               |   |               |  |                  |                     |
| Board-designated endowment fund | \$  | 43,945        | \$   | -                | \$ 43,945           |
| Donor-restricted endowment fund |   | -             |  | 1,424,767        | 1,424,767           |
| <b>Total</b>                    | <b>\$</b>   | <b>43,945</b> | <b>\$</b>                                    | <b>1,424,767</b> | <b>\$ 1,468,712</b> |

# Yellowstone Forever

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The following describes the changes in endowment net assets:

|                                    | Quasi-Endowment<br>(Without<br>Donor<br>Restrictions) | Endowment<br>(With<br>Donor<br>Restrictions) | Total<br>Endowment |
|------------------------------------|---|--|--------------------|
| <b>Balance - March 1, 2024</b>     | \$ 43,945   | \$ 1,424,767                                 | \$ 1,468,712       |
| Donor-restricted contributions     | -   | 61,015                                       | 61,015             |
| Investment earnings - net          | -   | 159,421                                      | 159,421            |
| Released from restriction          | -   | (17,362)                                     | (17,362)           |
| Released from designation          | (8,312)   | -  | (8,312)            |
| <b>Balance - February 28, 2025</b> | \$ 35,633   | \$ 1,627,841                                 | \$ 1,663,474       |

|                                    | Quasi-Endowment<br>(Without<br>Donor<br>Restrictions) | Endowment<br>(With<br>Donor<br>Restrictions) | Total<br>Endowment |
|------------------------------------|---|--|--------------------|
| <b>Balance - March 1, 2023</b>     | \$ 43,945   | \$ 1,900,748                                 | \$ 1,944,693       |
| Donor-restricted contributions     | -   | 40,000                                       | 40,000             |
| Investment earnings - net          | -   | 261,694                                      | 261,694            |
| Released from restriction          | -   | (57,630)                                     | (57,630)           |
| Endowment withdrawal               | -   | (720,045)                                    | (720,045)          |
| <b>Balance - February 29, 2024</b> | \$ 43,945   | \$ 1,424,767                                 | \$ 1,468,712       |

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain purchasing power of the endowment assets. The general investment objective is to provide a reasonable current rate of return. To satisfy its long-term rate of return objectives, the Organization relies on a total return strategy in which investment returns are achieved through current yield.

The spending calculation utilized by the Organization to determine the annual spending distribution from the endowment is a weighted hybrid method. 70.00% of endowment spending will be determined by taking the prior-year spending level and adjusting it by the Consumer Price Index (CPI) —All Urban Consumers West Region year-over-year percentage growth as measured at June 30 of the given year. 30.00% of endowment spending will be determined by measuring the average market value of the endowment portfolio over the trailing five quarters at a rate of 4.00% on June 30 of the given year. The weighted hybrid method is designed to provide a stable level of spending distribution from year to year. If the weighted hybrid method generates a spending level that rises above the intended spending distribution percentage of 4.50%, then the Board has the discretion to override the weighted hybrid method and set the spending level at a more appropriate spending rate consistent with current market conditions and volatility risks.

## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Organization to retain as a fund of perpetual duration. Any spending of an underwater fund will be reviewed on a case-by-case basis by the Board in consideration of the aforementioned factors for final determination of spending eligibility. There were no such deficiencies at February 28, 2025, or February 29, 2024.

In December 2023, a donor requested to transfer their three restricted endowment funds and unexpended investment earnings to another nonprofit entity. The Organization approved the request and transferred the principal of the endowments in the amount of \$610,000, and unexpended investment earnings in the amount of \$110,045, for a total withdrawal of \$720,045. This transfer is reported on the accompanying statement of activities as an endowment withdrawal for the year ended February 29, 2024.

## 12. NET ASSETS

### Net Assets Without Donor Restrictions

Net assets without donor restrictions consisted of both designated and undesignated balances, as follows:

| February 28 and February 29        | 2025                 | 2024                 |
|------------------------------------|----------------------|----------------------|
| Undesignated                       | \$ 15,447,809        | \$ 12,906,025        |
| Designated for park projects       | 991,128              | 1,200,000            |
| Designated for capital projects    | 1,767,000            | 1,585,000            |
| Board-designated operating reserve | 7,970,314            | 7,316,000            |
| Board-designated quasi-endowment   | 35,633               | 43,945               |
| <b>Totals</b>                      | <b>\$ 26,211,884</b> | <b>\$ 23,050,970</b> |

# Yellowstone Forever

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The activity in net assets with donor restrictions was as follows:

| February 28, 2025  | Balance -<br>Beginning<br>of Year | Support With<br>Donor<br>Restrictions | Releases<br>From<br>Restrictions | Balance -<br>End of<br>Year |
|--|-----------------------------------|---------------------------------------|----------------------------------|-----------------------------|
| <b>Purpose-Restricted</b>                                |                                   |                                       |                                  |                             |
| Protect Yellowstone's ecosystem and wildlife:            |                                   |                                       |                                  |                             |
| Yellowstone Wolf Project                                 | \$ 2,933,255                      | \$ 1,134,652                          | \$ (579,587)                     | \$ 3,488,320                |
| Native fish conservation                                 | 1,346,197                         | 1,665,637                             | (1,053,657)                      | 1,958,177                   |
| Bison  | 845,421                           | 397,998                               | (82,476)                         | 1,160,943                   |
| Cougars  | 338,239                           | 137,071                               | (134,746)                        | 340,564                     |
| Bears  | 745,203                           | 336,177                               | (257,208)                        | 824,172                     |
| Birds  | 221,505                           | 113,898                               | (45,747)                         | 289,656                     |
| Other wildlife   | 359,427                           | 792,916                               | (94,414)                         | 1,057,929                   |
| Other ecosystem  | 25,000                            | 398,606                               | (178,366)                        | 245,240                     |
| Preserve Yellowstone's heritage,<br>history, and trails: |                                   |                                       |                                  |                             |
| Canyon trails and overlooks                              | 4,501,493                         | -                                     | -                                | 4,501,493                   |
| Trails and boardwalks                                    | 1,090,288                         | 582,963                               | (852,840)                        | 820,411                     |
| History and cultural treasures                           | 679,455                           | 27,042                                | (5,819)                          | 700,678                     |
| Park ranger projects and programs                        | 407,527                           | 647,683                               | (234,798)                        | 820,412                     |
| Sustainability   | 1,442,046                         | 292,139                               | (1,353,423)                      | 380,762                     |
| Other  | 195,049                           | 65,728                                | (11,342)                         | 249,435                     |
| Enhance visitor experiences and education:               |                                   |                                       |                                  |                             |
| Youth education and initiatives                          | 482,474                           | 132,454                               | (38,131)                         | 576,797                     |
| Visitor and wildlife safety programs                     | 145,000                           | 10,166                                | (50,000)                         | 105,166                     |
| Other  | 65,134                            | 4,289                                 | (5,850)                          | 63,573                      |
| Other park projects:                                     |                                   |                                       |                                  |                             |
| Yellowstone Employee Housing                             | -                                 | 20,317,372                            | (39,047)                         | 20,278,325                  |
| Resiliency fund  | 427,392                           | 129,288                               | (78,121)                         | 478,559                     |
| Opportunity fund   | 87,494                            | 100,000                               | -                                | 187,494                     |
| Resource funds   | 67,449                            | 22,087                                | (30,857)                         | 58,679                      |
| Yellowstone Forever education projects                   | 1,357,464                         | 147,645                               | (158,710)                        | 1,346,399                   |
| Tribal engagement projects                               | 525,476                           | 301,000                               | (240,824)                        | 585,652                     |
| Yellowstone Forever other projects                       | 205,008                           | 210,153                               | (189,429)                        | 225,732                     |
| Endowment funds:   |                                   |                                       |                                  |                             |
| Education  | 89,689                            | 73,970                                | (3,315)                          | 160,344                     |
| Facilities projects                                      | 11,999                            | 3,780                                 | (169)                            | 15,610                      |
| Wildlife projects  | 4,228                             | 7,162                                 | (339)                            | 11,051                      |
| Volunteer programming                                    | 11,754                            | 74,509                                | (13,539)                         | 72,724                      |
| <b>Total Purpose-Restricted</b>                          | <b>18,610,666</b>                 | <b>28,126,385</b>                     | <b>(5,732,754)</b>               | <b>41,004,297</b>           |
| <b>Time-Restricted - Unrestricted Pledges</b>            |                                   |                                       |                                  |                             |
| <b>Receivable - Net of Discount</b>                      | <b>872,114</b>                    | <b>9,486</b>                          | <b>(363,095)</b>                 | <b>518,505</b>              |
| <b>Perpetual in Nature</b>                               |                                   |                                       |                                  |                             |
| Endowment funds:   |                                   |                                       |                                  |                             |
| Education  | 580,908                           | -                                     | -                                | 580,908                     |
| Facilities projects                                      | 22,283                            | -                                     | -                                | 22,283                      |
| Wildlife projects  | 40,000                            | 61,015                                | -                                | 101,015                     |
| Volunteer programming                                    | 663,906                           | -                                     | -                                | 663,906                     |
| <b>Total Perpetual in Nature</b>                         | <b>1,307,097</b>                  | <b>61,015</b>                         | <b>-</b>                         | <b>1,368,112</b>            |
| <b>Total</b>   | <b>\$ 20,789,877</b>              | <b>\$ 28,196,886</b>                  | <b>\$ (6,095,849)</b>            | <b>\$ 42,890,914</b>        |

# Yellowstone Forever

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

| February 29, 2024  | Balance -<br>Beginning of<br>Year | Support With<br>Donor<br>Restrictions | Releases<br>From<br>Restrictions | Balance -<br>End of<br>Year |
|--|-----------------------------------|---------------------------------------|----------------------------------|-----------------------------|
| <b>Purpose Restricted</b>                                |                                   |                                       |                                  |                             |
| Protect Yellowstone's ecosystem and wildlife:            |                                   |                                       |                                  |                             |
| Yellowstone Wolf Project                                 | \$ 2,056,589                      | \$ 1,614,735                          | \$ (738,069)                     | \$ 2,933,255                |
| Native fish conservation                                 | 1,257,976                         | 1,002,549                             | (914,328)                        | 1,346,197                   |
| Bison  | 362,957                           | 685,319                               | (202,855)                        | 845,421                     |
| Cougars  | 245,718                           | 174,723                               | (82,202)                         | 338,239                     |
| Bears  | 1,136,999                         | 238,451                               | (630,247)                        | 745,203                     |
| Birds  | 228,169                           | 25,512                                | (32,176)                         | 221,505                     |
| Other wildlife   | 153,012                           | 298,027                               | (91,612)                         | 359,427                     |
| Other ecosystem  | -                                 | 126,993                               | (101,993)                        | 25,000                      |
| Preserve Yellowstone's heritage,<br>history, and trails: |                                   |                                       |                                  |                             |
| Canyon trails and overlooks                              | 4,510,539                         | (9,046)                               | -                                | 4,501,493                   |
| Trails and boardwalks                                    | 847,238                           | 476,651                               | (233,601)                        | 1,090,288                   |
| History and cultural treasures                           | 309,870                           | 560,146                               | (190,561)                        | 679,455                     |
| Park ranger projects and programs                        | 183,099                           | 352,231                               | (127,803)                        | 407,527                     |
| Sustainability   | 1,025,481                         | 846,129                               | (429,564)                        | 1,442,046                   |
| Other  | 122,196                           | 118,885                               | (46,032)                         | 195,049                     |
| Enhance visitor experiences and education:               |                                   |                                       |                                  |                             |
| Youth education and initiatives                          | 334,307                           | 363,028                               | (214,861)                        | 482,474                     |
| Visitor and wildlife safety programs                     | -                                 | 145,000                               | -                                | 145,000                     |
| Other  | 77,056                            | 78,773                                | (90,695)                         | 65,134                      |
| Other park projects:                                     |                                   |                                       |                                  |                             |
| Resiliency fund  | 452,049                           | 44,993                                | (69,650)                         | 427,392                     |
| Opportunity fund   | -                                 | 100,000                               | (12,506)                         | 87,494                      |
| Resource funds   | 42,883                            | 25,770                                | (1,204)                          | 67,449                      |
| Yellowstone Forever education projects                   | 1,239,758                         | 247,972                               | (130,266)                        | 1,357,464                   |
| Tribal engagement projects                               | 83,847                            | 519,840                               | (78,211)                         | 525,476                     |
| Yellowstone Forever other projects                       | 419,800                           | 6,485                                 | (221,277)                        | 205,008                     |
| Endowment funds:   |                                   |                                       |                                  |                             |
| Education  | 36,931                            | 82,265                                | (29,507)                         | 89,689                      |
| Facilities projects                                      | 7,788                             | 4,211                                 | -                                | 11,999                      |
| Educator workshop  | 40,527                            | 58,317                                | (98,844)                         | -                           |
| Gateway community youth                                  | 525                               | 27,071                                | (27,596)                         | -                           |
| Educator workshop financial aid                          | 170                               | 1,373                                 | (1,543)                          | -                           |
| Wildlife projects  | -                                 | 4,228                                 | -                                | 4,228                       |
| Volunteer programming                                    | (62,290)                          | 84,229                                | (10,185)                         | 11,754                      |
| <b>Total Purpose Restricted</b>                          | <b>15,113,194</b>                 | <b>8,304,860</b>                      | <b>(4,807,388)</b>               | <b>18,610,666</b>           |
| <b>Time Restricted - Unrestricted Pledges</b>            |                                   |                                       |                                  |                             |
| <b>Receivable - Net of Discount</b>                      | <b>1,248,327</b>                  | <b>709,514</b>                        | <b>(1,085,727)</b>               | <b>872,114</b>              |
| <b>Perpetual in Nature</b>                               |                                   |                                       |                                  |                             |
| Endowment funds:   |                                   |                                       |                                  |                             |
| Education  | 580,908                           | -                                     | -                                | 580,908                     |
| Facilities projects                                      | 22,283                            | -                                     | -                                | 22,283                      |
| Educator workshop  | 400,000                           | -                                     | (400,000)                        | -                           |
| Gateway community youth                                  | 200,000                           | -                                     | (200,000)                        | -                           |
| Educator workshop financial aid                          | 10,000                            | -                                     | (10,000)                         | -                           |
| Wildlife projects  | -                                 | 40,000                                | -                                | 40,000                      |
| Volunteer programming                                    | 663,906                           | -                                     | -                                | 663,906                     |
| <b>Total Perpetual in Nature</b>                         | <b>1,877,097</b>                  | <b>40,000</b>                         | <b>(610,000)</b>                 | <b>1,307,097</b>            |
| <b>Total</b>   | <b>\$ 18,238,618</b>              | <b>\$ 9,054,374</b>                   | <b>\$ (6,503,115)</b>            | <b>\$ 20,789,877</b>        |

## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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#### 13. PENSION PLAN

The Organization sponsors a 401(k) defined contribution pension plan. All employees working 1,000 hours or more in a 12-month period from their hire date anniversary are eligible to participate. The Organization contributes 3.00% of an eligible employee's gross pay to the plan each month. In addition, employees may contribute tax-deferred amounts to the plan, for which the Organization contributes a match of 50.00% with an annual limit of 2.00% of an employee's annual gross wages. Employer contributions, included in the accompanying financial statements for the years ended February 28, 2025, and February 29, 2024, were \$211,445 and \$181,084, respectively.

#### 14. EMPLOYEE MEDICAL BENEFIT PLANS

The Organization provides an employer-sponsored Health Insurance Program and an optional employee funded Flexible Spending Account (FSA). Through the Health Insurance Program, full-time employees (defined as employees who work 30 hours per week year-round) are eligible to enroll. The Organization pays 100.00% of dental and vision insurance premiums and a portion of healthcare premiums for eligible employees. The Organization also pays 100.00% of the life, short-term disability, accidental death, and dismemberment insurance premiums for each eligible employee.

Total employee contributions and employer costs were:

| Years Ended February 28 and February 29      | 2025 |          | 2024 |          |
|--|------|----------|------|----------|
| Employee contributions                       | \$   | (92,386) | \$   | (89,154) |
| Healthcare premiums                          |      | 442,823  |      | 408,031  |
| Dental, vision, and other insurance premiums |      | 56,222   |      | 49,689   |
| FSA administration                           |      | 600      |      | 600      |
| <b>Totals</b>                                | \$   | 407,259  | \$   | 369,166  |

#### 15. DONATED FACILITIES

The Organization's park stores, the Haynes Photo Shop, and the Lamar Buffalo Ranch are facilities owned by the United States Federal Government for use by the Organization. The value of the donated facilities is not reflected in the accompanying financial statements because there is no objective basis available by which to measure their value. Improvements made by the Organization to these facilities are recorded as leasehold improvements and are depreciated over their estimated useful lives.

## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

#### 16. DONATED SERVICES AND MATERIALS

The Organization recognized as support the following donated services and materials:

| February 28 and February 29  |    | 2025    | 2024 Usage in Programs/Activities | Donor Restriction                    | Fair Value Techniques |
|------------------------------|----|---------|-----------------------------------|--------------------------------------|-----------------------|
| <b>In-Kind Contributions</b> |    |         |                                   |                                      |                       |
| Web optimization services    | \$ | 472,100 | \$ 444,283                        | Philanthropy                         | None A                |
| Equipment                    |    | 157,360 | 167,223                           | National park service support grants | Park support B        |
| Vehicle                      |    | -       | 22,057                            | Administration                       | None C                |
| Lease expense                |    | -       | 18,224                            | Administration                       | None D                |
| Printing and postage         |    | -       | 1,826                             | Administration                       | None E                |
| Professional services        |    | 22,570  | 3,000                             | Administration                       | None F                |
| Event support                |    | 581     | 8,437                             | Philanthropy                         | None F                |
| Educational supplies         |    | 10,783  | -                                 | Institute                            | None G                |
| Products                     |    | 133,869 | 27,800                            | Philanthropy                         | None H                |
| <b>Totals</b>                | \$ | 797,263 | \$ 692,850                        |                                      |                       |

- A. Standard industry pricing for similar services
- B. Fair value of donated equipment and fixtures
- C. Fair value of donated vehicle
- D. Difference between fair value of the lease and amount actually paid
- E. Standard industry pricing for similar products and services
- F. Standard industry prices for similar services
- G. Fair value of donated supplies
- H. Fair value of donated products

## Yellowstone Forever

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

#### 17. RELATED PARTIES

Board members and their employers made contributions totaling \$853,464 and \$2,252,838 for the years ended February 28, 2025, and February 29, 2024, respectively, which are included within contributions and gifts with and without donor restrictions. Pledges receivable, net of discount and allowance, from board members and their employers were \$734,654 and \$1,168,502 at February 28, 2025, and February 29, 2024, respectively, and are included in pledges receivable on the statements of financial position.

#### 18. CONCENTRATIONS

The Organization does not require collateral or other security to support accounts receivable. Concentrations were as follows:

|                   | Accounts Receivable |            | Pledges Receivable |            |
|-------------------|---------------------|------------|--------------------|------------|
|                   | Number of Customers | Percentage | Number of Donors   | Percentage |
| February 28, 2025 | 1                   | 76%        | 4                  | 53%        |
| February 29, 2024 | 1                   | 76%        | 2                  | 36%        |

  

|                   | Contributions and Grants Revenue |            |
|-------------------|----------------------------------|------------|
|                   | Number of Donors                 | Percentage |
| February 28, 2025 | 1                                | 60%        |
| February 29, 2024 | -                                | 0%         |

For the year ended February 28, 2025, the Organization received \$20,317,372 from the National Park Foundation, for which it serves as the fiscal manager. The purpose of the grant is to support employee housing in the Park.

#### 19. SUBSEQUENT EVENT

On May 5, 2025, the existing line of credit was extended through May 7, 2026, with an updated interest rate of prime plus 0.50%.