

American Prairie Foundation dba American Prairie

Consolidated Financial Statements

Years Ended December 31, 2024 and 2023

**AMERICAN
PRAIRIE**

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Independent Auditor's Report

Board of Directors
American Prairie Foundation dba American Prairie
Bozeman, Montana

Opinion

We have audited the accompanying consolidated financial statements of American Prairie Foundation dba American Prairie (the "Organization"), a nonprofit organization, which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the financial position of American Prairie Foundation dba American Prairie as of December 31, 2024 and 2023, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of American Prairie Foundation dba American Prairie and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

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

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

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

In performing an audit in accordance with GAAS, we:

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

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



Wipfli LLP

Helena, Montana

May 15, 2025

American Prairie Foundation dba American Prairie

Consolidated Statements of Financial Position

<i>As of December 31,</i>	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 45,935,471	\$ 27,176,618
Accounts receivable - other	1,037,755	997,168
Pledges receivable - current	8,593,870	9,764,941
Prepaid expenses	211,327	265,199
Other current assets	48,157	45,850
Total current assets	55,826,580	38,249,776
Property and equipment:		
Buildings	11,854,381	11,733,854
Furniture and fixtures	132,546	145,006
Equipment	4,558,213	4,514,948
Yurt systems	2,391,433	2,391,433
Campgrounds	2,701,046	2,701,046
Land improvements	2,674,759	2,429,457
Construction in progress	105,429	26,084
Total property and equipment	24,417,807	23,941,828
Less: accumulated depreciation	(9,878,668)	(8,749,566)
Total property and equipment, net	14,539,139	15,192,262
Other assets:		
Pledges receivable - net of current and net of discount	18,062,024	19,697,091
Right of use asset - operating	110,426	153,651
Non-depreciable artwork	471,855	471,855
Animals, at cost	132,940	143,431
Investments	11,621,472	10,159,645
Conservation lands	106,004,989	87,416,946
Total other assets	136,403,706	118,042,619
TOTAL ASSETS	\$ 206,769,425	\$ 171,484,657

American Prairie Foundation dba American Prairie

Consolidated Statements of Financial Position (Continued)

<i>As of December 31,</i>	2024	2023
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 255,785	\$ 268,047
Accrued expenses	198,908	190,778
Accrued salary and benefits	495,411	410,349
Flex spending liability	29,378	33,943
Accrued interest	18,536	18,858
Lease liability - operating	44,744	42,880
Current maturities of long-term debt	52,108	45,590
Total current liabilities	1,094,870	1,010,445
Long-term liabilities:		
Long-term debt, net of debt issuance costs and current	824,572	832,776
Lease liability, net of current	70,568	115,312
Deferred revenue	2,500,000	-
Total long-term liabilities	3,395,140	948,088
Total liabilities	4,490,010	1,958,533
Net assets:		
Net assets without donor restrictions	155,877,343	129,152,689
Net assets with donor restrictions	46,402,072	40,373,435
Total net assets	202,279,415	169,526,124
TOTAL LIABILITIES AND NET ASSETS	\$ 206,769,425	\$ 171,484,657

See accompanying notes to consolidated financial statements.

American Prairie Foundation dba American Prairie

Consolidated Statement of Activities

Year Ended December 31,	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:			
Contributions, net of discounts	\$ 9,772,742	\$ 34,714,109	\$ 44,486,851
Visitation income	102,134	-	102,134
Special events, net	160,507	-	160,507
Contributed non-financial assets	114,901	-	114,901
Rental income	589,897	-	589,897
Investment return, net	676,741	327,277	1,004,018
Interest earned on investments	1,133,372	(80,989)	1,052,383
Operations income	215,280	-	215,280
Net assets released from restrictions	28,931,760	(28,931,760)	-
Total support and revenue	41,697,334	6,028,637	47,725,971
Expenses:			
Program services	8,322,483	-	8,322,483
Management and general	5,550,730	-	5,550,730
Fundraising	1,561,407	-	1,561,407
Total expenses	15,434,620	-	15,434,620
Total support and revenue in excess of expenses	26,262,714	6,028,637	32,291,351
Other changes in net assets:			
Gain on sale of assets	461,940	-	461,940
Total other changes in net assets	461,940	-	461,940
Changes in net assets	26,724,654	6,028,637	32,753,291
Net assets, beginning of year	129,152,689	40,373,435	169,526,124
Net assets, end of year	\$ 155,877,343	\$ 46,402,072	\$ 202,279,415

See accompanying notes to consolidated financial statements.

American Prairie Foundation dba American Prairie

Consolidated Statement of Activities

<i>Year Ended December 31,</i>	2023		Total
	Without Donor Restrictions	With Donor Restrictions	
Support and revenue:			
Contributions, net of discounts	\$ 9,937,775	\$ 13,618,711	\$ 23,556,486
Visitation income	261,582	-	261,582
Special events, net	467,797	-	467,797
Contributed non-financial assets	516,342	93,000	609,342
Rental income	485,783	-	485,783
Investment return, net	1,143,268	274,034	1,417,302
Interest earned on investments	481,477	72,299	553,776
Royalty income	101,052	-	101,052
Operations income	291,532	-	291,532
Net assets released from restrictions	19,600,367	(19,600,367)	-
Total support and revenue	33,286,975	(5,542,323)	27,744,652
Expenses:			
Program services	8,789,752	-	8,789,752
Management and general	1,685,927	-	1,685,927
Fundraising	1,552,732	-	1,552,732
Total expenses	12,028,411	-	12,028,411
Total support and revenue in excess (deficiency) of expenses	21,258,564	(5,542,323)	15,716,241
Other changes in net assets:			
Gain on sale of assets	113,848	-	113,848
Total other changes in net assets	113,848	-	113,848
Changes in net assets	21,372,412	(5,542,323)	15,830,089
Net assets, beginning of year	107,780,277	45,915,758	153,696,035
Net assets, end of year	\$ 129,152,689	\$ 40,373,435	\$ 169,526,124

See accompanying notes to consolidated financial statements.

American Prairie Foundation dba American Prairie

Consolidated Statement of Functional Expenses

<i>Year Ended December 31, 2024</i>	Program Services	Management and General	Fundraising	Total
Wildlife and field expenses	\$ 687,561	\$ 51,168	\$ 957	\$ 739,686
Salaries and wages	2,791,471	836,077	780,385	4,407,933
Payroll benefits	422,458	122,612	80,567	625,637
Payroll taxes	200,307	58,487	52,432	311,226
Occupancy	3,570	64,937	-	68,507
Professional fees	813,957	133,411	395,159	1,342,527
Advertising and promotion	370,143	72,722	4,591	447,456
Contributions	600,723	-	-	600,723
Conferences, conventions and meetings	107,847	17,706	601	126,154
Debt service interest expense	71,530	-	-	71,530
Depreciation	1,295,495	-	-	1,295,495
Dues and subscriptions	131,520	132,943	19,240	283,703
Financial institution service charges	5,663	2,640	97,599	105,902
Insurance	231,090	162,670	-	393,760
Bad debt expense	-	3,600,000	-	3,600,000
Office expenses	9,828	15,818	507	26,153
Printing and publications	43,701	1,638	80,109	125,448
Postage and delivery	21,393	10,340	21,203	52,936
Repairs and maintenance	8,802	95,263	-	104,065
Property and other taxes	198,905	24,948	-	223,853
Telecommunications	43,371	50,045	20	93,436
Travel	263,148	97,305	28,037	388,490
Total	\$ 8,322,483	\$ 5,550,730	\$ 1,561,407	\$ 15,434,620

See accompanying notes to consolidated financial statements.

American Prairie Foundation dba American Prairie

Consolidated Statement of Functional Expenses

<i>Year Ended December 31, 2023</i>	Program Services	Management and General	Fundraising	Total
Wildlife and field expenses	\$ 616,729	\$ 102,707	\$ 600	\$ 720,036
Salaries and wages	2,804,254	701,826	684,827	4,190,907
Payroll benefits	488,629	106,620	87,604	682,853
Payroll taxes	201,539	52,117	46,752	300,408
Occupancy	6,205	72,241	-	78,446
Professional fees	1,400,603	186,321	446,748	2,033,672
Advertising and promotion	186,775	19,207	5,274	211,256
Conferences, conventions and meetings	78,478	83,661	4,222	166,361
Debt service interest expense	742,881	-	-	742,881
Depreciation	1,365,215	-	-	1,365,215
Dues and subscriptions	73,032	72,809	9,204	155,045
Financial institution service charges	24,062	3,021	114,590	141,673
Insurance	185,162	79,804	-	264,966
Bad debt expense	-	-	50,000	50,000
Office expenses	7,460	21,580	36	29,076
Printing and publications	19,547	1,402	60,581	81,530
Postage and delivery	5,723	9,791	26,282	41,796
Repairs and maintenance	8,121	26,694	-	34,815
Property taxes	211,074	11,100	-	222,174
Telecommunications	35,594	43,934	-	79,528
Travel	328,669	91,092	16,012	435,773
Total	\$ 8,789,752	\$ 1,685,927	\$ 1,552,732	\$ 12,028,411

See accompanying notes to consolidated financial statements.

American Prairie Foundation dba American Prairie

Consolidated Statements of Cash Flows

<i>Years Ended December 31,</i>	2024	2023
Cash flows from operating activities:		
Receipts from donors	\$ 46,742,299	\$ 36,334,494
Other cash receipts	1,925,007	2,365,213
Payments for salaries and related costs	(5,264,299)	(5,265,520)
Payments to vendors	(5,233,530)	(6,023,383)
Net cash flows from operating activities	38,169,477	27,410,804
Cash flows from investing activities:		
Payments for property and equipment	(731,299)	(928,993)
Payments for construction in progress	(79,345)	-
Payments for conservation lands	(18,588,043)	(1,468,893)
Proceeds from sale of property and equipment	40,703	232,257
Proceeds from CDs	-	746,063
Proceeds from sale of investments	-	452,970
Net cash flows from investing activities	(19,357,984)	(966,596)
Cash flows from financing activities:		
Principal payments on notes payable	(52,640)	(50,728)
Principal payments on revolving line of credit	-	(18,810,475)
Proceeds from revolving line of credit	-	4,958,389
Net cash flows from financing activities	(52,640)	(13,902,814)
Net change in cash	18,758,853	12,541,394
Cash and cash equivalents - Beginning of year	27,176,618	14,635,224
Cash and cash equivalents - End of year	\$ 45,935,471	\$ 27,176,618

Continued

American Prairie Foundation dba American Prairie

Consolidated Statements of Cash Flows (Continued)

<i>Years Ended December 31,</i>	2024	2023
Reconciliation of change in net assets to cash flows from operating activities:		
Changes in net assets	\$ 32,753,291	\$ 15,830,089
Adjustments to reconcile operating income to net cash flows from operating activities:		
Depreciation	1,295,495	1,365,215
Donated property	600,000	-
Donated animals to the Organization	-	(99,932)
Interest earned on investments	(457,809)	(553,776)
Gain on disposal of property	(461,940)	(113,848)
Increase (decrease) in allowance for discount on pledges receivable	(2,224,658)	(1,082,427)
Bad debt expense	3,600,000	-
Amortization of debt issuance costs	50,954	50,955
Loss (gain) on investments	(1,004,018)	(1,417,302)
Noncash lease expense	43,225	42,719
(Increase) decrease in		
Accounts receivable	(40,587)	(76,349)
Pledges receivable	1,430,796	13,478,720
Prepaid expenses	53,872	(167,541)
Other current assets	(2,307)	(19,977)
Increase (decrease) in		
Accounts payable	(12,262)	39,210
Accrued expenses	8,130	76,825
Accrued salary and benefits	85,062	238,749
Flex spending liability	(4,565)	15,158
Lease liability - operating	(42,880)	(41,078)
Accrued interest	(322)	(154,606)
Deferred revenue	2,500,000	-
Net cash flows from operating activities	\$ 38,169,477	\$ 27,410,804
Supplemental disclosure of non-cash activities and interest payments:		
Cash paid for interest	\$ 20,576	\$ 691,927

See accompanying notes to consolidated financial statements.

American Prairie Foundation dba American Prairie

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Operations

The American Prairie Foundation dba American Prairie (the "Organization") is a tax-exempt organization as provided by Section 501(c)(3) and Section 509 of the Internal Revenue Code. The Organization's mission is to create the largest nature reserve in the contiguous United States, a refuge for people and wildlife preserved forever as part of America's heritage.

Basis of Presentation

The consolidated financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") applicable to nonprofit organizations as codified by the Financial Accounting Standards Board.

Use of Estimates

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of American Prairie Foundation dba American Prairie and its wholly-owned affiliate, 5 Mountain Ranch, LLC (a Montana limited liability company in which the Organization is the sole member). All inter-entity transactions and accounts are eliminated.

Cash and Cash Equivalents

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

Accounts Receivable - Other

Accounts receivable consist of receivables for amounts owed to the Organization on rental income from grazing contracts, interest, beneficial interest in charitable remainder trust, and receivables for the Employee Retention Tax Credit (see Note 16). Amounts are reviewed for collectability by management and an allowance for doubtful accounts is recorded as needed. The Organization considers these receivables to be collectible and, therefore, no allowance for uncollectible amounts has been recorded.

American Prairie Foundation dba American Prairie

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Investments

The Organization carries investments in marketable securities with readily determined fair values and all investments in debt securities at their fair values in the statement of financial position. Quoted market prices in active markets are used as the basis of measurement. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Property and Equipment

All acquisitions and improvements of property and equipment of \$5,000 or more are capitalized while all expenditures for repairs and maintenance that do not materially prolong the useful lives of assets are expensed. Purchased property and equipment is carried at cost. Donated property and equipment is carried at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated lives of the assets.

Options

Options payments refer to payments to obtain the right to purchase property at a set price at a specified time in the future or under specified conditions. These payments remain in the option account until the Organization legally gains possession of the asset or the option expires.

Debt Issuance Costs

Debt issuance costs have been capitalized and are being amortized to interest expense over the related debt term of five years, of which three years remain, using the straight-line method which approximates the interest method.

Conservation Lands and Easements

The Organization records all land and land interest at cost, if purchased, or at fair value at the date of acquisition, if all or part of the land was received as a donation. Fair value is generally determined by appraisal. Conservation lands represent real property with significant ecological value. Some of the conservation lands may be purchased subject to conservation easements, or the Organization may grant conservation easements on some of its land. These properties are managed in an effort to protect the natural biological diversity of the property in perpetuity.

Advertising and Promotion

Advertising and promotion costs are charged to operations when incurred. Advertising and promotion expense was \$447,456 and \$211,256 for the years ended December 31, 2024 and 2023, respectively.

American Prairie Foundation dba American Prairie

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Directly identifiable expenses are charged to programs and supporting services. Costs that relate to more than one function and are allocated among the programs and supporting services benefited on the basis and estimates of time and effort.

In 2024, the Organization utilized \$19,319,340 of donor contributions toward land and other capital expenditures and made \$52,640 in debt service principal payments. In 2023, the Organization utilized \$2,265,251 of donor contributions toward land and other capital expenditures and made \$18,861,203 in debt service principal payments. These expenditures all went directly into program services.

Net Assets

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

Net assets without donor restrictions: Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets to be held in perpetuity for a board-designated endowment and for land and building acquisitions.

Net assets with donor restrictions: Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

American Prairie Foundation dba American Prairie

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Contribution Revenue

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identifying of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

Revenue Recognition

Revenues received are recorded as donor restricted or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is not restricted by the donor is reported as an increase in net assets without donor restrictions. When a restriction expires, such stipulated time restriction ends or a purpose restriction is accomplished, donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as without donor restrictions.

American Prairie Foundation dba American Prairie

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Special Events

The Organization holds one special event each year. This is the Ken Burns American Heritage Prize Event, which is held annually in New York City. Supporters of the Organization purchase tickets for the events through the Organization. The performance obligations are stated in the event information which include the date of the event and what is included with the ticket purchase. The transaction price is \$305 per ticket, with the option to choose a level of sponsorship: Bronze for \$15,000, which includes 10 tickets (\$3,050 for ticket cost) with the remaining amount considered a contribution; Silver for \$25,000; Gold for \$50,000, each includes 10 tickets (\$3,050 for ticket cost) with the remaining amount considered a contribution; Platinum for \$100,000, which includes 20 tickets (\$6,100 for ticket cost) with the remaining amount considered a contribution.

Revenue is recognized upon receipt.

Rental Income

The Organization has individual contracts with ranchers and farmers that permit cattle to graze on certain plots of land. Contracts are signed for a one-year term. Grazing periods are usually over the summer and fall months. The price per contract varies, with a down payment paid upon signing of the contract, typically in April, and the final payment typically coming in November.

Revenue is recognized over the life of the contract. Any amounts not collected are recorded as a receivable.

Lodging Revenue

The Organization offers nightly RV, tent, and cabin stays at various campgrounds, as well as off grid yurt stays across multiple properties. Visitors can reserve multiple nights at stated prices. Cancellation is available for cabin and yurt reservations if requested 14 days in advance. Revenue is deferred until the night of the reservation.

Revenue is recognized at the time of the stay, unless a cancellation is processed.

In-Kind Contributions

The Organization records various types of in-kind support including professional services and property and equipment used in operations in the consolidated statement of activities in accordance with a financial accounting standards which requires only contributions of services received that create or enhance a nonfinancial asset or require specialized skill by the individual possessing those skills and would typically need to be purchased if not provided by donation be recorded.

American Prairie Foundation dba American Prairie

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

In-Kind Contributions (Continued)

Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as donor restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Total amount of in-kind contributions recognized was \$114,901 for the year ended December 31, 2024, and \$609,342 for the year ended December 31, 2023.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation on unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation.

Penalties and interest assessed by income taxing authorities are included in management and general expenses, if applicable. The Organization has no interest and penalties related to income taxes for the year ended December 31, 2024.

Resources Available and Unavailable for General Expenditure

The Organization has certain donor-restricted net assets that are available for general expenditures within one year of December 31, 2024, because the restrictions on the net assets are expected to be met by conducting the normal activities of the programs in the coming year. Accordingly, the related resources have been included in the quantitative information detailing the financial assets available to meet general expenditures within one year (Note 12). The Organization has other assets limited to use for donor-restricted purposes that are not expected to be spent in the coming year, which are not included. Additionally, the Board of Directors has designated certain other investments to be held in perpetuity, which are more fully described in Note 10. Because of the Board of Director's designation, those investments are not considered available for general expenditures within the next year; however, the Board could make them available, if necessary.

American Prairie Foundation dba American Prairie

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Beneficial Interest in Charitable Remainder Trusts/Split Interest Agreements

The Organization has been named as an irrevocable beneficiary of several charitable trusts held and administered by independent trustees. These trusts were created independently by donors and are administered by outside agents designated by the donors. Therefore, the Organization has neither possession nor control over the assets of the trusts. At the date the Organization receives notice of a beneficial interest, a contribution with donor restrictions is recorded in the statements of activities, and a beneficial interest in charitable trusts held by others is recorded in the consolidated statements of financial position at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the expected distributions to be received under the agreement. Thereafter, beneficial interests in the trusts are reported at fair value in the statements of financial position, with changes in fair value recognized in the consolidated statements of activities. Upon receipt of trust distributions or expenditures, or both, in satisfaction of the donor-restricted purpose, if any, net assets with donor-imposed time or purpose restrictions are released to net assets without donor restrictions. Trust distributions with donor-imposed restrictions that are perpetual in nature are transferred to the endowment, in which case, net assets with donor-restrictions are not released. As of December 31, 2024, the Organization has \$280,451 recorded as a beneficial interest in a charitable remainder trust, which is included in pledges receivable in the statement of financial position.

In the 4th quarter of 2024, American Prairie was notified that the Organization became the irrevocable beneficiary of a bequest from a long time supporter. At this time, the facts and circumstances of the bequest are not yet finalized. Once finalized, the Organization will estimate the fair value of the cash to be received and recognize the associated revenue.

Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure in the consolidated financial statements through May 15, 2025, which is the date the financial statements were available to be issued.

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Notes to Financial Statements

Note 2: Concentration of Credit Risk

The Organization maintains cash balances at financial institutions where the accounts are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. The Organization also maintains cash in money market fund accounts where the accounts are insured by the Securities Investor Protection Corporation (SIPC) for up to \$500,000. The Organization continually monitors its positions with, and the credit quality of, the financial institutions with which it invests. As of the consolidated statement of financial position date, and periodically throughout the year, the Organization maintained balances in various accounts in excess of federally insured limits. Management does not believe that the Organization is exposed to any significant risk related to cash and cash equivalents.

Note 3: Promises to Give

Pledges receivable (unconditional promises to give) are as follows:

<i>As of December 31,</i>	2024	2023
Amounts due in:		
Less than one year	\$ 8,593,870	\$ 9,764,941
One to five years	26,147,906	28,307,631
Total amounts due	34,741,776	38,072,572
Discount to present value	(6,385,882)	(8,610,540)
Allowance for pledges receivable	(1,700,000)	-
Pledges receivable, net of discount and allowance	26,655,894	29,462,032
Less: current portion	(8,593,870)	(9,764,941)
Net pledges receivable, less current portion	\$ 18,062,024	\$ 19,697,091

The Organization also has \$40,017,000 in conditional promises to give that will be recognized as contributions with donor restrictions when the conditions are substantially met. These conditional promises are expected to be received as follows: \$40,017,000 in one to five years.

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Notes to Financial Statements

Note 4: Investments

Investments at December 31, 2024 consisted of the following:

	Cost	Fair Value	Gross Unrealized Gains
Certificates of deposit	\$ 92,198	\$ 92,198	\$ -
Money market funds	295,934	295,934	-
Mutual funds	8,707,802	11,233,340	2,525,538
Total	\$ 9,095,934	\$ 11,621,472	\$ 2,525,538

Investments at December 31, 2023 consisted of the following:

	Cost	Fair Value	Gross Unrealized Gains
Certificates of deposit	\$ 86,389	\$ 86,389	\$ -
Money market funds	282,067	282,067	-
Mutual funds	8,454,713	9,791,189	1,336,476
Total	\$ 8,823,169	\$ 10,159,645	\$ 1,336,476

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Notes to Financial Statements

Note 5: Fair Value Measurements

The Organization has adopted the accounting pronouncement for measuring fair value under GAAP. This pronouncement defines fair value as the 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. It requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. It also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices, 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 that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

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

Certificates of deposit: Valued at the cost of the investment plus accumulated earnings, which approximates fair value due to the short-term nature of these investments.

Money market: Valued at the quoted market prices in active markets.

Pledges receivable: Unconditional promises to give are reported at net realizable value if at the time the promise is made payment is expected to be received in one year or less. Unconditional promises that are expected to be collected in more than one year are reported at fair value initially and in subsequent periods because the Organization elected the fair value option in accordance with GAAP. Management believes that the use of fair value reduces the cost of measuring unconditional promises to give in periods subsequent to their receipt and provides equal or better information to users of its financial statements than if those promises were measured using present value techniques and historical discount rates. The change in fair value of unconditional promises expected to be collected in more than one year is reported as contribution revenue.

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Notes to Financial Statements

Note 5: Fair Value Measurements (Continued)

Fair values of assets measured on a recurring basis at December 31, 2024 are as follows:

	Fair Value	Level 1	Level 2	Level 3
Mutual funds	\$ 11,233,340	\$ 11,233,340	\$ -	\$ -
Certificates of deposit	92,198	-	92,198	-
Money market funds	295,934	295,934	-	-
Pledges receivable	26,655,894	-	-	26,655,894
Total	\$ 38,277,366	\$ 11,529,274	\$ 92,198	\$ 26,655,894

Fair values of assets measured on a recurring basis at December 31, 2023 are as follows:

	Fair Value	Level 1	Level 2	Level 3
Mutual funds	\$ 9,791,189	\$ 9,791,189	\$ -	\$ -
Certificates of deposit	86,389	-	86,389	-
Money market funds	282,067	282,067	-	-
Pledges receivable	29,462,032	-	-	29,462,032
Total	\$ 39,621,677	\$ 10,073,256	\$ 86,389	\$ 29,462,032

The reconciliation of the changes in pledges receivable measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is as follows:

	2024	2023
Pledges receivable, beginning of year	\$ 29,462,032	\$ 41,858,325
Additional pledges	27,578,452	10,100,000
Payments received	(29,009,248)	(23,578,720)
Write off of pledged balance	(1,900,000)	-
Change in discount (contribution revenue)	2,224,658	1,082,427
Allowance for pledges receivable	(1,700,000)	-
Pledges receivable, end of year	\$ 26,655,894	\$ 29,462,032

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Notes to Financial Statements

Note 6: Notes Payable

The Organization has the following notes payable:

<i>As of December 31,</i>	2024	2023
Note payable to an individual at 2.19% interest; due September 2030; annual payments of \$73,539; secured by first mortgage on property.	\$ 978,574	\$ 1,031,214
Total debt	978,574	1,031,214
Less current portion	(52,108)	(45,590)
Less unamortized debt issuance costs	(101,894)	(152,848)
Long-term debt	\$ 824,572	\$ 832,776

Scheduled principal payments on long-term debt at December 31, 2024, including current maturities, are summarized as follows:

2025	\$ 52,108
2026	303,250
2027	59,891
2028	61,203
2029	62,543
Thereafter	439,579
Total	\$ 978,574

Note 7: Contributed Nonfinancial Assets

Contributed nonfinancial assets consist of the following:

<i>Years Ended December 31,</i>	2024	2023
Professional fees	\$ 77,624	\$ 479,066
Property and equipment	-	113,885
Food and beverage	5,568	16,150
Other	31,709	241
Total	\$ 114,901	\$ 609,342

American Prairie Foundation dba American Prairie

Notes to Financial Statements

Note 7: Contributed Nonfinancial Assets (Continued)

The Organization recognizes contributed nonfinancial assets within revenue, including contributed services, artwork, and equipment. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

In 2023, \$93,000 of the contributed nonfinancial property and equipment is considered donor restricted.

Contributed services recognized comprise professional services from attorneys advising the Organization on various administrative legal matters, services of team development consultations, and discounts on accounting services. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar legal services. Contributed property and equipment is recorded as support at their estimated fair value and used at various properties for visitors' use.

Note 8: Board Designated Net Assets

The American Prairie Foundation dba American Prairie's Board of Directors has designated net assets to be held in perpetuity for the following purposes as of December 31, 2024, and 2023:

	2024	2023
Board designated funds to be held in perpetuity:		
Endowment	\$ 10,470,028	\$ 9,147,781
Land and building acquisitions	125,722,211	106,538,238
Less: debt associated with acquisitions	(978,574)	(1,031,214)
Designated net assets	135,213,665	114,654,805
Net assets not designated	20,663,678	14,497,884
Total	\$ 155,877,343	\$ 129,152,689

American Prairie Foundation dba American Prairie

Notes to Financial Statements

Note 9: Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods.

<i>As of December 31,</i>	2024	2023
Subject to expenditure for specific purpose:		
Campground	\$ 118,934	\$ 200,000
Education, outreach, and indigenous initiatives	1,898,174	1,431,994
Wildlife Restoration	274,163	447,283
Land acquisition	14,982,634	6,382,284
National Discovery Center	1,413,026	1,524,365
Promises to give, proceeds of which have been restricted:		
American Wildlife Forever fund	4,250,000	741,379
Indigenous communities projects	30,000	45,000
Land acquisition	5,024,634	6,691,722
Other land and wildlife	83,334	166,667
Future Hut Construction	450,000	-
Karla Brandt Planned Gift	280,451	-
Discount on pledge receivable	(1,382,100)	(607,082)
Total subject to expenditure for specific purpose	27,423,250	17,023,612
Subject to passage of time:		
Promises to give with no donor restrictions	24,173,356	30,427,804
Allowance for doubtful accounts-pledges	(1,700,000)	-
Discount on pledge receivable	(5,003,782)	(8,003,458)
Total subject to passage of time	17,469,574	22,424,346
Endowments:		
Income on donor restricted funds subject to spending policy	664,560	530,789
Promises to give proceeds	450,000	-
Donor-restricted investments held in perpetuity	394,688	394,688
Total endowments	1,509,248	925,477
Total net assets with donor restrictions	\$ 46,402,072	\$ 40,373,435

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Notes to Financial Statements

Note 9: Net Assets with Donor Restrictions (Continued)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows:

<i>As of December 31,</i>	2024	2023
Expiration of time restrictions	\$ 11,329,448	\$ 2,757,196
Satisfaction of purpose restrictions:		
National Discovery Center	111,340	111,841
Campground	81,066	-
Conservation lands	15,825,058	15,460,165
Education, outreach, and indigenous initiatives	397,112	946,812
Wildlife restoration	1,187,736	324,353
Total	\$ 28,931,760	\$ 19,600,367

Note 10: Endowment Funds

The Organization's endowment consists of both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Organization's Board of Directors has interpreted the Montana Uniform Prudent Management of Institutional Funds Act ("MUPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of initial and subsequent gift amounts (including fair value of promises to give) donated to the endowment and (b) any accumulation to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence prescribed by MUPMIFA. The Finance Committee is responsible for recommending and reviewing investment policies and objectives, monitoring the performance of the portfolio, and overseeing certain administrative duties, including providing regular reports to the Board of Directors. In accordance with MUPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (a) The duration and preservation of the fund;
- (b) The purposes of the Organization and the donor-restricted endowment fund;
- (c) General economic conditions;
- (d) The possible effect of inflation and deflation;
- (e) The expected total return from income and the appreciation of investments;
- (f) Other resources of the Organization; and
- (g) The investment policies of the Organization.

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Notes to Financial Statements

Note 10: Endowment Funds (Continued)

As of December 31, 2024 and 2023, respectively, the Organization had the following endowment net asset composition:

	Without Donor Restriction	With Donor Restriction	Total
2024			
Board-designated endowment funds	\$ 10,470,028	\$ -	\$ 10,470,028
Donor-restricted endowment funds			
Original donor-restricted gifts required to be maintained in perpetuity by donor	-	844,688	844,688
Accumulated investment gains	-	664,560	664,560
Total	\$ 10,470,028	\$ 1,509,248	\$ 11,979,276
2023			
Board-designated endowment funds	\$ 9,147,781	\$ -	\$ 9,147,781
Donor-restricted endowment funds			
Original donor-restricted gifts required to be maintained in perpetuity by donor	-	394,688	394,688
Accumulated investment gains	-	530,789	530,789
Total	\$ 9,147,781	\$ 925,477	\$ 10,073,258

Return Objectives and Risk Parameters

The Organization envisions that the project will eventually be largely supported by an endowment, which will produce sufficient income to pay for the general maintenance of the private acres included in the project. Many contributions will be specifically directed to land acquisition or other program expenditures. Unrestricted donations will be used as deemed appropriate by the Board and Management of the Foundation to further the goals of the Organization. However, it is the Organization's intention over time that approximately one quarter of total funds raised will be allocated to our endowment fund.

The Organization has a policy to enhance its endowment by promoting practices that permit the most flexibility in long-term planning, utilization, and investment. Therefore, the Organization seeks endowments that least restrict the principal and income as well as the investment of the principal.

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Notes to Financial Statements

Note 10: Endowment Funds (Continued)

Investment and Spending Policies

The Finance Committee of the Board is authorized to oversee the administration and investment of the endowment. The Board of Directors will review, at least annually, an accounting of the assets, income and expenditures of the Endowment. Board-designated endowment funds shall be considered and used as part of the entire endowment fund corpus, unless the Board of Directors votes unanimously those funds should be used because of extraordinary circumstances. The income and/or gain earned by the Endowment Fund is considered unrestricted revenue and may be distributed to the Organization as general support revenue for its programs. On an annual basis, the Finance Committee of the Board will calculate an amount equal to 4% of the average value of the Endowment Fund over the previous 3 years. As of December 31, 2024, the Finance Committee has not designated any income from the endowment to be used for general operations.

Changes in endowment net assets for the years ended December 31, 2024 and 2023 are as follows:

	Without Donor Restriction	With Donor Restriction	Total
Endowment net assets, December 31, 2022	\$ 7,769,148	\$ 786,001	\$ 8,555,149
Investment return, net	1,378,633	139,476	1,518,109
Endowment net assets, December 31, 2023	9,147,781	925,477	10,073,258
Investment return, net	1,322,247	133,771	1,456,018
Contributions	-	450,000	450,000
Endowment net assets, December 31, 2024	\$ 10,470,028	\$ 1,509,248	\$ 11,979,276

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that a donor or MUPMIFA requires the Organization to retain as a fund of perpetual duration. As of December 31, 2024 and 2023, there were fund deficiencies of \$0 and \$112,918, respectively.

Note 11: Leases

The Organization leases office space, equipment, and a storage unit. The building lease entered into includes an option to renew. The renewal terms can extend the lease term up to nine years. The exercise of lease renewal options is at the Organization's sole discretion.

The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants. Payments due under the lease contracts include fixed payments.

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Notes to Financial Statements

Note 11: Leases (Continued)

Components of lease expense were as follows for the years ended December 31:

	2024	2023
Operating lease cost	\$ 44,507	\$ 43,211
Short-term lease cost	21,730	33,375
Total lease cost	\$ 66,237	\$ 76,586

Supplemental cash flow information related to leases is as follows for the years ended December 31:

	2024	2023
Weighted-average remaining lease term - Operating leases	2.50 years	3.50 years
Weighted-average discount rate - Operating leases	1.21%	1.21%

Maturities of lease liabilities are as follows:

<i>Years Ended December 31,</i>		
2025	\$	45,843
2026		47,218
2027		23,958
Total lease payments		117,019
Less: imputed interest		(1,707)
Total	\$	115,312

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Notes to Financial Statements

Note 12: Liquidity and Availability of Financial Resources

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

	2024	2023
Financial assets:		
Cash and cash equivalents	\$ 45,935,471	\$ 27,176,618
Accounts receivable	1,037,755	997,168
Pledges receivable	26,655,894	29,462,032
Investments	11,621,472	10,159,645
Total financial assets	85,250,592	67,795,463
Unavailable for general expenditure in one year:		
Board designated endowment funds	10,470,028	9,147,781
Donor restricted permanent endowment funds	844,688	394,688
Donor restricted endowment fund earnings	664,560	530,789
Pledge payments due in more than one year	18,062,024	19,697,091
Donor restricted funds	2,413,868	7,095,354
Total amounts unavailable for expenditure in one year	32,455,168	36,865,703
Total	\$ 52,795,424	\$ 30,929,760

The Organization's endowment funds consist of donor-restricted endowments and funds designated by the Board as endowments. Income from donor-restricted endowments is subject to appropriation by the Finance Committee (see Note 10). Board-designated endowment funds shall be considered and used as part of the entire endowment fund corpus, unless the Board of Directors votes unanimously those funds should be used because of extraordinary circumstances. The income and/or gain earned by the endowment fund is considered unrestricted revenue and may be distributed to the Organization as general support revenue for its programs, as directed by the Finance Committee. As of December 31, 2024, the Finance Committee has not designated any income from the endowment to be used for general operations.

As part of its liquidity management plan, the Organization invests cash in excess of daily requirements in short-term investments, certificates of deposit, and money market funds. In the event of an unanticipated liquidity need, the Organization could draw against the revolving line of credit, and if needed, the Organization could draw upon the Board designated endowment funds.

Note 13: Retirement Plan

The Organization offers employees the opportunity for participation in a contributory retirement plan. Under the plan, employees are allowed to contribute up to the IRS contribution limits, with additional contribution amounts allowed for employees over age 50. Management may determine the Organization's match percentage annually. For the years ended December 31, 2024 and 2023, the Organization made employer match contributions of \$104,378 and \$103,692, respectively.

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Notes to Financial Statements

Note 14: Concentration of Contributions or Grants

The Organization is supported by contributions from the public and granting agencies. For the year ended December 31, 2024, seven major contributors provided 77% of the Organization's combined revenues. The pledges outstanding from these contributors as of December 31, 2024 totaled \$28,491,388. For the year ended December 31, 2023, eight major contributors provided 77% of the Organization's combined revenues. The pledges outstanding from these contributors as of December 31, 2023 totaled \$34,660,905.

Note 15: Related Parties

During the years ended December 31, 2024 and 2023, \$10,490,656 and \$6,235,268 were contributed and/or pledged to the Organization by board members. All of these contributions were recorded as revenue.

As of December 31, 2024 and 2023, the balance of outstanding pledges from related parties was \$25,866,754 and \$27,775,676, respectively.

Note 16: Employee Retention Tax Credit (ERTC)

In March 2020, the Coronavirus Aid, Relief and Economic Security (CARES) Act created and funded the Employee Retention Tax Credit (ERTC) to aid employers that were negatively impacted by the COVID-19 pandemic. The ERTC was designed to provide an incentive to retain employees throughout the pandemic. The Organization qualified for the credit in various quarters of 2020 and 2021 through a significant decline in revenue.

The Organization applied for and received a credit in the amount of \$842,597 in 2022. The entire credit of \$842,597 is included in accounts receivable in the accompanying 2023 and 2024 consolidated statements of financial position. The Organization has received approximately \$88,000 so far in 2025 and expects to receive the remainder of this credit in 2025.

Laws and regulations concerning government programs, including the ERTC established by the CARES Act, are complex and subject to varying interpretations. Claims made under the CARES Act may also be subject to retroactive audit and review. There can be no assurance that regulatory authorities will not challenge the Organization's claim to the ERTC, and it is not possible to determine the impact (if any) this would have upon the Organization.

Note 17: Contingencies

In the ordinary course of conducting business, the Organization occasionally becomes involved in legal proceedings relating to contracts, environmental issues, or other matters. Litigation brought by the State of Montana Attorney General, the Governor of Montana, and several industry organizations appealing the Bureau of Land Management's permits issued to American Prairie in 2022, if successful, will cause a non-budgeted increase in the Organization's operating expenses. This action has no unasserted possible claims or assessments against American Prairie.