
National Museum of Wildlife Art of the
United States

Financial Report
April 30, 2025

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Independent Auditor's Report

To the Board of Trustees
National Museum of Wildlife Art of the United States

Opinion

We have audited the financial statements of National Museum of Wildlife Art of the United States (the "Museum"), which comprise the statement of financial position as of April 30, 2025 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year 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 Museum as of April 30, 2025 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 Financial Statements* section of our report. We are required to be independent of the Museum and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit 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 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 financial statements.

To the Board of Trustees
National Museum of Wildlife Art of the United States

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 Museum'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 Museum's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited the Museum's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 28, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended April 30, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Plante & Moran, PLLC

September 3, 2025

National Museum of Wildlife Art of the United States

Statement of Financial Position

Year Ended April 30, 2025
(with summarized comparative totals for 2024)

| | 2025 | 2024 |
|---|----------------------|----------------------|
| Assets | | |
| Current Assets | | |
| Cash | \$ 3,209,626 | \$ 3,599,016 |
| Reserve investment | 2,049,620 | 402,526 |
| Investments | 1,923,550 | 1,403,073 |
| Receivables: | | |
| Accounts receivable | 5,183 | 62,119 |
| Pledges receivable - Current portion | 896,500 | 175,000 |
| Inventory | 117,305 | 100,585 |
| Prepaid expenses | 54,394 | 98,442 |
| | 8,256,178 | 5,840,761 |
| Total current assets | | |
| Long-term Investments | 28,570,646 | 27,459,749 |
| Pledges Receivable - Net of current portion and present value discount | 1,723,760 | 828,904 |
| Property and Equipment - Net | 9,272,209 | 9,602,231 |
| | \$ 47,822,793 | \$ 43,731,645 |
| Total assets | | |
| Liabilities and Net Assets | | |
| Current Liabilities | | |
| Accounts payable | \$ 195,681 | \$ 86,299 |
| Accrued expenses and deferred revenue | 324,126 | 352,419 |
| Note payable | 20,968 | 19,985 |
| | 540,775 | 458,703 |
| Total current liabilities | | |
| Note Payable - Net of current portion | - | 22,818 |
| | 540,775 | 481,521 |
| Total liabilities | | |
| Net Assets | | |
| Without donor restrictions: | | |
| Undesignated | 9,816,164 | 10,491,638 |
| Board designated: | | |
| Endowment | 3,473,109 | 3,343,946 |
| Reserves (operating, capital, program, and conservation) | 3,010,509 | 1,060,524 |
| | 16,299,782 | 14,896,108 |
| Total without donor restrictions | | |
| With donor restrictions | 30,982,236 | 28,354,016 |
| | 47,282,018 | 43,250,124 |
| Total net assets | | |
| Total liabilities and net assets | \$ 47,822,793 | \$ 43,731,645 |

National Museum of Wildlife Art of the United States

Statement of Activities and Changes in Net Assets

Year Ended April 30, 2025
(with summarized comparative totals for 2024)

| | 2025 | | 2024 | |
|--|-------------------------------|----------------------------|---------------|---------------|
| | Without Donor Restrictions | With Donor Restrictions | Total | Total |
| Revenue, Gains, and Other Support | | | | |
| Contributions and grants | \$ 2,910,445 | \$ 3,481,822 | \$ 6,392,267 | \$ 4,780,224 |
| Western Visions show and sale | 569,677 | - | 569,677 | 557,481 |
| Admissions | 554,033 | - | 554,033 | 560,157 |
| Gift shop sales | 436,032 | - | 436,032 | 448,692 |
| Memberships | 181,247 | - | 181,247 | 220,148 |
| Other revenue | 69,997 | 3,180 | 73,177 | 94,221 |
| Building rental fees | 400,610 | - | 400,610 | 273,135 |
| Investment gain - Net | 388,086 | 1,938,347 | 2,326,433 | 1,918,795 |
| | | | | |
| Total revenue, gains, and other support | 5,510,127 | 5,423,349 | 10,933,476 | 8,852,853 |
| Net assets released from restrictions | 2,795,129 | (2,795,129) | - | - |
| | | | | |
| Total revenue, gains, other support, and net assets released from restrictions | 8,305,256 | 2,628,220 | 10,933,476 | 8,852,853 |
| Expenses | | | | |
| Program services: | | | | |
| Curatorial and conservation | 1,649,268 | - | 1,649,268 | 1,665,138 |
| Collections and exhibits | 645,448 | - | 645,448 | 651,301 |
| Educational programs | 543,456 | - | 543,456 | 584,008 |
| Admissions | 253,985 | - | 253,985 | 292,190 |
| Memberships | 56,676 | - | 56,676 | 69,412 |
| Docent program | 90,973 | - | 90,973 | 98,942 |
| Museum shop | 472,581 | - | 472,581 | 439,645 |
| Western Visions show and sale | 604,935 | - | 604,935 | 593,755 |
| | | | | |
| Total program services | 4,317,322 | - | 4,317,322 | 4,394,391 |
| Support services: | | | | |
| Management and general | 900,774 | - | 900,774 | 855,279 |
| Fundraising | 897,539 | - | 897,539 | 847,986 |
| Marketing | 379,962 | - | 379,962 | 346,071 |
| Building rental | 92,205 | - | 92,205 | 82,726 |
| | | | | |
| Total support services | 2,270,480 | - | 2,270,480 | 2,132,062 |
| Total expenses | 6,587,802 | - | 6,587,802 | 6,526,453 |
| Change in Net Assets - Before accession of art | 1,717,454 | 2,628,220 | 4,345,674 | 2,326,400 |
| Accession of Art | (313,780) | - | (313,780) | (3,120) |
| Change in Net Assets | 1,403,674 | 2,628,220 | 4,031,894 | 2,323,280 |
| Net Assets - Beginning of year | 14,896,108 | 28,354,016 | 43,250,124 | 40,926,844 |
| Net Assets - End of year | \$ 16,299,782 | \$ 30,982,236 | \$ 47,282,018 | \$ 43,250,124 |

Statement of Functional Expenses

Year Ended April 30, 2025
(with summarized comparative totals for 2024)

| | Program Services | | | | | | | Support Services | | | | Total | | |
|---|-----------------------------|--------------------------|----------------------|-------------------|------------------|------------------|-------------------|-------------------|------------------------|-------------------|-------------------|------------------|---------------------|---------------------|
| | Curatorial and Conservation | Collections and Exhibits | Educational Programs | Admissions | Memberships | Volunteer/Docent | Museum Shop | Western Visions | Management and General | Fundraising | Marketing | Building Rental | 2025 | 2024 |
| Salaries and benefits | \$ 686,349 | \$ 192,100 | \$ 330,832 | \$ 183,041 | \$ 14,778 | \$ 67,864 | \$ 244,518 | \$ 191,841 | \$ 467,676 | \$ 362,276 | \$ 221,577 | \$ 90,473 | \$ 3,053,325 | \$ 3,035,412 |
| Cost of goods/Artist commissions/Awards | 5,000 | 3,878 | 4,000 | - | - | - | 206,559 | 279,174 | - | 17,888 | - | - | 516,499 | 528,529 |
| Advertising, promotion, and entertainment | 16,617 | 12,466 | 1,503 | 85 | 306 | 8,261 | 788 | 55,260 | 20,662 | 37,721 | 88,864 | 297 | 242,830 | 296,832 |
| Occupancy | 210,587 | 88,807 | 54,261 | 18,449 | 7,156 | 4,100 | 3,887 | 2,613 | 64,203 | 5,918 | 59 | 707 | 460,747 | 465,193 |
| Depreciation | 369,894 | 188,573 | 108,792 | 36,264 | 14,506 | 7,253 | - | - | 127,991 | - | - | - | 853,273 | 842,211 |
| Supplies, postage/delivery, and printing | 2,320 | 75,871 | 1,569 | 225 | 7,688 | 202 | - | 26,457 | 3,508 | 11,816 | 18,914 | - | 148,570 | 126,756 |
| Professional services | 294,453 | 37,304 | 29,653 | 1,638 | 7,973 | 1,678 | - | 30,737 | 155,492 | 416,674 | 23,807 | 240 | 999,649 | 936,515 |
| Staff development and travel | 15,671 | 3,295 | 1,273 | 112 | 45 | 448 | 1,505 | 1,036 | 41,334 | 24,034 | 3,221 | 20 | 91,994 | 54,374 |
| Bank fees and merchant credit card fees | 1,101 | - | 80 | 11,970 | 3,344 | - | 13,171 | 7,988 | 220 | 3,870 | - | - | 41,744 | 41,872 |
| Dues/subscription, reference material, and licenses | 9,691 | 35,603 | 7,401 | 837 | 335 | 384 | 1,955 | 540 | - | 10,966 | 22,950 | 438 | 91,100 | 118,503 |
| Software maintenance | 36,306 | 6,661 | 3,843 | 1,281 | 512 | 766 | - | 9,289 | 11,147 | 6,376 | 570 | 30 | 76,781 | 63,667 |
| Capital purchases | 1,279 | 890 | 249 | 83 | 33 | 17 | 198 | - | 8,541 | - | - | - | 11,290 | 16,589 |
| Total expenses | \$ 1,649,268 | \$ 645,448 | \$ 543,456 | \$ 253,985 | \$ 56,676 | \$ 90,973 | \$ 472,581 | \$ 604,935 | \$ 900,774 | \$ 897,539 | \$ 379,962 | \$ 92,205 | \$ 6,587,802 | \$ 6,526,453 |

National Museum of Wildlife Art of the United States

Statement of Cash Flows

Year Ended April 30, 2025
(with summarized comparative totals for 2024)

| | 2025 | 2024 |
|--|--------------|--------------|
| Cash Flows from Operating Activities | | |
| Change in net assets | \$ 4,031,894 | \$ 2,323,280 |
| Adjustments to reconcile change in net assets to net cash from operating activities: | | |
| Depreciation | 853,273 | 842,211 |
| Contributions restricted for endowment | (50,050) | (1,792,800) |
| Net gain on investments | (1,006,529) | (1,097,549) |
| Accession of art | 313,780 | 3,120 |
| Changes in operating assets and liabilities that provided (used) cash: | | |
| Accounts receivable | 56,936 | 38,409 |
| Pledges receivable | (1,616,356) | 400,339 |
| Inventory | (16,720) | 16,511 |
| Prepaid expenses | 44,048 | (7,722) |
| Accounts payable | 109,382 | (679) |
| Accrued expenses and deferred revenue | (28,293) | 144,373 |
| Net cash provided by operating activities | 2,691,365 | 869,493 |
| Cash Flows from Investing Activities | | |
| Purchase of property and equipment | (523,251) | (468,595) |
| Accession of art | (313,780) | (3,120) |
| Purchases of investments | (10,105,999) | (16,132,933) |
| Proceeds from sales and maturities of investments | 7,834,060 | 11,771,465 |
| Net cash used in investing activities | (3,108,970) | (4,833,183) |
| Cash Flows from Financing Activities | | |
| Proceeds from debt | - | 60,000 |
| Payments on debt | (21,835) | (17,197) |
| Proceeds of beneficial interest in remainder trust restricted for endowment | - | 2,817,359 |
| Contributions restricted for endowment | 50,050 | 1,792,800 |
| Net cash provided by financing activities | 28,215 | 4,652,962 |
| Net (Decrease) Increase in Cash | (389,390) | 689,272 |
| Cash - Beginning of year | 3,599,016 | 2,909,744 |
| Cash - End of year | \$ 3,209,626 | \$ 3,599,016 |

April 30, 2025

Note 1 - Nature of Business

National Museum of Wildlife Art of the United States (the "Museum"), a nonprofit corporation, was incorporated in the state of Wyoming on August 18, 1986. The Museum's mission is to impart knowledge and inspire appreciation of humanity's relationship with wildlife and nature through art and education.

Note 2 - Significant Accounting Policies

Summarized Comparative Information

The financial information presented for comparative purposes for the year ended April 30, 2024 is not intended to be a complete financial statement presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Museum's 2024 financial statements, from which the summarized information was derived.

Cash

The Museum considers all investments with an original maturity of three months or less when purchased to be cash equivalents unless held for reinvestment as part of the investment portfolio. At April 30, 2025, there were no cash equivalents held outside of the investment portfolio. Of the total cash balance as of April 30, 2025, \$1,373,720 represents amounts with donor restrictions. Periodically throughout the year ended April 30, 2025, the Museum maintained balances in excess of federally insured limits.

Investments

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

The Museum reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values. Investment income (including realized and unrealized gains and losses on investments, interest, and dividends) is recorded on the statement of activities and changes in net assets as investment income without donor restrictions unless restricted by donors or law.

Alternative investments, composed primarily of hedge funds and limited partnerships, which are not readily marketable, are measured at fair value, valued at net asset value per share as the practical expedient. The Museum reviews and evaluates the values provided by the investment managers and agrees with the valuation methods and significant assumptions used in determining fair value. Those estimated fair values may differ significantly from the values that would have been used had a ready market for these securities existed.

The reserve investment on the statement of financial position consists of a portion of the investment portfolio that is designated by the board for reserves.

Investments are classified in the statement of financial position based on the Museum's intent for the timing of the use of the investments.

Note 2 - Significant Accounting Policies (Continued)

Accounts Receivable

Accounts receivable relate to small outstanding operating and exhibit pledges without donor restrictions and facility rental fees. Trade accounts receivable are stated at invoice amounts. An allowance for credit losses is established for amounts expected to be uncollectible over the contractual life of the receivables. The Museum collectively evaluates trade receivables to determine the allowance for credit losses based on outstanding receivables from business operations at year end. There are no unique risk characteristics identified by management based on type of customers who make up the trade receivables. The Museum calculates the allowance using an expected loss model that considers the Museum's actual historical loss rates adjusted for current economic conditions and reasonable and supportable forecasts. The Museum considers industry metrics and local economies in which customers reside when making adjustments for reasonable and supportable forecasts. Uncollectible amounts are written off against the allowance for credit losses in the period they are determined to be uncollectible. Recoveries of amounts previously written off are recognized when received. The calculated allowance was not significant at April 30, 2025, and, therefore, no amount was recorded.

Inventory

Inventory is stated at the lower of average cost or net realizable value. Inventory consists of items held for sale, including reproductions of the Museum's collection; books on art, artists, wildlife, and western heritage; and other items designed to enhance visitors' experiences. Major classes of inventory are activities, audiovisual, books, clothes, holiday, housewares, jewelry/accessories, posters/prints, and stationery.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at the fair value on the date of donation. Depreciation is provided on the straight-line method based upon the estimated useful lives of the assets, which range from 5 to 20 years. Assets with an initial purchase price under \$2,000 are expensed in the year purchased. Repairs and maintenance activities are expensed as incurred.

Classification of Net Assets

Net assets of the Museum are classified based on the presence or absence of donor-imposed restrictions according to the following net asset classifications:

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 Museum's management and the board of trustees.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Museum or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities and changes in net assets.

Earnings, gains, and losses on restricted net assets are classified as without donor restrictions unless specifically restricted by the donor or by applicable state law. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are released to net assets without donor restrictions.

April 30, 2025

Note 2 - Significant Accounting Policies (Continued)

Contributions

The Museum reports gifts of property and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of cash or other assets that must be used to acquire long-lived assets are reported as donor-restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Museum reports the expiration of donor restrictions when the assets are placed in service.

Contributions of cash and other assets, including unconditional promises to give in the future, are reported as revenue when received, measured at fair value. Donor promises to give in the future are recorded at the present value of estimated future cash flows. Contributions resulting from split-interest agreements, measured at the time the agreements are entered, are based on the difference between the fair value of the assets received or promised and the present value of the obligation to the third-party recipient(s) under the contract.

Contributions without donor-imposed restrictions and contributions with donor-imposed time or purpose restrictions that are met in the period in which the gift is received are both reported as net assets without donor restrictions. Other restricted gifts are reported as net assets with donor restrictions.

Pledges receivable that are expected to be collected within one year are recorded at net realizable value. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. An allowance for uncollectible pledges is provided when evidence indicates amounts promised by donors may not be collectible.

Revenue Recognition

The Museum generates its exchange revenue from multiple sources, as described below:

Western Visions Art Show

Annually, the Museum hosts an art show during which the Museum sells works of art by select artists. Tickets for admission to the show are sold in advance and are deferred until the event takes place. The Museum recognizes the sale of art and items from this event as point-of-sale revenue and pays the artist a commission.

Admissions

Admissions revenue includes daily ticket sales for an individual for admission to the Museum for a single day. Revenue is recognized on the date of admission.

Gift Shop Sales

The Museum operates a gift shop. Revenue for sales of items is recognized at the point of sale.

Memberships

The Museum offers various membership packages, which include unlimited access to the Museum, guest passes, discounts on gift shop and restaurant purchases, and subscriptions to all Museum publications for one- or two-year periods. Certain membership levels include access to additional events. The Museum recognizes membership revenue over the time of the individual membership period. Unearned dues are recorded as deferred revenue.

Building Rental Fees

The Museum offers space rentals for private events and corporate events/parties. Revenue is recognized at the point in time the event takes place.

Note 2 - Significant Accounting Policies (Continued)

Other Information

Accounts receivable related to contracts with customers were \$1,006 as of April 30, 2025. The beginning balance of accounts receivable outstanding as of May 1, 2024 related to contracts with customers was \$59,450.

Deferred revenue related to contracts with customers was \$205,292 as of April 30, 2025. The beginning balance of deferred revenue as of May 1, 2024 related to contracts with customers was \$253,734.

Total revenue from contracts with customers for the year ended April 30, 2025 was \$2,112,565.

Restaurant Lease

The Museum contracts with a third party to rent out and run its on-site restaurant. The contract expires on December 31, 2026. If certain conditions are met, the Museum or third party may terminate the contract with 180 days' notice. The Museum recognizes a percentage of monthly sales and a percentage of catering revenue as building rental fee revenue. The Museum recognized \$102,211 related to this lease in 2025, which is included in building rental fee on the accompanying statement of activities and changes in net assets.

Volunteer Services

A number of volunteers have donated significant amounts of their time in the Museum's program service. These volunteer services are not recordable under accounting principles generally accepted in the United States of America. The value of the volunteer services is not disclosed, as no objective basis is available to measure the value of such services. The number of hours of contributed services totaled 2,142 (unaudited) during the year ended April 30, 2025.

Functional Allocation of Expenses

Costs of providing the program and support services have been reported on a functional basis in the statement of activities and changes in net assets. Costs have been allocated between the various program and support services on several bases and estimates. Depreciation, facility costs, and security are allocated by square footage utilized. Information technology and certain management and general costs are allocated based on a percentage of salary costs. Salaries are reported based on the employee's assigned department or allocated based on square footage for certain employees. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

Income Taxes

The Museum is a not-for-profit corporation and is exempt from tax under the provisions of Internal Revenue Code Section 501(c)(3).

Advertising Expense

Advertising costs are expensed during the year in which they are incurred. Advertising expense for the year ended April 30, 2025 was \$98,245.

Use of Estimates

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

Note 2 - Significant Accounting Policies (Continued)

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including September 3, 2025, which is the date the financial statements were available to be issued.

Note 3 - Liquidity and Availability of Resources

The Museum is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Museum must maintain sufficient resources to meet those responsibilities to its donors.

The Museum has \$1,715,424 in unrestricted and board-designated operating reserve cash and accounts receivable not subject to donor or other contractual restrictions, which make them available for use within one year. The Museum has a goal to maintain cash and equivalent balances for a minimum of 60 days of ordinary business expenses (exclusive of depreciation). Because of the seasonal environment in which the Museum resides and the cyclical nature of visitors and events, it budgets to have its financial assets available as its general expenditures, liabilities, and other obligations come due through the first 6 months of the year. At the end of the 11th month, a distribution of approximately 5 percent (average of last 12 quarters) from the earnings of the donor-restricted endowment and the board-designated endowment is drawn for use in general operating to finish out the year. This is in line with the Museum's policy of up to 5 percent that can be distributed from the endowments, and, in case of emergency, the board-designated endowment consisting of \$3,473,109 at April 30, 2025 could be voted by the board to be used in a different manner. The Museum has four additional board-designated reserves in cash totaling \$206,523 that could be used with board approval in the event of an unanticipated liquidity need.

Note 4 - Pledges Receivable

Included in pledges receivable are promises to give from foundations and individuals. Pledges receivable due in more than one year are reflected at the present value of estimated future cash flows using risk-free rate of return discount rates ranging from 0.5 to 4.46 percent for the expected term of the pledge.

The following is a summary of pledges receivable:

| | |
|--|---------------------|
| Gross promises to give before unamortized discount | \$ 2,773,000 |
| Less allowance for net present value discount | <u>(152,740)</u> |
| Net pledges receivable | <u>\$ 2,620,260</u> |
| Amounts due in: | |
| Less than one year | \$ 896,500 |
| One to five years | <u>1,876,500</u> |
| Total | <u>\$ 2,773,000</u> |

April 30, 2025

Note 5 - Property and Equipment

Property and equipment are summarized as follows:

| | |
|----------------------------|---------------------|
| Land | \$ 509,930 |
| Land improvements | 2,927,001 |
| Buildings | 10,373,841 |
| Building improvements | 4,157,532 |
| Building renovation | 4,624,617 |
| Equipment | 917,690 |
| Furniture and fixtures | 613,034 |
| Vehicles | <u>167,907</u> |
| Total cost | 24,291,552 |
| Accumulated depreciation | <u>15,019,343</u> |
| Net property and equipment | <u>\$ 9,272,209</u> |

Note 6 - Art Collection

In conformity with the practice followed by many museums, the Museum's art collection, which has been acquired through purchases and contributions since inception, is not recognized as an asset on the statement of financial position. Proceeds from the sales of collection items are used to acquire other items for the collection.

Stewardship policies include written procedures for accession of art, deaccession of art, art on loan to the Museum, and art on loan from the Museum. The policies also include procedures for the care of the collection, such as preservation, safety and security, installation, and packaging and shipping. The policies detail the procedures for inventorying the collection, including labeling, monitoring, record keeping and record reconciliation, access reproduction, and insurance. The Museum tracks the collection at original purchased or donated value and uses a mutually agreed-upon value for loaned items as a whole for the purpose of adequate insurance coverage. In addition, the Museum's facility is specifically designed to protect the collection from damage.

The Museum utilizes a TMS collections software that improves its ability to track and maintain detailed records on the art collection and enhance its capacity to share its works of art online.

Note 7 - Retirement Plans

The Museum sponsors a 403(b) plan (the "Plan"). All employees may contribute to the Plan. The Plan provides for the Museum to make discretionary matching contributions subject to certain age, hours, service requirements, and restrictions specified in the plan document. The Museum contributed \$90,606 to the Plan for the year ended April 30, 2025.

Note 8 - Notes Payable

The Museum has a note payable to a bank due in monthly installments of \$1,640, including interest at 6.5 percent, through maturity on November 26, 2026. The note is collateralized by a \$60,000 deposit account at the bank. The balance at April 30, 2025 totals \$20,968.

April 30, 2025

Note 9 - Net Assets with Donor Restrictions

Net assets with donor restrictions as of April 30, 2025 are available for the following purposes:

| | |
|---|-----------------------------|
| Subject to expenditure for a specified purpose: | |
| Promises to give, proceeds restricted for C. Rungius Catalog Raisonné | \$ 2,548,979 |
| Purchase of property or equipment | 1,727,521 |
| Funding for art research and catalog creation and publishing | 493,625 |
| Funding of art and library acquisitions and their conservation | 538,972 |
| Contributions and sponsorships for future education and events | 372,549 |
| Contributions for future exhibits and related projects | 133,829 |
| Funding of Western Visions show and sale | 27,158 |
| Other | <u>42,062</u> |
| Total subject to expenditure for a specified purpose | 5,884,695 |
| Endowments: | |
| Available for general use | 14,167,788 |
| Education | 7,133,244 |
| Research | 1,425,628 |
| Programs, exhibits, and mission | 1,365,141 |
| Art purchases | 706,310 |
| Conservation | <u>299,430</u> |
| Total endowments | <u>25,097,541</u> |
| Total | <u><u>\$ 30,982,236</u></u> |

Note 10 - Fair Value Measurements

Accounting standards require certain financial assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following table presents information about the Museum’s assets measured at fair value on a recurring basis at April 30, 2025 and the valuation techniques used by the Museum to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Museum has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management’s own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Museum’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

Corporate bonds classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

April 30, 2025

Note 10 - Fair Value Measurements (Continued)

| Assets Measured at Fair Value on a Recurring Basis at April 30, 2025 | | | | |
|--|--|--|--|----------------------|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
| Investments: | | | | |
| Mutual, closed-end, and exchange-traded funds | \$ 16,081,352 | \$ - | \$ - | \$ 16,081,352 |
| Common stock | 3,517,827 | - | - | 3,517,827 |
| Corporate bonds | - | 4,981,549 | - | 4,981,549 |
| Government securities | 49,361 | - | - | 49,361 |
| Total investments | 19,648,540 | 4,981,549 | - | 24,630,089 |
| Cash equivalents (not subject to classification) included in investment balances | | | | 6,086,231 |
| Total | <u>\$ 19,648,540</u> | <u>\$ 4,981,549</u> | <u>\$ -</u> | 30,716,320 |
| Investments measured at NAV - Alternative investments | | | | 1,827,496 |
| Total assets | | | | <u>\$ 32,543,816</u> |
| Investments are reported on the statement of financial position as follows: | | | | |
| Reserve investment | | | | \$ 2,049,620 |
| Investments | | | | 1,923,550 |
| Long-term investments | | | | 28,570,646 |
| Total | | | | <u>\$ 32,543,816</u> |

Investments in Entities that Calculate Net Asset Value per Share

The Museum holds shares or interests in investment companies at year end where the fair value of the investment held is estimated based on net asset value per share (or its equivalent) of the investment company.

Notes to Financial Statements

April 30, 2025

Note 10 - Fair Value Measurements (Continued)

| | Investments Held at April 30, 2025 | | | |
|---------------------------|------------------------------------|----------------------|--|--------------------------|
| | Fair Value | Unfunded Commitments | Redemption Frequency, if Eligible | Redemption Notice Period |
| Multistrategy hedge funds | \$ 1,142,697 | \$ - | Quarterly | Ranging from 30-90 days |
| Real estate funds | 684,799 | - | Monthly subject to certain limitations related to the total redemption requests as a percentage of the aggregate NAV | One month |
| Total | <u>\$ 1,827,496</u> | <u>\$ -</u> | | |

The multistrategy hedge funds class invests in hedge funds that pursue multiple strategies to diversify risks and reduce volatility. The hedge funds' composite portfolio for this class includes investments in U.S. and foreign common stocks, arbitrage investments, and derivative instruments. The fair values of the investments in this class have been estimated using net asset value per share of the investments.

The real estate funds class includes a real estate fund that invests primarily in U.S. commercial real estate. The fair values of the investments in this class have been estimated using net asset value per share of the investments.

Note 11 - Endowments

The Museum's endowment is composed of donor-restricted and board-designated funds.

The Museum has an endowment portfolio, the primary objective of which is to provide a long-term source of income (defined as appreciation and/or income) to be distributed annually in support of the Museum's mission and goals. As a secondary objective, the Museum seeks to maintain or enhance the real (inflation-adjusted) purchasing power of the Museum's endowment assets and/or reserve funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the board of trustees (the "Board") to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Note 11 - Endowments (Continued)

The Board approved an endowment policy in accordance with the Museum's understanding of the Wyoming Uniform Prudent Management of Institutional Funds Act (WUPMIFA). To satisfy its long-term objectives, the Museum acts with the care, skill, prudence, and diligence, under the circumstances then prevailing, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. The Museum strives to construct a prudently managed, diversified portfolio of assets, including cash, stocks, bonds, and mutual funds, invested so as to minimize the risks of large losses on a long-term basis. The performance of the Museum's funds versus various relevant indices, consistent with the investment objectives stated above and with emphasis on the longer term, are reviewed periodically. Absent explicit donor stipulations to the contrary, the Museum classifies the original value of gifts donated to the permanent endowment plus the original value of any subsequent gifts as net assets with donor restrictions. The remaining portion of the donor-restricted endowment fund is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Museum in a manner consistent with the standard of prudence prescribed by WUPMIFA. From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the Museum has classified as a fund of perpetual duration. The Board of the Museum had interpreted WUPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Museum considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Museum has interpreted WUPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law.

The endowment assets are invested in a manner that seeks to cover a distribution rate to be determined annually by the Board in accordance with museum policy. The Museum has a policy of appropriating for distribution a maximum of 5 percent of average market values of the endowment's underlying investments over a period of no less than 12 quarters, calculated consistently with applicable statutes. From time to time, market conditions may make it difficult or impossible to achieve the income target stated above, at which times the finance committee may recommend to the Board to temporarily suspend the income objective until market conditions again enable the Museum to attain the distribution target.

| | Endowment Net Asset Composition by Type of Fund as of April 30, 2025 | | |
|--|---|----------------------------|---------------|
| | Without Donor Restrictions | With Donor Restrictions | Total |
| Board-designated endowment funds | \$ 3,473,109 | \$ - | \$ 3,473,109 |
| Donor-restricted endowment funds: | | | |
| Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor | - | 21,630,936 | 21,630,936 |
| Accumulated investment gains | - | 3,466,605 | 3,466,605 |
| Total | \$ 3,473,109 | \$ 25,097,541 | \$ 28,570,650 |

Notes to Financial Statements

April 30, 2025

Note 11 - Endowments (Continued)

| | Changes in Endowment Net Assets for the Fiscal Year Ended April 30, 2025 | | |
|---|---|----------------------------|----------------------|
| | Board Designated | With Donor Restrictions | Total |
| Endowment net assets - Beginning of year | \$ 3,343,946 | \$ 24,115,801 | \$ 27,459,747 |
| Investment return - Net | 256,998 | 1,853,609 | 2,110,607 |
| Contributions | - | 50,050 | 50,050 |
| Appropriation of endowment assets for expenditure | (127,835) | (921,919) | (1,049,754) |
| Endowment net assets - End of year | <u>\$ 3,473,109</u> | <u>\$ 25,097,541</u> | <u>\$ 28,570,650</u> |