Consolidated Financial Statements
June 30, 2025

Yellowstone Boys and Girls Ranch Foundation, Inc.

Independent Auditor's Report

To the Board of Directors
Yellowstone Boys and Girls Ranch Foundation, Inc.
Billings, Montana

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Yellowstone Boys and Girls Ranch Foundation, Inc., which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year 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 Yellowstone Boys and Girls Ranch Foundation, Inc. as of June 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 Consolidated Financial Statements section of our report. We are required to be independent of Yellowstone Boys and Girls Ranch Foundation, Inc. and to meet our other 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.

Restatement

As discussed in Note 8 to the consolidated financial statements, net assets with and without donor restrictions as of June 30, 2024 have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

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As part of our audit of the June 30, 2025 consolidated financial statements, we also audited the adjustments described in Note 8 that were applied to restate the June 30, 2024 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review or apply any procedures to the June 30, 2024 consolidated financial statements of Yellowstone Boys and Girls Ranch Foundation, Inc. other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the June 30, 2024 consolidated financial statements as a whole.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 Yellowstone Boys and Girls Ranch Foundation, Inc.'s ability to continue as a going concern for one year after the date that the consolidated 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 Yellowstone Boys and Girls Ranch Foundation, Inc.'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 Yellowstone Boys and Girls Ranch Foundation, Inc.'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.

Eide Bailly LLP

Denver, Colorado
July 7, 2026

Assets	
Cash, cash equivalents and restricted cash	$ 1,179,226
Prepaid expenses and other assets	309,488
Real estate held for sale	773,000
Investments	66,991,084
Beneficial interest in charitable trusts held by others	1,590,680
Property and equipment, net	1,927,427
Endowment investments	101,686,062
Total assets	$ 174,456,967
Liabilities and Net Assets	
Accounts payable and accrued expenses	$ 267,163
Funds held for others	401,422
Grants payable	642,757
Obligations under split-interest agreements	38,583,225
Total liabilities	39,894,567
Net Assets	
Without donor restrictions	26,491,567
With donor restrictions	108,070,833
Total net assets	134,562,400
Total liabilities and net assets	$ 174,456,967

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Contributions	$ 4,892,468	$ 369,198	$ 5,261,666
Contributions of non-financial assets	2,335,304	-	2,335,304
Change in value of split-interest agreements	287,295	(1,941,060)	(1,653,765)
Net investment return	1,577,381	13,996,046	15,573,427
Interest and other income	1,062,765	-	1,062,765
Net assets released from restrictions	6,806,355	(6,806,355)	-
Total revenue, support, and gains	16,961,568	5,617,829	22,579,397
Expenses			
Grants and planned giving	4,482,836	-	4,482,836
Supporting services			
Administrative	1,910,245	-	1,910,245
Donor development	3,182,644	-	3,182,644
Total supporting services	5,092,889	-	5,092,889
Total expenses	9,575,725	-	9,575,725
Change in Net Assets	7,385,843	5,617,829	13,003,672
Net Assets, Beginning of Year (as Restated)	19,105,724	102,453,004	121,558,728
Net Assets, End of Year	$ 26,491,567	$ 108,070,833	$ 134,562,400

	Grants and Planned Giving	Administrative	Donor Development	Total
Grants and other assistance	$ 3,976,979	$ -	$ -	$ 3,976,979
Direct appeal and donor cultivation	-	-	2,261,581	2,261,581
Salaries, wages, taxes, and benefits	329,325	870,484	604,782	1,804,591
Professional services	32,963	701,678	16,530	751,171
Printing, publications, promotion	38,076	700	145,693	184,469
Telephone and internet	44,000	87,025	45,254	176,279
Supplies	8,182	81,846	7,367	97,395
Other	10,806	71,348	14,395	96,549
Travel	23,127	11,607	15,960	50,694
Insurance	12,959	23,963	12,076	48,998
Conferences, conventions, meetings	6,369	3,140	26,917	36,426
Postage	-	-	32,089	32,089
Occupancy	50	30,228	-	30,278
Depreciation	-	28,226	-	28,226
Total expenses by function	$ 4,482,836	$ 1,910,245	$ 3,182,644	$ 9,575,725

Operating Activities	
Change in net assets	$ 13,003,672
Adjustments to reconcile change in net assets to net cash from operating activities	
Depreciation	28,226
Change in value of split-interest agreements	5,278,206
Change in beneficial interest in assets held by others	471,053
Net realized/unrealized (gain) loss on investments	(13,157,002)
Donation of property and equipment	(1,770,645)
Donation of real estate held for sale	(496,123)
Change in prepaid expenses and other assets	(227,938)
Change in accounts payable and accrued expenses	138,226
Change in funds held for others	401,422
Change in grants payable	(58,148)
Net Cash from Operating Activities	3,610,949
Investing Activities	
Purchases of investments	(12,740,549)
Proceeds from sale of investments	15,201,001
Purchase of real estate held for sale	(249,877)
Net Cash from Investing Activities	2,210,575
Financing Activities	
Payments on split-interest agreements	(5,505,411)
Net Cash used for Financing Activities	(5,505,411)
Net Change in Cash, Cash Equivalents and Restricted Cash	316,113
Cash, Cash Equivalents and Restricted Cash, Beginning of Year	863,113
Cash, Cash Equivalents and Restricted Cash, End of Year	$ 1,179,226

Note 1 - Principal Activity and Significant Accounting Policies

Organization

Yellowstone Boys and Girls Ranch Foundation, Inc. (the Foundation) is a nonprofit public benefit corporation. The mission of the Foundation is to: support, promote, advance, and enable charitable, religious, and educational organizations and programs whose services primarily benefit youth and adults with special needs. The Foundation primarily directs its support to the Yellowstone Boys and Girls Ranch, which provides residential and community-based care and treatment for emotionally troubled youth and K-12 education at the Yellowstone Academy. The Foundation’s main source of support is contributions and investment income.

In February 2007, the Foundation formed a limited liability company, Yellowstone Foundation Properties, LLC. This company holds certain real estate donated to or purchased by the Foundation.

Principles of Consolidation

The consolidated financial statements include the accounts of the Foundation and its wholly owned subsidiary, Yellowstone Foundation Properties, LLC. Significant intercompany transactions and balances have been eliminated in consolidation. Unless otherwise noted, these consolidated entities are hereinafter referred to as “the Foundation”, “we”, “us”, “our.”

Cash, Cash Equivalents and Restricted Cash

We consider all cash and highly liquid financial instruments with original maturities of three months or less to be cash and cash equivalents. Cash and cash equivalents held within our investment portfolio are excluded from this definition. Restricted cash in the amount of $401,422 represents contributions received on behalf of others and held for future transfer.

Investments

We record investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the consolidated statement of financial position. Net investment return/(loss) is reported in the consolidated statement of activities and consists of interest and dividend income, partnership distributions and rental income on our investment properties, realized and unrealized capital gains and losses, less external and direct internal investment expenses. We are assisted by investment advisors in the management of our investment assets. Approved investment advisors operate within defined investment objectives and policies established by our Board of Directors.

Assets Held and Liabilities Under Split-Interest Agreements

Charitable Trusts

We act as trustee for various revocable and irrevocable trusts. These trusts are governed by the respective trust agreements, which generally provide for either an income stream or a future distribution of cash or other assets to us, in whole or in part, for a specified period or upon the occurrence of a specific event, respectively. If a trust is revocable, or if the maker of the trust reserves the right to replace us as the beneficiary of the trust, we record the assets placed in trust at fair value, with an equal and offsetting liability until such time as we receive distributions from the trust in accordance with its terms. If the trust is irrevocable, the trust assets are recorded at fair value, and a related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The excess of contributed assets over the trust liability is recorded as a contribution with donor restrictions until such amount is received via trust distribution and/or is expended in satisfaction of the restricted purpose stipulated by the trust agreement, if any, at which time net assets with donor restrictions are released to net assets without donor restrictions. In subsequent years, the liability for future trust payments to the specified beneficiaries is reduced by payments made to the specified beneficiaries and is adjusted to reflect changes in the fair value of the liability at the end of the year. Upon termination of the trust, the remaining liability is removed and recognized as income.

Charitable Gift Annuities

Under charitable gift annuity contracts, we receive immediate and unrestricted title to contributed assets and agree to make fixed recurring payments over the stipulated period. Contributed assets are recorded at fair value at the date of receipt. The related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and a risk-adjusted discount rate designed to reflect the assumptions market participants would use in pricing the liability. The excess of contributed assets over the annuity liability is recorded as a contribution. In subsequent years, the liability for future annuity payments is reduced by payments made to the specified beneficiaries and is adjusted to reflect changes in the fair value of the liability at the end of the year. Upon termination of the annuity contract, the remaining liability is removed and recognized as income. Historically, we have maintained contributed assets until termination of the contract; however, we are not required to do so except in certain states which require the assets to be held in trust until termination of the contract.

Beneficial Interests in Charitable Trusts Held by Others

We have 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. We have neither possession nor control over the assets of the trusts. At the date we receive notice of a beneficial interest, a contribution with donor restrictions is recorded in the consolidated statement of activities and a beneficial interest in charitable trusts held by others is recorded in the statement 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 consolidated statement of financial position, with changes in fair value recognized in the consolidated statement 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.

Real Estate Held for Sale

We record real estate held for sale at estimated fair market value, and report unrealized and realized gains and losses in the consolidated statement of activities.

Property and Equipment

We record property and equipment additions over $500 at cost, or if donated, at fair value on the date of donation. We compute depreciation using the straight-line method over the estimated useful lives of the assets, ranging from three to twenty-seven years. When assets are sold or otherwise disposed of, the cost and related depreciation is removed from the accounts, and any remaining gain or loss is included in the consolidated statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

We review asset carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended June 30, 2025.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor restrictions. Accordingly, net assets 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 for a board-designated endowment (Note 5).

Net Assets With Donor Restrictions – Net assets subject to donor restrictions. Some donor 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 restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. We report contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. We report conditional contributions restricted by donors as increases in net assets without donor restrictions if the restrictions and conditions expire simultaneously in the reporting period.

Revenue and Revenue Recognition

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. We initially record unconditional promises to give, and subsequently carry them at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been met. A significant portion of our funding is provided by donors making legacy gifts. Consequently, a small number of donors may account for a large percentage of the total contributions we receive in any given year. One donor accounted for approximately 53% of contribution revenue for the year ended June 30, 2025.

Contributions of Non-financial Assets

Contributions of non-financial assets include donated property and equipment used in operations and real estate held for sale, which are recorded at respective fair values of the items rendered on the date of donation. All amounts are without donor restrictions and were recognized at fair value based on appraisals or similar sales transactions of the property and equipment or real estate being donated.

Grants and Grant Commitments

We recognize grants as expenses at the time recipients are entitled to receive them. Generally, this occurs when the Board of Directors approves a specific grant, or when management, pursuant to grant authorization policies established by the Board of Directors, determines that a grant payment should be made. Grants approved but not disbursed are recorded as grants payable. Grants approved but contingent upon fulfillment of certain specified conditions and containing right of release are not recorded until such time as the conditions are substantially met. No conditional grants were outstanding at June 30, 2025. During the year ended June 30, 2025, 97% of grant expense was to one grantee.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statement of activities. The consolidated statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited.

The consolidated financial statements report certain categories of expenses that are attributed to the program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, wages, taxes and benefits, which are allocated on the basis of estimates of time and effort.

Income Taxes

The Foundation is organized as a nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), qualifies for the charitable contribution deduction, and has been determined not to be a private foundation. Yellowstone Foundation Properties, LLC is treated as a disregarded entity for tax purposes and is incorporated into the Foundation’s tax filings.

The Foundation is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Foundation is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes.

The Foundation believes it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the consolidated financial statements. The entity would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Estimates

The preparation of consolidated 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 at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

Financial Instruments and Credit Risk

We manage deposit concentration risk by placing cash and money market accounts, and certificates of deposit with financial institutions we believe to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per depositor, per insured bank, for each account ownership category. At June 30, 2025, we had approximately $981,000 in excess of FDIC-insured limits. To date, we have not experienced losses in any of these accounts.

We utilize the services of a variety of investment managers whose performance is monitored by management and the Board of Directors. Investments are placed in managed funds administered by a diversified population of investment managers in order to reduce investment risk. Although the fair values of investments are subject to fluctuation on a year-to-year basis, we believe that our investment policies and guidelines are prudent for the long-term welfare of the organization.

Subsequent Events

We have evaluated subsequent events through July 7, 2026, the date the consolidated financial statements were available to be issued.

Note 2 - Liquidity and Availability

Financial assets are considered to be available for general expenditure if there are no donor or other restrictions that would preclude expenditure outright, or in satisfaction of any purpose restrictions. At June 30, 2025, financial assets available for general expenditure within one year are comprised of the following:

Cash and cash equivalents	$ 777,804
Beneficial interest in charitable trusts held by others	367,668
Investments	6,830,182
	$ 7,975,654

Throughout the year, grants that have been approved in accordance with our review and approval policies are paid out weekly from cash or other liquid sources such as operating investments. Non-grant expenditures include administrative and donor development expenses; these expenditures are funded by administrative fees assessed on invested account balances. As part of our liquidity management plan, we invest cash in excess of daily requirements in short-term investments, and money market funds.

The Foundation has a board-designated endowment of $14,692,352. Although the Foundation does not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary.

Note 3 - Fair Value Measurements and Disclosures

Certain assets and liabilities are reported at fair value in the consolidated financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect our own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available.

A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.
Level 3 – Unobservable inputs for the asset or liability. In these situations, we develop inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to the entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset or liability within the hierarchy is based upon the pricing transparency of the asset or liability and does not necessarily correspond to our assessment of the quality, risk or liquidity profile of the asset or liability.

A significant portion of our investment assets are classified within Level 1 because they are comprised of money market funds, open-end mutual funds and ETF funds with readily determinable fair values based on daily closing market prices or redemption values. Insurance investments are valued at cash surrender value, which we believe approximates their market values and are classified within Level 2.

The fair values of beneficial interests in charitable trusts held by others are determined using fair values of the trust investments as reported by the trustees. Investments in real estate property and donated real estate held for sale are not readily marketable and are reported at fair value utilizing the most current information provided by investment managers and third-party independent appraisers. In some cases, we also utilize industry standard valuation techniques, including discounted cash flow models. The significant unobservable inputs used in fair value measurements of our direct investments may include cost of capital, and equity and industry risk premiums. These are considered to be Level 3 measurements.

We use Net Asset Value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, as a practical expedient to estimate the fair values of certain funds which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy.

The following table presents assets measured at fair value on a recurring basis, except those measured at cost or by using NAV per share as a practical expedient as identified below, at June 30, 2025:

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV
Investments					
Cash and Money market funds (at cost)	$ 6,043,552	$ -	$ -	$ -	$ -
Mineral rights and other (at cost)	486,938	-	-	-	-
Mutual funds					
Equity	7,148,272	7,148,272	-	-	-
Bond	32,773,015	32,773,015	-	-	-
Other	183,077	183,077	-	-	-
ETF funds					
Large Cap	64,544,248	64,544,248	-	-	-
Small Cap	8,815,780	8,815,780	-	-	-
Mid Cap	112,939	112,939			
International	17,862,544	17,862,544	-	-	-
Insurance investments - Annuities	2,310,527	-	2,310,527	-	-
Real estate	2,953,253	-	-	2,953,253	-
Privately held equity and other investments	25,443,001	-	-	-	25,443,001
	$ 168,677,146	$ 131,439,875	$ 2,310,527	$ 2,953,253	$ 25,443,001
Beneficial interests in charitable trusts held by others	$ 1,590,680	$ -	$ -	$ 1,590,680	$ -
Donated real estate held for sale	$ 773,000	$ -	$ -	$ 773,000	$ -

Investments at June 30, 2025, in the above table include $47,533,594 held in charitable trusts and $9,528,197 in charitable gift annuities all administered by the Foundation.

Below is a reconciliation of the beginning and ending balance of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended June 30, 2025:

	Real Estate Investments	Donated Real Estate Held for Sale
Assets		
Beginning Balance	$ 3,660,524	$ 27,000
Purchases/contributions	-	746,000
Distributions/sales	(707,271)	-
Ending Balance	$ 2,953,253	$ 773,000

The following table presents liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) at June 30, 2025:

Liabilities	
Obligations under split-interest agreements	
Charitable trusts	$ 33,452,677
Gift annuities	5,130,548
	$ 38,583,225

Below is a reconciliation of the beginning and ending balances of liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended June 30, 2025. The net change in value of obligations under split-interest agreements includes the impact of realized and unrealized gains and losses, changes in discount rates, and changes in value from actuarially-derived fluctuations.

	Charitable Trusts	Gift Annuities
Liabilities		
Beginning Balance (As Restated)	$ 33,647,062	$ 5,163,368
Payments to trust beneficiaries and annuitants	(4,902,230)	(603,181)
Change in value of split-interest agreements	4,707,845	570,361
Ending Balance	$ 33,452,677	$ 5,130,548

Investments in certain entities that calculate NAV per share as follows at June 30, 2025:

	Number of Investments	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Special situations	4	$ 663,368	$ 333,101	Illiquid	N/A
Buyout funds	8	3,013,257	803,750	Illiquid	N/A
Private equity	15	19,182,185	1,742,500	Illiquid; Quarterly	N/A; 20 business days
Venture funds	4	1,554,408	335,000	Illiquid	N/A
Real estate funds	4	710,361	388,750	Illiquid	N/A
Mezzanine funds	2	319,422	172,500	Illiquid	N/A
		$ 25,443,001	$ 3,775,601		

Special situations – Funds focused on opportunistic investments in complex, event-driven, or non-standard situations, which may include distressed assets, restructurings, recapitalizations, or other unique transactions. These investments are typically not redeemable, and distributions are generally realized through resolution of the underlying event or situation.

Buyout funds – Funds focused on acquiring controlling or significant ownership interests in established companies, typically with the objective of enhancing value through operational improvements, strategic initiatives, and/or financial structuring. These investments are not readily redeemable, and distributions are normally received through the sale or recapitalization of the underlying portfolio companies.

Private equity – Funds focused on growth in equity. These investments are not readily redeemable, except for open end funds which can be redeemed on a quarterly basis. Typically, distributions are received through liquidation of the underlying assets of the fund.

Venture funds - Funds focused on investing in early-stage or emerging companies with high growth potential, typically through equity or equity-linked instruments. These investments are not readily redeemable, and distributions are normally received through liquidity events such as initial public offerings, acquisitions, or sales of the underlying portfolio companies.

Real estate funds – Funds focused on real estate assets primarily located in the United States. These investments are not redeemable. Distributions are normally received through liquidation of the underlying assets of the fund.

Mezzanine funds - Funds focused on providing subordinated debt or hybrid capital (often with equity participation features such as warrants or conversion rights) to established companies, typically to support growth, acquisitions, or recapitalizations. These investments are not readily redeemable, and distributions are normally received through interest income, principal repayment, and/or equity realization upon refinancing or sale of the underlying portfolio companies.

Note 4 - Property and Equipment

Property and equipment consisted of the following at June 30, 2025:

Land and improvements	$ 204,976
Buildings and improvements	2,122,032
Furniture and office equipment	284,178
	2,611,186
Less accumulated depreciation	(683,759)
	$ 1,927,427

Note 5 - Endowment

The Foundation's endowment (the Endowment) consists of a number of individual funds established by donors to provide annual funding for specific activities and general operations. The Endowment also includes certain net assets without donor restrictions that have been designated for endowment by the Board of Directors.

The Board of Directors has interpreted the Montana Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At June 30, 2025, there were no such donor stipulations. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gift amounts donated to the Endowment and (b) any accumulations 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 UPMIFA. The following factors are considered in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

As of June 30, 2025, the endowment net asset composition by type of fund is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment	$ 14,692,352	$ -	$ 14,692,352
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	48,246,615	48,246,615
Accumulated investment gains	-	38,747,095	38,747,095
	$ 14,692,352	$ 86,993,710	$ 101,686,062

Investment and Spending Policies

Investment and spending policies for the Endowment were adopted that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets to provide the necessary capital to fund the spending policy and to cover the costs of managing the Endowment investments. The policy approved by the Board of Directors invests the endowment assets for long-term growth of the Endowment, exclusive of contributions or withdrawals. The policy is intended to earn a long-term rate of return, through a combination of investment income and capital appreciation, in excess of the Fund's annual distribution rate that equals or exceeds the rate of inflation. To satisfy its long-term, rate-of-return objectives, the Foundation relies on a total-return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

An endowment spending-rate formula is used to determine the maximum amount to spend from the Endowment each year. The rate, determined and adjusted from time to time by the Board of Directors, is applied to the average fair value of the Endowment investments for the prior 12 quarters at June 30 of each year to determine the spending amount for the upcoming year. In establishing this policy, the Board of Directors considered the long-term expected return on the Endowment and set the rate with the objective of maintaining the purchasing power of the Endowment over time.

Change in Endowment net assets for the year ended June 30, 2025 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 13,006,645	$ 84,840,314	$ 97,846,959
Net investment return	1,298,284	8,505,605	9,803,889
Contributions	-	369,169	369,169
Board-designations	1,481,375	-	1,481,375
Appropriation of endowment assets pursuant to spending-rate formula	(1,093,952)	(6,721,378)	(7,815,330)
Endowment net assets, end of year	$ 14,692,352	$ 86,993,710	$ 101,686,062

Note 6 - Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods at June 30, 2025:

Subject to expenditure for specified purpose:	
Scholarships	$ 2,112,201
Subject to the passage of time:	
Charitable trusts and annuities	18,481,252
Life estates	483,670
Unspent appreciation of Endowment funds which must be appropriated for expenditure before use	
Restricted by donors for the Ranch	38,747,095
Perpetual in nature, earnings from which are subject to expenditures on the Ranch	48,246,615
	$ 108,070,833

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 for the year ended June 30, 2025:

Satisfaction of purpose restrictions:	
Scholarships	$ 84,977
Restricted-purpose spending-rate distributions and appropriations	6,721,378
	$ 6,806,355

Note 7 - Employee Benefits

We sponsor a tax-deferred annuity plan (Plan) qualified under section 403(b) of the Internal Revenue Code covering all employees. Pursuant to the terms of the Plan, we contribute varying percentages of an employee's salary. During the year ended June 30, 2025, we contributed $70,499 to the Plan.

Note 8 - Restatement

During the year ended June 30, 2025, we determined that liabilities for charitable trust agreements as of June 30, 2024 were improperly valued due to the use of incorrect valuation inputs resulting in a reduction of net asset previously reported in the amount of $3,141,648. Additionally, improper tracking of donor restrictions for various underlying donor agreements led to a reclassification between with and without donor-restricted net assets in the amount of $3,082,530. Overall effect on the change in net assets for the year ended June 30, 2024 was $790,433.

	As Previously Reported	Restatement	As Restated
As of June 30, 2024			
Net assets without donor restrictions	$ 22,188,254	$ (3,082,530)	$ 19,105,724
Net assets with donor restrictions	$ 102,512,122	$ (59,118)	$ 102,453,004
Total net assets	$ 124,700,376	$ (3,141,648)	$ 121,558,728